



NOTICE OF COUNCIL MEETING

You are hereby summoned to a meeting of the EPPING FOREST DISTRICT COUNCIL to be held in the COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING at 7.30 pm on Tuesday, 30 September 2014 for the purpose of transacting the business set out in the agenda.

A handwritten signature in black ink, appearing to read 'Glen Chipp'.

Glen Chipp
Chief Executive

**Democratic Services
Officer:**

Council Secretary: Simon Hill
Tel: 01992 564249 Email:
democraticservices@eppingforestdc.gov.uk

WEBCASTING/FILMING NOTICE

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed. The meeting may also be otherwise filmed by third parties with the Chairman's permission.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with the Council's published policy.

Therefore by entering the Chamber and using the lower public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for web casting and/or training purposes. If members of the public do not wish to have their image captured they should sit in the upper council chamber public gallery area or otherwise indicate to the Chairman before the start of the meeting.

If you have any queries regarding this, please contact Democratic Services on 01992 564249.

BUSINESS

1. WEBCASTING INTRODUCTION

1. This meeting is to be webcast. Members are reminded of the need to activate their microphones before speaking.

2. The Chief Executive will read the following announcement:

“I would like to remind everyone present that this meeting will be broadcast live to the internet (or filmed) and will be capable of repeated viewing (or another use by such third parties).

If you are seated in the lower public seating area it is likely that the recording cameras will capture your image and this will result in the possibility that your image will become part of the broadcast.

This may infringe your human and data protection rights and if you wish to avoid this you should move to the upper public gallery.”

2. MINUTES (Pages 9 - 16)

To approve as a correct record and sign the minutes of the meeting held on 29 July 2014 (attached)

3. DECLARATIONS OF INTEREST

(Chief Executive) To declare interests in any item on the agenda.

4. ANNOUNCEMENTS

(a) **Apologies for Absence**

(b) **By Election Results – Broadley Common, Epping Upland and Nazeing and Epping Hemnall.**

The Chairman will welcome the following newly elected Councillor Robert Glozier as the member for Broadley Common, Epping Upland and Nazeing for the remainder of the current municipal term to May 2015.

The Chairman will also welcome the Councillor for Epping Hemnall following the by-election on 25 September 2014.

(c) **Announcements**

To consider any announcements by:

- (i) the Chairman of the Council;
- (ii) the Leader of the Council; and
- (iii) any other Cabinet Member.

5. PUBLIC QUESTIONS (IF ANY)

To answer questions asked after notice in accordance with the provisions contained in

paragraph 11.3 of the Council Procedure Rules of the Constitution on any matter in relation to which the Council has powers or duties or which affects the District:

- (a) to the Leader of the Council;
- (b) to the Chairman of the Overview and Scrutiny Committee; or
- (c) to any Portfolio Holder.

Questions, if any, will follow if not received in time to be incorporated into the agenda.

6. QUESTIONS BY MEMBERS UNDER NOTICE

To answer questions asked after notice in accordance with the provisions contained in paragraph 12.3 of the Council Procedure Rules of the Constitution on any matter in relation to which the Council has powers or duties or which affects the District:

- (a) to the Chairman of the Council;
- (b) to the Leader of the Council;
- (c) to the Chairman of the Overview and Scrutiny Committee or
- (d) to any Member of the Cabinet.

Council Procedure rule 12.4 provides that answers to questions under notice may take the form of:

- (a) direct oral answer;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- (c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

Answers to questions falling within (a) and (b) above will be made available to the member asking the question one hour before the meeting. Answers to questions falling within (c) above will be circulated to all councillors.

Questions, if any, will follow if not received in time to be incorporated into the agenda.

Question to Councillor G Waller, Portfolio Holder for Safer, Greener, Transport by Councillor S Murray.

White Lines

“White lining on our roads and junctions are necessary for safety reasons and as an aid to good driving. The present state of our white lining as evidenced by myself and others in the Loughton and surrounding areas is in a very poor condition and at many key junctions and roundabouts and roundabouts it is almost invisible.

Would the Portfolio Holder agree that this once again represents a major failing by Essex County in a key highways function and can he outline what steps he has taken already to try and rectify this unsafe and unsatisfactory situation and what further steps he intends to take to ensure that Essex Highways maintain our white

lines to a safe and acceptable standard?”

7. REPORTS FROM THE LEADER AND MEMBERS OF THE CABINET (Pages 17 - 30)

To receive reports from the Leader and members of the Cabinet on matters falling within their area of responsibility:

- (a) Report of the Leader;
- (b) Report of the Assets and Economic Portfolio Holder;
- (c) Report of the Environment Portfolio Holder;
- (d) Report of the Finance Portfolio Holder (attached);
- (e) Report of the Governance and Development Management (attached);
- (f) Report of the Housing Portfolio Holder (attached);
- (g) Report of the Leisure and Community Services Portfolio Holder (attached);
- (h) Report of the Planning Policy Portfolio Holder;
- (i) Report of the Safer, Greener and Transport Portfolio Holder; and
- (j) Report of the Technology and Support Services Portfolio Holder (attached).

8. QUESTIONS BY MEMBERS WITHOUT NOTICE

Council Procedure Rule 12.6 provides for questions by any member of the Council to the Leader or any Portfolio Holder, without notice on:

- (i) reports under item 7 above; or
- (ii) any other matter of a non operational character in relation to the powers and duties of the Council or which affects all or part of the District or some or all of its inhabitants.

Council Procedure Rule 12.7 provides that answers to questions without notice may take the form of:

- (a) direct oral answer from the Leader or, at the request of the Leader, from another member of the Cabinet;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication;
- (c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner; or
- (d) where the question relates to an operational matter, the Leader or a member of the Cabinet will request that a response be given direct to the questioner by the relevant Chief Officer.

In accordance with the Council Procedure Rule 12.8, a time limit of twenty minutes is

set for questions. Any question not dealt with within the time available will receive a written reply. The Chairman may extend this period by up to a further 10 minutes to ensure that all political groups and independent members may have their questions answered.

9. MOTIONS

To consider any motions, notice of which has been given under Council Procedure Rule 13.

Motions, if any, will follow if not received in time to be incorporated into the agenda.

10. STATUTORY STATEMENT OF ACCOUNTS 2013/14 (Pages 31 - 126)

To consider the attached report and the Statutory Statement of Accounts 2013/14 being submitted to the Audit and Governance Committee on 25 September 2014.

The Chairman of the Audit and Governance Committee will report orally on that Committee's consideration of and recommendations regarding the Statutory Statement of Accounts 2013/14.

11. REPORT OF THE CABINET (Pages 127 - 128)

- (a) Supplementary funding for the implementation of the new structure for the Asset Management & Economic Development Team.

To consider a report of the Cabinet seeking supplementary funding from the Continuing Services Budget for the above. (Report attached)

12. APPOINTMENTS TO VACANCIES ON COMMITTEES/OUTSIDE BODIES

Recommendation:

To approve the following appointment for the remainder of the current municipal year:

- (a) Councillor Girling to replace Councillor Angold-Stephens on the Loughton Broadway Town Centre partnership;
- (b) To appoint Councillor R Glozier and the elected Member from the Epping Hemnall Ward by-election on 25 September 2014 onto Plans East Sub-Committee.

(Director of Governance) A nomination has been received from the Loughton Residents Association for (a) a change of Council representation on outside organisation 2014/15 for a town centre Partnership, Loughton Broadway (b) to appointment newly elected members from the Broadley Common, Epping Upland and Nazeing and Epping Hemnall Wards to Plans East Sub-Committee.

The Council is asked to approve the nomination set out in the recommendation.

13. OVERVIEW AND SCRUTINY (Pages 129 - 162)

- (a) To receive the report of the Chairman of Overview and Scrutiny Committee and to answer any questions asked without notice in accordance with Council procedure rule 12.7(b) and 12.09(c);and

- (b) Reports of Overview and Scrutiny Panels (if any).
- (i) Review the Polling District polling places and Polling Stations

14. CALL-IN AND URGENCY - NEW SEWAGE TREATMENT PLANT - WALLS GREEN, WILLIGALE. (Pages 163 - 164)

To note the attached decision taken by the Chairman of the Council to waive the call-in provisions of the Overview and Scrutiny Rules.

15. LEADER DECISION - COUNCIL HOUSEBUILDING CABINET COMMITTEE (Pages 165 - 166)

To note the attached decision taken by the Deputy Leader of the Council to amend the terms of reference of this Cabinet Committee.

The alteration is:

- (a) To decide, where necessary, the names of developments undertaken through the Council Housebuilding Programme, following consultation with the Parish or Town Councils and Ward Members.

16. JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS

- (a) To receive from Council representatives the reports (attached - if any) on the business of joint arrangements and external organisations and to receive answers to any questions on those bodies which may be put without notice; and
- (b) To request written reports from representatives on joint arrangements and external organisations for future meetings.

17. EXCLUSION OF PUBLIC AND PRESS

Exclusion: To consider whether, under Section 100(A)(4) of the Local Government Act 1972, the public and press should be excluded from the meeting for the items of business set out below on grounds that they will involve the likely disclosure of exempt information as defined in the following paragraph(s) of Part 1 of Schedule 12A of the Act (as amended) or are confidential under Section 100(A)(2):

Agenda Item No	Subject	Exempt Information Paragraph Number
Nil	Nil	Nil

The Local Government (Access to Information) (Variation) Order 2006, which came into effect on 1 March 2006, requires the Council to consider whether maintaining the exemption listed above outweighs the potential public interest in disclosing the information. Any member who considers that this test should be applied to any currently exempted matter on this agenda should contact the proper officer at least 24 hours prior to the meeting.

Confidential Items Commencement: Paragraph 9 of the Council Procedure Rules contained in the Constitution require:

- (1) All business of the Council requiring to be transacted in the presence of the press and public to be completed by 10.00 p.m. at the latest.

- (2) At the time appointed under (1) above, the Chairman shall permit the completion of debate on any item still under consideration, and at his or her discretion, any other remaining business whereupon the Council shall proceed to exclude the public and press.
- (3) Any public business remaining to be dealt with shall be deferred until after the completion of the private part of the meeting, including items submitted for report rather than decision.

Background Papers: Paragraph 8 of the Access to Information Procedure Rules of the Constitution define background papers as being documents relating to the subject matter of the report which in the Proper Officer's opinion:

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) have been relied on to a material extent in preparing the report and does not include published works or those which disclose exempt or confidential information (as defined in Rule 10) and in respect of executive reports, the advice of any political advisor.

Inspection of background papers may be arranged by contacting the officer responsible for the item.

This page is intentionally left blank

EPHING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Council **Date:** Tuesday, 29 July 2014

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.30 - 8.59 pm

Members Present: Councillors A Boyce (Chairman), Mrs E Webster (Vice-Chairman), K Angold-Stephens, Mrs H Brady, W Breare-Hall, G Chambers, K Chana, T Church, D Dorrell, Mrs R Gadsby, L Girling, P Gode, Mrs A Grigg, J Hart, R Jennings, Ms H Kane, H Kauffman, P Keska, Ms Y Knight, Mrs J Lea, A Lion, Mrs M McEwen, H Mann, L Mead, A Mitchell MBE, G Mohindra, R Morgan, S Murray, J Philip, Mrs C P Pond, C C Pond, C Roberts, B Rolfe, Mrs M Sartin, Ms G Shiell, D Stallan, Ms S Stavrou, B Surtees, Mrs T Thomas, H Ulkun, G Waller, A Watts, S Weston, C Whitbread, Mrs J H Whitehouse, J M Whitehouse and D Wixley

Other Councillors:

Apologies: R Bassett, R Butler, Mrs S Jones, J Knapman, S Neville, B Sandler, Mrs L Wagland and Ms S Watson

Officers Present: G Chipp (Chief Executive), C O'Boyle (Director of Governance), R Palmer (Director of Resources), J Chandler (Assistant Director (Community Services)), T Carne (Public Relations and Marketing Officer), S Tautz (Performance Improvement Manager), A Hendry (Democratic Services Officer), P Seager (Chairman's Secretary) and R Perrin (Democratic Services Assistant)

17. WEBCASTING INTRODUCTION

The Director of Governance reminded everyone present that the meeting would be broadcast live to the Internet, and that the Council had adopted a protocol for the webcasting of its meetings.

18. DISTRICT COUNCILLOR P SMITH, DISTRICT COUNCILLOR K AVEY AND FORMER DISTRICT COUNCILLOR J DAVIS

It was with much sadness that the Chairman informed the Council of the death of Councillors Penny Smith, Ken Avey and Former Councillor Joan Davis.

Members were informed that Penny Smith had been a District Councillor since 1999 representing the Broadley Common, Epping Upland and Nazeing Ward, a Portfolio Holder for Safer and Greener in 2010/12, Vice Chairman in 2008/09 and Chairman of the Council in 2009/10. She was also a Councillor and Chairman of Epping Upland Parish Council.

Members were informed that Ken Avey had been a District Councillor since 2011 representing the Epping Hemnall Ward and an Epping Town Councillor.

Members were informed that Joan Davis had been a District Councillor for 27 years representing the Loughton Broadway Ward from 1979 to 2006 and held the position as the Vice-Chair in 1993/94 and Chairman of the Council in 1994/95.

Members paid tribute to the memory of Penny Smith, Ken Avey and Joan Davis.

The Council stood for a minute's silence in tribute to the memory of Councillors Penny Smith, Ken Avey and former District Councillor Joan Davis.

19. MINUTES

RESOLVED:

That the minutes of the meeting held on 10 June 2014 be taken as read and signed by the Chairman as a correct record.

20. DECLARATIONS OF INTEREST

There were no declarations of interest by members of the Council under this item.

21. ANNOUNCEMENTS

(a) Announcements by the Chairman of the Council

(i) Events

The Chairman reported on some of the events he had attended since the last meeting of the Council. The Council noted that the Chairman had been to many events around the District including Debden Day -Loughton, Enfield Council, Arms Forces day at the Civic Offices, Engage musical - Playhouse, Harlow, Buckhurst Hill Arts and Crafts Centre, Basildon Civic Service, Brentwood Cathedral, Tour de France through Epping High Street, Chairman's Charity Golf day - Woolston Manor, Chigwell, Jack Petchey Awards - St John's, Epping, Chigwell Riding School, Race for Life - North Weald Airfield, Garden Party - Rochford District Council, St Paul's Cathedral and Redbridge Synagogue.

The Chairman advised that he had a guest of honour at the meeting, who was a friend and fellow Councillor from Australia, Councillor Terry Tyzack.

(ii) Floral Display

The Chairman announced that he intended to send the flowers from tonight's meeting to St Clare's Hospice, Hastingwood.

(b) Announcements by the Leader of Council and Portfolio Holders

There were no announcements under this heading.

(c) Presentation LABC East Anglia Building Excellence Awards

The Portfolio Holder for Governance and Development Management, Councillor Philip, Portfolio Holder for Housing, Councillor Stallan and Stephanie Newton, from the building Control Section of the Council presented the Local Authority Building Control East Anglia Building Excellence Award for the new affordable houses at High Ongar (Straw-bale houses) to Kevin Hartnett and Ulrike Maccariello of Hastoe Housing, which would now go onto the national finals in November 2014.

22. PUBLIC QUESTIONS (IF ANY)

The Council noted that there were no public questions to be considered at this meeting.

23. QUESTIONS BY MEMBERS UNDER NOTICE

The Council noted that there were no Member questions to be considered at this meeting.

24. REPORTS FROM THE LEADER AND MEMBERS OF THE CABINET

The Council received written reports from the Asset Management and Economic Development Portfolio Holder, the Environment Portfolio Holder, the Finance Portfolio Holder, the Governance and Development Management Portfolio Holder, the Housing Portfolio Holder, the Leisure and Community Services Portfolio Holder, the Planning Policy Portfolio Holder, the Safer, Greener and Transport Portfolio Holder and the Technology and Support Services Portfolio Holder.

The Chairman invited the Leader to provide an oral report and other members of the Cabinet give an oral update of their written reports.

(a) The Leader of the Council

The Leader advised that the District had hosted part of stage 3 for the Tour De France on 7 July 2014. He thanked all the officers and staff from Public Relations, North Weald Airfield, Facility Management, Parks, and Waste Management along with Peter Charman who undertook the main co-ordinating role. He also took the opportunity to thank the other partners from the County Council, Town and Parish Councils, Emergency Services, local businesses and voluntary organisations, who also played a vital part in the event's success and advised that a proposed commemorative plaque to mark the event was being considered.

The Leader reported that he had attended the June meeting of the Essex Leaders and Chief Executives, where the County Council presented a number of papers with the focus on Public Services Reform and their commissioning strategies.

Finally, the Leader and Councillors Bassett and Kane had attended the annual London Stansted Cambridge Consortium, Economic Development Conference, hosted by the Wellcome Trust. The event focused around the Government's support for the growth and economic development opportunities in the region, including ambitions to grow business at Stansted and how this could benefit the Council.

(b) Safer, Greener and Transport

The Safer, Greener and Transport Portfolio Holder drew the Council's attention to new procedures for Anti-Social Behaviour that would come into force in September 2014. Councillor Waller reported that if a victim believed that their case had not been dealt with adequately by the Police, they could request a case review, which normally took place when there had been three or more cases in a six month period. This would be informally called a Community trigger and dealt with by the Council's Community Safety Team. There would be training available for Members.

Members were also reminded about the Safe Guard Training available on Thursday 31 July 2014.

(c) Governance and Development Management

The Governance and Development Management Portfolio Holder advised that Individual Voter Registration initial matching results had increased from 81% to 96%, which meant that only 3,400 matches were outstanding. The Portfolio Holder had also responded to a petition regarding North Weald.

On behalf of the Planning Policy Portfolio Holder, he advised that there would be a meeting regarding the Local Plan with Mark Beard for Members on Thursday 31 July 2014 at 7 pm in the Council Chamber.

25. QUESTIONS BY MEMBERS WITHOUT NOTICE**(a) District Sixth Forms**

Councillor Murray asked the Leader whether he thought sixth forms in all the secondary schools across the District by September 2015 were;

- (a) excellent news for parents, pupils and schools;
- (b) that acknowledgment was due to the Head Teachers, Governors, Local MP Eleanor Laing and Essex County Councillor V Metcalfe, who all helped in the hard work to achieve this; and
- (c) that a long over due apology was required for the removal of sixth forms in District, 25 years ago by a Conservative Essex County Council (ECC) and Government administration.

Councillor Whitbread acknowledged the hard work that had been out in by the Local MP, Eleanor Laing and ECC, V Metcalfe with the teachers and parents, for returning sixth forms to each Secondary school in the District. Although he would not apologise for previous Governments decisions, as all decisions could be looked back on with hindsight and he felt that the Conservative Governments had made the most progress in education.

(b) St John's Site, Epping

Cllr J H Whitehouse asked Asset Management and Economic Development Portfolio Holder, Councillor Grigg whether there would be any opportunity for residents to see the development proposals and make comments before planning application were submitted on the St John's Site, Epping.

Councillor Grigg advised that the proposal would be put forward by the developer not the Council, so in order for consultation to happen between the residents and the developer an agreement would have to be made beforehand. She advised that even though she believed they would consult, she could not guarantee it, however she would try to ensure this happened.

(c) Oakwood Hill

Councillor C C Pond congratulated Cllr Stallan on setting up and progressing the Oakwood Hill Environment Task Force that met on 16 July 2014 .However he felt it was a shame that the Essex Highways representatives had not attended. Councillor Pond also wanted assurances that with the housing depot on the St John's site impending move to Oakwood Hill, the Housing Portfolio Holder would give the three houses in Marlescroft Way, sympathetic consideration to screening for the residents, for whom the intensification of the site would be of great nuisance.

Councillor Stallan thanked Councillor CC Pond for his comments, alongside the Ward Councillors Murray and Roberts and resident Nicky Fuller who attended that meeting. He felt that everyone who attended were disappointed that Essex Highways representatives had not turned up and ECC had now been advised of the next meeting on 10 September 2014. Regarding the relocation of the Housing Depot, he advised that the application was being considered by District Development Control Committee and Members of that committee could consider those concerns.

(d) Waltham Abbey - Flooding

Councillor Lea advised that with the recent flooding in Waltham Abbey, two of the sewage drains had overflowed. She asked who was responsible because with recently approved Council housing building in Waltham Abbey it was of great concern.

The Housing Portfolio advised the tenders were to be agreed in August 2014 for the Councils House building programme and Councillor Lea was welcome to attend and raise any concerns with the developers. The Portfolio Holder for Environment added that the Councils drainage officers worked very closely with organisation responsible for the sewage, although the sewers were not the responsibility of the Council.

(e) CAB

Councillor Angold-Stephens asked the Leisure and Community Services Portfolio Holder about how the future accommodation for the CAB in Loughton and Epping was progressing.

Councillor Kane advise that she had attended a recent meeting to find out more about the CAB and she was currently pursuing a future meeting with the manager to be updated. Any information that came from that meeting would be emailed onto Councillor Angold-Stephens and placed in the Members Bulletin.

(f) Business Rates

Councillor J M Whitehouse enquired about the new powers the Council had obtained from the Government to vary business rates for local businesses and what progress had been made.

Councillor Stavrou advised that the Cabinet would be looking at this in depth in the budget process and she would keep Councillor J M Whitehouse informed.

(g) 12 Newmans Lane

Councillor Mann asked the Housing Portfolio Holder about 14 Newmans Lane and the subsidence and boarding up of the property.

Councillor Stallan advised that Cabinet had considered how the case would be dealt with previously although he could not recall the decision; he believed that the owner of 12 Newmans Lane was currently in talks to sell the property to the developer.

Councillor Mann advised that the developer had pulled out.

Councillor Stallan advised that he would go back to his officers to see how this would effect the Cabinets decision and advise Councillor Mann in writing.

(h) Chigwell Parish Council

Councillor Mohindra asked the Governance and Management Development Portfolio Holder in the absence of the Planning Policy Portfolio Holder about Chigwell Parish Council being kept updated about the Local Plan and in particular the Green Belt review.

Councillor Philip advised that he was very keen for all Parishes to be kept inform with regards to the Local Plan and he would be happy to guarantee the forward planning officers meet with Chigwell Parish Council.

(i) Winston Churchill

Councillor Girling asked the Leader of the Council about whether he thought it was proper for the Council as freeholder of the Winston Churchill Public House, to permit it to be demolished whilst the Council followed its own processes on considering the building under the Asset of Community Value appeal, Localism Act 2011.

Councillor Whitbread advised that the developer had gone through all the necessary requirements and a number of dates had been suggested for the process before the demolition date. He felt the Council had done all they could to facilitate the appeal.

(j) Neighbourhood Action Plan

Cllr Surtees asked whether all Parish and Town Councils would be considered equally with regards to the Local Plan, as three local Councils had submitted their Neighbourhood Plan separately.

Councillor Philip advised that all Parish and Town Councils would be treated the same although questions may differ because of the process they had chosen to take.

26. MOTIONS

The Council noted that there were no Motions to be considered at this meeting.

27. REPORTS OF THE CABINET**Mover: Councillor Grigg, Asset Management and Economic Development Portfolio Holder**

Councillor Grigg presented a report on a supplementary estimate from the District Development Fund for the St John's Road site in Epping.

The Portfolio Holder advised that a supplementary estimate from the District Development Fund for £35,000 was required to instruct external solicitors to prepare and negotiate a Development Agreement for the St John's Road site in Epping.

Report as first moved **ADOPTED**

RESOLVED:

That the supplementary estimate from the District Development Fund for £35,000 be approved.

28. APPOINTMENTS TO VACANCIES ON COMMITTEES/PANEL/OUTSIDE BODIES

The Council received nominations from the Conservative Group for changes in membership and places outstanding from the Annual meeting.

RESOLVED:

That the following appointments be made for the remainder of the current municipal year:

- (a) Councillor R Gadsby as the remaining Conservative Group member on the Complaints Panel;
- (b) Councillor R Gadsby as the remaining Conservative Group member on the Housing Appeals & Review Panel;
- (c) Councillor G Shiell as the remaining Conservative Group Member on the Licensing Committee;
- (d) Councillor Keska as the Sub-Committee Chairman on the Licensing Sub-Committee;
- (e) Councillor M McEwen as the remaining Conservative Group member on the Standards Committee;
- (f) Councillor G Chambers as the Chairman of the Standards Committee;
- (g) Councillor M McEwen as the Vice-Chairman of the Standards Committee;
- (h) Councillor J Knapman and R Gadsby as the remaining Conservative Group members on the Staff Appeals Panel;
- (i) Councillor J Hart as the Buckhurst Hill Town Centre Partnership representative;
- (j) Councillor K Chana as the Deputy for the Enfield Essex Herts Border Liaison Group;
- (k) Councillor M Sartin as the Grange Farm Managing Trustee representative;
- (l) Councillor J Knapman to replace Councillor G Chambers on the Joint Consultative Committee; and
- (m) Councillor G Shiell to replace Councillor G Chambers on the West Essex Wellbeing Joint Committee.

29. OVERVIEW AND SCRUTINY**(a) Report of the Chairman of the Overview and Scrutiny Committee**

The Council received a written report from Councillor Morgan, the Chairman of the Overview and Scrutiny Committee.

(b) Reports of the Overview and Scrutiny Committee

- (i) Annual Overview and Scrutiny Report to Council

Mover: Councillor Morgan – Chairman of the Committee

Councillor Morgan submitted the annual report of the Committee in accordance with Overview and Scrutiny Procedure Rule 24.

Report as first moved ADOPTED

RESOLVED:

That the work undertaken by the Overview and Scrutiny Committee, the Scrutiny Standing Panels and the Task and Finish Panels during the past municipal year (2013/14) as detailed in the annual report be noted.

30. REPORT OF THE LICENSING COMMITTEE - TEMPORARY ROAD CLOSURE ORDERS - FEE

Mover: Councillor Angold-Stephens, Chairman of the Licensing Committee.

Councillor Angold-Stephens submitted a report regarding fees for Temporary Road Closure Orders.

Report as first moved **ADOPTED**

RESOLVED:

- (1) That the charging of fees for Temporary Road Closures, primarily for any charitable or community events run by a Town or Parish Council for the benefit of the local community be waived;
- (2) That any application to this affect should be decided upon by a Licensing Sub-Committee; and
- (3) That corresponding amendments be made to the Council's constitution.

31. JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS

The Chairman informed members that there were no reports to be considered on the business of joint arrangements and external organisations.

CHAIRMAN

Report to the Council

Committee: Cabinet

Date: 30 September 2014

Subject: Finance

Portfolio Holder: Councillor S Stavrou

Recommending:

That the report of the Finance Portfolio Holder be noted

Accountancy

There is a separate report elsewhere on the agenda on the Statutory Statement of Accounts so I will concentrate on other issues in this section. The Finance and Performance Management Cabinet Committee is scheduled to meet on 18 September and will be considering reports on the Treasury Management Outturn for 2013/14, Financial Monitoring for Quarter 1 of 2014/15 and the quarterly update of the Corporate Risk register. The Treasury Management Outturn report confirms that the Council operated within the boundaries that were set for the year and complied with all of the Prudential Indicators. Financial Monitoring for Quarter 1 shows that at the moment both expenditure and income are broadly in line with the budget.

The annual Financial Issues Paper went to the July meeting of the Cabinet Committee and provided a discussion of the main financial challenges facing the Council and the budgetary outlook. This report had an update to the Medium Term Financial Strategy and suggested savings targets to work towards. Following agreement by Cabinet on 8 September of the recommendations from the Cabinet Committee, officers have started work on a range of savings proposals that will be reported in due course as part of the normal budget process.

Benefits

As part of the consultation on the Council's scheme for Local Council Tax Support for 2015/16 Cabinet had decided to include the possibility of a residency qualification. This type of qualification was already being operated by two other councils in Essex. However, due to a subsequent ruling in the High Court on the scheme operated in Sandwell it was necessary to remove this option from the consultation. It has become clear that residency qualifications do not currently comply with the law but this may change in the future if the Localism Act is amended.

In previous years the level of response to this consultation has been low. I am hopeful that this year a number of residents who are not in receipt of benefit will have responded as views on the scheme will not be balanced if we have only received comments from residents who currently receive support. Anyone who has not yet responded can do so by visiting the consultation area of the Council's website.

I am pleased to report that the Essex Benefits Mangers group are one of the five finalists for the Institute of Rating, Revenues and Valuation (IRRV) annual award for excellence in partnership working. This is well deserved recognition for the work that

has gone into the implementation of Local Council Tax Support across the county. The winners will be announced on 8 October at the IRRV annual conference.

Revenues

The September meeting of the Finance and Performance Management Scrutiny Panel received a report on progress against the targets for the key performance indicators at the end of the first quarter of 2013/14. A Council Tax collection rate of 27.32% had been achieved and this is better than both the target of 27.03% and the collection rate at this time last year.

The collection of non-domestic rates was slightly lower than the target at the end of June, with 28.43% achieved compared to the target of 29.68%. This is a consequence of the change in the legislation to allow ratepayers to spread their instalments over 12 months (April to March) instead of the previous requirement to make payment over 10 months (April to January). Understandably, most of the Council's significant ratepayers have taken up the 12 month option to improve their cash flow. As these amounts should still ultimately be collected I am confident that the annual target will still be achieved.

Report to the Council

Committee: Cabinet

Date: 30 September 2014

Subject: Portfolio Holder Report – Governance
and Development Management

Portfolio Holder: Councillor John Philip

Recommending:

That the report of the Governance and Development Management Portfolio Holder be noted.

1. Development Control

There has been a significant increase in the number of planning applications compared with this time last year (approximately 200 more). This obviously helps with the amount of receipts of planning income, however resourcing this level of transactions is about to become more challenging, as two planning officers (Katie Smith and Lindsay Trevillian) have accepted promotions at neighbouring planning authorities. We are about to advertise the two posts but it is possible that the number applying may be low. We have received feedback from other Essex authorities who have also been experiencing recent officer movement, many of which are going to the private sector that suggests this may be the case.

2. Legal

We have just totalled the number of complaints that have been submitted to the Local Government Ombudsman and we have had a very good few months. In fact compared to first 5 months (April - Aug) of each year for the last 4 years, there has been the lowest number of complaints submitted.

2010-11- 10 complaints

2011-12 - 6 complaints

2012-13 - 8 complaints

2013-14 - 7 complaints

2014-15 - 3 complaints

This page is intentionally left blank

Report to the Council

Committee: Cabinet

Date: 30 September 2014

Subject: Housing

Portfolio Holder: Cllr David Stallan

Recommending:

That the report of the Housing Portfolio Holder be noted.

Essex Landlord Accreditation Scheme

The Council's Private Sector Housing (Technical) Team has been working with six other Essex local authorities to develop a private sector landlord scheme, the Essex Landlord Accreditation Scheme, or 'ELAS'. Landlords whose homes are properly maintained and managed will be able to join the Scheme, from the date of its launch this month. By identifying these landlords, tenants will be less likely to fall foul of poor property conditions and unscrupulous practices.

Following a procurement process carried out by Essex County Council, the Chief Fire Officers Association, 'Blue Watch', was appointed to manage the Scheme. There will be no cost to the participating councils, since ELAS will be funded by an annual membership fee of £80 paid by the landlords that join the Scheme.

Landlords will be able to use the ELAS 'red house' logo and, as well as providing an advantage in terms of marketing, there will be a number of other benefits for landlords, such as discounted property insurance.

The Scheme is to be launched at Essex County Fire and Rescue Service's headquarters on 25th September 2014.

Progress with new arrangements for Site Rules on Permanent Residential Park Home Sites

I have chaired three separate information events hosted by the Council for park home site owners and residents in the District, to provide information on the provisions of the Mobile Homes Act 2013. The last of these, in March 2014, related specifically to the new arrangements for site rules. Each of the events was attended by legal experts from the Leasehold Advisory Service (LEASE), who gave detailed information on the procedures and answered questions from residents and members. LEASE is funded by the Government to provide free legal advice on the law affecting residential leasehold properties, including park home sites.

The new regulations concerning site rules require site owners to deposit new site rules by February 2015 as, if they do not, their existing site rules will cease to exist. Site owners within the District are making progress with this, although no site rules have been formally submitted yet. While the Council had offered to host another Information Evening in October to address any further issues and queries on site rules, the owners of only one site have said that they would be interested in this. The Council has

therefore agreed with LEASE that any ongoing concerns will be addressed better by LEASE individually with the site owners. In addition to this, officers from LEASE have continued to answer queries from site owners and residents on all the sites about the new arrangements.

Consultation with gypsy roma and traveller communities on new Park Home Site Licences

Following a consultation exercise with residents in the gypsy, roma and traveller communities living on privately-owned, authorised sites within the District, site licence conditions were agreed by the Cabinet in September 2014.

In accordance with the request of Members, the conditions consulted on and agreed are broadly based on the licence conditions already agreed for the permanent residential park homes sites in the District.

The work of issuing the new site licences will begin in October 2014. It has been agreed that the Essex County Traveller Unit (ECTU) will assist with the enforcement of the standards, by identifying any contraventions during their routine visits to the sites.

Customer Service Excellence Award Re-accreditation – Housing Service

The Housing Service within the Communities Directorate was awarded the prestigious Government Standard for Customer Service Excellence in the public sector (formally known as Charter Mark) in 2004.

To obtain the Customer Service Excellence Award, organisations must meet 57 separate assessment criteria. They must demonstrate that they: engage and consult with their customers; measure customer satisfaction with the service; provide information and easy access to services; co-operate with other providers, partners and communities; have service delivery standards; deal effectively with problems; achieve timely service delivery, and have a positive organisational culture.

Continuous compliance with the criteria is monitored through a major assessment every 3 years and interim 12-monthly assessments. The major 3-year assessment of the Housing Service was undertaken last year, when the Customer Service Excellence Standard was re-confirmed. The Assessor found that not only was the Housing Service fully complying with the Standard; “Compliance Plus” was awarded for certain aspects of the service.

In July of this year, the 12-monthly assessment was undertaken, and I am pleased to report that no non-compliances, nor any partial non-compliances, were found and a number of good practices were identified by the independent external assessor.

Having the Customer Service Excellence Award gives confidence to the Council’s tenants, applicants, leaseholders, private sector housing customers and other clients that the Housing Service provides a high quality, customer-focused service, which it strives to continuously improve.

Presentation by Family Mosaic Support Services

Essex County Council’s Floating Support Provider, Family Mosaic, provides assistance to vulnerable people on a range of housing-related matters, including participating in the HomeOption choice based lettings scheme, dealing with rent arrears and other debts and generally sustaining their tenancies.

Family Mosaic will be making a presentation on its work to the Housing Scrutiny Panel at its meeting on 16 October 2014. I am therefore making all members aware of this presentation, since I know that the Chairman of the Scrutiny Panel would like to welcome any interested members to attend, hear the presentation and ask any questions.

Review of the Housing Allocations Scheme and Tenancy Policy

Housing Allocations Scheme

The revised Housing Allocations Scheme came into force on 1 September 2013, following the most comprehensive review of the Scheme ever undertaken. Under the revised Scheme, a Local Eligibility Criteria was introduced. All applicants wishing to join the Housing Register must now meet with the new Criteria which, in summary, are that applicants must:

- Be resident in the District for 3 continuous years up to the date of application;
- Have a housing need;
- Not have sufficient funds to enable the applicant to purchase their own property;
- Not have caused any unacceptable behaviour within the last 3 years.

The Cabinet agreed that the Scheme should be reviewed following 12 months of operation. At its meeting on 21 October 2014, the Housing Scrutiny Panel will therefore be undertaking the 12 month review of the Housing Allocations Scheme. The main issues for consideration are whether there should be:

- A change to the Residency Criteria;
- Further exceptions to the Residency Criteria;
- A review of the Financial Criteria;
- Stronger penalties for refusals of offers of accommodation; and
- A review of payments to those downsizing accommodation.

Tenancy Policy

Under the Tenancy Policy, also agreed with effect from 1st September 2013, Flexible (fixed-term) Tenancies of a fixed-term of 10 years (including the 12 month Introductory Tenancy period) are now granted to homeseekers for properties of 3 bedrooms or more. At its meeting on 21 October 2014, the Housing Scrutiny Panel will also be undertaking the 12 month review of the Tenancy Policy as well. In particular, it will be considering whether Flexible (fixed-term) Tenancies should:

- Continue to be for 10 years' duration; and
- Be extended to include 2 bedroom properties.

I am advising all members of this important Review, should they wish to attend the second October meeting of the Housing Scrutiny Panel, to be held on 21 October 2014.

Progress with Council House-building Programme

Following a tender exercise, at its last meeting the Cabinet decided to award the Design and Build Contract for Phase 1 of the Council's Housebuilding Programme, which will see the first Council homes to be built for over 30-years, to Broadway Construction Ltd. Phase 1 consists of 23 homes across 3-sites on Roundhills, Waltham Abbey and a fourth site at Harveyfields, also in Waltham Abbey. The works are expected to start on site in late October 2014, with a view to being completed by the end of 2015.

To mark this flagship District-wide Programme, invitations has been sent out to all three MP's that represent the Epping Forest District to attend a ground-breaking ceremony at Harveyfields, Waltham Abbey, where Eleanor Laing MP has been invited to say a few words to mark the occasion.

I am also pleased to announce that the Council has successfully applied for, and been granted, £500,000 by the Homes and Communities Agency (HCA), from its 2015-2018 Affordable Homes Programme, to subsidise the development of 40 one and two bed properties at Burton Road, Loughton as part of Phase 2 of the Council's Housebuilding Programme, for which a planning application has now been submitted.

At its meeting in August 2014, the Council Housebuilding Cabinet Committee agreed an approach to the future naming of streets and flat blocks as part of the Housebuilding Programme. For each development that requires a new street or block name, the relevant Town or Parish Council will be invited to submit a list of 5 street/property names, in a preference order, on which the ward members will be consulted for their views. Having regard to any suggestions made by local councils and ward members, the Cabinet Committee will then select a name.

I am very pleased to report that, having given 29 years' loyal service to the Council and the tenants and other residents of the Epping Forest District, the Cabinet Committee, in consultation with the local ward members have agreed to name the new Council housing development comprising 9 flats at Harveyfields, Waltham Abbey, "John Scott Court", after the Council's former Chief Housing Officer and District Health and Housing Officer - who retired in 2007.

Work has now commenced on the conversion of the former sheltered accommodation and former community hall at Marden Close and Faversham Hall. P A Finley Ltd, who was the Design and Build Contractor appointed to undertake the works, took possession of the site on 15 September 2014. It is anticipated that the 12 new 1-bed flats will be completed in the autumn of 2015.

Report to the Council

Committee: Cabinet

Date: 30 September 2014

Subject: Leisure & Community Services

Portfolio Holder: Cllr Helen Kane

Recommending:

That the report of the Leisure and Community Services Portfolio Holder be noted.

Community Services

Summer holiday activities a huge success – Over 1025 children, young people and their families / carers took part in the excellent range of summer holiday activities and schemes provided by the Council's Community services teams, over the six weeks of the summer holidays.

As a new Portfolio Holder for Community Services, I was delighted to visit some of the activities provided and I was particularly impressed with the work that the teams provide for families with children of mixed ability and additional needs. On speaking to some of the parents, I found that as local residents, they find this provision as a fantastic help to overall family wellbeing. Many of the children attending the sessions go to school outside of the district, as their needs cannot be catered for locally, but the Council's Inclusion programme is an excellent opportunity for the families to feel part of their community, meet other people and be much less isolated.

I also visited a Play in the Park session, which was part of a 'free' outdoor family activity scheme available over the summer, part funded by local Town and Parish Councils, which targets areas of disadvantage in the district. The session was taking place on Roding Valley Recreation Ground and around 100 children, adolescents and parents/carers were participating in the various activities available. (Over 1000 people took part in the full programme available). This is an excellent example of us working with our local partners to address the diverse needs of Epping Forest residents.

Staff also worked closely with the local schools delivery groups (LDG's) to support local children in need and over 60 x children from the urban and rural areas were provided with free places at the holiday playschemes, funded through the LDG's with support of the Council.

I would urge members to find out more about the excellent range of services provided at holiday times and term-time throughout the year, which cater for the needs of all children, young people and families in the district.

Epping Forest Youth Council - Members of the EF Youth Council lead by example when they participated in a full day of volunteering at 'The View' in August. The day, which was supported by the City of London, involved the young people cutting back shrubs and trees to

clear an area to the rear of the Queen Elizabeth Hunting Lodge. The aim of the day was to promote the Council's Youth Volunteering programme and encourage as many young people to give something back to their community and all youth councillors reported that they felt a real sense of achievement from participating in the day.

District Museum Service – Even though our district museum is closed due to the redevelopment project, we have still had an excellent programme of activities available over the summer period, through utilizing other accommodation including the Library in Waltham Abbey. Although there was limited space, we had an average of 50 attendees per afternoon at the museum's family activities during the summer holidays and several new contacts were made with families.

The museum has also attended a number of outreach events around the District with displays about the museum's redevelopment project. These have been managed and mainly delivered by our Audience Development Officer who is funded by the Heritage Lottery Fund as part of the wider re-development bid. We have also provided Museum stands at Epping Town Show, North Weald Airfield Community Day, Lopping Hall in Loughton, Waltham Abbey Holy Cross weekend and around 100 people have visited the museum stall at each of these events. Other delivery by Museum staff included clay modelling activities at four Playschemes sites and the launch of the first 'Community Cabinet' exhibition at the Civic Offices, which was a display of objects connected with the First World War, which had been loaned by members of the public. The objects had been found at a First World War community event, organised by the Audience Development Officer, held at Budworth Hall in Ongar, in partnership with Ongar Historical Society.

Lowewood Museum - At our sister museum in Hoddesdon, which we have been managing for two years now, over 150 people took part in the Summer Family Fun Day and the regular family activities on Thursday afternoons at Lowewood have been really successful, with a growing family audience. As part of the development work at Lowewood, our Education Officer has been expanding work in the Broxbourne borough, including providing an activity at the CHIPS playscheme in Hoddesdon, which is for children with emotional, behavioural and learning difficulties plus their siblings.

Rural Roots – As part of a new programme to work in collaboration with rural communities, staff worked with a range of partners in Fyfield in the development and staging of a 'Rural Roots' event, which involved local Scouts, church, WI and Dr Walkers School. Work was undertaken in the lead up to the community event including 'Art in Windows', which commemorated local people involved in World War 1. The day was attended by over 500 local people of all ages from the village and was a tremendous success. It is planned to continue with the partnerships built through Rural Roots in Fyfield and to work with other rural communities on a rolling programme.

Leisure and Cultural Strategy – The Portfolio Holder Advisory Group on the preparation of the Leisure and Cultural Strategy, is due to consider the draft Strategy on the 2 October. The Strategy will also address the level of provision of future leisure facilities provided by the District Council, and the best means of procuring their management.

Report to the Council

Committee: Cabinet **Date:** 30 September 2014
Subject: Technology and Support Services
Portfolio Holder: Councillor A Lion

Recommending:

**That the report of the Technology and Support Services Portfolio Holder
be noted**

Support Services

Local Government Pension Scheme

The Local Government Pension Scheme was amended with effect from 1 April 2014 so that benefits accrued after 31 March 2014 will be on a career average rather than on a final salary basis.

As a result of the changes, the Council is required to formulate, publish and keep under review a Statement of Policy on certain discretions which it has the power to exercise. The purpose of the Statement of Policy is to ensure that there is clarity on the Council's approach to the Scheme for current and ex-employees, the Council and the Essex Pension Fund.

In formulating the Statement of Policy, officers had regard to the current financial position of the Council and the extent to which the policy is workable, affordable and reasonable. Because of the potential costs involved, many of the discretions offered at the present time were not recommended to Members.

The Statement of Policy was agreed at the September Cabinet meeting.

Integrated HR/Payroll IT System

The reference above to the Local Government Pension Scheme leads me nicely to our current Payroll/Human Resources IT system, purchased in 2004 and which officers now consider not fit for purpose. There are a number of requirements which cannot be met, specifically, it is unable to automate the new pension auto enrolment processes or the regular reports and information required by the Pension Fund Administrators. The deficiencies of the system require manual interventions and processes which have a significant impact on staff time, efficiency and effectiveness.

As well as wishing to eliminate the problems with the current IT system, it is recognised that technology has progressed since the Council first updated the HR/Payroll IT system. Many systems now have self-service functionality which enables employees and managers to access certain functions of the system, for example e-payslips, completing on line forms for mileage and other payments. Managers would have access to leave records for individuals and their teams and to

real time information on sickness absence. Self-service would assist in reducing potential human error (due to transposing figures) as input would be carried out once directly by the employee or manager with checks taking place in Payroll/HR.

A report requesting a capital bid of £80,000 for 2015/16 to purchase an Integrated Payroll/Human Resources IT System will be submitted to October's Cabinet.

Envelop Machine

The current enveloping machine is managed by the Council's Reprographics section. Primarily it provides an envelope 'stuffing' service for Revenues, Benefits and Elections. The machine is used extensively between February and April each year, enveloping benefit claims, Council Tax and non-domestic rate bills and postal vote inserts.

Unfortunately, the current machine is obsolete with parts increasingly difficult to source and is expensive to maintain. As with the HR/Payroll System, the current machine cannot meet all of the Council's requirements.

The technology for these machines has moved on considerably and the standard specification for the new machine will extend the range of envelope size it can work with meaning that other work will be able to be handled in-house, e.g. the Housing Tenant Survey and work for the Housing Income and House Sales teams.

Officers proposed that £15,000 of unallocated new burdens funding is utilised for this purpose along with £25,000 from the Reprographics photocopier budget which is not required for this financial year. Therefore the purchase of the machine will be contained within existing resources. I am pleased to report that Cabinet agreed the reallocation of budgets to facilitate the purchase of this critical piece of equipment.

Technology

Telephone System

The telephone system is now live and an auto attendant greeting has been introduced to direct calls to specific departments and, to reduce the number of calls to the switchboard. ICT are now assisting Directorates to compile their own auto attendant messages and call handling processes. There has been a report to the September meeting of the Finance & Performance Management Scrutiny Panel detailing the previously identified issues of delays in answering calls to the switchboard. Examples of the monitoring reports available from the system will be presented at the Finance & Performance Management Scrutiny Panel in November.

Leisure booking system

ICT Staff have developed an in-house solution for bookings for summer play-schemes and other community development activities using existing software. This was used successfully over the summer, and the Community Development Team are now requesting additional functionality be added. This has been developed as an alternative to a commercial off the shelf solution, as it has become apparent our requirements do not fit well with the functionality offered by commercial products. These enhancements will include the implementation of integrated payment processing.

GOOD licence model

ICT have negotiated an improved licencing model for the GOOD, mobile working system. The new model is based on the user rather than the device, meaning that staff and Members can now install GOOD on numerous devices at no extra cost. The GOOD system is commercially available software which provides secure access to potentially replace the cumbersome Intranet system, allowing Council email addresses and officers contact details. This is being trialled at present but any Member who would like to know more about the system should contact myself.

Server hosts

Servers are the hardware on which all of the Council's computerised systems run. In 2010, ICT undertook a server virtualisation program, which effectively reduced 140 physical servers to 6 powerful host servers. These host servers run all the core systems for the authority and now require replacement. Funding was agreed at Cabinet last year. A tender using a procurement framework was issued in August with a required return date of 30 September. The purchase and installation will take place during October.

Core network switches

The new network core switches, an essential element of the new telephone system, have now been installed and are fully operational. They are faster and more resilient than the previous switches.

This page is intentionally left blank

Report to the Audit and Governance Committee



**Epping Forest
District Council**

Report reference: AGC-010-2014/15

Date of meeting: 25 September 2014

Portfolio: Finance.

Subject: Statutory Statement of Accounts 2013/14.

Responsible Officer: Bob Palmer (01992 564279)

Democratic Services: Gary Woodhall (01992 564470)

Recommendations/Decisions Required:

(1) That the Statutory Statement of Accounts for 2013/14 be recommended to the Council for adoption.

Executive Summary:

One of the key roles of this Committee is scrutinising the annual Statutory Statement of Accounts. All Members of the Council will have the opportunity to debate the Accounts at Full Council and part of that debate will be to consider the recommendation of this Committee.

It is anticipated that the audit will be completed shortly and that the Statutory Statement of Accounts will be presented to Council on 30 September. There is a separate report elsewhere on the agenda that sets out the key findings of the audit.

The most substantial changes to the annual Statutory Statement of Accounts for 2013/14 arise from the implementation at the start of the year of the local retention of non-domestic rates. This was a significant change to the way local authorities are financed as the Government wanted to provide an incentive for economic development.

To assist Members with their consideration of the Accounts a report follows together with the Accounts themselves.

Reasons for Proposed Decision:

It is important that this Committee scrutinises the annual Statutory Statement of Accounts so that residents and other Members can have confidence in the Accounts.

Officers have exercised their professional judgement and liaised closely with external experts and the External Auditor to produce the Statutory Statement of Accounts. If Members are satisfied with the content of this report and the verbal responses to any questions raised, they are requested to recommend the Statutory Statement of Accounts for adoption by Full Council on 30 September.

Other Options for Action:

The Committee could decide that the accounts should be amended or expanded prior to them being presented to Full Council.

Report:

1. The Accounts and Audit Regulations require Full Council or an Executive Committee

to adopt the Council's Statement of Accounts before the end of September. The Council's constitution reserves the adoption of the Accounts to Full Council only. However, prior to Council considering the accounts it is important that they have been subject to Member scrutiny. This Committee has scrutinised the Statement of Accounts for several years.

2. The consideration of the Statement of Accounts is contained in the Terms of Reference of this Committee, the relevant parts being:

“(h) To review financial statements, including the Council's Statement of Accounts, External Auditor's opinion and reports to members, and monitor management action in response to the issues raised by External Audit.

(i) Review, and challenge where necessary, the actions and judgements of Management, in relation to the Council's Statement of Accounts, paying particular attention to:

(i) critical accounting policies and practices, and any changes to them;

(ii) decisions requiring a major element of judgement;

(iii) the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed;

(iv) significant adjustments resulting from the audit; and

(v) any material weakness in internal control reported by the Internal or External Auditor.”

Changes to the Contents of the Statutory Statement for 2013/14

3. Before 2013/14 local authorities acted as the billing and collection agents for non-domestic rates and paid the amount collected in to the National Pool. Part of the funding for local authorities was deemed to come from the National Pool but this amount could not be increased by additional bills being raised or improved collection rates. There was no direct financial incentive to local authorities to engage in economic development to try and grow the rating list. This concerned central government as if a piece of land could be used for either domestic or business purposes it was felt that a local authority would favour a domestic use to benefit from income due under the New Homes Bonus.

4. From 2013/14 local retention of business rates was introduced and this meant local authorities could now increase their financing through keeping a share of any growth in the rating list. The potential downside to this is where the rating list shrinks, for example due to the closure of a major employer, although the new system does have a safety net mechanism to assist authorities suffering large reductions.

5. In theory the non-domestic rates arising in an area are shared with 50% going to central government, 40% the billing authority, 9% the county council and 1% the fire authority. However, the overall funding formulas contain an amount for the billing authority that comes from non-domestic rates and this limits the amount that can initially be retained. If an authority has less non-domestic rate income than is included in the funding formula it receives top-up payments and if an authority has more non-domestic rate income than is included in the formula it has to pay the excess as a tariff to central government. As the non-domestic rates income for the district is far higher than the amount in the funding formula we pay a tariff of nearly £10 million and retain an amount which is much closer to 10% than 40%.

6. The amounts in the formulas are fixed until 2020 and only meant to be changed annually to match movements in the Retail Prices Index. This fixing creates the opportunity to increase funding through growing the non-domestic rates list.

7. Other issues around local retention of non-domestic rates will be covered later in the report but for this section it is sufficient to note the changes to the Collection Fund and its associated notes.

8. Last year it was noted here that an additional note had been included for Assets Held for Sale. The note related to a Housing Revenue Account property known as Leader Lodge.

9. When compiling the accounts for 2012/13 it had been anticipated that the property would be sold for £515,000. However, the sale then fell through before the accounts were signed off. Subsequently, an unconditional offer has now been received of £652,000.

10. For 2013/14, Assets Held for Sale also includes the former car park site at Church Hill Loughton. This site was sold in May 2014 for £858,000.

Critical Accounting Policies and Practices, and Any Changes to Them

11. There have been no significant changes in accounting policies and practices during the year. The accounting policies are set out on pages 9 to 18 of the Accounts.

Decisions requiring a Major Element of Judgement

12. In preparing a set of accounts at a point in time it is inevitable that some of the information required will not yet be available. If an actual amount is uncertain an estimate is used. The estimate will be based on the assessment of information available at the time the accounts are closed. When the actual figures are determined any difference is usually accounted for in the following year. If the estimate was wrong by a material amount it would be necessary to consider re-stating the figures, this is extremely rare.

13. Two of the additional notes introduced by International Financial Reporting Standards are relevant here, note 3 "Critical judgements in applying accounting policies" and note 4 "Assumptions made about the future and other major sources of estimation uncertainty". The key critical judgement highlighted in note 3 is that the Council does not currently need to close facilities or significantly reduce levels of service provision. If this were not the case it would be necessary to consider any assets that would be affected and any consequent impairment of their values.

14. Three areas are covered by note 4, these are firstly property, plant and equipment, secondly pensions liability and finally arrears. The assumption made on property, plant and equipment is that assets will continue to be maintained so as to maximize their useful lives. If this were not to be the case additional depreciation would need to be charged. In reviewing arrears an estimate has to be made to allow for bad debts and, whilst a prudent view is taken in making this calculation, if the economic climate were to worsen significantly the charge to the Comprehensive Income and Expenditure Statement would increase.

15. The substantial annual fluctuations in the pension's liability make clear the element of judgement exercised by the actuary in establishing the pension figures. The largest creditor on the Balance Sheet is the Council's liability to the pension fund. The Balance Sheet shows that the pension liability for the Council has decreased in the year from £75.4 million to £57.8 million. This reduction in the deficit is due to a £6.7 million increase in the value of the scheme assets and a reduction of £10.9 million in the projected liabilities.

16. Given the size of the reduction in the deficit, the administering authority (Essex County Council) was asked to obtain additional explanations from the scheme actuaries. The actuary has responded that the £18 million improvement can broadly be split between three factors:

- (a) £4 million financial – due to a small increase in the real discount rate;
- (b) £11 million demographics – the assumptions about rates of withdrawal, death

in service and ill health retirement have been aligned with those used by the Government Actuary. Slightly later retirement ages have also been assumed, as many workers are now continuing their employment beyond 65; and

(c) £3 million experience – since the 2010 valuation actual ill health retirements, withdrawals and mortality have been more favourable than had been assumed.

17. The figures shown in the table below have been amended from those that the accounts were initially based on. During the course of the audit it emerged that the investment return had been understated and that the deficit was £0.5 million lower than we were originally advised. The table is included to illustrate how the overall deficit has changed over time. Further fluctuations are likely in subsequent years as it becomes clear how members of the pension scheme are responding to the change from a final salary scheme to a career average based scheme.

	2013/14 £'m	2012/13 £'m	2011/12 £'m	2010/11 £'m	2009/10 £'m
Liabilities	(159.5)	(170.4)	(150.8)	(130.1)	(139.2)
Assets	101.7	95.0	85.2	83.8	82.7
Deficit	(57.8)	(75.4)	(65.6)	(46.3)	(56.5)

18. The inclusion of this amount in the Balance Sheet shows the extent of the authority's liability if the pension fund was to close on 31 March 2014. It does not mean that this full liability will have to be paid over to the pension fund in the near future.

19. There is one other area in the Statement of Accounts to bring to Member's attention as having required a major element of judgement. Historically the values for non-domestic property have been updated every five years. If an occupier is unhappy with the valuation set by the Valuation Office Agency (VOA) they can appeal. Throughout the recession the number of appeals increased and the VOA was unable to keep up with the workload and process the appeals on a timely basis. This meant that when local retention came in there were a very large number of appeals outstanding, most of which related to the 2010 list but some went back to the 2005 list. Even though the appeals arose before the start of the new system, and central government had received the income from the bills being challenged, the liability for settling the outstanding appeals was given to local authorities.

20. The Collection Fund shows the inclusion for the first time of a Provision for Appeals of £1,486,000. This provision was calculated with the help of an external firm of rating experts who analysed each outstanding appeal and gave a projected value for settlement. These values have been closely monitored as cases have been settled and to date they have been proved prudent. Although it is important to include a note of caution here as there are still appeals outstanding on some of the largest non-domestic premises in the District.

21. Where it has been necessary to exercise judgement in the interpretation of the Code of Practice advice has been sought from CIPFA and staff have liaised closely with both the External Audit Manager and other Essex authorities.

The Extent to which the Financial Statements are Affected by any Unusual Transactions in the Year and how they are Disclosed

22. There are no transactions in 2013/14 that require separate disclosure as Exceptional Items. In 2012/13 the Council received a compensation payment of £100,000 and interest on that payment of £237,000. The size of the interest relative to the compensation illustrates the length of time this issue has been running for.

23. The amounts relate to a compulsory purchase order that took some land owned by the Council to construct the M25 in 1992. The case has been quite complex and has required the Council to prove good title to the land.

24. As the compensation relates to the disposal of a piece of land that amount has to be treated as a capital receipt. The interest has been treated as revenue income and as a one-off has been credited to the District Development Fund.

Significant Adjustments Resulting from the Audit

25. The first significant adjustment has been mentioned above, as the information originally provided by the actuary was incorrect. This resulted in the pension deficit initially being overstated by £0.5 million.

26. A significant adjustment has also arisen from an error in the accounting for income due as part of the local retention of business rates. As stated above, there is a "Safety Net" mechanism in the new system that protects authorities suffering a large shortfall in their non-domestic rate income. The draft accounts had assumed that the size of the appeals provision meant the authority would be due £170,000 of funding from the safety net. This was an error as we had only included non-domestic rate income in our calculation and there is a separate grant paid by the Government that also needs to be included. This grant is to compensate for late changes made to the overall system after it had been introduced. The inclusion of the grant means the authority will not receive any funding from the safety net.

27. Both of the adjustments detailed above have been corrected in the Statement of Accounts. The audit is still to be concluded and any further significant adjustments will be reported to this Committee.

Any Material Weakness in Internal Control Reported by the Internal or External Auditor

28. Neither the Internal nor External Auditor have reported any material weakness in internal controls. If any arise before the conclusion of the audit they will be reported to this Committee.

Resource Implications:

The Accounts set out the resource implications of the Authorities activities for 2013/14. The recommendation of the Accounts to Full Council does not in itself have any resource implications.

Legal and Governance Implications:

Full Council must approve the Accounts before the end of September and as part of the overall governance framework the Accounts should be subject to Member scrutiny prior to their approval.

Safer, Cleaner and Greener Implications:

There are no environmental implications.

Consultation Undertaken:

None.

Background Papers:

Reports on the revenue and capital outturns to the Finance & Performance management Cabinet Committee on 26 June 2014.

Impact Assessments:

There are no equalities or risk management impacts.



Epping Forest District Council
www.eppingforestdc.gov.uk

STATEMENT OF ACCOUNTS
2013/14



STATUTORY STATEMENT OF ACCOUNTS 2013/14

CONTENTS

		Page
Introduction & Explanatory Foreword	by the Director of Finance & ICT	i
The Statement of Responsibilities	which explains the various responsibilities of the Council and the Chief Finance Officer for the Statement of Accounts	1
The Auditors Report	which sets out the Auditors opinion on the statement of Accounts	2
Movement In Reserves Statement	which is a summary of the increase/decrease in the net worth and resources available to the Council	4
Comprehensive Income and Expenditure Statement (CIES)	which brings together income and expenditure relating to all of the Council's activities	5
Balance Sheet	which sets out the financial position of the Council as at 31 March 2014	6
The Cash Flow Statement	which summarises the movements in assets, liabilities and capital which have taken place during the period and the resultant effect on net liquid funds	7
The Notes to the Core Financial Statements	Detailed notes to all the previous statements	8
The Housing Revenue Account Income and Expenditure Statement	which shows income and expenditure on the provision of council housing	54
The Movement on Housing Revenue Account Statement	which shows the differences between the income and expenditure and the movement on the Housing Revenue Account balance	55
The Notes to Housing Revenue Income and Expenditure Statements	Detailed notes to the Housing Revenue Account statements	56
The Collection Fund	which shows the income and expenditure transactions of the Council as a billing authority in relation to the collection and distribution of the council tax and non domestic rates	61
Annual Governance Statement	which outlines the contents of the Local Code of Corporate Governance and the systems of internal control operating within the Council	64
Members Allowances		67
Glossary of Terms		68
Glossary of Pension Related Terms		75

Further copies of this report are available from the Director of Finance & ICT at the Civic Offices, High Street, Epping, Essex, CM16 4BZ

INTRODUCTION AND EXPLANATORY FOREWORD

INTRODUCTION

This is the fourth set of annual accounts to be prepared under the requirements of International Financial Reporting Standards (IFRS) and hopefully stakeholders are now familiar with this format. The accounts are a complex document and readers have not been helped by the previous changes to content and presentation. Thankfully there have been no significant changes for this year and it is hoped that we may now see a reduction in the significance and number of changes. The process we are required to follow and the key financial statements are outlined below.

The Chartered Institute of Public Finance and Accountancy (CIPFA) and Local Authority (Scotland) Accounts Advisory Committee (LASAAC) publishes a Code of Practice on Local Authority Accounting (the Code) every year that local authorities are required to follow in producing their financial statements. In recent years the Accounting Standards Board (ASB) has insisted that the Code moves closer to Generally Accepted Accounting Principles (GAAP), so that public sector financial statements more closely resemble those prepared in the private sector and hence the switch to IFRS.

- n Comprehensive Income and Expenditure Statement - this brings together all gains and losses during the year to report them in one statement. This statement replaces the previous Income and Expenditure Account and the Statement of Total Recognised Gains and Losses.
- n Movement in Reserves Statement - this shows the movements on all reserves in the bottom half of the Balance Sheet and reconciles the surplus or deficit on the Comprehensive Income and Expenditure Statement to the movement in the General Fund Balance. This replaces the Statement of Movement on General Fund Balance and the note which had previously been used to disclose movements on reserves.
- n Balance Sheet - this is the statement of the Council's net worth at the end of the financial year.
- n Cashflow Statement - this reports the movement on cash and cash equivalents in a more summarised form than used previously. Under IFRS some items are now included within cash that would previously have been excluded.

The above are described as core financial statements as all local authorities are required to produce them. Both the Balance Sheet and the Cashflow Statement are long established documents that have not been radically amended over time by the successive accounting standards. The Balance Sheet lists what the Council owns, what is owed to the Council and what the Council owes to others. The Cashflow Statement summarises the movements in cash broken down into operating, investing and financing activities that have taken place during the year and their overall effect on the Council's holdings of cash at the end of the year.

2013/14 was a year of significant change for several aspects of local authority finance. The move from Council Tax Benefit to Local Council Tax Support and the introduction of local retention of Non-Domestic Rates were significant developments for residents and businesses as well as local authorities. Replacing an existing benefit with a new one with 10% less money on a short timescale was a considerable challenge. Authorities were not given full discretion in devising schemes as there was a requirement to protect residents of pensionable age. As this group represented approximately half the Council Tax Benefit caseload, it meant the other half had to bear the brunt of the change. So instead of the entire caseload facing a bill for 10% of the full Council Tax charge it meant those of working age were faced with a bill for 20% of the full charge.

Through an agreement with Essex County Council and the Police and Fire Authorities it was possible to employ additional staff to deal with these challenging cases where people were being asked to pay the Council Tax for the first time. The use of this dedicated resource meant efforts on collecting the majority of non-benefit cases were not compromised. This resulted in the overall collection rate being better than estimated and the costs of local support being contained within the budget. It can be concluded that the challenge of Local Council Tax Support was successfully dealt with in 2013/14. However, further reductions in funding mean the challenge increases over time and I will return to this in the later section on future prospects.

As an incentive to promote economic growth authorities were able to retain a share of any growth in income from non-domestic rates. The outcomes from this have been something of a mixed bag. In recognition of the need for a more proactive approach to debt recovery. Members agreed additional funding and this has been repaid many times over with an increase in the collection rate. The outcomes that have been less positive arise from design flaws in the system that are beyond the Council's control. When the system started it was not with a clean slate as authorities were required to take on the liabilities for all of the outstanding appeals, instead of this problem remaining with central government. The settling of appeals in 2013/14 and the need to provide against those still outstanding at the year end has caused a funding shortfall in the year and placed the Council in the system's "Safety Net".

The other key design flaw in the system is that the General Fund and the Collection Fund account for items in different years. This means the loss on the Collection Fund that put the Council in the "Safety Net" will not be accounted for until 2014/15. However, the "Safety Net" funding comes in to the General Fund and so is accounted for in 2013/14. This rather odd situation means it appears that we have more income in 2013/14 than planned but the reality is we have less, we just leave it a year before we account for it. This is why in the table below it appears that the income from Government Grants and Local Taxation is higher than had been estimated.

In the accounts for last year, and part way through 2013/14, concern was expressed about the Council's significant income streams that are property related and were providing lower returns than has historically been the case. However, the full year position was far more positive and there is now evidence of a recovery in the figures. A ring-fenced account is maintained for Building Control which is required to break even over a three year rolling period. Last year saw a deficit of £73,000 but 2013/14 has seen the account break even for the year. Significant improvement were also seen in Local Land Charges where income was up from £186,000 in 2012/13 to £209,000 and Development Control where income was up to £656,000 from £562,000 in 2012/13. The extent of any recovery is less evident with the MOT service provided by Fleet Operations, which saw a further reduction from £235,000 to £231,000 for the year. This is a substantial fall from the £311,000 achieved in 2010/11 or the £289,000 in 2011/12.

The Continuing Services Budget (CSB) position was made worse by a reduction in income from £936,000 to £588,000 for the market at North Weald, a reduction of £348,000 and a reduction in administration subsidy from the Department for Work and Pensions for providing the housing benefits service by £104,000 to £646,000. Savings for the 2014/15 budget were delivered through the organisational restructuring and increases in rental income through additional investments in property. It was also another good year for New Homes Bonus and an additional £535,000 of income was included for this in the 2014/15 estimates.

In 2013/14 the Council's Balance Sheet value has increased by £52.11 million to £410.96 million. This increase has been driven by a revaluation of Council Dwellings and Garages which totalled £34.03 million. The increase was partially offset by depreciation and so the overall increase in Operational Assets was £25.85 million.

The growth in the Council's Balance Sheet was helped by a decrease in Long Term Liabilities, particularly in respect of the pension fund. This has reduced significantly in the year from £75.36 million to £57.82 million. The assets of the scheme have increased in value by £6.14 million but the major change is on the liabilities which have decreased by £10.90 million. A change in the demographics assumptions on pre-retirement decrements (rates of withdrawal, death in service and ill health retirement) produced a reduction in liabilities of more than 5% for scheme members and this is by far the biggest reason for the overall fall in the liability. The inclusion of this amount in the Balance Sheet shows the extent of the Council's liability if the pension fund was to close on 31 March 2014. It does not mean that this full liability will have to be paid over to the pension fund in the near future.

The year-end position is better than was anticipated when the revised estimates were set. A predicted General Fund deficit of £160,000 has been eliminated and a surplus of £383,000 was achieved. The Housing Revenue Account has a deficit of £593,000, some £700,000 worse than the revised estimate of a surplus of £107,000. The next section provides more detail on both the revenue and capital outturn for the year.

SUMMARY OF OUTTURN

The following tables provide a summary review of net expenditure and financing for 2013/14

General Fund

The table below summarises the revenue outturn for the General Fund and the consequential movement in balances for 2013/14.

	Original Estimate £000	Revised Estimate £000	Actual Spend £000	Variance from Original £000	Variance from Revised £000
General Fund					
Net Expenditure after Adjustments	14,368	14,484	14,227	(141)	(257)
Government Grants and Local Taxation	(14,324)	(14,324)	(14,440)	(116)	(116)
(Contribution to)/from Balances	44	160	(213)	(257)	(373)
Opening Balances - 1/04/2013	(9,671)	(9,671)	(9,671)	-	-
(Contribution to)/from Balances	44	160	(213)	(257)	(373)
Closing Balances - 31/3/14	(9,627)	(9,511)	(9,884)	(257)	(373)

Net expenditure for 2013/14 totalled £14.23 million, which was £141,000 (1.0%) below the original estimate agreed in February 2013 and £257,000 (0.9%) below the revised estimate compiled in December 2013. When compared to a gross expenditure budget of approximately £75 million, the variances can be restated as 0.2% and 0.35% respectively.

An analysis of the changes between Continuing Services Budget (on-going expenditure (CSB)) and District Development Fund (One-off Expenditure (DDF)) expenditure illustrates where the main variances in revenue expenditure have occurred.

General Fund	Original Estimate £000	Revised Estimate £000	Actual Spend £000	Variance from Original £000	Variance from Revised £000
Opening CSB	15,171	15,191	14,824	(347)	(367)
In Year Growth	436	902	940	504	38
In Year Savings	(1,239)	(1,609)	(1,537)	(298)	72
Total Continuing Services Budget	14,368	14,484	14,227	(141)	(257)
DDF - Expenditure	1,626	2,592	1,904	278	(688)
DDF - One Off Savings	(642)	(1,921)	(2,106)	(1,464)	(185)
Total DDF	984	671	(202)	(1,186)	(873)
Appropriations	(984)	(671)	202	1,186	873
Net Expenditure	14,368	14,484	14,227	(141)	(257)

Continuing Services Budget

CSB expenditure was £141,000 below the original estimate and £257,000 lower than the revised. The variances have arisen on both the opening CSB which was £367,000 lower than the revised estimate, and the in year figures which were £110,000 higher than the revised estimate.

In contrast to recent years, when measured against the Original Budget, salaries were overspent by £60,000. Actual salary spending for the authority in total, including agency costs, was some £19.94 million compared against an original estimate of £19.88 million. Whilst the General Fund was overspent by around £160,000, the HRA was underspent by around £100,000. The General Fund overspend was due in part to additional staffing in the Deputy Chief Executive directorate but this was paid for by external funding secured too late to be included in the budget. However, generally vacancy levels fell below the 2.5% allowed for in the budget. The underspend on the HRA fell mostly on the Housing Repairs Fund as it related to vacancies in the Housing Works Unit. When comparing to the Revised Estimate there was a General Fund underspend of around £180,000 as budgets had been adjusted for known variations and some recruitment took longer than expected.

There were a number of other underspent CSB budgets, with the largest underspend of £213,000 being on Housing Benefits. This was partly due to adjustments relating to previous years and the identification of a higher level of overpayments than in previous years. Overpayments are recoverable from the recipients and are therefore shown as income and reduce overall net expenditure.

The original in-year CSB net saving figure of £803,000 reduced at revised estimate to a net saving of £707,000. The main reason for this being the reduction in the income from the market at North Weald. This was offset to a degree by a reduction in the non-domestic rate bill for the Civic Offices. This reduction was backdated and a credit of £209,000 has been made to the DDF for that element. The actual net savings were £110,000 below the revised figure at £597,000. This was primarily due to gate fees on the waste management contract which were £65,000 more than estimated.

District Development Fund

Net DDF expenditure was £1,186,000 below the original estimate and £873,000 below the revised estimate. There are requests for carry forwards totalling £682,000 and therefore the variation actually equates to a £191,000 net under spend on the DDF items undertaken. These one-off projects are akin to capital, in that there is regular slippage and carry forward of budgetary provision. Therefore the only reasonable variance analysis that can be done is against the revised position.

The DDF reduced between the Original and Revised position by some £313,000. This was mainly due to new items identified during 2013/14, the three main items being £400,000 for section 31 grant relating to Small Business Rate Relief granted. It had been known that the Government would pay some Section 31 Grant but the actual announcement came very late in the year. A £209,000 one-off saving for Non Domestic rates on the Civic Offices backdated to 2010 and offsetting expenditure for severance costs arising from the implementation of the new Directorate structure of £211,000.

The rephasing of the Local Plan budget again proved overly optimistic as £103,000 remained unspent and has been carried forward to 2014/15. There were a number of other projects still in progress in Neighbourhoods and the total DDF carry forward for this directorate is £288,000. The directorate with the second highest carry forward is Resources, with a total of £132,000. The majority of the carry forward from this area relates to Building Maintenance (£77,000). Less significant carry forwards were also seen in the Governance Directorate (£62,000) and the Office of the Chief Executive (£39,000).

Several items contributed to the net underspend of £191,000, the largest being unanticipated income of £138,000 that arose from claw backs of Council Tax Benefit. With the introduction of Local Council Tax Support, Council Tax Benefit ceased and any changes in entitlement calculated in 2013/14 for earlier years were retained by the Council. There was also additional income of £62,000 in Development Control and a saving of £44,000 on external audit fees.

The effect of this is that there is a balance of £3.85 million on the DDF as at 31 March 2014 whereas it was expected that the balance would be £2.91 million. The carry forward provision of £682,000 has been added to the programme for 2014/15 meaning that at the end of that year there is £258,000 more available to spend. The MTFs set in February 2014 had anticipated that the unallocated DDF balance would still be £0.87 million at the end 2017/18 and this has increased to £1.18 million.

Housing Revenue Account

The table below summarises the revenue outturn for the HRA.

Housing Revenue Account	Original Estimate £000	Revised Estimate £000	Actual Spend £000	Variance from Original £000	Variance from Revised £000
Revenue Expenditure	14,114	13,982	13,929	(185)	(53)
Depreciation	18,418	12,851	13,110	(5,308)	259
Total Expenditure	32,532	26,833	27,039	(5,493)	206
Gross Dwelling Rents	(31,080)	(30,966)	(30,884)	(196)	(82)
Other Rents and Charges	(2,896)	(2,911)	(2,853)	(43)	(58)
Total Income	(33,976)	(33,877)	(33,737)	(239)	(140)
Net Cost of Service	(1,444)	(7,044)	(6,698)	(5,254)	346
Interest and Other Transfers	(453)	(460)	(489)	(36)	(29)
Interest Payable	5,571	5,532	5,526	(45)	(6)
Transfer from Major Repairs Reserve	(11,496)	(5,929)	(5,349)	6,147	580
Net Operating Income	(7,822)	(7,901)	(7,010)	812	891
Appropriations					
Capital Expenditure					
Charged to Revenue	4,200	4,200	4,200	0	0
Transfer to Self Financing Reserve	3,180	3,180	3,180	0	0
Transfer to Service Enhancement Fund	0	272	(58)	(58)	(330)
Other	314	142	98	(216)	(44)
Deficit for Year	(128)	(107)	410	538	517
Opening Balance 1/4/13	(3,375)	(3,375)	(3,375)	0	0
Deficit for year	(128)	(107)	410	538	517
Closing Balance - 31/3/14	(3,503)	(3,482)	(2,965)	538	517

A surplus within the HRA of £128,000 and £107,000 was expected within its original and probable outturn revenue budgets respectively; the actual outturn was a deficit of £410,000. The difference of £517,000 between the revised estimate and the actual is largely due to the transfer from the Major Repairs Reserve (MRR). This transfer was £580,000 less than had been budgeted due to a correction arising from the 2012/13 audit. Whilst this has reduced the HRA balance it has increased the MRR balance and these can be brought back into line with projections in 2014/15 when deciding the financing of the capital programme.

Income from Dwelling Rents was down on expectations as there was a surge in sales in the second half of the year. There were savings on Revenue Expenditure of £53,000 when compared to the revised position. It was expected that the introduction of the universal credit would push up rent arrears. However, this has been delayed and rent arrears have actually fallen, meaning a significantly lower contribution to the Bad and Doubtful debts provision was necessary.

The revenue balance on the HRA of £2.97 million is below the target balance of between £3 million and £4 million previously agreed by Cabinet. However, as stated above, this is countered by the balance on the MRR of £11.36 million, being £1.36 million higher than estimated.

Capital Outturn

The table below summarises the capital expenditure outturn and its financing for 2013/14.

Capital Expenditure and Financing	Original Estimate £000	Revised Estimate £000	Actual Spend £000	Variance from Original £000	Variance from Revised £000
General Fund	2,794	4,580	2,323	(471)	(2,257)
Housing Revenue Account	15,417	11,030	10,683	(4,734)	(347)
Total Expenditure	18,211	15,610	13,006	(5,205)	(2,604)
Grants	987	1,254	995	8	(259)
Capital Receipts	4,315	3,327	1,644	(2,671)	(1,683)
Revenue Contributions	12,909	11,029	10,367	(2,542)	(662)
Total Financing	18,211	15,610	13,006	(5,205)	(2,604)

The table identifies a net underspend against the revised estimate of £2.60 million. This includes some schemes showing genuine savings. However, there are also schemes where expenditure was ahead of schedule and these overspends in 2013/14 have been financed by bringing forward £471,000 of funding from 2014/15.

As always with the capital programme, there has been some slippage and £3.20 million of funding has been carried forward to 2014/15. The two largest areas of slippage on non-housing items were the purchase of Bridgeman House (£654,000) and the purchase of a property to expand the museum (£650,000). Whilst there is a £2.26 million underspend on the General Fund programme the net carry forward is £2.39 million, this is due to a net overspend of £129,000 on the projects undertaken. On the housing programme the greatest slippage was on the roofing programme (£406,000) due to a delay in letting new contracts. There was an underspend of £347,000 on the HRA programme and this matches the net carry forward as there was a net nil overspend on projects undertaken.

The generation of capital receipts proved to be higher in 2013/14 than had been anticipated. This was largely due to the increased number of council house sales since the rise in the maximum allowable right to buy discount from £34,000 to £75,000. Although an increase was expected, a total of 53 properties were sold compared to an estimated 32. In addition to this the Council benefited from further capital receipts from the release of a covenant as well as sales of vehicles and bins. On the other hand, the use of capital receipts to finance expenditure was £1.68 million lower than estimated reflecting the overall underspend on the General Fund in particular. The impact of the increased receipts and reduced usage is that the year end balance is £4.64 million higher than projected, standing at £17.46 million as at 31 March 2014. The movements in capital resources are set out in the tables below:

	Original Estimate £000	Revised Estimate £000	Actual Spend £000	Variance from Original £000	Variance from Revised £000
Usable Capital Receipt Balances					
Opening Balance - 1/04/13	13,715	13,900	13,900	185	-
Usable Receipts Arising	753	2,243	5,211	4,458	2,968
Use of Other Capital Receipts	(4,315)	(3,327)	(1,644)	2,671	1,683
Closing Balance - 31/3/14	10,153	12,816	17,467	7,314	4,651

	Original Estimate £000	Revised Estimate £000	Actual Spend £000	Variance from Original £000	Variance from Revised £000
Major Repairs Reserve					
Opening Balance - 1/04/13	9,955	9,755	9,755	(200)	-
Major Repairs Allowance	6,922	6,922	7,750	828	828
Use of MRR	(8,709)	(6,679)	(6,145)	2,564	534
Closing Balance - 31/3/14	8,168	9,998	11,360	3,192	1,362

CARBON REDUCTION

The Council remains committed to reducing its carbon footprint and in addition to signing the Nottingham Declaration has developed a Carbon Change Strategy. The objectives of the Carbon Change Strategy are:

- n Reduce our carbon footprint
Substantially reduce the amount of CO₂ and the other greenhouse gases we as a Council emit through all our services and operations.
- n Be a community leader
To reduce our impact and to lead by example, taking forward our knowledge, partnerships and resources to encourage and help the wider community and stakeholders to become more sustainable.
- n Use our powers
Influence and use our powers in procurement, private housing, commercial sector and planning. Minimise the environmental impact of new development and ensure any future developments are able to withstand the challenge of the changing climate.
- n Prepare the Council and the District for the impacts of climate change
Make preparations to ensure the Council's assets and operations are resilient to the predicted climate change impacts and assist in the work to prepare the District for the new climate.

The Council is working on a number of initiatives to reduce its carbon footprint. Last year I highlighted work on the housing stock with an initiative involving new builds, where a trial scheme was undertaken to construct houses from straw bales, which provide excellent insulation and greatly reduce heating requirements. These properties were successfully completed during 2013/14 and are now occupied. During 2013/14 finance was approved for a project to put solar panels on the roof of the Civic Offices and this project should be completed during 2014/15. This demonstrates that the Council will continue to pursue initiatives to substantially reduce power consumption.

THE FUTURE

In looking ahead it is worth considering the international situation as our economy does not exist in isolation and is not immune from events in Europe, the Middle East or America. Europe has been slower to emerge from recession than the United Kingdom and the International Monetary Fund has recommended the adoption of more expansionary monetary policies to provide a stimulus. However, the difficulty will remain in Europe that one size of policy rarely fits all of the members. The middle east continues as a concern with several on-going conflicts and this instability causing fluctuations in oil prices. Iraq, Syria and Egypt head the list of concerns at the moment but the whole region is in a volatile state. America used to provide a degree of comfort and stability but the economy there retracted sharply in the last quarter. Some commentators are claiming this was weather related and an unrepresentative blip, we have to hope they are correct. There are other flashpoints worthy of a brief mention as well, such as Ukraine and North Korea. Overall there is little on the world stage that encourages enthusiasm and creates optimism about the world economy.

Looking ahead domestically, there are just a couple of months before the Scottish referendum and less than a year before a General Election. The outcome of both votes is far from certain. In Scotland an early lead for the "No" campaign has narrowed and it will be interesting to see what effect the approach of the Commonwealth Games has. The recent successes of UKIP have added an extra dimension to domestic politics and as well as effecting outcomes in some seats it has been predicted that they may even win a seat in Parliament.

Having mentioned the relatively strong growth in the domestic economy, it is certainly not the case that everything is going well. Despite the reductions in unemployment there has been little extra money coming in to the Treasury by way of either personal or corporate tax and consequently Government borrowing remains above target. The expenditure side of the public finance equation is also causing concern. In particular, Employment Support Allowance and associated initiatives have been less effective than predicted and the resultant welfare payments mean the Government is in danger of breaching the Benefit Cap it set itself. It is clear that whichever party wins the General Election will have little money to play with and that austerity will be an ongoing theme in the public sector, so the challenge of doing more with less will continue and is likely to accelerate.

In the Introduction I mentioned the key changes that have taken place in local authority finances during 2013/14 and now it is necessary to consider the impacts of these changes for 2014/15 and beyond. The introduction of Local Support for Council Tax was successfully managed in 2013/14 and keeping a similar scheme in place for 2014/15 should prevent any significant difficulties arising. However, the further reductions in Government funding will necessitate some changes to the scheme for 2015/16. The percentage of a full bill paid by those receiving support will need to increase from 20% but the amount of the increase has to be carefully considered. In many of these cases if the individuals were presented with a full bill they would be unable to pay it and so would pay nothing. There is a tipping point somewhere between 20% and 100% at which these cases will not make an attempt to pay and we need to be mindful of this in designing the 2015/16 scheme. Equally, there is a limit to the extent that Members will be prepared to subsidise this benefit from General Fund resources.

The local retention of non-domestic rates provides an opportunity in the long term but is something of a headache in the short term. As mentioned above, the Council found itself in the Safety Net for 2013/14 due to the outstanding appeals against the old system. This Council's share of the deficit on the Collection Fund is approximately £400,000 and this will be accounted for in 2014/15. This had in part been anticipated and £250,000 had been allowed for in the District Development Fund. Looking further to the future, developments at St John's Road, Langston Road and North Weald Airfield should boost the non-domestic rating list and provide additional funding. It is difficult to predict when these developments will take place and their precise impact on the rating list but they do provide a balance against the other largely negative prospects on the horizon.

The final key area in need of mention is New Homes Bonus (NHB), which has helped limit the overall impact of Government funding reductions. During 2013/14 there was concern when the Government consulted on top slicing NHB to fund the Local Economic Partnerships. Even these bodies themselves were opposed to this and the idea was dropped, although the Government did say there would be a review of NHB. When the scheme was implemented it was designed to cover a rolling six year period. The first four years of the scheme have seen growth in the amount of housing in the district and the Council will receive approximately £1.82 million in NHB in 2014/15. If any revision of the scheme significantly reduced the size of the payments a large hole could appear in the budget. However, it must be remembered that the NHB is paid for with money top sliced from the overall funding for local government so the Council would be likely to receive some income from whatever replaced NHB and it seems unlikely that the Government would want to introduce another major financial reform for local authorities before the General Election.

Whilst the General Fund revenue balances are higher than anticipated, they still need to be managed and safeguarded. The current reserves policy stipulates that the balances should not go below 25% of net budget requirement. This would allow a reduction from the current level of £10.1 million to £3.2 million by the end of 2017/18. It is very difficult to imagine £1.7 million being used from reserves each year for all of the next four years and so there seems little chance of this limit being breached in the medium term.

The Housing Revenue Account is also in a strong financial position, although the number of right to buy sales generated by the increased level of discount is causing some concern. The first concern is in terms of lost rental income as this is much greater than had been allowed for in the modelling of the HRA for self-financing. Secondly, there is concern about the ability of the Council to spend the much larger amount of receipts on new housing within the time allowed. A review of the house building programme and its financing will be conducted in 2014/15 to ensure the Council is not required to pay over receipts and interest to the Government.

The four-year programme of non housing revenue account capital investment totals £14.9 million, inclusive of amounts carried forward from 2013/14. Neighbourhoods has the largest programme, with £5.9 million being spent. Within Neighbourhoods, £4.1 million is for the purchase of investment properties and £345,000 is available for parking schemes. The Communities Directorate has the next largest programme with £2.9 million, of which £1.75 million will be spent on the museum. As it is still unclear which of the many development opportunities will be taken forward and on what timescale no provision has been included at this time.

The Council's financial strength has meant its response to the austerity programme could be more measured than some other authorities who have rushed to cut jobs and services. The service restructure that took place in 2013/14 will be finalised in 2014/15 and provides an opportunity to enhance efficiency and effectiveness whilst realising savings in a sustainable way. Reductions in grant support will continue and financial pressures will arise from service areas, such as Local Support for Council Tax. The MTFS is regularly revisited and updated and the net savings targets may need to be increased, to achieve these savings over the medium term there will need to be a hard look at priorities. The Council will have to consider reductions in the level at which many services are provided and whether some continue to be provided at all, particularly where there is either private sector provision or no statutory duty on the Council to provide a service.

The Council's accounts were completed and approved for issue on 30 June 2014.

Robert Palmer BA ACA
Director of Finance & ICT

Statement of Responsibilities for the Statement of Accounts

THE AUTHORITY'S RESPONSIBILITIES

The Authority is required to:

- Make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this authority, that officer is the Director of Resources;
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- Approve the Statement of Accounts

COUNCILLOR TONY BOYCE
CHAIRMAN OF THE COUNCIL

THE DIRECTOR OF FINANCE AND ICT'S RESPONSIBILITIES

The Director of Resources is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA / LASAAC Code of Practice on Local Authority Accounting in the United Kingdom ('the Code')

In preparing this Statement of Accounts, the Director of Resources has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgments and estimates that were reasonable and prudent;
- Complied with the Local Authority Code.

The Director of Resources has also:

- Kept proper accounting records which were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

I certify that the accounts set out on pages 4 to 67 give a true and fair view of the financial position of the Council as at 31 March 2014 and the income and expenditure for the year then ended.

ROBERT PALMER BA ACA
DIRECTOR OF FINANCE & ICT

September 30, 2014

Independent auditor's report to the Members of Epping Forest District Council

Opinion on the Council's financial statements

We have audited the financial statements of Epping Forest District Council for the year ended 31 March 2014 under the Audit Commission Act 1998. The financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement and Collection Fund Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

This report is made solely to the members of Epping Forest District Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council and the Council's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Director of Resources and auditors

As explained more fully in the Statement of the Director of Resources Responsibilities, the Director of Resources is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Council's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Director of Resources; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Epping Forest District Council as at 31 March 2014 and of its expenditure and income for the year then ended; and
- have been prepared properly in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2013/14.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We have nothing to report in respect of the following other matters which the Code of Audit Practice for local government bodies (March 2010) requires us to report to you if:

- we have been unable to satisfy ourselves that the Annual Governance Statement meets the disclosure requirements set out in the guidance 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007 or is misleading or inconsistent with other information that is forthcoming from the audit;
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998;
- we designate under section 11 of the Audit Commission Act 1998 any recommendation as one that requires the Council to consider it at a public meeting and to decide what action to take in response; or
- we exercise any other special powers of the auditor under the Audit Commission Act 1998.

Independent auditor's report to the Members of Epping Forest District Council

Conclusion on Council's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Council and the auditor

The Council is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

We report if significant matters have come to our attention which prevent us from concluding that the Council has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in October 2013, as to whether the Council has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Council put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2014.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Council had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in October 2013, we are satisfied that, in all significant respects, Epping Forest District Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2014.

Certificate

We certify that we have completed the audit of the accounts of Epping Forest District Council in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission. We certify that we have completed the audit of the accounts of Epping Forest District Council in accordance with the

David Eagles
For and on behalf of BDO LLP, Appointed Auditor

Ipswich, UK

25-Sep-14

MOVEMENT IN RESERVES STATEMENT

Note	General Fund Balance	Earmarked GF Reserves	Housing Revenue Account	Earmarked HRA Reserves	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Total Usable Reserves	Total Unusable Reserves	Total Reserves
<i>Movements in 2012/13</i>	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Balance as at 31 March 2012</i>	9,201	4,638	4,493	4,577	15,842	8,241	190	47,182	304,451	351,633
<i>Surplus/(Deficit) on Provision of Services</i>	(5,356)	-	19,518	-	-	-	-	14,162	-	14,162
<i>Other Comprehensive Income and Expenditure</i>	-	-	-	-	-	-	-	-	(7,943)	(7,943)
<i>Total Comprehensive Income and Expenditure</i>	(5,356)	-	19,518	-	-	-	-	14,162	(7,943)	6,219
<i>Adjustment between accounting and funding bases under regulations</i>	6	5,870	(17,710)	-	(1,942)	1,514	32	(12,236)	12,236	-
<i>Net Increase/(Decrease) before transfer to Earmarked Reserves</i>	514	-	1,808	-	(1,942)	1,514	32	1,926	4,293	6,219
<i>Transfers to Earmarked Reserves</i>	(45)	45	(2,926)	2,926	-	-	-	-	-	-
<i>Increase/(Decrease) in Year</i>	469	45	(1,118)	2,926	(1,942)	1,514	32	1,926	4,293	6,219
<i>Balance as at 31 March 2013</i>	9,670	4,683	3,375	7,503	13,900	9,755	222	49,108	308,744	357,852
<i>Movements in 2013/14</i>	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<i>Balance as at 31 March 2013</i>	9,670	4,683	3,375	7,503	13,900	9,755	222	49,108	308,744	357,852
<i>Surplus/(Deficit) on Provision of Services</i>	(4,682)	-	32,344	-	-	-	-	27,662	-	27,662
<i>Other Comprehensive Income and Expenditure</i>	-	-	-	-	-	-	-	-	24,945	24,945
<i>Total Comprehensive Income and Expenditure</i>	(4,682)	-	32,344	-	-	-	-	27,662	24,945	52,607
<i>Adjustment between accounting and funding bases under regulations</i>	6	5,278	(30,468)	-	3,567	1,604	(38)	(20,057)	20,057	-
<i>Net Increase/(Decrease) before transfer to Earmarked Reserves</i>	596	-	1,876	-	3,567	1,604	(38)	7,605	45,002	52,607
<i>Transfers to Earmarked Reserves</i>	(382)	382	(2,285)	2,285	-	-	-	-	-	-
<i>Increase/(Decrease) in Year</i>	214	382	(409)	2,285	3,567	1,604	(38)	7,605	45,002	52,607
<i>Balance as at 31 March 2014</i>	9,884	5,065	2,966	9,788	17,467	11,359	184	56,713	353,746	410,459

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

for the year ended 31 March 2014

	Note	2013/14		Net	2012/13		Net
		Gross Expend £000	Income £000	Expend £000	Gross Expend £000	Income £000	Expend £000
CONTINUING OPERATIONS							
Central Services to the Public		4,306	(1,191)	3,115	12,879	(9,995)	2,884
Corporate and Democratic Core		2,600		2,600	2,557	-	2,557
Cultural & Related Services		4,945	(837)	4,108	4,544	(468)	4,076
Environmental & Regulatory Services		10,738	(3,180)	7,558	10,404	(2,970)	7,434
Highways and Transport Services		1,180	(1,141)	39	1,509	(1,415)	94
Concessionary Fares		20	(9)	11	15	(33)	(18)
Non Local Authority Housing		40,667	(39,524)	1,143	39,962	(38,844)	1,118
Planning Services		4,274	(1,124)	3,150	4,310	(987)	3,323
Housing Revenue Account		27,743	(64,454)	(36,711)	25,590	(51,038)	(25,448)
EXCEPTIONAL ITEMS							
General Fund							
Interest on Compulsory Purchase Compensation	11	-	-	-	-	(237)	(237)
NET COST OF SERVICES		96,473	(111,460)	(14,987)	101,770	(105,987)	(4,217)
OTHER OPERATING EXPENDITURE	8			1,948			3,320
FINANCING AND INVESTMENT INCOME AND EXPENDITURE	9			4,714			5,761
TAXATION AND NON-SPECIFIC GRANT INCOME	10			(19,337)			(19,026)
(SURPLUS)/DEFICIT ON PROVISION OF SERVICES				(27,662)			(14,162)
(Surplus) on Revaluation of Property Plant and Equipment	12 & 16			(4,416)			(298)
Actuarial (gains)/losses on Pension Assets/Liabilities	39			(20,425)			8,676
Other (Gains)/Losses				(104)			(435)
TOTAL COMPREHENSIVE INCOME AND EXPENDITURE				(52,607)			(6,219)

BALANCE SHEET

	Note	31 March 2014		31 March 2013	
		£000	£000	£000	£000
LONG TERM ASSETS					
Property, Plant & Equipment	12		554,477		528,641
Heritage Assets	13		542		542
Investment Properties	14		39,754		39,242
Intangible Assets	15		543		616
Long Term Investments	18		10,004		10,074
Long Term Debtors	17		2,453		1,977
TOTAL LONG TERM ASSETS			607,773		581,092
Current Assets					
Assets held for sale	16	1,510		515	
Inventories	19	274		213	
Debtors and Prepayments	20	5,653		5,993	
Short Term Temporary Investments	18	33,910		30,259	
Cash & Cash Equivalents	21	15,338		9,906	
			56,685		46,886
Current Liabilities					
Creditors	22	(8,943)		(8,131)	
Provisions	23	(794)			
			(9,737)		(8,131)
LONG TERM LIABILITIES					
Long Term Loans	18	(185,456)		(185,456)	
Pensions Liability	39	(57,820)		(75,357)	
Capital Grant Receipts in Advance	35	(986)		(1,182)	
			(244,262)		(261,995)
TOTAL ASSETS LESS LIABILITIES			410,459		357,852
Usable Reserves					
Usable Reserves			56,713		49,108
Unusable Reserves					
Unusable Reserves	24		353,746		308,744
			410,459		357,852

THE CASH FLOW STATEMENT

	Note	2013/14 £000	2012/13 £000
Net Surplus or (Deficit) on Provision of Services		27,662	14,162
Adjustments to net surplus or deficit on the provision of services for non-cash movements	25	(5,564)	660
Adjustment for items included in the net surplus or deficit on the provision of services that are investing and financing activities	25	(6,870)	(1,891)
<hr/>			
Net cash flows from Operating Activities	25	15,228	12,931
Investing Activities	26	(10,187)	(17,791)
Financing Activities	27	391	949
<hr/>			
Net Increase or (Decrease) in cash and cash equivalents		5,432	(3,911)
Cash and Cash Equivalents at the beginning of the reporting period		9,906	13,817
<hr/>			
Cash and Cash equivalents at the end of the reporting period	21	15,338	9,906

Index of Notes to the Statement of Accounts

		Page
1	Accounting Policies	9
2	Accounting Standards that have been issued but not yet adopted	17
3	Critical judgements in applying Accounting Policies	18
4	Assumptions made about the future and Other Major Sources of Estimation Uncertainty	18
5	Events after the Balance Sheet Date	18
6	Adjustments between Accounting Basis and Funding Basis under Regulation	19
7	Earmarked Reserves	21
8	Other Operating Expenditure	21
9	Financing and Investment Income and Expenditure	21
10	Taxation and Non-Specific Grant Income	22
11	Exceptional Items	22
12	Property, Plant and Equipment	23
13	Heritage Assets	25
14	Investment Property	27
15	Intangible Assets	28
16	Assets Held for sale	28
17	Long Term Debtors	28
18	Financial Instruments	29
19	Inventories	30
20	Debtors and Prepayments	31
21	Cash and Cash Equivalents	31
22	Creditors	32
23	Provision	32
24	Usable and Unusable Reserves	33
25	Cashflow Statement - Operating Activities	36
26	Cashflow Statement - Investing Activities	37
27	Cashflow Statement - Financing Activities	37
28	Amounts Reported for Resource Allocation Decisions	38
29	Trading Operations	41
30	Agency Services	41
31	Pooled Budgets	41
32	Member Allowances	42
33	Officer Remuneration	42
34	External Audit Fees	43
35	Grant & Contributions	44
36	Related Party Declarations	45
37	Capital Expenditure and Capital Financing	45
38	Leases	46
39	Pensions	47
40	Contingent Liabilities	51
41	Nature and Extent of Risks Arising from Financial Instruments	51
42	Capital Commitments	51

1.

1.1 GENERAL PRINCIPLES & RESTATEMENT OF PRIOR YEAR FIGURES

General Principles

The Statement of Accounts has been prepared in accordance with the Code of Practice on Local Authority Accounting in Great Britain 2014. The Code has been developed by the CIPFA/LASAAC Joint Committee under the oversight of the Financial Reporting Advisory Board as opposed to the Accounting Standards Board as previously.

The Code is based on International Financial Reporting Standards (IFRS) which comprises of International Accounting Standards (IAS), interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and interpretations of the Standing Interpretations Committee (SIC). The Code notes that it interprets and adapts IFRS but such instances are identified within the Code.

1.2. ACCOUNTING CONCEPTS

The accounting policies referred to are consistent with the persuasive accounting concepts of:

Going Concern - the accounts have been drawn up on the basis that the Council is going to continue in its operational existence for the foreseeable future.

Accruals - Income and expenditure is recognised in the period to which they relate rather than when the related cash is received or paid.

The Primacy of Legislation - Where there is conflict between legislative requirements and accounting principle, legislative requirements will prevail.

1.3. ESTIMATION

Where actual amounts to be included within the accounts are uncertain estimates are used. The estimate is based on the best assessment of information available at the time of closing the accounts. When the actual figures are determined any difference arising is accounted for in the year when the actual figure is determined.

1.4 CASHFLOW PREPARATION

The Code allows the preparation of the cashflow to be either the direct or indirect method. The Council has prepared the statement using the indirect method.

1.5 GROUP ACCOUNTS

Accounting practice requires that where the Council has a material financial interest and a significant level of control over another entity, it should prepare group accounts. The Council has reviewed its relationships with other entities and has concluded that no material financial interest or significant control exists and group accounts are therefore not required.

1.6 COLLECTION FUND

This records all transactions in relation to Council Tax and Non Domestic rates. The Council transfers its share of Council Tax income to the General Fund to finance expenditure and the remainder is passed to precepting authorities. From 1 April 2013 the regime governing Non Domestic Rate income has changed. From that date 50% is passed to Central Government, 40% to the General fund with 9% and 1% being passed to the County Council and Fire Authority respectively, after passing a collection allowance to the General Fund.

The General Fund receives 40% of the Business Rates form the Collection Fund. However, because this amount exceeds the Business Rates Baseline funding a further amount (£9.84 million) is paid to Central Government as a tariff.

1.7 PROPERTY PLANT AND EQUIPMENT

All expenditure on the acquisition, creation or enhancement of property plant and equipment (PPE) is capitalised on an accruals basis in the accounts. Expenditure is capitalised, provided that the asset yields benefits to the Council and the services it provides for more than one year. This excludes expenditure on routine repairs and maintenance of assets, which is charged directly to service accounts.

Property Plant and Equipment were originally valued and recorded in the accounts as at 1 April 1994. These valuations were based upon certificates issued by the Council's Chief Valuer and Estates Surveyor. Additions since that date are included in the accounts at cost. Council dwellings and garages are revalued every year using the Beacon Properties approach as the basis for valuation. The valuation takes the form of a full revaluation followed by four years of desk top revaluations, with the last full revaluation occurring as at 1 April 2010. Other assets are revalued as part of the Council's rolling programme under which assets are revalued over a five year period. The Council dwellings and garages valuation has been carried out by District Valuer A Wilcock, MRICS, and other assets by the Council's Principal Valuer and Estates Surveyor.

The introduction of IFRS via the 2010/11 code required the Council to value component parts of PPE for the first time. This applies when an asset is either revalued or a component replaced or created and is subject to a significance test. The purpose of this is to ensure that the depreciation charge accurately reflects the differing useful lives of components particularly where the asset within which the component is situated has a rather longer life. Within the 2010/11 accounts, Council dwellings and associated land were valued on the basis of Existing Use for Social Housing (EUV-SH) being 39% of the Vacant Possession value. The components within the dwelling have been valued based on the proportion of the total dwelling to which their value relates.

The policy was introduced for PPE revalued during 2010/11 and as part of that process the necessity to recognise significant components was also considered. A series of significance tests were applied to identify which assets it was appropriate to componentise. The first stage was applied to Council housing and leisure centres as the largest asset categories; Council dwellings and leisure centres which had a value greater than 20% of the total value of the asset categories were considered significant. As a result of these tests all Council dwellings and two leisure centres were identified and a second test was applied; any component which exceeded 20% of the total value of the asset as a whole was deemed significant. The value of plant and equipment within council dwellings and one of the leisure centres, namely Loughton Leisure Centre, was thereby identified as significant and componentisation has been applied to these assets. The Civic Offices were revalued during 2013/14 and as a result componentisation was applied to this as part of that process. Componentisation has not been applied to any other assets.

The useful lives of both dwellings and the components within have been reviewed during 2013/14. The useful life of the buildings has been reassessed at 60 years with the average life of components at 26 years.

An impairment is defined as a loss in value due to the consumption of economic benefits. Where a valuation reduction occurs due to a fall in prices generally this is known as a downward revaluation. In both cases the loss is taken to the revaluation reserve to the extent that revaluation gains relating to that particular asset exists within the revaluation reserve in the first place.

If the value of the impairment or downward revaluation exceeds the revaluation amount relating to that asset already residing in the revaluation reserve then the difference is recognised in the CIES in the year in which it occurs. The valuations are based upon the facts and evidence prevailing at the date of valuation. The valuation date is 31 March of the year to which the accounts relate, in the case of 2013/14, 31 March 2014. As part of this years revaluation the valuer has assessed that the proportion of value in the Land element is 35%, which is an increase from 30% in 2012/13.

Revaluations of individual assets are also undertaken when a material change happens. Infrastructure and community assets do not have a value attributed to them and therefore their value is based on the historic cost of providing the asset. Surplus assets, which are identified for sale on the open market, are revalued at market value which reflects any changes in planning permission granted.

Land, operational properties and other operational assets are included in the balance sheet at the lower of net current replacement cost and net realisable value in existing use. Investment properties are included in the balance sheet at the lower of net current replacement cost and net realisable value (open market value). Community assets are included in the balance sheet at historical cost and Infrastructure assets at depreciated historic cost.

Long term assets are valued on the basis recommended by CIPFA and in accordance with the Statement of Asset Valuation Principles and Guidance Notes, issued by the Royal Institution of Chartered Surveyors (RICS). Fixed assets (excluding land) are classified as follows:

Type of Asset	Valuation Method	Estimated Useful Life (Years)
Council Dwellings and Garages	Existing use value for social housing Existing use value	15 to 60
Other land and buildings	Existing use value	20 to 50
Infrastructure assets	Depreciated Historic Cost	15 to 40
Community assets	Historic Cost	Indeterminable
Vehicles, plant, furniture and equipment	Depreciated historic cost	5 to 20
Non-operational assets	Existing use value Market value Historic Cost (where market value for existing use cannot be ascertained)	

Where assets are acquired under operating leases, the leasing rentals payable are charged to revenue. The cost of assets and the related liability for future rentals payable are not shown in the balance sheet but are disclosed in the notes. (See Note 38).

Where an asset has been disposed of, the profit or loss on disposal is applied to the CIES with corresponding entries to fixed assets and cash/debtors. Subsequently, the income derived is credited to the Usable Capital Receipts Reserve, and accounted for on an accruals basis. The profit or loss on disposal is then reversed within the Movement in Reserves Statement to neutralise the effect on the General Fund of the entry in the CIES. Upon disposal, any valuation gains since 1 April 2007 relating to those assets are written off against the Revaluation Reserve with the remainder being written off against the Capital Adjustment Account.

1.8 DEPRECIATION

In accordance with the provisions of IAS 16, assets are depreciated on a straight-line basis over their useful economic life. Where a unique asset is purchased or constructed the useful life is assessed based on information available concerning that asset. The only general exceptions to this are freehold land, community assets and non-operational investment properties which are not depreciated. Subsequent expenditure on a fixed asset that maintains or enhances the previously assessed standard of performance of the asset does not negate the need to charge depreciation.

1.9 HERITAGE ASSETS

The 2011/12 Code introduced the concept of heritage assets. The accounting standard (FRS 30) was introduced during 2010/11 but only applicable from 2011/12. A heritage asset is defined as an asset that is maintained principally for the contribution it makes to knowledge and culture. In the case of the Council the museums service hold a number of artefacts that fall within this definition. The Code also states that such assets should be recognised where the authority has information on the cost or value of the assets, but where this is not available, a note to that effect should be included. The amount relating to artefacts that the Council holds information on is not material to the accounts themselves and therefore not all the disclosures required by the Code have been made.

The Council has an acquisitions and disposals policy in place for these assets. The intention on acquisition is to keep the items in perpetuity and an acquisition would only be made once the long term value and the ability of the museum to provide adequate care and public accessibility to it has been assessed. This would include the ability to acquire the asset with valid title. If an item is to be disposed of it would be necessary to confirm that the museums service could legally do so and would be after due consideration but would not be based on the principle of generating funds. The museum keeps records of its collection on a database allocating a unique reference number to each artefact and is cared for by the collections manager. The Council's Museum is open to the public to view some of the artefacts but a significant number are not generally on display. There is a temporary exhibitions programme whereby certain items are shown for a limited period and some items are being stored in digital format for presentation on the museums part of the web-site.

1.10 INTANGIBLE ASSETS

Intangible assets are payments of a capital nature where no tangible fixed asset is created but which are expected to yield future economic benefits to the Council. Software, including licences, is considered an intangible asset as it fulfils the two tests above. Council policy is to capitalise such expenditure but amortise it to revenue over the useful life of the asset, in this case five years.

1.11 CAPITAL EXPENDITURE CHARGED TO REVENUE

The Local Government and Housing Act 2003 allows local authorities to finance an unlimited amount of capital expenditure through its revenue accounts. The Council's policy has been to finance a significant amount of Housing Revenue Account (HRA) capital expenditure in this way.

1.12 REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE

Revenue expenditure funded from capital under statute relates to expenditure of a capital nature that does not result in the creation of a fixed asset either tangible or intangible. This expenditure was previously known as Deferred Charges and such expenditure was initially classified as capital expenditure but then written off in full to the relevant service heading within the CIES. Proper practice now is that the expenditure is classed as revenue. However, because the financing of this expenditure is from a capital source, a credit is applied within the Movement in Reserves Statement from Capital Receipts so that there is no overall effect on the Council Tax or the General Fund.

1.13 REVALUATION RESERVE/CAPITAL ADJUSTMENT ACCOUNT

The Revaluation Reserve contains upward revaluations occurring to Fixed Assets since 1 April 2007. Revaluations prior to that date would have been within the now defunct Fixed Asset Restatement Account, the balance of which was transferred to the Capital Adjustment Account on the same date. Where a subsequent downward valuation occurs, relating to a fall in market values generally, then previous upward revaluations relating to that particular asset are reversed. Any excess write down is charged to the Capital Adjustment Account after being passed through the CIES and the Adjustments between Accounting Basis and Funding Basis Under Regulation.

1.14 INVESTMENTS

Investments are accounted for in accordance with IAS 32, 39 and IFRS 7. These reporting standards prescribe the recognition, measurement and disclosure requirements in relation to financial instruments. All the Council's financial assets are in the form of loans and receivables. Investments are therefore shown in the Balance Sheet at amortised cost. The Council held investments with the Heritable Bank, a UK regulated subsidiary of an Icelandic Bank, that went into administration. As a result, the value of the investments held have been impaired in line with CIPFA's LAAP Bulletin 82 which was issued to provide guidance relating specifically to this situation.

1.15 ASSETS HELD FOR SALE

Assets are classed as being held for sale where, at the balance sheet date, they were being actively marketed and the sale itself is highly probable in its current condition.

1.16 INVENTORIES

Separate stores are maintained in the Fleet Operations and Building Maintenance services. Stores are valued in the accounts at the lower of cost and net realisable value.

1.17 DEBTORS AND CREDITORS

The revenue and capital accounts of the Council are maintained on an accruals basis in accordance with the Code of Practice and IAS 8. That is, sums due to or from the Council during the year are included whether or not the cash has actually been received or paid in the year. An exception to this principle relates to electricity and similar periodic receipts and payments, which are charged at the date of meter reading rather than being apportioned between financial years. This policy is consistently applied each year and therefore does not have a material effect on the year's accounts.

The recoverability of the Council's General Fund debts is considered each year through an analysis by age and type of debt outstanding at 31 March. An appropriate provision is made for any bad debts/losses that are anticipated. An analysis of size and type of debt outstanding at 31 March on the HRA has also been undertaken in accordance with the Housing Revenue Accounts (Arrears of Rent and Charges) Directions 1990.

1.18 CASH AND CASH EQUIVALENTS

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be capable of being converted into cash within 24 hours.

1.19 FINANCIAL LIABILITIES

Financial liabilities are carried at amortised cost. The Council had no borrowings until 28 March 2012 when a payment had to be made to the Department of Communities and Local Government of £185.456 million and an equivalent amount had to be borrowed from the Public Works Loan Board. This occurred on the cessation of the HRA subsidy regime.

1.20 CAPITAL RECEIPTS

Capital Receipts from the sale of assets are treated in the accounts as laid down by regulations made under the Local Government Act 2003. Under the act 75% of the value of council house sales and 50% of the value of other HRA asset sales must be paid over to a central government pool for re-distribution. If however, non right to buy receipts are used to finance further capital expenditure on affordable housing then pooling can be avoided. From 2012/13 there is also the ability for authorities to retain additional monies on the basis that the receipts will be used to finance a one-for-one replacement program where some proceeds from a sale is used for the provision of a replacement affordable home. The amount that remains with the Council is credited to the Usable Capital Receipts Reserve and is therefore available to fund capital expenditure.

1.21 GOVERNMENT CAPITAL GRANTS AND OTHER CAPITAL CONTRIBUTIONS

Where a grant or contribution has been received the first consideration is whether there is a condition attached to the receipt of that grant. Where there is no condition, or the condition is met, then the income is recognised in the CIES. This income must then be reversed out within the Movement in Reserves Statement. If the related expenditure has been incurred the reversal is to the Capital Adjustment Account, if the expenditure has not been incurred the reversal is to the Capital Grants Unapplied Account.

Where a condition is not met the income must be recognised in the Capital Grants Received in Advance Account. If in a future accounting period the condition is met, at that point the grant income is recognised in the CIES and reversed out in the Movement in Reserves Statement as before. If there is no prospect of the conditions being met the grant monies are held as a Creditor until such time as repayment can be made. Where the only condition attached to a grant is that it must be spent on a particular asset or used for a particular purpose then the condition is assumed to be met only when expenditure actually occurs.

1.22 REVENUE GRANTS

Grants are credited to the operational heading to which they relate, or, if they are not specific, to the Taxation and Non-Specific Grant Income section of the CIES, in the year of receipt unless there are conditions attached to the grant that have not yet been met. The Grant is then recognised in the Financial year when the conditions are eventually met.

1.23 COST OF SUPPORT SERVICES AND SERVICE ADMINISTRATION

Administrative expenses are allocated over all services and to all users including services to the public, trading undertakings, capital accounts and services provided for other bodies and other support services, on a consistent basis applicable to the service provided, i.e. actual time spent by staff, area occupied, per capita, actual use etc.

1.24 RESERVES

The Council has set aside certain revenue and capital amounts as earmarked reserves. They include reserves for the District Development Fund, pensions deficit, insurance, housing repairs, on-street parking, building control and future museum acquisitions. All other fund balances represent working balances for the purpose of the specific fund and are made up of accumulated surpluses and deficits derived over a period of time. All earmarked fund balances and reserves are reviewed periodically as to their size and appropriateness.

1.25 PENSIONS

The accounting treatment for pensions is to recognise the assets, liabilities and long term commitments, rather than merely the contributions to the scheme. The assets of the scheme are measured at realisable value (Bid Values), the liabilities are measured on an actuarial basis which examines the benefits for pensioners and accrued benefits for current scheme members.

1.26 INTERNAL INTEREST

Interest is credited to the HRA based on the level of its fund balances. The amounts are calculated using the average rate of interest on approved investments, as prescribed in the HRA Item 8 Credit and Item 8 Debit (general) Determinations 2013/14.

1.27 CONTINGENT ASSETS

A contingent asset arises when it is possible that an asset will materialise from past events and will only be confirmed by the occurrence of one or more future events which are not wholly within the control of the Council.

1.28 CONTINGENT LIABILITIES

A contingent liability arises when it is possible that an obligation will materialise from past events and will only be confirmed by the occurrence of one or more future events which are not wholly within the control of the Council, or a present obligation arising from past events is not recognised because it either is unlikely that a transfer of economic benefits will occur or the amount of such a transfer cannot be measured with sufficient reliability.

1.29 VALUE ADDED TAX (VAT)

VAT is included in the accounts only to the extent that it is irrecoverable from HM Revenue and Customs. VAT can only be recovered on partially exempt activities where all such activities account for less than 5% of total VAT on all the Council's activities.

1.30 LEASES

Finance Leases: A finance lease is defined as a lease that transfers substantially the risks and rewards of ownership without necessarily transferring the title. The Council has no agreements that meet the definition of a finance lease.

Operating Leases: An operating lease is defined as any lease that is not a finance lease. The Council has a variety of assets under operating leases, including vehicles, vending machines and mowers. The leases transfer benefits of ownership without actually transferring title to the assets, and therefore in accordance with accounting practice the leased assets are not stated in the Balance Sheet. Hire purchase contracts similar to operating leases are accounted for on the same basis where applicable.

Rentals are charged to service revenue accounts on a straight line basis over the period of the lease. No provision is made for outstanding lease commitments.

Various Council assets, such as Commercial Properties, industrial estate units and areas of land, are let to tenants under the heading operating leases. Rental income (net of cash incentives for a lessee to sign a lease) is credited to the CIES.

1.31 PRINCIPAL AND AGENT RELATIONSHIPS

Most transactions of the Council are undertaken on its own behalf and thereby the risk and rewards of those transactions belongs to the Council. In these situations the Council is acting as a Principal

There are, however, some situations where this is not the case and the Council acts as an intermediary or agent. The two main instances relate to the collection of Council Tax and Business Rates where the Council is collecting income on behalf of itself and preceptors. With regard to Council Tax the major preceptors are Essex County Council, Essex Police and Crime Commissioner and Essex Fire Authority and with regard to Business Rates, the Department of Communities and Local Government (DCLG), Essex County Council and Essex Fire Authority.

The Balance Sheet transactions at the year end in relation to these agent relationships are split between the parties with the balances contained in the balance sheet relating to the Council's own portion of the debt and associated balances. The proportion of the transactions relating to the other parties are therefore shown as debtors or creditors due to or from those parties.

1.32 EXCEPTIONAL ITEMS

An item is treated as exceptional when it arises from an event outside normal Council activity and is felt to be significant when viewed in conjunction with the income and expenditure of the operational heading to which it relates.

2. ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT HAVE NOT YET BEEN ADOPTED

The Council is required to disclose information on the impact of a change in accounting policy that will be required by an accounting standard that has been issued but not yet adopted. This applies to accounting standards that come into effect for financial years commencing on or before 1 January of the financial year in question (i.e. 1 January 2014 for the 2013/14 financial year). The applicable standards are as follows:

IFRS 10, consolidated financial Statements has now been issued. This outlines the requirements for the preparation of consolidated financial statements. It requires an entity to consolidate if it controls another entity.

IFRS 11 Joint Arrangements has also been issued. This outlines the accounting by entities that jointly control an arrangement. Joint control is where there is a contractually agreed sharing of control and arrangements and are classified as a joint venture or joint operation.

IFRS 12 - Disclosure of interests in other entities. This is a consolidated disclosure standard requiring a wide range of disclosures about an entity's interests in Subsidiaries, Joint Arrangements, Associates and other unconsolidated structured entities.

IAS 27 Consolidated and Separate Financial Statements has been amended and outlines when consolidation is required and how to deal with change in ownership, prepare Separate Statements and related disclosures.

IAS 28 Investments in Associates and Joint Ventures has been amended. This standard outlines the accounting arrangements for investments in associates. An associate is defined as an entity that an investor has significant influence over in terms of operation and financial control.

None of these amendments to the accounting standards currently affect the Council.

Amendments have been made to IAS 1 The presentation of Financial Statements which are to be adopted for 2014/15. The standard sets out the overall requirements for Financial statements including overriding concepts such as Going Concern, Accruals and the distinction between Current and Non Current Assets. It also changes the groupings currently reported under other comprehensive Income between those that could become part of the provision of service costs and those that will not. The Financial Statements need to contain a Statement of Financial Position, A statement of Profit or Loss and other Comprehensive Income, a Statement of Changes in Equity and a Statement of Cash Flows. This comes into effect for the financial year starting on 1 April 2014 and is purely a presentational issue.

There have been some amendments to the reporting requirements of IAS32 Financial Instruments - Presentation in relation to the offsetting of Financial Assets and Liabilities. Currently an entity can offset certain Financial Assets and Liabilities but there is not a consistent offsetting model used which can lead to a lack of consistency particularly where an entity has a large volume of derivatives. A common offsetting model is proposed. However, this Council does not offset, nor is it likely to offset, Financial Assets and Liabilities so this should not affect the Financial Statements. This is effective from the financial year beginning on 1 April 2014.

3. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying accounting policies set out in Note 1, the Council has had to make certain judgements about complex transactions or those involving uncertainty about future events.

The major uncertainty is around future levels of funding for local government. However, the Council has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Council might be impaired as a result of a need to close facilities and reduce levels of service provision.

4. ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION UNCERTAINTY

The Accounts contain a number of figures that are estimated based on historical experience, current trends or other factors that are relevant. As these figures cannot be ascertained with certainty it is possible that actual results could be materially different from those estimated. The items in the Balance Sheet where there is a risk of material adjustment are as follows:

Property Plant and Equipment

Assets are depreciated over useful lives that are dependant on assumptions relating to repairs and maintenance to those assets. It is possible that the Council may not be able to expend the resources necessary to maintain the estimated useful life assessed and therefore additional depreciation and a fall in asset values may occur. For example the annual Depreciation charge for a Council Dwelling, being the most significant class of Council assets, would increase by around 4% if the useful economic life of the buildings and significant components were reduced by one year.

Pensions Liability

Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and expected returns on pension fund assets. Consultant actuaries are engaged to provide advice about assumptions to be applied. The actuary has provided some sensitivity analysis around the assumptions and this is contained within the Pensions note 39. The carrying value of the Pensions Liability is (£58.32 million).

Arrears

The Council has a number of sundry debtors relating to arrears and what is felt to be an appropriate provision for bad and doubtful debts has been provided against this. Given the current economic climate it is possible that this level of provision might become inadequate. If collection rates were to deteriorate then the charge to the CIES would increase. The carrying value of the Councils debtors is £5.64million.

5. EVENTS AFTER THE BALANCE SHEET DATE

The financial statements were authorised for issue on 30 June 2014 by Robert Palmer BA ACA. The financial statements reflect all events up to this date.

Notes to the core Financial Statements

6. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATIONS

This note details the adjustments that are made to the total Comprehensive Income and Expenditure recognised by the Council in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Council to meet future capital and revenue expenditure.

	2013/14 £000 <i>Usable Reserves</i>					Movement in Unusable Reserves
	General Fund	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	
Adjustments involving the Capital Adjustment Account:						
<i>Exclusions:</i>						
Charges for depreciation and impairment of non-current assets	(2,359)	(13,136)	-	-	-	15,495
Reversal of Impairment of non-current assets	(62)	29,930	-	-	-	(29,868)
Movements in the fair value of Investment Properties	470	-	-	-	-	(470)
Amortisation of intangible assets	(221)	(6)	-	-	-	227
Capital Grants and contributions applied	242	237	-	-	-	(479)
Revenue expenditure funded from Capital under statute	(134)	-	-	-	-	134
Amounts of non-current assets written off on disposal or sale as part of the gain\loss on disposal to the CIES	(202)	(3,640)	-	-	-	3,842
Capital expenditure charged against the General Fund and HRA balances	23	4,200	-	-	-	(4,223)
Adjustments primarily involving the Capital Grants Unapplied Account	(38)	-	-	-	38	-
Adjustments involving the Capital Receipts Reserve:						
Transfer of cash sale proceeds credited as part of the gain\loss on disposal to the CIES	13	5,945	(5,958)	-	-	-
Transfer from Deferred Capital receipts on receipt of cash	-	-	(7)	-	-	7
Used to finance new capital expenditure	-	-	1,644	-	-	(1,644)
Contribution towards administrative costs of non-current asset disposals	-	(69)	69	-	-	-
Contribution to finance the payments to the Government capital receipts pool	(685)	-	685	-	-	-
Adjustments involving the Deferred Capital Receipts Reserve:						
Transfer to Deferred Capital Receipts Reserve upon revaluation of rents to mortgages.	-	127	-	-	-	(127)
Adjustments relating to the Major repairs Reserve:						
Reversal of Major repairs Allowance credited to the HRA	-	7,749	-	(7,749)	-	-
Use of the Major Repairs Reserve to finance new capital expenditure	-	-	-	6,145	-	(6,145)
Adjustments involving the Pensions Reserve:						
Reversal of items relating to retirement benefits debited\credited to the CIES (see Note 39)	(2,023)	(865)	-	-	-	2,888
Adjustments involving the Collection Fund Adjustment Account						
Amount by which council tax and business rate income credited to the CIES is different from that calculated in accordance with statutory requirements.	(290)	-	-	-	-	290
Adjustments involving the Accumulated Absences Account						
Amount by which officer remuneration charged to the CIES on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements.	(12)	(4)	-	-	-	16
TOTAL ADJUSTMENTS	(5,278)	30,468	(3,567)	(1,604)	38	(20,057)

Notes to the core Financial Statements

	2012/13 £000 Usable Reserves					
	General Fund	Housing Revenue Account	Capital Receipts Reserve	Major Repairs Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
<i>Adjustments involving the Capital Adjustment Account:</i>						
<i>Exclusions:</i>						
<i>Charges for depreciation and impairment of non-current assets</i>	(2,298)	(12,693)	-	-	-	14,991
<i>Upward/(Downward) revaluation of non-current assets</i>		19,228	-	-	-	(19,228)
<i>Movements in the market value of Investment Properties</i>	(2,241)	-	-	-	-	2,241
<i>Amortisation of intangible assets</i>	(271)	(6)	-	-	-	277
<i>Capital Grants and contributions applied</i>	522	208	-	-	-	(730)
<i>Revenue expenditure funded from Capital under statute</i>	(535)	(172)	-	-	-	707
<i>Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the CIES</i>	(120)	(816)	-	-	-	936
<i>Capital expenditure charged against the General Fund and HRA</i>	28	4,200	-	-	-	(4,228)
<i>Application of HRA self financing loan transferred to the Capital Adjustment Account</i>	-	-	-	-	-	-
<i>Adjustments primarily involving the Capital Grants Unapplied Account</i>	32	-	-	-	(32)	-
<i>Adjustments involving the Capital Receipts Reserve:</i>						
<i>Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the CIES</i>	236	1,161	(1,319)	-	-	(78)
<i>Transfer from Deferred Capital receipts on receipt of cash</i>	-	-	(12)	-	-	12
<i>Used to finance new capital expenditure</i>	-	-	2,660	-	-	(2,660)
<i>Contribution towards administrative costs of non-current asset disposals</i>	-	(17)	17	-	-	-
<i>Contribution to finance the payments to the Government capital receipts pool</i>	(596)	-	596	-	-	-
<i>Adjustments involving the Deferred Capital Receipts Reserve:</i>						
<i>Transfer to Deferred Capital Receipts Reserve upon revaluation of rents to mortgages.</i>	-	20	-	-	-	(20)
<i>Adjustments relating to the Major repairs Reserve:</i>						
<i>Reversal of Major repairs Allowance credited to the HRA</i>	-	6,932	-	(6,932)	-	-
<i>Use of the Major Repairs Reserve to finance new capital expenditure</i>	-	-	-	5,418	-	(5,418)
<i>Adjustments involving the Pensions Reserve:</i>						
<i>Reversal of items relating to retirement benefits debited/credited to the CIES (see Note 39)</i>	(719)	(337)	-	-	-	1,056
<i>Adjustments involving the Collection Fund Adjustment Account</i>						
<i>Amount by which council tax income credited to the CIES is different from that calculated in accordance with statutory requirements.</i>	114	-	-	-	-	(114)
<i>Adjustments involving the Accumulated Absences Account</i>						
<i>Amount by which officer remuneration charged to CIES on an accruals basis is different from that required in accordance with statutory requirements</i>	(22)	2	-	-	-	20
TOTAL ADJUSTMENTS	(5,870)	17,710	1,942	(1,514)	(32)	(12,236)

Notes to the core Financial Statements

7. EARMARKED RESERVES

A summary of balances on earmarked reserves is set out below.

	Balance 31			Balance 31			Balance 31
	March	Transfers	Transfers	March	Transfers	Transfers	March
	2012	Out	In	2013	Out	In	2014
	£000	£000	£000	£000	£000	£000	£000
Housing Repairs Reserve	3,915	(5,607)	5,200	3,508	(5,953)	5,200	2,755
District Development Fund	3,457	(1,649)	1,773	3,581	(1,904)	2,171	3,848
Self Financing Reserve	-	-	3,180	3,180	-	3,180	6,360
Pension Deficit Reserve	66	-	-	66	(66)	-	-
Deferred Revenue Income	498	(19)	-	479	(21)	-	458
Insurance Reserve	1,143	(13)	-	1,130	(81)	-	1,049
Service Enhancement Fund (HRA)	-	-	170	170	(58)	-	112
Building Control	94	(73)	-	21	-	-	21
On Street Parking	28	-	-	28	-	-	28
Museum Fund	9	-	9	18	-	8	26
Rental Loans	-	-	-	-	-	191	191
Small Loans Fund	5	-	-	5	-	-	5
Total Earmarked Reserves	9,215	(7,361)	10,332	12,186	(8,083)	10,750	14,853

8. OTHER OPERATING EXPENDITURE

	31 March	
	2014	2013
	£000	£000
Parish Council Precepts	2,990	3,167
Parish Support Grants	320	0
Payments to the Government Housing Receipts Pool	685	596
(Gains)/losses on the disposal of non-current assets	(2,047)	(443)
Total	1,948	3,320

9. FINANCING AND INVESTMENT INCOME AND EXPENDITURE

	31 March	
	2014	2013
	£000	£000
Total Net Surplus from Trading Operations (Note 29)	(2,640)	(3,340)
Interest payable and similar charges	5,542	5,516
Pensions interest cost	3,009	1,881
Interest receivable and similar income	(431)	(517)
Changes in Fair Values of Investment Properties	(470)	2,241
Changes in Value of Deferred Capital Receipts	(127)	(20)
Reversal of Investment Impairment	(169)	0
Total	4,714	5,761

Notes to the core Financial Statements

10. TAXATION AND NON SPECIFIC GRANT INCOMES

	31 March	
	2014 £000	2013 £000
Council Tax income	(10,567)	(11,373)
Non Domestic Rate income and expenditure	(2,519)	(6,530)
Non-ring fenced government grants	(6,251)	(1,063)
Capital grants and other contributions	0	(60)
Total	(19,337)	(19,026)

11. EXCEPTIONAL ITEMS

There are no exceptional item reported within the Accounts in 2013/14.

There was one item reported in the prior period. This was:-

A compensation payment of £100,000 and interest of £237,000 has been received in relation to an ongoing compulsory purchase order that dates back to around 1992. The case has been quite complex with the Council needing to prove good title with regard to the land in question. The compensation itself has been treated as a Capital Receipt with the interest being treated as revenue income and credited to the DDF.

Notes to the Core Financial Statements

12. PROPERTY PLANT AND EQUIPMENT

A thorough review of non current assets was undertaken during 2012/13 as part of the process to implement a new Asset Management System. The review provided a more detailed analysis of the assets owned by the Council and their associated values. It also revealed the need to restate the Council's gross book values and gross depreciation figures in two asset groups: vehicles, plant and equipment; and infrastructure assets. In both cases the gross figures have been restated downwards to account for redundant assets no longer in use. The net book values have not been affected.

	OPERATIONAL ASSETS							Total
	Council Dwellings and Garages	Other Land and Buildings	Vehicles, Plant and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	WIP Assets	
	£000	£000	£000	£000	£000	£000	£000	
Gross Book Value 31 March 2013	459,848	43,577	15,399	18,289	2,822	794	1,217	541,946
Reclassified	-	(43)	-	(26)	-	43	-	(26)
Restated	(27)	(32)	(365)	-	-	-	-	(424)
Monday, April 1, 2013	459,821	43,502	15,034	18,263	2,822	837	1,217	541,496
Additions	10,310	398	627	221	-	-	216	11,772
Disposals	(3,736)	-	(78)	-	-	-	-	(3,814)
Reclassified in year	(1,437)	355	398	205	-	(858)	513	(824)
Revaluations Credited to the CIES	30,544	(89)	-	-	-	-	(587)	29,868
Revaluation Credited to the Revaluation reserve	2,985	(7)	-	-	-	817	365	4,160
Accumulated Depreciation & Impairment written off on revaluation	(12,693)	(639)	-	-	-	-	(36)	(13,368)
Gross Book Value 31 March 2014	485,794	43,520	15,981	18,689	2,822	796	1,688	569,290
Depreciation 31 March 2013	-	(2,026)	(6,094)	(5,177)	-	(8)	-	(13,305)
Restated	-	74	385	-	-	-	-	459
Monday, April 1, 2013	-	(1,952)	(5,709)	(5,177)	-	(8)	-	(12,846)
Reclassified	37	(55)	53	1	-	-	(36)	-
Depreciation in Year	(12,826)	(745)	(1,424)	(500)	-	-	-	(15,495)
Depreciation on Assets Sold	96	-	64	-	-	-	-	160
Accumulated Depreciation & Impairment written off on revaluation	12,693	639	-	-	-	-	36	13,368
Depreciation 31 March 2014	-	(2,113)	(7,016)	(5,676)	-	(8)	-	(14,813)
Net Book Value 31 March 2014	485,794	41,407	8,965	13,013	2,822	788	1,688	554,477

Notes to the Core Financial Statements

	OPERATIONAL ASSETS							
	Council Dwellings and Garages	Other Land and Buildings	Vehicles, Plant and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	WIP Assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000
<i>Gross Book Value 31 March 2012</i>	454,463	42,823	17,154	17,746	2,822	756	669	536,433
<i>Reclassified</i>	-	-	(282)	282	-	-	-	-
<i>Restated</i>	-	269	(2,500)	(105)	-	-	-	(2,336)
<i>Monday, April 1, 2013</i>	454,463	43,092	14,372	17,923	2,822	756	669	534,097
<i>Additions</i>	9,069	348	1,485	366	-	-	905	12,173
<i>Disposals</i>	(841)	-	(592)	-	-	-	-	(1,433)
<i>Reclassified in year</i>	(407)	137	134	-	-	38	(357)	(455)
<i>Revaluations credited to the CIES</i>	19,228	-	-	-	-	-	-	19,228
<i>Revaluation Credited to the Revaluation reserve</i>	459	-	-	-	-	-	-	459
<i>Accumulated Depreciation & Impairment Written off on revaluation</i>	(22,123)	-	-	-	-	-	-	(22,123)
<i>Gross Book Value 31 March 2013</i>	459,848	43,577	15,399	18,289	2,822	794	1,217	541,946
<i>Depreciation 31 March 2012</i>	(9,786)	(1,336)	(7,836)	(4,594)	-	-	-	(23,552)
<i>Restated Depreciation</i>	-	8	196	(196)	-	(8)	-	-
<i>Accumulated Depreciation written off on revaluation</i>	-	6	2,500	105	-	-	-	2,611
<i>Sunday, April 1, 2012</i>	(9,786)	(1,322)	(5,140)	(4,685)	-	(8)	-	(20,941)
<i>Depreciation in Year</i>	(12,377)	(704)	(1,418)	(492)	-	-	-	(14,991)
<i>Depreciation on assets sold</i>	40	-	464	-	-	-	-	504
<i>Accumulated Depreciation & Impairment written off on revaluation</i>	22,123	-	-	-	-	-	-	22,123
<i>Depreciation 31 March 2013</i>	-	(2,026)	(6,094)	(5,177)	-	(8)	-	(13,305)
<i>Net Book Value 31 March 2013</i>	459,848	41,551	9,305	13,112	2,822	786	1,217	528,641

Notes to the Core Financial Statements

	OPERATIONAL ASSETS							Total £000
	Council Dwellings and Garages	Other Land and Buildings	Vehicles, Plant and Equipment	Infrastructure Assets	Community Assets	Surplus Assets	WIP Assets	
	£000	£000	£000	£000	£000	£000	£000	
Carried at historical cost	-	940	15,981	18,689	2,822	-	1,688	40,120
Valued at fair value as at:								
31 March 2014	485,794	9,027	-	-	-	-	-	494,821
31 March 2013	-	275	-	-	-	540	-	815
31 March 2012	-	1,459	-	-	-	216	-	1,675
31 March 2011	-	31,819	-	-	-	40	-	31,859
Total Cost or Valuation	485,794	43,520	15,981	18,689	2,822	796	1,688	569,290

13. HERITAGE ASSETS

	Waltham Abbey Bible £000	Other Artefacts £000	Civic Chains £000	Epping Fountain £000	Total £000
Gross Book Value 31 March 2013	262	147	110	26	545
Depreciation 31 March 2013	-	-	-	(3)	(3)
Depreciation in Year	-	-	-	-	-
Depreciation 31 March 2014	-	-	-	(3)	(3)
Net Book Value 31 March 2014	262	147	110	23	542

	Waltham Abbey Bible £000	Other Artefacts £000	Civic Chains £000	Epping Fountain £000	Total £000
Gross Book Value 31 March 2012	262	147	110	26	545
Depreciation 31 March 2012	-	-	-	(3)	(3)
Depreciation in Year	-	-	-	-	-
Depreciation 31 March 2013	-	-	-	(3)	(3)
Net Book Value 31 March 2013	262	147	110	23	542

Notes to the Core Financial Statements

Waltham Abbey Bible and other artefacts

The Bible and other Artefacts are valued based on their valuation on the current insurance schedule. The items included on the Balance Sheet relate only to the top items featuring on the schedule. The total insurance valuation is rather higher than this but cannot be identified to a particular item or items that are in the Council's collection.

There are some quite significant assets within the collection. The most valuable being the Waltham Abbey Bible valued at £262,500, a painting 'view from the garden, Epping' by artist Lucien Pissarro who lived in the district for a while (£63,000), A Purbeck marble bust of a knight valued in 1985 at £36,000, two hoards of coins valued at £21,900 in total and five other items identified separately valued in total at a little over £25,000.

The Council's museums service holds a large collection of Heritage Assets but in many cases no valuation is available.

As well as the assets referred to earlier there are between 25,000 and 30,000 pieces of art work including watercolours and sketches, over 10,000 objects and documents of social historic interest, a large number of photographic and archaeological items and some costumes. Some of this has been catalogued but by no means all. The assets are either held within the museum itself or held in storage. No valuation has been undertaken of these assets as it would have been too onerous to do so in the time scale applicable to the financial statements.

Epping Fountain

The Epping Fountain was previously recognised as an Infrastructure Asset and has been reclassified as a Heritage Asset. The fountain was erected many years ago and, although removed for some years, has now been refurbished and re-erected in its original position.

Civic Chains

The Chains were both passed to the Council by predecessor authorities. They feature a number of symbols related to the history of the district.

The Hunting Horn is the Master Keeper's symbol of office and Chigwell and Loughton were two of the ten walks in the forest over which the Master Keeper had authority. In the forest region, the Lordship of the Manor developed from the office of Master Keeper.

The wreath of Oak Leaves is also symbolic of the forest.

The Stag is thought to be the single feature unifying the district. The Stag is particularly representative of Buckhurst Hill. The Axe-heads were introduced because they were the Verderer's symbol of Office and the Verderer's Court was held at the King's Head, Chigwell. They are also symbolic of the great fight to save the forest from enclosure, in which Loughton was so prominent.

Notes to the Core Financial Statements

14. INVESTMENT PROPERTY

The following items of income and expenditure have been accounted for in the Financing and Investment Income and Expenditure line in the CIES. Income and expenditure relating to the General Fund is recorded under trading operations.

	31 March	
	2014 £000	2013 £000
Rental income from investment property	4,109	4,570
Direct operating expenses arising from investment property	(268)	(204)
Net gain/(loss)	3,841	4,366

The following table summarises the movement in fair value of investment properties over the year. Most property valuations have increased slightly or remained the same. The updated valuations were carried out as at 31 March 2014. The reduction in the prior year was due to a fall in the value of land at North Weald Airfield used for the Saturday and Bank Holiday markets. The popularity of the market has diminished recently and fewer traders and members of the public attend. A reduced rent was agreed with the operator and as a result the valuation fell.

	31 March	
	2014 £000	2013 £000
Balance as at 31 March	39,242	41,541
Reclassified	26	-
Balance as at 1 April	39,268	41,541
Reclassified in year	(34)	(68)
Construction	50	10
Net gains/(losses) from fair value adjustments	470	(2,241)
Balance at end of the year	39,754	39,242

Notes to the Core Financial Statements

15. INTANGIBLE ASSETS

The Council accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of Property, Plant and Equipment, and is amortised over a 5 year period.

The carrying amount of intangible assets is amortised on a straight line basis. All of the amortisation charge of £227,000 to revenue in 2013/14 was charged to the ICT cost centre and then absorbed as an overhead across all the service headings in the Net Cost of Services. It is not possible to quantify exactly how much of the amortisation is attributable to each service heading.

The movement on Intangible Asset balances during the year is as follows:

	31 March	
	2014 £000	2013 £000
Balance at start of year:-		
Gross carrying amounts	1,519	1,445
Accumulated amortisation	(903)	(626)
Net carrying amount at start of year	616	819
Additions	154	74
Amortisation	(227)	(277)
Net Carrying Amount at end of year	543	616

16. ASSETS HELD FOR SALE

A HRA property, Leader Lodge in North Weald, was originally put up for sale in 2012/13 and, although a sale was agreed, the buyers withdrew their offer. Active marketing of the property resumed in March 2014 and an unconditional offer of £652,000 has now been received and therefore the property has been re-valued to this amount. A former car park in Church Hill Loughton was also put up for sale in 2013/14 and has subsequently been sold in May 2014 for £858,000.

17. LONG TERM DEBTORS

	31 March	
	2014 £000	2013 £000
Mortgages	13	21
Capital Advances (B3 Living)	493	189
Rents to Mortgages	1,493	1,366
Other Local Authorities - Transferred Debt	377	401
Home Assist Loans	77	-
Net Carrying Amount at end of year	2,453	1,977

Notes to the Core Financial Statements

18. FINANCIAL INSTRUMENTS

Categories of Financial Instruments

The following categories of financial instruments are carried in the Balance Sheet:

	Long term		Current	
	31 March 2014 £000	31 March 2013 £000	31 March 2014 £000	31 March 2013 £000
Financial liabilities at amortised cost				
Borrowing	185,456	185,456	-	-
Trade Creditors	-	-	5,172	5,006
Total financial liabilities	185,456	185,456	5,172	5,006
Loans and receivables at amortised costs				
Investments	10,004	10,074	33,911	30,259
Debtors	2,453	1,977	5,768	5,773
Cash			10,308	4,905
	12,457	12,051	49,987	40,937
Available for Sale	-	-	5,030	5,001
Total financial assets	12,457	12,051	55,017	45,938

On 28 March 2012 the Council took on new debt of £185.456m from the Public Works Loan Board (PWLB) to pay the Department of Communities and Local Government on the cessation of the HRA Subsidy System.

The item included under Available for Sale in the financial instruments balances table above is included within the cash & cash equivalents on the balance sheet. The £5m relates to an investment made to a Money Market Fund and interest accrued, which needs to be reported under Available for Sale within the financial instruments balances. The Code of Practice requires an Available for Sale Financial Instruments Reserve Account to record any unrealised gains or losses from holding available for sale investment. However, as this is a Money Market Fund which has a constant net asset value, this means that each £1 invested buys 1 unit, which is re-priced back to £1 at the end of each day. All gains are realised and credited to the CIES.

Income, Expense, Gains and Losses

The gains and losses recognised in the CIES in relation to financial instruments consists of the following items:

	Financial Liabilities:		Financial Assets:	
	2013/14 £000	2012/13 £000	2013/14 £000	2012/13 £000
Interest expense	(5,542)	(5,517)	-	-
Impairment (losses) / gains	-	-	-	-
Interest payable and similar charges	(5,542)	(5,517)	-	-
Interest income		-	431	517
Interest and investment income	-	-	431	517
Net gain/(loss) for the year	(5,542)	(5,517)	431	517

Fair Values of Assets and Liabilities

Notes to the Core Financial Statements

Financial liabilities and financial assets represented by loans and receivables are carried on the balance sheet at amortised cost, i.e. the aggregate of principal and accrued interest. Fair value is the amount for which an asset can be exchanged, or a liability settled. The Council's debt outstanding at 31 March 2014 consists of loans from the Public Works Loan Board (PWLB). The PWLB has provided the Council with Fair Value amounts in relation to its debt portfolio. The PWLB has assessed the Fair Values by calculating the amounts the Council would have to pay to extinguish the loans on these dates.

The fair value for financial assets can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments, using the following assumptions: a) where an instrument will mature in the next 12 months, carrying amount is assumed to approximate to fair value; b) the fair value of trade and other receivables is taken to be the invoiced or billed amount.

	Monday, March 31, 2014		Sunday, March 31, 2013	
	Carrying amount £000	Fair Value £000	Carrying amount £000	Fair Value £000
Financial liabilities				
Borrowing	185,501	187,940	185,501	199,342
Long-term creditors	-	-	-	-
Total Financial Liabilities	185,501	187,940	185,501	199,342
Financial assets				
Investments	43,914	43,914	40,333	40,333
Long-term debtors	2,453	2,453	1,977	1,977
Total Financial Assets	46,367	46,367	42,310	42,310

The fair value of long term liabilities is higher than the carrying amount because the authority's portfolio of loans includes a number of loans where the interest rate payable is higher than the current rates available for similar loans as at the Balance Sheet date.

The Council had £10,004,000 (£10,074,000 at 31 March 2013) classed as investments in excess of one year. These relates to two investments totalling £10m made to other local authorities and £4,000 other long term investments. It is assumed that the carrying amount shown in the balance sheet is approximate to the fair value.

19. INVENTORIES

	2014				
	Franking Machines £000	Miscellaneous Stocks £000	Works Unit £000	Work In progress £000	TOTAL £000
Balance at the start of the year	18	120	64	11	213
Purchases	25	165	252		442
Recognised as an expense during the year	(25)	(91)	(260)	(5)	(381)
Balance at year end	18	194	56	6	274

Notes to the Core Financial Statements

	Franking Machines	Miscellaneous Stocks	Works Unit	Work In progress	TOTAL
	£000	£000	£000	£000	£000
<i>Balance at the start of the year</i>	17	74	76	14	181
<i>Purchases</i>	29	308	161	7	505
<i>Recognised as an expense during the year</i>	(28)	(262)	(173)	(10)	(473)
<i>Balance at year end</i>	18	120	64	11	213

20. DEBTORS AND PREPAYMENTS

	31 March	
	2014 £000	2013 £000
Amounts falling due in one year		
Government Departments	990	1,856
Other Local Authorities	1,067	911
Council Tax arrears	278	246
NDR arrears	243	-
Housing Rent arrears	473	319
Sundry debtors	2,426	2,400
Prepayments	176	260
Others	-	1
Total Debtors	5,653	5,993

Council Tax arrears, and from 1 April 2013, Business Rates arrears shown above and the related bad debt provision relate only to the Council's proportion of the total debt. The remainder is shown as part of an amount due from major preceptors on the basis that the Council has paid over more in precepts than it has received and is net of prepayments. This is the situation with regard to Business Rates.

21. CASH AND CASH EQUIVALENTS

The balance of Cash and Cash Equivalents is made up of the following elements.

	31 March	
	2014 £000	2013 £000
Cash	147	5
Bank current accounts	2,161	4,900
Short-term deposits with money market funds	13,030	5,001
Total Cash and Cash Equivalents	15,338	9,906

Notes to the Core Financial Statements

The 'Short-term deposits with money market funds' relates to £13m deposit made to a Money Market Fund and interest accrued (£30,000). This has been included within the cash equivalents as funds can be drawn down and used on the day of request. The fund has a constant net asset value, this means that each £1 you put in buys 1 unit, which is re-priced back to £1 at the end of each day.

22. CREDITORS

	31 March	
	2014 £000	2013 £000
Government Departments and Other Local Authorities	1,940	1,455
Council Tax	220	178
Non Domestic Rates	136	-
Housing rents	309	241
Sundry creditors	4,422	3,564
Accruals and deferred income	1,916	2,693
Total Creditors	8,943	8,131

Included within creditors is £3,000 (£3,000 at 31 March 2013) relating to Waltham Abbey Tourist Information Centre. This falls within the definition of a related party. Council Tax prepayments, and from 1 April 2013, Business Rates prepayments shown above relate only to the Council's proportion of the total debt. The remainder is shown as part of an amount due to major preceptors on the basis that the Council has paid over less in precepts than it has received and is net of arrears. This is the situation with regard to Council Tax. With regard to Business Rates there was a net Debtor at the end of 2013/14.

23. PROVISIONS

An outstanding legal case provision of £200,000 has been created on the basis that a settlement has been proposed regarding the ongoing proceedings brought by property search companies for the refund of fees paid by them to the Council. The proposed settlement is on the basis that interest and costs are excluded and have yet to be determined and that the claimants concerned still intend to advance a claim for damages against authorities for anti competitive behaviour. It is the view of the authorities legal advisors that the case for damages for anti competitive behaviour is somewhat weaker than the claim for refunds but nevertheless there are risks attached to having to defend such a claim at trial.

With the retention of Business Rates income the Council has had to take on the liability for settling appeals. It has been necessary to make a provision for those appeals within the Collection Fund. The total amount being £1.49 million of which £594,000 relates to this Council.

Notes to the Core Financial Statements

24. USABLE AND UNUSABLE RESERVES

Movements in Usable Reserves are shown in detail on the Movement in Reserves Statement.

	31 March	
	2014 £000	2013 £000
Revaluation Reserve	12,350	7,934
Capital Adjustment Account	398,150	374,915
Pensions Reserve	(57,820)	(75,357)
Deferred Capital Receipts Reserve	1,504	1,384
Collection Fund Adjustment Account	(275)	15
Accumulated Absences Account	(163)	(147)
Total Unusable Reserves	353,746	308,744

Revaluation Reserve

The revaluation reserve contains the gains made by the Council arising from increases in the value of Property, Plant and Equipment (and Intangible Assets). The balance is reduced when assets with accumulated gains are:

- n revalued downwards or impaired and the gains are lost
- n used in the provision of services and gains are consumed through depreciation, or
- n disposed of and the gains are realised

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

	31 March	
	2014 £000	2013 £000
Balance as at 1 April	7,934	8,060
Revaluations during the year	4,297	459
Depreciation adjustment	122	(585)
Restatement	(3)	-
Balance at 31 March	12,350	7,934

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provision. The account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the CIES (with reconciling postings from the Revaluation Reserve to convert fair value figures to historical cost basis). The Account is credited with the amounts set aside by the Council as finance for the costs of acquisition, construction and enhancement.

The Account contains accumulated gains and losses on Investment Properties and gains recognised as donated assets that have yet to be consumed by the Council.

The Account also contains revaluation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

Note 6 details the source of all the transactions posted to the Account, apart from those involving the Revaluation Reserve.

Notes to the Core Financial Statements

	31 March		
	2014		2013
	£000	£000	£000
Balance at 1 April		374,915	360,870
Reversal of items relating to capital expenditure debited or credited to the CIES			
Charges for depreciation and impairment of non-current assets	(15,495)		(14,991)
Revaluation gains/(losses) on Property, Plant and Equipment	29,868		19,228
Amortisation of intangible assets	(227)		(277)
Revenue expenditure funded from capital under statute	(134)		(707)
Amounts for non-current assets written off on disposal or sale as part of gain/loss on disposal to the CIES	(3,842)	10,170	(928)
Adjusting Amounts written out of the Revaluation Reserve		(119)	585
		384,966	363,780
Capital financing applied in the year			
Reversal of previous impairments			
Use of the Capital Receipts Reserve to finance new capital expenditure	1,644		2,660
Use of the Major Repairs Reserve to finance new capital expenditure	6,145		5,418
Capital grants credited to the CIES that have been applied to capital financing	480		730
Application of grants to capital financing from the Capital Grants Unapplied Account			
Capital expenditure charged against the General Fund and HRA balances	4,223	12,492	4,228
Restatement of Assets		222	340
Movement in the market value of Investment Properties debited or credited to the CIES		470	(2,241)
Balance at 31 March		398,150	374,915

Financial Instruments Adjustment Account

The Financial Instruments Adjustment Account (FIAA) was established under Financial Reporting Standards 25, 26 and 29 when Financial Instruments were adopted into the then SORP (2007), now superseded by the Code. The FIAA is not currently in use so does not form part of the Balance Sheet.

Notes to the Core Financial Statements

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post employment benefits and for funding benefits in accordance with statutory provisions. The Council accounts for post employment benefits in the CIES as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed as the Council makes employers contributions to the pension fund or eventually pays any pensions for which it is directly responsible. The debit balance of the Pension Reserve therefore shows a substantial shortfall in the benefits earned by the past and current employees and the resources the Council have set aside to meet them. The statutory arrangements ensure the funding will have been set aside by the time the benefits come to be paid.

	31 March	
	2014 £000	2013 £000
Balance at 1 April	(75,357)	(65,625)
Actuarial (gains) or losses on pensions assets and liabilities	20,425	(8,676)
Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the CIES	(6,855)	(4,885)
Employers pensions contributions and direct payments to pensioners payable in the year	3,967	3,829
Balance at 31 March	<u>(57,820)</u>	<u>(75,357)</u>

Deferred Capital Receipts Reserve

The Deferred Capital Receipts Reserve holds the gains recognised on the disposal of non-current assets but for which cash settlement has yet to take place. Under statutory arrangements, the Council does not treat these gains as useable for financing new capital expenditure until they are backed by cash receipts. When the deferred cash settlement deferred cash eventually takes place, amounts are transferred to the Capital Receipts Reserve.

	31 March	
	2014 £000	2013 £000
Balance at 1 April	1,384	1,372
Repayment of Mortgages	(7)	(8)
Rents to Mortgages	127	20
Balance at 31 March	<u>1,504</u>	<u>1,384</u>

Collection Fund Adjustment Account

The Collection Fund manages the differences arising from the recognition of Council Tax income in the CIES as it falls due from Council Tax Payers compared with the statutory arrangements for paying across amounts to General Fund from the Collection Fund.

Notes to the Core Financial Statements

	31 March	
	2014 £000	2013 £000
Balance at 1 April	15	(99)
Amount by which council tax income credited to the CIES is different from council tax income calculated for the year in accordance with statutory requirements	104	114
Amount by which non domestic rate income credited to the CIES is different from non domestic rate income calculated for the year in accordance with statutory requirements	(394)	-
Balance at 31 March	(275)	15

Accumulated Absences Account

The Accumulated Absences Account absorbs the difference that would otherwise arise on the General Fund and HRA balances from accruing for compensated absences earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund and HRA is neutralised by transfers to or from the Account.

	31 March	
	2014 £000	2013 £000
Balance at 1 April	(147)	(127)
Reversal of prior year accrual	147	127
Amounts accrued at the end of the current year	(163)	(147)
Amount by which the officer remuneration charges to the CIES is different from remuneration chargeable	(16)	(20)
Balance at 31 March	(163)	(147)

25. CASH FLOW STATEMENT - OPERATING ACTIVITIES

Adjust net surplus or deficit on the provision of services for non cash movements

	31 March	
	2014 £000	2013 £000
Depreciation	15,495	14,991
Amortisation	227	277
Impairment and downward valuations	(30,090)	(19,228)
Material Impairment losses on Investment debited to surplus or deficit on the provision of services in year		
Adjustment for movements in fair value of investments classified as Fair Value through Profit & Loss a/c		
Increase / (Decrease) in Interest Creditors	-	(77)
Increase / (Decrease) in Creditors	2,670	706
(Increase) / Decrease in Interest and Dividend Debtors	(111)	72
(Increase) / Decrease in Debtors	(748)	(485)
(Increase) / Decrease in Inventories	(61)	(31)
Pension Liability	2,888	1,056
Contributions to / (from) Provisions	794	202
Carrying amount of non-current assets sold	3,842	936
Movement in Investment Property Values	(470)	2,241
Total	(5,564)	660

Notes to the Core Financial Statements

Adjust for items included in the net surplus or deficit on the provision of services that are investing or financing activities

	31 March	
	2014	2013
	£000	£000
Capital Grants credited to surplus or deficit on the provision of services	(855)	(576)
Net adjustment from the sale of short and long term investments	70	-
Proceeds from the sale of property and equipment, investment property and intangible assets	(6,085)	(1,315)
Total	(6,870)	(1,891)

Operating activities within the cashflow statement include the following cash flows relating to interest and other operating activities

	31 March	
	2014	2013
	£000	£000
Interest received	320	589
Interest charge for the year	(5,542)	(5,593)
Other operating activities	20,450	17,935
Total	15,228	12,931

26. CASH FLOW STATEMENT - INVESTING ACTIVITIES

	31 March	
	2014	2013
	£000	£000
Purchase of property, plant and equipment, investment property and intangible assets	(12,919)	(11,941)
Purchase of short-term and long-term investments	(99,638)	(125,039)
Other payments for Investing Activities	(1,228)	(196)
Proceeds from sale of property, plant and equipment, investment property and intangible assets	5,948	1,241
Proceeds from short-term and long term investments	96,120	117,239
Other receipts from investing activities	1,530	905
Net cash flows from investing activities	(10,187)	(17,791)

27. CASH FLOW STATEMENT - FINANCING ACTIVITIES

	31 March	
	2014	2013
	£000	£000
Billing Authorities - Council Tax and NNDR adjustments	391	-
Other receipts/ (payments) from financing activities	-	949
Net cash flows from financing activities	391	949

Notes to the Core Financial Statements

28. AMOUNTS REPORTED FOR RESOURCE ALLOCATION DECISIONS

	2013/14								Total £000
	Corporate Support Services	Deputy Chief Executive	Environmental & Street Scene	Finance & ICT	Housing	Office of the Chief Executive	Planning & Economic Development	Housing Revenue Account	
	£000	£000	£000	£000	£000	£000	£000	£000	
Fees, charges & other service income	(3,863)	(614)	(5,058)	(179)	(880)	(99)	(1,119)	(34,246)	(46,058)
Impairment Charges								(30,544)	(30,544)
Government Grants				(39,243)		(23)	(5)		(39,271)
Total Income	(3,863)	(614)	(5,058)	(39,422)	(880)	(122)	(1,124)	(64,790)	(115,873)
Employee Expenses	637	963	1,600	2,141	614	202	1,644	3,159	10,960
Other Service Expenses	728	730	9,520	804	608	170	574	9,795	22,929
Support Service Recharges	713	689	2,024	1,298	340	2,420	1,595	2,567	11,646
Depreciation	32	62	1,687	57			228	13,174	15,240
Benefit Payments				37,270					37,270
Total Operating Expenditure	2,110	2,444	14,831	41,570	1,562	2,792	4,041	28,695	98,045
Net Cost Of Services	(1,753)	1,830	9,773	2,148	682	2,670	2,917	(36,095)	(17,828)

	2012/13								Total £000
	Corporate Support Services	Deputy Chief Executive	Environmental & Street Scene	Finance & ICT	Housing	Office of the Chief Executive	Planning & Economic Development	Housing Revenue Account	
	£000	£000	£000	£000	£000	£000	£000	£000	
Fees, charges & other service income	(4,033)	(394)	(5,375)	(399)	(697)	(109)	(591)	(31,189)	(42,787)
Impairment Charges								(19,228)	(19,228)
Government Grants		(65)	(94)	(47,143)	(449)	-	(10)	(475)	(48,236)
Total Income	(4,033)	(459)	(5,469)	(47,542)	(1,146)	(109)	(601)	(50,892)	(110,251)
Employee Expenses	604	851	1,530	1,950	751	195	1,402	2,778	10,061
Other Service Expenses	494	550	9,648	351	880	375	671	8,219	21,188
Support Service Recharges	683	652	2,070	1,418	463	2,313	1,313	1,944	10,856
Depreciation	23	83	1,560	57	-		232	12,717	14,672
Benefit Payments	-	-	-	45,679	-	-	-	-	45,679
Total Operating Expenditure	1,804	2,136	14,808	49,455	2,094	2,883	3,618	25,658	102,456
Net Cost Of Services	(2,229)	1,677	9,339	1,913	948	2,774	3,017	(25,234)	(7,795)

Notes to the Core Financial Statements

Reconciliation of Directorate Income and Expenditure to Cost of Services in the Comprehensive Income and Expenditure Statement.

	2013/14 £000	2012/13 £000
Net Expenditure in the Directorate Analysis	17,828	7,795
Services and Support Services not in analysis	(201)	(69)
Amounts in the CIES not reported to management in the Analysis	-	(170)
Amounts included in the Analysis not included in the Net Cost of Service	(2,640)	(3,340)
Cost of Services in CIES	14,987	4,216

Reconciliation to Subjective Analysis

	2013/14						
	Directorate Analysis £000	Services and Support Services not in analysis £000	Amounts not reported to management for decision making £000	Amounts not included in Net Cost of Service £000	Cost of Services £000	Corporate Amounts £000	Total £000
Fees, charges & other service income	46,058	-	-	(4,359)	41,699	4,359	46,058
Impairment Reversal	30,544	-	-	-	30,544	-	30,544
Interest and Investment Income	-	-	-	-	-	431	431
Income from Council Tax	-	-	-	-	-	10,567	10,567
Government Grants and Contributions	39,271	-	-	-	39,271	8,770	48,041
Total Income	115,873	0	0	(4,359)	111,514	24,127	135,641
Employee Expenses	10,960	201	-	(636)	10,525	3,645	14,170
Other Service Expenses	60,199	-	-	(530)	59,669	530	60,199
Support Service Recharges	11,646	-	-	(512)	11,134	512	11,646
Depreciation, Amortisation and Impairment	15,240	-	-	(41)	15,199	(598)	14,601
Interest Payments	-	-	-	-	-	5,542	5,542
Precepts and Levies	-	-	-	-	-	3,310	3,310
Payments to Housing Capital Receipts Pool	-	-	-	-	-	684	684
(Gain)/Loss on Disposal of Fixed Assets	-	-	-	-	-	(2,046)	(2,046)
Rents to mortgages valuation increase	-	-	-	-	-	(127)	(127)
Total Expenditure	98,045	201	0	(1,719)	96,527	11,452	107,979
Surplus/(Deficit) on the provision of services	17,828	(201)	0	(2,640)	14,987	12,675	27,662

Notes to the Core Financial Statements

Reconciliation to Subjective Analysis

	2012/13						
	Directorate Analysis	Services and Support Services not in analysis	Amounts not reported to management for decision making	Amounts not included in Net Cost of Service	Cost of Services	Corporate Amounts	Total
<i>Fees, charges & other service income</i>	42,786	387	237	(4,883)	38,527	4,884	43,411
<i>Impairment Reversal</i>	19,228	0	0	0	19,228	0	19,228
<i>Interest and Investment Income</i>	-	-	-	-	-	5,471	5,471
<i>Income from Council Tax</i>	-	-	-	-	-	11,373	11,373
<i>Government Grants and Contributions</i>	48,236	-	-	-	48,236	7,653	55,889
Total Income	110,250	387	237	(4,883)	105,991	29,381	135,372
<i>Employee Expenses</i>	10,061	181	-	(605)	9,637	7,439	17,076
<i>Other Service Expenses</i>	66,865	17	407	(635)	66,654	635	67,289
<i>Support Service Recharges</i>	10,856	257	-	(279)	10,834	279	11,113
<i>Depreciation, Amortisation and Impairment</i>	14,673	-	-	(24)	14,649	2,266	16,915
<i>Interest Payments</i>	-	-	-	-	-	5,516	5,516
<i>Precepts and Levies</i>	-	-	-	-	-	3,167	3,167
<i>Payments to Housing Capital Receipts Pool</i>	-	-	-	-	-	597	597
<i>(Gain)/Loss on Disposal of Fixed Assets</i>	-	-	-	-	-	(443)	(443)
<i>HRA self financing</i>	-	-	-	-	-	-	-
<i>Rents to mortgages valuation increase</i>	-	-	-	-	-	(20)	(20)
Total Expenditure	102,455	455	407	- 1,543	101,774	19,436	121,210
Surplus/(Deficit) on the provision of services	7,795	(68)	(170)	(3,340)	4,217	9,945	14,162

Notes to the Core Financial Statements

29. TRADING OPERATIONS

The trading operations of the Council comprise a number of Commercial Properties and Industrial Estates including North Weald Airfield where units are leased to local businesses at market rates, the Fleet Operations Service provides MOT testing and motor servicing to the public, and is currently under review.

	2013/14 Expenditure	2013/14 Income £000	2013/14 Surplus/Deficit £000
Industrial Estates	121	(1,225)	(1,104)
Commercial Properties	348	(1,847)	(1,499)
Fleet Operations	306	(283)	23
North Weald Centre	993	(1,053)	(60)
Total Surplus	1,768	(4,408)	(2,640)
2012/13	1,544	(4,884)	(3,340)

30. AGENCY SERVICES

An agreement exists with Sainsbury's supermarket whereby the Council's car parking management contractor manages two car parks on their behalf. In 2013/14 income from the car parks of £334,000 (2012/13 £333,000) was received, of which £297,000 (2012/13 £296,000), was paid over after allowing for an administration charge.

31. POOLED BUDGETS

Epping Forest Community Safety Partnership (CSP)

The Council works in partnership with a range of other public bodies and is supported by £26,928 funding from The Police and Crime Commissioner (PCC), to deliver Community Safety initiatives across the district.

Representatives on the Community Safety Partnership include the Council, Essex County Fire and Rescue Service, Essex Police, West Essex Clinical Commissioning Group, Probation Services and Voluntary Action Epping Forest. All partners have one voting right and as such, no one party has more control over the operation of the partnership than any other member.

The Police and Crime Commissioners Office is the accountable body for the Community Safety Fund in Essex and is responsible for the distribution of funding and monitoring and evaluation of work funded.

The Council is responsible for ensuring that grant monies are used in accordance with the wishes of the Community Safety Partnership as a whole and employs a Community Safety Manager, Community Safety Officer, CCTV Officer and assistant and two anti-social behaviour officers. In addition, part of the PCC funding supports a West Analyst post which is based at Epping Forest District Council (EFDC).

Local Strategic Partnership (LSP)

One Epping Forest is the Local Strategic Partnership (LSP) for Epping Forest District. It brings together public, private and voluntary sector agencies responsible for the provision of services. The partnership running costs are funded from a pooled budget established by Epping Forest District Council, to which other parties have made contributions. Epping Forest has made a contribution of £10,000 in 2013/14, and the partnership holds a balance of £52,000 available for use in future years.

Notes to the Core Financial Statements

32. MEMBER ALLOWANCES

Member allowances and expenses are shown below. Further details of these allowances are available on page 67.

	2013/14 £000	2012/13 £000
Allowances	291	295
Expenses	24	23
Total	315	318

33. OFFICER REMUNERATION

		Salary (Including fees & Allowances)	Benefits in Kind	Pension Contributions	Total Remuneration including pension contributions
		£	£	£	£
Chief Executive	2013/14	112,000	1,397	14,560	127,957
	2012/13	56,000	673	7,280	63,953
Deputy Chief Executive	2013/14	89,803	2,951	11,674	104,428
	2012/13	99,769	4,508	12,970	117,247
Director of Housing	2013/14	78,944	1,234	10,263	90,441
	2012/13	79,872	4,605	10,356	94,833
Director of Planning & Economic Development	2013/14	78,697	525	10,231	89,453
	2012/13	78,948	5,548	10,263	94,759
Director of Finance & ICT	2013/14	79,094	3,041	10,282	92,417
	2012/13	79,577	3,351	10,344	93,272
Director of Environment & Street Scene	2013/14	78,798	1,239	10,244	90,281
	2012/13	79,341	1,259	10,314	90,914
Director of Corporate Support Services	2013/14	78,158	1,239	10,161	89,558
	2012/13	78,010	1,239	10,141	89,390
Assistant to the Chief Executive	2013/14	64,148	1,239	8,332	73,719
	2012/13	75,623	1,239	9,699	86,561

There were no payments relating to bonuses in the year. The emoluments above include all taxable employee payments. Pension Contributions relate to Employer's contributions of 13.0%.

Notes to the Core Financial Statements

The number of employees whose remuneration, including benefits in kind, but excluding employers pension contributions, was £50,000 or more in bands of £5,000 were (there were no officers in bands between £115,000 - £149,999).

Remuneration Band	2013/14 Number of Employees	2012/13 Number of Employees
£50,000 - £54,999	9	10
£55,000 - £59,999	5	4
£60,000 - £64,999	2	2
£65,000 - £69,999	1	0
£70,000 - £74,999	0	0
£75,000 - £79,999	2	2
£80,000 - £84,999	3	4
£85,000 - £89,999	0	0
£90,000 - £94,999	1	0
£95,000 - £99,999	0	0
£100,000 - £104,999	0	1
£105,000 - £109,999	0	0
£110,000 - £114,999	1	0
Total	24	23

Senior Officers where emoluments - salary is £150,000 or more per year.
No Senior Officer fell under this category in 2012/13 or 2013/14.

Termination Benefits

Exit Package Cost Band (including special payments)	2013/14			Total Cost of Exit Packages in each band
	Number of Compulsory Redundancies	Number of Other Departures	Total number of Exit Packages	
£0- £20,000	0	2	2	14,769
£20,000 - £40,000	0	1	1	25,891
£40,000 - £60,001	0	1	1	46,090
£150,000 - £200,000	0	1	1	164,817
Total cost included in bandings and in the CIES				251,567

In 2012/13 the Authority terminated one officers employment on the transfer of the management of on and off street parking to the North Essex Parking Partnership (NEPP). A redundancy payment of £46,064 was made to the employee in question which was wholly re-imbursed by Essex County Council.

34. EXTERNAL AUDIT FEES

The following external audit fees have been paid to the Audit Commission and BDO LLP.

	2013/14 £000	2012/13 £000
External audit services in accordance with section 5 of the Audit Commission Act 1998	85	100
Certification of grant claims and returns under section 28 of the Audit Commission Act 1998	32	55
Rebate of fees from Audit Commission	(11)	(8)
Total	106	147

Notes to the Core Financial Statements

35. GRANTS AND CONTRIBUTIONS

The Council credited the following grants and contributions to the CIES in 2013/14:

	2013/14 £000	2012/13 £000
Credited to Taxation and Non-Specific Grant Income		
Non domestic rates	-	127
Revenue Support Grant	4,373	6,530
New Homes Bonus	1,310	719
S31 Small business rate Relief	446	-
Council Tax Freeze grant	82	204
Second Homes Discount Allowance	-	60
Community Projects	17	13
Other	23	-
Total	6,251	7,653

	2013/14 £000	2012/13 £000
Credited to Services		
Department for Work and Pensions	38,577	46,998
Department for Communities and Local Government	587	626
Essex County Council	422	222
Essex Police Authority	23	-
Department of Health	-	27
Hughmark Continental	16	65
Broxbourne Borough Council	48	-
British Gas	-	36
Arts Council	54	-
Lottery Fund	35	-
Harlow Health Works Project	59	-
Contributions to Affordable Housing	412	199
Other grants and contributions received	84	49
Total	40,317	48,222

The Council has received some grants and contributions that have yet to be recognised as income as they have conditions attached to them that if they are not met will require monies to be returned to the giver. The balances at the year end are as follows:

	2013/14 £000	2012/13 £000
Capital Grants received in Advance		
Affordable Housing Contributions	467	606
St Johns Development	229	225
Department for Communities and Local Government	161	199
Essex County Council	-	50
Grange Farm Development	38	38
Manor Road Development	40	-
Hughmark Continental	44	57
Other	7	7
Total	986	1,182

Notes to the Core Financial Statements

36. RELATED PARTY DECLARATIONS

The Council is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the council, or to be controlled or influenced by the council.

Central Government

Central government has effective control over the general operations of the Council - it is responsible for providing the statutory framework within which the Council operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Council has with other parties (e.g. council tax bills, housing benefits). Grants received from government departments are set out in the subjective analysis on Note 28 on reporting for resource allocation decisions.

Members

Members of the Council have direct control over the council's financial and operating policies. The total of members allowances paid in 2013/14 is shown in Note 32. During 2013/14 expenditure totalling £333,480 (£269,069 in 2012/13) was paid to, and income totalling £77,490 (£50,973 in 2012/13) was received from, organisations in which 27 members (22 in 2012/13) had connections. Included in the expenditure amount is a creditor of £3,000 (£3,000 in 2012/13). The nature of the expenditure was primarily grants and contributions to organisations of £297,305, subscriptions of £21,150, , rent of £6,000 and £9,025 of other items with which members had declared interests, with varying levels of involvement.

37. CAPITAL EXPENDITURE AND CAPITAL FINANCING

The total amount of capital expenditure incurred in the year is shown in the table below, together with the resources that have been used to finance it.

	2014 £000	2013 £000
<i>Opening Capital Financing Requirement</i>	184,672	184,672
Capital Investment		
Property, Plant and Equipment	11,773	12,173
Investment Properties	50	10
Revenue Expenditure Funded from Capital Under Statute	1,029	707
Intangible Assets	154	74
Sources of Finance		
Capital Receipts	(1,644)	(2,660)
Government grants and other contributions	(994)	(584)
Value of vehicle written off	-	(74)
Major Repairs Reserve	(6,145)	(5,418)
Direct revenue contributions	(4,223)	(4,228)
Closing Capital Financing Requirement	184,672	184,672

Notes to the Core Financial Statements

38. LEASES

Leasing rentals are charged to service revenue accounts.

The Council has entered into various leasing agreements relating to cars and vending equipment. All of the leases are categorised as operating leases. The arrangements provide for charges to be made evenly throughout the period of the lease. The total lease payment in 2013/14 is £136,000.

The total of future minimum lease payments due within 1 year are:	2013/14 £000	2012/13 £000
Cars	112	14
Vending Equipment	0	5
Total	112	19

Vehicles & Equipment

Payments due;	2013/14 £000	2012/13 £000
Not later than one year	112	19
Later than one year and not later than five years	135	9
Later than five years	-	-
Total	247	28

The Council also has leases with third parties under operating leases with rental income from the lease being credited to trading operations.

Assets Leased to Third Parties The total of future minimum lease payments due within 1 year are:	2013/14 £000	2012/13 £000
Land & Buildings		
Shops	1,655	1,633
Industrial & Commercial	1,032	962
Other	924	898
Total Rental Receivable	3,611	3,493

The timing of total future minimum lease payments are:

Land & Buildings	31 March 2014		31 March 2013	
	Receipts due between 2 and 5 years	Total receipts due thereafter	Receipts due between 2 and 5 years	Total receipts due thereafter
	£000	£000	£000	£000
Shops	5,293	4,231	4,572	3,968
Industrial & Commercial	3,968	50,732	3,474	51,153
Other	2,751	6,940	3,192	7,077
Total	12,012	61,903	11,238	62,198

Notes to the Core Financial Statements

Gross Amount of Assets held for use in operating leases.

	31 March	
	2014 £000	2013 £000
Land & Buildings		
Shops	16,437	16,040
Industrial & Commercial	12,997	12,767
Other	10,320	10,435
Total Assets	39,754	39,242

There are no accumulated depreciation charges on the assets held for use in operating leases.

39. PENSIONS

Employees of Epping Forest District Council are admitted to the Essex County Council Pension Fund ("the Fund"), which is administered by Essex County Council under the Regulations governing the Local Government Pension Scheme (LGPS), a defined benefit scheme. The Fund is a funded scheme meaning that the authority and employees pay contributions into a fund calculated at a level intended to balance the pensions liabilities with investment assets.

As part of the terms and conditions of employment of the Council's officers the authority offers retirement benefits. Although these benefits will not actually be payable until employees retire the Council has a commitment to make the payments that need to be disclosed at the time employees earn their future entitlement.

The figures disclosed below have been derived from a re-assessment of the assets and liabilities as a result of an interim actuarial valuation of the Fund carried out by the Fund's Actuary, Barnett Waddingham Public Sector Consulting, as at 31 March 2014. The approach to calculating the IAS19 figures in between full actuarial valuations is approximate in nature. Broadly the approach by the Actuaries assumes that the experience of the Fund will be in line with the actuarial assumptions used for IAS19 purposes. The approach adopted by the Actuary follows "IAS 19 - Calculation Guide for Local Authorities".

The Council recognises cost of retirement benefits in the Net Cost of Services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge made against Council Tax is based on contributions payable to the fund in respect of 2013/14 so the real cost of retirement benefits is reversed out of the Income and Expenditure Account after Net Operating Expenditure.

Changes to the reporting requirements of IAS 19 came into effect from 2013/14. The equivalent figures for the prior year would not be materially different to those reported previously so no restatement has been made.

The transactions below have been made in the CIES during the year.

Comprehensive Income and Expenditure Statement

	2013/14 £000	2012/13 £000
Service Cost	3,845	-
Current Service cost	-	2,983
Settlement and Curtailment loss	-	21
Net interest charged	3,009	-
Interest Cost	-	6,835
Expected return on Assets	-	(4,954)
Administration Expenses	15	-
Net charge made to the CIES	6,869	4,885

Notes to the Core Financial Statements

Pension Assets and Liabilities Recognised in the Balance Sheet

	2013/14 £000	2012/13 £000
Present value of the funded obligation	155,414	165,891
Present value of the unfunded obligation	4,101	4,526
Fair value of scheme assets	(101,695)	(95,060)
Net Liability in the Balance Sheet	57,820	75,357

Reconciliation of the fair value of the Scheme Liabilities

	Unfunded Liabilities		All Funded/Unfunded Liabilities: Local Government Pension Scheme	
	2014 £000	2013 £000	2014 £000	2013 £000
Net pensions liability at 1 April 2013	(4,526)	(4,510)	(170,417)	(150,823)
Movements in the current year				
Current service cost		-	(3,659)	(2,983)
Interest cost	(179)	(200)	(6,901)	(6,835)
Change in financial assumptions			3,662	(14,344)
Change in demographic assumptions			10,884	
Experience loss/gain			2,851	58
Estimated benefits paid			4,859	5,092
Employers' contributions payable to scheme	335	337		
Past service cost including curtailments		-	(186)	(21)
Contributions by scheme participants			(943)	(898)
Unfunded pension payments		-	335	337
Actuarial gain/(loss)	269	(153)		
Net pensions liability at 31 March	(4,101)	(4,526)	(159,515)	(170,417)

Reconciliation of fair value of the Scheme Assets:

	2014 £000	2013 £000
Fair value of the plan assets at 1 April	95,060	85,198
Interest on assets	3,892	3,903
Return on assets less interest	4,470	6,682
Other Actuarial gains/(losses)	(1,442)	-
Administration Expenses	(15)	(21)
Employer contributions including unfunded	3,981	3,829
Contributions by scheme participants	943	898
Benefits paid	(5,194)	(5,429)
Fair value of the plan assets at 31 March	101,695	95,060

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets. The actual return on assets less interest in the year was £3.97 million (£6.68 million for 2012/13).

Notes to the Core Financial Statements

Scheme History	2013/14 £000	2012/13 £000	2011/12 £000	2010/11 £000	2009/10 £000
Present Value of Liabilities	(159,515)	(170,417)	(150,823)	(130,136)	(139,219)
Fair Value of Assets	101,695	95,060	85,198	83,812	82,726
Surplus/(deficit) in the scheme	(57,820)	(75,357)	(65,625)	(46,324)	(56,493)

The liabilities show the underlying commitments that the Council has in the long run to pay retirement benefits. The total liability of £58.32 million in the balance sheet has increased the reported net worth of the Council by 14% (22% 2012/13).

However statutory arrangements for funding the deficit mean that the financial position of the Council remains healthy. The deficit will be gradually eliminated by increased contributions over the remaining working life of employees, as assessed by the scheme Actuary.

The total employer contributions expected to be made to the scheme by the council in the year to 31 March 2015 is £3.62 million. The Service Cost is expected to be £3.39 million for the year to 31 March 2015.

Basis for estimating assets and liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years dependent on assumptions about mortality rates, salary levels, and inflation rates. The District Council fund liabilities have been assessed by Barnett Waddington a firm of actuaries who provide the service for the Essex County Council Pension Fund, being based on the full Actuarial Valuation of the scheme as at 31 March 2013.

The principal assumptions used by the actuary have been:

	2013/14 %	2012/13 %
Long term expected rate of return on assets in the scheme:		
Equity investments	6.70	6.10
Government Bonds	3.60	3.00
Other Bonds	4.20	4.10
Property	5.70	5.10
Cash/Liquidity	3.40	0.50
Alternative Assets	4.20	6.10

Notes to the Core Financial Statements

Mortality Assumptions

Longevity at 65 for current pensioners:

Men	22.70	22.70
Women	25.10	25.30

Longevity at 65 for future pensioners:

Men	24.90	24.20
Women	27.40	26.90

Rate of Inflation RPI	3.50%	3.30%
Rate of Inflation CPI	2.70%	2.50%
Rate of Increase in Salaries	4.50%	4.30%
Rate of Increase in pensions	2.70%	2.50%
Rate for discounting scheme liabilities	4.40%	4.10%

The Scheme's assets consist of the following categories, by proportion of the total assets held.

	As at 31 March 2014		As at 31 March 2013	
	£000	%	£000	%
Equities	67,803	67.00	60,839	64.00
Government Bonds	8,096	8.00	6,654	7.00
Other Bonds	8,096	8.00	7,605	8.00
Property	11,132	11.00	11,407	12.00
Cash/Liquidity	2,024	2.00	3,802	4.00
Alternative Assets	4,048	4.00	4,753	5.00
Total	101,199	100	95,060	100

The extent to which the expected future returns on assets are sufficient to cover the estimated net liabilities was considered by the actuaries in the 2013 actuarial review of the Pension Fund. The anticipated shortfall in the funding of the scheme has determined the future level of pension contributions which will be due in between triennial valuations.

Notes to the Core Financial Statements

Sensitivity Analysis as at 31 March 2014	Sensitivity 1	Sensitivity 2	Sensitivity 3
The table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a plus/minus year age rating adjustment to the mortality assumption.	+0.1% p.a. discount rate as at 31 March 2014 £000s	0.0% p.a. discount rate as at 31 March 2014 £000s	-0.1% p.a. discount rate as at 31 March 2014 £000s
Present Value of Total Obligation	156,910	159,515	162,165
Projected Service Cost	3,325	3,393	3,462
Adjustment to mortality age rating	+1year	none	-1year
Present Value of Total Obligation	153,932	159,515	165,149
Projected Service Cost	3,277	3,393	3,510

40. CONTINGENT LIABILITIES

There has for some time been a possibility that the Council might become liable for the settlement of claims relating to Mesothelioma, the lung disease associated with exposure to Asbestos. There have been court proceedings in an attempt to ascertain whether liability to settle any claims rests with the Council's current insurers or the insurers at the time of employees exposure to the risk. On 28 March 2012 judgement was passed that liability rests with the insurers at the time of potential exposure. The insurers at the time are no longer trading as such and it is unlikely that there are sufficient assets to meet the totality of any claims, which will therefore mean some liability, if not all, will fall on the scheme creditors of which this Council is one. Whilst there is a little more clarity suggesting that 15% or £84,500 might be the extent of the liability, which has now been paid, this is by no means certain. Having reviewed the situation it is felt for the time being the transfer made to the insurance fund of £650,000 in 2011/12 should remain until such time as things become clearer.

41. NATURE & EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Council has adopted CIPFA's Revised Code of Practice on Treasury Management and complies with The Prudential Code of Capital Finance for Local Authorities (both revised in November 2011).

As part of the adoption of the Treasury Management Code, the Council approves a Treasury Management Strategy (for 2013/14 this was agreed at Full Council on 19 February 2013). The Strategy sets out the parameters for the management of risks associated with Financial Instruments. The Council also produces Treasury Management Practices specifying the practical arrangements to be followed to manage these risks.

The Treasury Management Strategy includes an Annual Investment Strategy in compliance with the CLG Investment Guidance for local authorities. This guidance emphasises that priority is to be given to security and liquidity, rather than yield. The Council's Treasury Strategy, together with its Treasury Management Practices are based on seeking the highest rate of return consistent with the proper levels of security and liquidity.

The Council's activities expose it to a variety of financial risks, the key risks are:

- Credit risk - the possibility that other parties might fail to pay amounts due to the Council;
- Liquidity risk - the possibility that the Council might not have funds available to meet its commitments to make payments;
- Market risk - the possibility that financial loss might arise for the Council as a result of changes in such measures as interest rate movements.

Credit Risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Council's customers.

Notes to the Core Financial Statements

Investments

The risk is minimised through the Annual Investment Strategy, which requires that deposits are made with Debt Management Office, other local authorities, AAA rated money market funds or Banks and Building Societies having sufficiently high credit worthiness as set out in the Treasury Management Strategy. It must also be noted that although credit ratings remain a key source of information, the Council recognises that they have limitations and investment decisions are based on a range of market intelligence. A limit of £10m is placed on the amount of money that can be invested with a single counterparty. The Council also sets a total group investment limit (£10m) for institutions that are part of the same banking group.

The table below summaries the nominal value of the Council's investment portfolio at 31 March 2014, and confirms that all investments were made in line with the Council's approved rating criteria when investment placed:

The amounts below include the money market fund which is included in cash and cash equivalents.

	Credit rating criteria met on 31	Balance invested as at 31 March 2014					Total £000
		Up to 1 month £000	Between 1 and 3 months £000	Between 4 and 6 £000	Between 7 and 12 £000	Greater than 12 months £000	
Banks UK	YES	3,500	12,000	12,000	1,300		28,800
Banks UK	NO						0
Banks non-UK	NO						0
Total Banks		3,500	12,000	12,000	1,300	0	28,800
Building Societies	YES			5,000			5,000
Local Authorities						10,000	10,000
Money Market Funds	YES	13,000					13,000
Total		16,500	12,000	17,000	1,300	10,000	56,800

In October 2008 the Icelandic banking sector defaulted on its obligations. The Council had £2.5m invested in Heritable bank at that time. As at 31 March 2014 an amount of £2.36m had been received from the administrator which represents a little over 94% of the original investment. The latest communication, received in September 2013, stated that further dividends were not expected until the end of the litigation process.

Debtors

The following analysis summaries the Council's potential maximum exposure to credit risk, based on the experience gathered over the last five financial years on the level of default on trade debtors, adjusted for market conditions.

	Amount at 31 March 2014 £000	Default risk judged as at 31 March 2014 %	Bad debt provision for 2013/14 £000
Sundry Debtors	4,448	45.5	2,022
Housing Arrears	1,094	56.8	621
Total	5,542		2,643

The credit risk in relation to counterparty investments is relatively small as the likelihood of default is also small. With regard to sundry debtors, housing and taxation debtors, a risk arises by virtue of the fact that they represent amounts owed to the Council and there will always be a level of default inherent in such debts. A provision for non payment of debts is provided within the overall debtors figure stated in the accounts.

Notes to the Core Financial Statements

Liquidity Risk

The Council has access to borrowing facilities via the Public Works Loan Board, commercial banks, bond issues and other local authorities. There is no perceived risk that the Council will be unable to raise finance to meet its commitments. The Council also has to manage risk that it will not be exposed to replenishing a significant proportion of its borrowing at a time of unfavourable interest rates.

The Council would only borrow in advance of need where there is a clear business case for doing so and will only do so for the current capital programme or to finance future debt maturities.

The maturity analysis of the nominal value of the Council's debt at 31 March 2014 was as follows:

		31 March 2014 £000	% of total debt portfolio
Short Term Borrowing	Less than 1 Year	0	0
Long Term Borrowing	Over 1 but not over 2	0	0.00
	Over 2 but not over 5	0	0.00
	Over 5 but not over 10	31,800	17.15
	Over 10 but not over 15	0	0.00
	Over 15 but not over 20	0	0.00
	Over 20 but not over 25	60,000	32.35
	Over 25 but not over 30	93,656	50.50
Long Term Borrowing		185,456	100.00

Market Risk

Interest Rate Risk - The Council is exposed to risks arising from movements in interest rates. The Treasury Strategy aims to mitigate these risks by setting an upper limit of 25% on external debt that can be subject to variable rates. At 31 March 2014, 83% of the debt portfolio was held in fixed rate instruments and 17% in variable rate instruments.

If all interest rates had been 1% higher (with all other variables held constant) the financial effect would be:

	£000
Increase in interest payable on variable rate borrowing	318
Increase in interest receivable on variable rate investments	(193)
Impact on Surplus or Deficit on the Provision of Services	<u>125</u>
Share of overall impact debited/(credited) to HRA	<u>125</u>

The approximate impact of a 1% fall in interest rates would be as above but with the movements being reversed. These assumptions are based on the same methodology as used in the Fair Value disclosure note.

Price risk - The Council does not invest in equity holdings or in financial instruments whose capital value is subject to market fluctuations. It therefore has no exposure to losses arising through price variations.

Foreign exchange risk - The Council has no financial assets or liabilities denominated in foreign currencies. It therefore has no exposure to loss arising from movements in exchange rates.

42. CAPITAL COMMITMENTS

In April 2014 the Council purchased the long leasehold of 2 - 18 Torrington Drive for £3.5 million. The Council had committed itself to this purchase in January 2014. This was subject to the completion of works by the existing leaseholder.

HOUSING REVENUE ACCOUNT INCOME & EXPENDITURE STATEMENT

	Note	2013/14 £000	2012/13 £000
INCOME			
Dwelling Rents (Gross)	3	(30,885)	(29,226)
Non Dwelling Rents		(870)	(852)
Charges for Services and Facilities		(1,985)	(1,560)
Leaseholder Contributions		(170)	(172)
Revaluation of Fixed Assets	1	(30,544)	(19,228)
TOTAL INCOME		(64,454)	(51,038)
EXPENDITURE			
Repairs and maintenance	4	6,053	5,607
Supervision and Management		7,169	6,400
Rents, Rates, Taxes and Insurance		542	524
Revenue Expenditure funded from Capital under Statute	10	170	172
Depreciation	2/8/9	13,110	12,652
Revaluation of Fixed Assets	1	632	-
Debt Management		51	59
Provision for Bad / Doubtful Debts		16	176
TOTAL EXPENDITURE		27,743	25,590
NET COST OF SERVICES AS INCLUDED IN THE COMPREHENSIVE INCOME & EXPENDITURE STATEMENT		(36,711)	(25,448)
HRA services share of Corporate & Democratic Core		572	572
HRA share of other services		44	50
NET COST (INCOME) OF HRA SERVICES		(36,095)	(24,826)
HRA SHARE OF THE INCOME AND EXPENDITURE INCLUDED IN THE COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT		(36,095)	(24,826)
Gain on sale of HRA non-current assets		(2,236)	(328)
Interest Payable and Similar Charges		5,526	5,517
Interest and Investment Income		(375)	(461)
Valuation increase Rent to Mortgages		(127)	(20)
Pensions Interest/Return on Assets		963	600
(SURPLUS)/DEFICIT FOR THE YEAR ON HRA SERVICES		(32,344)	(19,518)

MOVEMENT ON HOUSING REVENUE ACCOUNT STATEMENT

The Housing Revenue Income and Expenditure Statement shows the Councils' actual financial performance for the year in managing its housing stock, measured in terms of the resources consumed and generated over the last twelve months. However,

- n Capital investment is accounted for as it is financed, rather than when the fixed assets are consumed.
- n The payment of a share of housing capital receipts to the Government is treated as a loss in the Income and Expenditure Account, but is met from the usable capital receipts balance rather than from council tax.
- n Retirement benefits are charged as amounts become payable to pension funds and pensioners rather than as future benefits earned.

The Housing Revenue Account Statement compares the Council's spending against the Income that it raised for the year, taking into account the use of reserves built up in the past and contributions to reserves earmarked for the future.

This reconciliation statement summarises the differences between the outturn in the Housing Revenue Income and Expenditure Statement and the Housing Revenue Account balance.

	Note	2013/14 £000	2012/13 £000
INCREASE/DECREASE IN THE HOUSING REVENUE ACCOUNT BALANCE			
(Surplus)/Deficit for the year on the Housing Revenue Account Income and Expenditure Statement		(32,344)	(19,518)
Adjustments between accounting basis and funding basis under statute (including to or from reserves)	12	30,468	17,710
Transfers to Earmarked Reserves	12	2,285	2,926
(Increase) or decrease in the Housing Revenue Account balance		409	1,118
Housing Revenue Account surplus brought forward		(3,375)	(4,493)
Housing Revenue Account surplus carried forward		(2,966)	(3,375)

Notes to the Housing Revenue Income and Expenditure Account

1. HOUSING REVENUE ACCOUNT ASSET VALUATION

The valuation of the Council's housing stock and other HRA assets is as follows:

	OPERATIONAL ASSETS						NON- OPERATIONAL ASSETS	Total £000
	Land £000	Dwellings £000	Garages £000	Vehicles & Equipment £000	Other Land & Buildings £000	Other £000	Investment Properties £000	
Gross Book Value 1 April 2013	152,597	303,382	3,869	3,238	869	2,525	143	466,623
Revalued								
Restated	(12)	(15)			237			210
Reclassified	-		-					
1 April 2013	152,585	303,367	3,869	3,238	1,106	2,525	143	466,833
Revalued in year								
Additions		10,310		76	63	226		10,675
Disposals	(1,308)	(2,429)		(56)				(3,793)
Reclassified in year	(525)	(792)	(120)		39	1,402		4
Accumulated Depreciation Written Off		(12,559)	(134)		(1)			(12,694)
Revalued	11,745	21,730	54		(45)	(222)		33,262
Gross Book Value	162,497	319,627	3,669	3,258	1,162	3,931	143	494,287
Depreciation 1 April 2013	-			(1,446)	(5)	(416)	-	(1,867)
Restated								
Reclassified								
1 April 2013	-	-	-	(1,446)	(5)	(416)	-	(1,867)
Accumulated Depreciation Written Off		12,559	134					12,693
Reclassified		37			2	-		39
Depreciation in Year	-	(12,688)	(138)	(260)	(10)	(56)		(13,152)
Depreciation on Assets Sold	-	92	4	56				152
Depreciation 31 March 2014	-	-	-	(1,650)	(13)	(472)	-	(2,135)
Net Book Value 31 March 2014	162,497	319,627	3,669	1,608	1,149	3,459	143	492,152
Net Book Value 1 April 2013	152,597	303,382	3,869	1,588	856	2,053	143	464,488

The dwelling valuation shown in the balance sheet represents the value of the housing stock to the Council in its existing use as social housing occupied on the basis of secured tenancies. The corresponding value of those dwellings if sold on the open market without tenants, i.e. vacant possession is £1,148,017,500, based on stock figures as at 31 March 2014 and values as at 1 April 2013. The difference between the two values represents the economic cost of providing council housing at less than open market rents.

Notes to the Housing Revenue Income and Expenditure Account

2. HOUSING STOCK

The Council was responsible for managing on average 6,530 (6,563 in 2012/13) dwellings during 2013/14. Changes in the stock are summarised below. The figures include 48 units for the homeless at Norway House, North Weald, and 6 wardens' and caretakers' dwellings.

		2013/14	2012/13
Stock as at 1 April		6,556	6,570
Less	Sales	(53)	(13)
	Stock Transfers / Conversions	(20)	(5)
	Reinstated Properties	(1)	
Add	New Properties	1	4
Stock as at 31 March		6,483	6,556
Number of:			
Houses and Bungalows		3,489	3,518
Flats and Maisonettes		2,984	3,028
Other		10	10

3. GROSS DWELLING RENT INCOME

During 2013/14 0.87% (0.76% in 2012/13) of all lettable dwellings were vacant. Average rents were £90.96 per week, an increase of £3.82 or 4% over the previous year. 52% (54% in 2012/13) of all Council tenants received some help through rent rebates in 2013/14. Rent arrears increased to £1,094,262 (£1,054,450 in 2012/13), which represents 3.5% (3.7% in 2012/13) of gross dwelling rent income. The provision for bad and doubtful debts on these arrears amounted to £621,478 (£735,794 in 2012/13). Amounts written off during the year totalled £129,980 (£73,122 in 2012/13). Dwelling rents are shown after allowing for voids.

4. HOUSING REPAIRS FUND

The Council maintains a Housing Repairs Fund that evens out the annual cost to tenants of a cyclical repairs programme. The movement on the Fund is as follows:

	2013/14		2012/13	
	£000	£000	£000	£000
Balance as at 1 April		(3,508)		(3,915)
Contribution from the HRA	(5,200)		(5,200)	
Other Income	(100)		(81)	
Total Income		(5,300)		(5,281)
Responsive & Void Repairs	3,884		3,317	
Planned Maintenance	2,093		2,201	
Other	76		170	
Total Expenditure		6,053		5,688
Balance as at 31 March		(2,755)		(3,508)

In accordance with the accounting changes introduced for the 2006/07 accounts, the amount shown on the face of the Housing Revenue Income and Expenditure Statement is the actual net expenditure on repairs and maintenance rather than the contribution to the repairs fund. The difference between the two figures forms part of the adjustments between accounting basis and funding basis under regulations (Note 6 page 20).

Notes to the Housing Revenue Income and Expenditure Account

5. PENSIONS

The Council recognises the cost of retirement benefits in the Net Cost of Services when they are earned by employees rather than when the benefits are eventually paid as pensions. However, the charge made against the HRA is based on the contributions payable to the fund in respect of 2013/14; the real cost of retirement benefits is therefore reversed out of the Housing Revenue Account after Net Operating Expenditure.

6. HOUSING REVENUE ACCOUNT CAPITAL RECEIPTS

The Council received £5,824,067 in respect of HRA capital receipts during 2013/14. This arose as a result of the sale of council houses (£5,813,390), sale of vehicles (£3,850) and principal repayments on mortgages (£6,827). Of this the Council used £101,500 for the housebuilding project and £68,900 for the administration of the sales which left £5,653,667 to fund other capital projects and pay the central government pool an amount of £684,515.

7. CAPITAL EXPENDITURE

The HRA incurred the following capital expenditure.

Capital Expenditure on:	£000	Financed by:	£000
Council Dwellings	9,563	Revenue	4,200
House Building and developments	368	Major Repairs Reserve	6,145
Disabled Adaptations	494	Capital Receipts	101
Plant, Vehicles and Equipment	76	Other Contributions	237
Intangibles	8		
Environmental Works	111		
Land and Buildings	63		
	10,683		10,683

8. MAJOR REPAIRS RESERVE

With effect from 1 April 2001 the Council is required to maintain a Major Repairs Reserve. This was originally funded from the Government via Housing Subsidy but is now funded from the HRA directly. The Housing Revenue Account is charged with the depreciation for the year the opposite entry of which is a credit to the Major Repairs Reserve. This income can then be used to fund repairs of a capital nature. For a transitional period of five years The Council is allowed to transfer back to the HRA a notional sum calculated by the Government in lieu of the Major Repairs Allowance received. The movement on the reserve is as follows:

	2013/14		2012/13	
	£000	£000	£000	£000
Balance as at 1 April		(9,755)		(8,241)
Depreciation transferred from the HRA		(13,098)		(12,652)
Used to fund Capital Expenditure on Council Dwellings	6,145		5,418	
Transferred to the HRA	5,349		5,720	
Total Expenditure		11,494		11,138
Balance as at 31 March		(11,359)		(9,755)

Notes to the Housing Revenue Income and Expenditure Account

9. DEPRECIATION

Depreciation is charged on Housing Revenue Account assets in accordance with IAS 16. Depreciation is now charged with reference to balance sheet values and the average life remaining on the housing stock and its major components. No depreciation is chargeable on the HRA investment assets. (See also note 1, page 58)

10. REVENUE EXPENDITURE FUNDED FROM CAPITAL UNDER STATUTE

A charge of £170,000 (£172,000 in 2012/13) was made in respect of revenue expenditure funded from capital under statute. This related to recharges to leaseholders for repairs.

11. NOTE OF RECONCILING ITEMS FOR THE STATEMENT OF MOVEMENT ON HRA BALANCE

	2013/14 £000	2012/13 £000
AMOUNTS TO BE EXCLUDED		
Transfer from Major Repairs Reserve and other depreciation reversals and impairments	(5,393)	(5,767)
Upward revaluation of Council Dwellings and Garages	29,930	19,228
Revenue expenditure funded from Capital under statute	(170)	(172)
Valuation changes Rents to Mortgages	127	20
Gain/(loss) on disposal of HRA fixed assets	2,236	328
Flexi / Leave Accruals	(4)	2
HRA share of contributions to/ (from) pensions reserve	(2,139)	(1,559)
	24,587	12,080
AMOUNTS TO BE INCLUDED		
Leaseholder Contributions	170	172
Employers contributions payable to the pension fund	1,274	1,222
Capital Expenditure funded by the HRA	4,200	4,200
Capital Contributions Applied	237	36
	5,881	5,630
Net Increase or Decrease before Transfers to/from Reserves	30,468	17,710

Notes to the Housing Revenue Income and Expenditure Account

TRANSFERS TO EARMARKED RESERVES		
Housing Repairs Fund	(753)	(407)
Self Financing Reserve	3,180	3,180
Service Enhancement Fund	(58)	170
Insurance Fund	(84)	(17)
	2,285	2,926
	32,753	20,636

12. SETTLEMENT PAYMENTS DETERMINATION 2012 (HRA SELF-FINANCING)

On 28 March 2012 the Council borrowed £185,456,000 from the Public Works Loan Board in order to pay an equivalent amount over to the Department for Communities and Local Government. This payment was the amount prescribed as payable on the cessation of the HRA Subsidy regime on 31 March 2012. This amount is shown as long term loans on the Balance Sheet.

13. TRANSFER TO INSURANCE FUND

There has for sometime been a possibility that the Council might become liable for the settlement of claims relating to Mesothelioma. There have been court proceedings in an attempt to ascertain whether liability to settle any claims rests with the Council's current insurers or the insurers at the time of employees' exposure to the risk. On 28 March 2012 judgement was passed that liability rests with the insurers at the time of potential exposure. The insurers at the time are no longer trading as such and it is unlikely that there are sufficient assets to meet the totality of any claims, which will therefore mean some liability if not all will fall on the scheme creditors of which this Council is one. Whilst there is a little more clarity and in fact the 15% levy of £84,000 has now been paid the actual extent of the liability is by no means certain. Having reviewed the situation it is felt for the time being the transfer made to the fund of £650,000 in 2011/12 should remain until such time as things become clearer.

14. TRANSFER TO SELF FINANCING RESERVE/SERVICE ENHANCEMENT FUND

As part of the new financial arrangements for the HRA two new earmarked reserves have been set up. A Self Financing Reserve was set up with the purpose of receiving a transfer of £3.18m per annum to accumulate enough funds to repay the £31.8m variable loan. Whilst this is the stated purpose of the fund the decision does not preclude the use of these funds for another HRA purpose. Self financing has meant additional funds have become available for HRA expenditure, as a result a programme of service enhancements and improvements have been agreed by the Council. It was agreed that any unspent monies allocated in 2013/14 should be carried forward within the fund for use in future accounting periods. The value of this carry forward at the end of the financial year was £112,000.

THE COLLECTION FUND

INCOME AND EXPENDITURE ACCOUNT

		Council Tax	Non Domestic Rates	Collection Fund Total	Council Tax	Non Domestic Rates	Collection Fund Total
	Note	2013/14 £000	2013/14 £000	2013/14 £000	2012/13 £000	2012/13 £000	2012/13 £000
INCOME							
Council Tax	1	(76,662)	-	(76,662)	(82,973)	-	(82,973)
Non Domestic Rates	2	-	(32,979)	(32,979)	-	(32,301)	(32,301)
TOTAL INCOME		(76,662)	(32,979)	(109,641)	(82,973)	(32,301)	(115,274)
EXPENDITURE							
Precepts and Demands:							
Essex County Council		54,521	2,871	57,392	59,663	-	59,663
Essex Police		7,098		7,098	7,505	-	7,505
Essex Fire Authority		3,332	319	3,651	3,647	-	3,647
Epping Forest District Council		10,453	12,759	23,212	11,334	-	11,334
Distribution of Estimated Collection Fund Surplus/(Deficit).							
	3						
Essex County Council		57	-	57	(400)	-	(400)
Essex Police		7	-	7	(49)	-	(49)
Essex Fire Authority		4	-	4	(24)	-	(24)
Epping Forest District Council		11	-	11	(75)	-	(75)
Non Domestic Rate							
Payment to National Pool		-	-	-	-	32,127	32,127
Payment to Central Government		-	15,949	15,949	-	-	-
Transitional Protection		-	42	42	-	-	-
Cost of Collection Allowance		-	171	171	-	174	174
Provision for Appeals			1,486	1,486	-	-	-
Provision for Non Payment		280	(30)	250	28	-	28
Council Tax Write Offs		159	397	556	509	-	509
TOTAL EXPENDITURE		75,922	33,964	109,886	82,138	32,301	114,439
DEFICIT / (SURPLUS) FOR YEAR		(740)	985	245	(835)	-	(835)
BALANCE BROUGHT FORWARD		(115)	-	(115)	720	-	720
BALANCE CARRIED FORWARD		(855)	985	130	(115)	-	(115)

Notes to the Collection Fund

1. COUNCIL TAX

Council Tax income derives from charges raised according to the value of residential properties, which have been classified into eight valuation bands, estimating 1 April 1991 values for this specific purpose. Individual charges are calculated by estimating the amount of income required to be taken from the Collection Fund by Essex County Council, Essex Police, Essex Fire Authority and this Council for the forthcoming year and dividing this by the council tax base (the total number of properties in each band adjusted by a proportion to convert the number to a Band D equivalent and adjusted discounts: 50,169 for 2013/14, 54,900 for 2012/13). The figure Band d equivalent figure has reduced in 2013/14 due to the abolition of Council Tax Benefit and the introduction of Local Council Tax Support (LCTS). The effect of LCTS is to act as a discount on Council Tax and reduce the number of chargeable properties rather than under Council Tax Benefit where the benefit granted was treated as a payment toward the Council Tax due. The basic amount of Council Tax for a Band D property (£1,443.42 for 2013/14, £1,438.65 for 2012/13) is multiplied by the proportion specified for the particular band to give an individual amount due.

	Chargeable Dwellings	Chargeable Dwellings after Discount, Exemptions and Disabled Relief	Ratio to Band D	Band D Equivalents
Band A Disabled	-	2	5/9	1
Band A	1,748	1,400	2/3	933
Band B	4,902	3,968	7/9	3,086
Band C	11,392	10,015	8/9	8,902
Band D	13,690	12,504	1	12,504
Band E	9,363	8,659	1 2/9	10,583
Band F	6,717	6,297	1 4/9	9,096
Band G	5,788	5,500	1 2/3	9,167
Band H	1,133	1,072	2	2,144
Total Band D				56,416
Band D equivalents entitled to Council Tax Support				5,118
Total Band D equivalents				51,298
Less Adjustment for Collection Rate				1,129
Council Tax Base				50,169

Notes to the Collection Fund

The income of £76,662,113 for 2013/14 (£82,973,314 for 2012/13) is receivable from the following sources.

	2013/14 £000	2012/13 £000
Billed to Council tax payers	76,804	73,959
Council Tax Benefits paid/(clawed back)	(142)	9,014
	<u>76,662</u>	<u>82,973</u>

2. NATIONAL NON DOMESTIC RATES

Non Domestic Rates are organised on a national basis. The Government specifies an amount, 46.2p (small business) and 47.1p (others) in 2013/14, (45.0p (small business) 45.8p (others) in 2012/13) and, subject to the effects of transitional arrangements, local businesses pay rates calculated by multiplying their rateable value by that amount.

In 2013/14 the method of distributing and accounting for Business Rates changed. Prior to 1 April 2013 Non Domestic Rates were collected by the Council and paid over to central Government who then redistributed the sums collected in the form of Non Domestic rates grant.

From 1 April 2013 Business Rates Retention came in whereby Local Authorities retain 50% of the Business Rates collected and pay the remainder over to Central government. The amount retained is shared between the Council (40%), Essex County Council (9%) and Essex Fire Authority (1%). In addition the Government has set a level of Business Rates Funding deemed to be applicable to each area and every Council either receives a top up (where business rates are below this deemed level of funding) or pays a tariff (if business rates collected are above this deemed level of funding). In 2013/14 this Council paid a tariff of £9,846,000 which is a charge to the General Fund.

If the Council increases its business rates base and therefore income it is allowed to retain a proportion of this increased income whilst paying up to 50% to Central Government. This payment is known as a levy payment.

If a reduction of business rates income of more than 7.5% of its funding baseline has occurred then the government will make up any difference between this and the actual loss in the form of a safety net payment. Whilst there has been a reduction in income this was not enough for the Council to fall into the safety net.

The total non-domestic rateable value at the year-end was £86,726,349 (£86,549,824 in 2012/13).

3. CONTRIBUTIONS TO COLLECTION FUND SURPLUSES AND DEFICITS

The surplus or deficit on the Collection Fund arising from council tax and business rates transactions relates to this Council and the other Major Precepting Authorities. The surplus or deficit on the fund is estimated as at 15 January every year and paid over or recovered from the Council's General fund and major precepting authorities in the following Financial year. The balance on the Fund represents the difference between the estimated surplus or deficit and the actual position. There was no deficit or surplus in relation to Business Rates as this is the first year of operation.

Annual Governance Statement

1 Scope of Responsibility

Epping Forest District Council (EFDC) is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.

The Council has approved and adopted a Code of Governance, which is consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government and forms part of the Council's Constitution. A copy of the Code is on our website at www.eppingforestdc.gov.uk. This statement explains how the Council has complied with the Code and also meets the requirements of Regulation 4 of the Accounts and Audit Regulations 2011, in relation to the publication of a Statement on Internal Control.

2 The Purpose of the Governance Framework

The governance framework comprises the systems and processes, culture and values for the direction and control of the Council and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost effective services.

The system of internal control is a significant part of the Governance Framework and is designed to manage risk to a reasonable level. It cannot eliminate all risks of failure to achieve policies, aims and objectives, and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives. It is also responsible for evaluating the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in Local Government (2010).

The Council's Code of Governance recognises that effective governance is achieved through the following core principles.

- (i) focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area.
- (ii) Members and officers working together to achieve a common purpose with clearly defined functions and roles.
- (iii) promoting values for the Council and demonstrating good governance through upholding high standards of conduct and behaviour.
- (iv) taking informed and transparent decisions which are subject to effective scrutiny and management of risk.
- (v) developing the capacity and capability of Members and officers to be effective.
- (vi) engaging with local people and other stakeholders to ensure robust public accountability.

The table below summarises the Council's Governance Framework (which includes the system of internal control) for the year ending 31st March 2014 and up to the date of approval of this Statement and the Statement of Accounts.

The Governance Framework	
	The key elements of the Council's governance arrangements for 2013/14 were:
1	A corporate plan covering 2011-2015, setting out the Council's priorities and defining the goals to be achieved
2	The Constitution, which is revised each year
2.1	sets out the Council's decision-making framework
2.2	gives a clear definition of the roles and responsibilities of members, committees, and the statutory officers (Head of the Paid Service, Section 151 Officer and Monitoring Officer)
2.3	includes a scheme of delegation of responsibility, financial regulations and contract standing orders
2.4	defines codes of conduct for members and officers, and a protocol for how the two work together.
3	The Council facilitates policy and decision making via a Cabinet Structure with Cabinet Member portfolios.
4	There are Standing Scrutiny Panels to cover key policy areas, Task and Finish Panels to undertake specific reviews and a co-ordinating Overview and Scrutiny Committee.
5	A Standards Committee.
6	An Audit and Governance Committee
7	A Management Board consisting of the Chief Executive, Deputy Chief Executive and Directors
8	A Corporate Governance Group consisting of the Chief Executive, Deputy Chief Executive, Section 151 Officer, Monitoring Officer, Deputy Monitoring Officer and The Chief Internal Auditor, meeting monthly
9	A Corporate Risk Strategy managed by a Risk Management Group meeting quarterly
10	Working Group on Financial Regulations, Contract Standing Orders and Delegated Authorities
11	A standard committee report format that includes specific consideration of all legal, financial, professional and technical considerations
12	A Medium Term Financial Strategy which informs service planning and budget setting,
13	A compliments and complaints procedure
14	A risk-based approach to internal audit, emphasising the need for sound control and good value
15	A robust whistle blowing policy and process, refreshed in 2011-12, along with supporting documents outlining the Council's zero tolerance approach to fraud and corruption
16	Contribution to the delivery of the Sustainable Community Strategy for the District through active participation on One Epping Forest, formerly the Local Strategic Partnership, and the alignment of the Key Themes of the Corporate Plan 2011/15 with the Community Strategy.

3 Review of effectiveness

The Council is responsible for conducting, at least annually, a review of the effectiveness of its governance framework, including the system of internal control. The review of effectiveness is informed by the various sources noted below.

- Directors governance statements, which provide appropriate management assurance that the key elements of the system of internal control are operating effectively;
- Documentary evidence of processes, procedures and standards:
- The Chief Internal Auditor's annual opinion on the Council's control environment, delivered to the Audit and Governance Committee, as the body charged with governance. Audit reports issued along with the assurance ratings of full, substantial, limited or no assurance, on the adequacy and effectiveness of the Council's control environment, particularly in the key financial systems;
- The work undertaken by the External Auditor reported in their annual audit and inspection letter and other review reports;

- Significant governance issues from previous years;
- Significant governance Issues from 2013/14.

In the Annual Governance Statement for 2012/13 we reported two significant governance issues relating to the Housing Repairs Service and Housing and Council Tax Benefits. Both of these issues had been resolved by the time that statement was published.

In preparing this statement and reviewing the effectiveness of the council's governance arrangements, we have identified areas for improvement which are set out in the table below, together with the steps to be taken to address them.

No.	Issue	Action to be taken
1	<p style="text-align: center;">ICT Procurement</p> <p>During a routine internal audit, it was observed that there had been departures from Contract Standing Orders in respect of monitoring expenditure with individual suppliers, and Financial Regulations, which included inventory and invoice control.</p>	<p>Reports have been developed and regular monitoring put in place. Relevant staff have been reminded of the requirements of the Financial Regulations regarding inventory control and invoice certification.</p>
2	<p style="text-align: center;">Car Parking Income</p> <p>As part of an internal audit review of the contracted service it was identified that there were limitations in the information supplied by North Essex Parking Partnership (NEPP) which affected the monitoring and reconciliation of the income. It should be noted that based on the testing of the system of key controls in place at EFDC, it was considered that the processes are sound and are in place for when the full data is made available from NEPP.</p>	<p>This issue is in the process of being addressed by management and by the internal audit sections of the Councils which are members of the NEPP. The introduction of new parking meters will greatly improve the monitoring of the pay and display income received</p>

We propose over the coming year to continue to improve matters to further enhance our governance arrangements. We are satisfied that these steps will address the need for any improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed

Glen Chipp
Chief Executive

Signed

Councillor Chris Whitbread
Leader of the Council

Members Allowances

The allowances of £314,501 listed below include the connect scheme, travel and subsistence and employers national insurance and pension costs. The figures also include allowances paid to lay members of the Audit & Governance Committee and the Standards Committee.

	£		£
R.H.MORGAN	8,034	M.A.PEDDLE(Nee Rickman)	244
P.SMITH	4,554	S.A.LYE	266
D.J.STALLAN	10,566	R.THOMPSON	500
D.J.JACOBS	3,664	D.JACKMAN	266
A.G.GRIGG	9,977	A.LION	5,550
S.W.MURRAY	5,300	W.S.BREARE-HALL	11,068
J.M.WHITEHOUSE	3,400	T.O.COCHRANE	3,499
M.A.MCEWEN	3,698	J.HART	3,537
J.KNAPMAN	3,400	Y.R.KNIGHT	5,445
C.L.WHITBREAD	18,938	S.I.WATSON	3,400
J.H.WHITEHOUSE	3,400	L.T.LEONARD	4,029
U.M.GADSBY	3,503	R.COHEN	3,400
P.GODE	3,400	S.JONES	5,445
M.SARTIN	11,594	C.W.FINN	1,375
J.M.HART	6,468	R.KELLY	266
J.LEA	5,183	K.AVEY	3,150
J.A.MARKHAM	3,025	P.KESKA	3,400
C.P.POND	3,601	A.MITCHELL	3,400
B.P.SANDLER	5,762	G.WALLER	10,534
S.A.STAVROU	10,781	H.BRADY	3,229
K.ANGOLD-STEPHENS	4,413	G.CHAMBERS	3,658
K.S.CHANA	3,787	A.J.CHURCH	3,400
G.MOHINDRA	3,400	L.GIRLING	3,650
P.J.SPENCER	4,032	H.KANE	3,400
L.A.WAGLAND	3,400	H.MANN	3,150
J.A.WYATT	5,812	G.SHEILL	3,400
B.A.ROLFE	5,061	T.THOMAS	3,400
R.BASSETT	10,846	N.WRIGHT	3,900
A.WATTS	5,550	P.ADAMS	63
H.ULKUN	9,977	D.COOPER	250
E.A.WEBSTER(SPINKS)	10,516	R.BUTLER	2,853
A.L.BOYCE	7,172	J.GUTH	63
J.PHILIP	5,183	A.JARVIS	256
D.J.WIXLEY	3,657		
Total	211,055	Total	103,446
		GRAND TOTAL	314,501

Glossary of Terms

For the purposes of this Statement of Accounts, the following definitions have been adopted:

ACCRUALS

The concept that income and expenditure are recognised as they are earned or incurred, not as money is received or paid.

BALANCE SHEET

This statement sets out an authority's financial position at the year-end. It shows the balances and reserves at an authority's disposal and its long-term indebtedness and the fixed and net current assets employed in its operations together with summarised information on the fixed assets held.

CAPITAL EXPENDITURE

Expenditure on the acquisition of a fixed asset or expenditure that adds to and not merely maintains the value of an existing asset.

CAPITAL ADJUSTMENT ACCOUNT

This account records the accumulated amount of set aside receipts and minimum revenue provision together with capital expenditure financed by way of capital receipts and revenue contributions. Set against these amounts are adjustments to the revenue account for depreciation and capital expenditure written off to revenue during the year. This, therefore, ensures that only actual expenses are charged to revenue in year. This account was formerly known as the Capital Financing Account.

CAPITAL FINANCING REQUIREMENT

This measures the change in and the underlying need for the council to borrow to finance Capital expenditure. Where all capital expenditure is financed by resources generated by the council the Capital Financing Requirement will remain unchanged.

CASH FLOW STATEMENT

This statement summarises the cash flows of the authority for capital and revenue spending as well as the cash flows used to finance these activities.

COLLECTION FUND

This account reflects the statutory requirement for billing authorities to maintain a separate collection fund which shows the transactions of the billing authority in relation to non-domestic rates and the council tax and illustrates the way in which these have been distributed to preceptors and the general fund.

COMMUNITY ASSETS

Assets that the local authority intends to hold in perpetuity that have no determinable useful life and that may have restrictions on their disposal. Examples of community assets are parks and historic buildings.

Glossary of Terms

CONSISTENCY

The accounting treatment of like items within an accounting period and from one period to the next is the same.

CONTINGENCY

A condition that exists at the balance sheet date where the outcome will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events.

CONTINGENT LIABILITIES

A contingent liability is either:

(i) a possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain events not wholly within the authority's control; or

(ii) a present (current) obligation arising from past events where it is not probable (but not impossible) that a transfer of economic benefits will be required or the amount of the obligation cannot be measured with sufficient reliability.

It is considered that a contingent liability below £50,000 need not be disclosed, as any such amounts would not be significant.

CONTINGENT GAINS

A contingent gain (or asset) is a possible economic gain arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the authority's control.

CORPORATE AND DEMOCRATIC CORE

The corporate and democratic core comprises all activities that local authorities engage in specifically because they are elected multi-purpose authorities. The cost of these activities are thus over and above those which would be incurred by a series of independent, single purpose nominated bodies managing the same services.

INTANGIBLE ASSETS

Expenditure which may properly be defined as being capital expenditure, but which does not result in a physical asset being created. For expenditure to be recognised as an intangible asset it must yield future economic benefits to the council.

REVENUE EXPENDITURE CHARGED TO CAPITAL UNDER STATUTE

Expenditure of a capital nature that does not result in a fixed asset being created. An example of such an item would be expenditure on a former HRA property held on a long lease by a third party. The expenditure is written off in the year that it is incurred.

Glossary of Terms

DEPRECIATION

The measure of the wearing out, consumption or other reduction in the useful economic life of a fixed asset whether arising from use, passage of time or obsolescence through technological or other changes. The useful life is the period over which the local authority will derive benefit from the use of a fixed asset.

EXCEPTIONAL ITEMS

Material items which derive from events or transactions that fall within the ordinary activities of the authority and which need to be disclosed separately by virtue of their size or incidence to give fair presentation of the accounts.

EXTRAORDINARY ITEMS

Material items that derive from events or transactions that fall outside the ordinary activities of the authority and which are not expected to recur. They do not include exceptional items nor do they include prior period items merely because they relate to a prior period.

FAIR VALUE

The fair value of an asset is the price at which it could be exchanged in an arms length transaction less, where applicable, any grants receivable towards the purchase or use of the assets.

FINANCE LEASE

A lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee. Such a transfer of risks and rewards may be presumed to occur if, at the inception of the lease, the present value of the minimum lease payments, including any initial payment, amounts to substantially all of the fair value of the leased asset.

FIXED ASSETS

Tangible assets that yield benefits to the local authority and the services it provides for a period of more than one year.

GENERAL FUND

This statement records the information of all the authority's activities, excluding those in relation to the Housing Revenue Account and Local Council precepts.

GOING CONCERN

The concept that the authority will remain in operational existence for the foreseeable future, in particular that the revenue accounts and balance sheet assume no intention to curtail significantly the scale of operations.

GOVERNMENT GRANTS

Assistance by government and inter-government agencies and similar bodies, whether local, national or international, in the form of cash or transfers of assets to an authority in return for past or future compliance with certain conditions relating to the activities of the authority.

Glossary of Terms

HOUSING REVENUE ACCOUNT

The Housing Revenue Account (HRA) reflects a statutory obligation to account separately for local authority housing provision, as defined in particular in Schedule 4 of the Local Government and Housing Act 1989. It shows the major elements of housing revenue expenditure such as maintenance, administration, rent rebates and capital financing costs, and how these are met by rents subsidy and other income.

IMPAIRMENT

An impairment occurs when a fixed asset suffers a loss in value either due to a fall in market values generally, or as a result of use of the asset other than normal wear and tear.

INFRASTRUCTURE ASSETS

Fixed assets that are inalienable, expenditure on which is recoverable only by continued use of the asset created. Examples of infrastructure assets are highways and footpaths.

INVESTMENTS

A long-term investment is an investment that is intended to be held for use on a continuing basis in the activities of the authority. Investments should be so classified only where an intention to hold the investment for the long term can clearly be demonstrated or where there are restrictions as to the investor's ability to dispose of the investment.

Investments that do not meet the above criteria should be classified as current assets.

INVESTMENT PROPERTIES

Interest in land and / or buildings:

- (i) in respect of which construction work and development have been completed; and
- (ii) which is held for its investment potential, any rental income being negotiated at arms length.

LONG-TERM CONTRACTS

A contract entered into for the design, manufacture or construction of a single substantial asset or the provision of a service (or a combination of assets or services which together constitute a single project), where the time taken substantially to complete the contract is such that the contract activity falls into different accounting periods. Some contracts with a shorter duration than one year should be accounted for as long-term contracts if they are sufficiently material to the activity of the period.

MINIMUM REVENUE PROVISION (MRP)

Local authorities are required by statute to set aside a minimum revenue provision for the redemption of external debt. The method of calculation is defined by statute and does not relate to actual external debt outstanding. Statute requires MRP of 2% of the housing credit ceiling and 4% of the non-housing credit ceiling, offset by an adjustment for debts commuted in relation to old improvement grants.

Glossary of Terms

NET BOOK VALUE

The amount at which fixed assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.

NET CURRENT REPLACEMENT COST

The cost of replacing or recreating the particular asset in its existing condition and in its existing use, i.e. the cost of its replacement or of the nearest equivalent asset, adjusted to reflect the current condition of the existing asset.

NET REALISABLE VALUE

The open market value of the asset in its existing use (or open market value in the case of non-operational assets), less the expenses to be incurred in realising the asset.

NON-OPERATIONAL ASSETS

Fixed assets held by a local authority but not directly occupied, used or consumed in the delivery of services. Examples of non-operational assets are investment properties, assets that are surplus to requirements pending sale or redevelopment and assets under development or construction.

OPERATING LEASES

Leases other than a finance lease.

OPERATIONAL ASSETS

Fixed assets held and occupied, used or consumed by the local authority in the direct delivery of those services for which it has either a statutory or discretionary responsibility. Operational assets comprise Council dwellings, other land and buildings, vehicles plant and equipment, infrastructure and community assets.

POST BALANCE SHEET EVENTS

Those events, both favourable and unfavourable, which occur between the balance sheet date and the date on which the responsible financial officer signs the Statement of Accounts.

PRIOR YEAR ADJUSTMENTS

Those material adjustments applicable to prior years arising from changes in accounting policies or from the correction of fundamental errors. They do not include normal recurring corrections or adjustments of accounting estimates made in prior years.

PROVISIONS

Provisions are required for any liabilities of uncertain timing or amount that have been incurred. Provisions are required to be recognised when:

- (i) the local authority has a present obligation (legal or constructive) as a result of a past event;
- (ii) it is probable that a transfer of economic benefits will be required to settle the obligation; and

Glossary of Terms

(iii) a reliable estimate can be made of the amount of the obligation.

A transfer of economic benefits or other event is regarded as probable if the event is more likely than not to occur. If these conditions are not met, no provision should be recognised.

A constructive obligation is an obligation that derives from an authority's actions where;

(i) by an established pattern of past practice, published policies or sufficiently specific current statement, the authority has indicated to other parties that it will accept certain responsibilities; and

(ii) as a result, the authority has created a valid expectation on the part of those other parties that it will discharge those responsibilities.

PRUDENCE

The concept that revenue is not anticipated but is recognised only when realised in the form either of cash or of other assets the ultimate cash realisation of which can be assessed with reasonable certainty.

RELATED PARTIES

Two or more parties are related parties when at any time during the financial period:

(i) one party has direct or indirect control of the other party; or

(ii) the parties are subject to common control from the same source; or

(iii) one party has influence over the financial and operational policies of the other party to an extent that the other party might be inhibited from pursuing at all times its own separate interests; or

(iv) the parties, in entering a transaction, are subject to influence from the same source to such an extent that one of the parties to the transaction has subordinated its own separate interests.

Examples of related parties of an authority include:

(i) central government;

(ii) local authorities and other bodies precepting or levying demands on the Council Tax;

(iii) its subsidiary and associated companies;

(iv) its joint ventures and joint venture partners;

(v) its members;

(vi) its chief officers; and

(vii) its pension fund.

Examples of related parties of a pension fund include its:

(i) administering authority and its related parties;

(ii) scheduled bodies and their related parties; and

(iii) trustees and advisers.

These lists are not intended to be comprehensive.

Glossary of Terms

For individuals identified as related parties, the following are also presumed to be related parties:

- (i) members of the close family or the same household; and
- (ii) partnerships, companies, trusts or other entities in which the individual or a member of their close family or the same household, has a controlling interest.

RELATED PARTY TRANSACTION

A related party transaction is the transfer of assets or liabilities or the performance of services by, to or for a related party, irrespective of whether a charge is made. Examples of related party transactions include:

- (i) the purchase, sale, lease, rental or hire of assets between related parties;
- (ii) the provision by a pension fund to a related party of assets or loans, irrespective of any direct economic benefit to the pension fund;
- (iii) the provision of a guarantee to a third party in relation to a liability or obligation of a related party;
- (iv) the provision of services to a related party, including the provision of pension fund administration services;
- (v) transactions with individuals who are related parties of an authority or a pension fund, except those applicable to other members of the community or the pension fund, such as Council Tax, rents and payments of benefits.

This list is not intended to be comprehensive.

The materiality of related party transactions should be judged not only in terms of their significance to the authority but also in relation to its related party.

REVALUATION RESERVE

This account was created on 31 March 2007. The purpose of which is to hold all revaluations occurring to fixed assets subsequent to that date.

STOCKS

Comprise the following categories:

- (i) Goods or other assets purchased for resale;
- (ii) consumable stores;
- (iii) raw materials and components purchased for incorporation into products for sale;
- (iv) products and services in intermediate stages of completion;
- (v) long-term contract balances; and
- (vi) finished goods.

UNAPPORTIONABLE CENTRAL OVERHEADS

These are overheads for which no user now benefits and should not be apportioned to services.

Glossary of Pension Related Terms

ACTUARIAL GAINS AND LOSSES

For a defined benefit pension scheme, the changes in actuarial deficits or surpluses that arise because:

- (i) events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses) or
- (ii) the actuarial assumptions have changed

CURRENT SERVICE COST

The increase in the present value of a defined benefit scheme's liabilities expected to arise from employee service in the current period.

CURTAILMENT

For a defined benefit scheme, an event that reduces the expected years of future service of present employees or reduces for a number of employees the accrual of defined benefits for some or all of their future service. Curtailments include:

- (i) termination of employees' services earlier than expected, for example as a result of closing a factory or discontinuing a segment of a business, and
- (ii) termination of, or amendment to the terms of, a defined benefit scheme so that some or all future service by current employees will no longer qualify for benefits or will qualify only for reduced benefits.

DEFINED BENEFIT SCHEME

A pension or other retirement benefit scheme other than a defined contribution scheme. Usually, the scheme rules define the benefits independently of the contributions payable, and the benefits are not directly related to the investments of the scheme. The scheme may be funded or unfunded (including notionally funded).

DEFINED CONTRIBUTION SCHEME

A pension or other retirement benefit scheme into which an employer pays regular contributions fixed as an amount or as a percentage of pay and will have no legal or constructive obligation to pay further contributions if the scheme does not have sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

DISCRETIONARY BENEFITS

Retirement benefits that the employer has no legal, contractual or constructive obligations to award and which are awarded under the authority's discretionary powers, such as the Local Government (Discretionary Payments) regulations 1996.

EXPECTED RATE OF RETURN ON PENSION ASSETS

For a funded defined benefit scheme, the average rate of return, including both income and changes in fair value but net of scheme expenses, expected over the remaining life of the related obligation on the actual assets held by the scheme.

Glossary of Pension Related Terms

EXTRAORDINARY ITEMS

Material items, possessing a high degree of abnormality, which derive from events or transactions that fall outside the ordinary activities of the authority, and which are not expected to recur. They do not include exceptional items nor do they include prior year items merely because they relate to a prior period.

IAS19

International Accounting Standard 19 (IAS19) ensures that organisations account for employee retirement benefits when they are committed to pay them, even if the actual payment may be years into the future.

INTEREST COST (PENSIONS)

For a defined benefit scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.

INVESTMENTS (NON-PENSIONS FUND)

A long-term investment is an investment that is intended to be held for use on a continuing basis in the activities of the authority. Investments should be so classified only where an intention to hold the investment for the long term can clearly be demonstrated or where there are restrictions as to the investor's ability to dispose of the investment.

Investments, other than those in relation to the pensions fund, which do not meet the above criteria should be classified as current assets.

INVESTMENTS (PENSIONS FUND)

The investments of the Pensions Fund will be accounted for in the statements of the fund. However authorities (other than town and community councils) are also required to disclose, as part of the transitional disclosures relating to retirement benefits, the attributable share of pension scheme assets associated with their underlying obligations.

PAST SERVICE COST

For a defined benefit scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to, retirement benefits.

PROJECTED UNIT METHOD

An accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings. An accrued benefits valuation method is a valuation method in which the scheme liabilities at the valuation date relate to:

(i) the benefits for pensioners and deferred pensioners (i.e. individuals who have ceased to be active members but are entitled to benefits payable at a later date) and their dependents, allowing where appropriate for future increases, and

Glossary of Pension Related Terms

(ii) the accrued benefits for members in service on the valuation date. The accrued benefits are the benefits for service up to a given point in time, whether vested rights or not. Guidance on the projected unit method is given in the Guidance Note GN26 issued by the Faculty and Institute of Actuaries.

RETIREMENT BENEFITS

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment. Retirement benefits do not include termination benefits payable as a result of either:

(i) an employer's decision to terminate an employee's employment before the normal retirement date, or

(ii) an employee's decision to accept redundancy in exchange for those benefits,

because these are not given in exchange for services rendered by employees.

SCHEME LIABILITIES

The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to the valuation date.

SETTLEMENT

An irrecoverable action that relieves the employer (or the defined benefit scheme) of the primary responsibility for a pension obligation and eliminates significant risks relating to the obligation and the assets used to effect the settlement. Settlements include:

(i) a lump-sum cash payment to scheme members in exchange for their rights to receive specified pension benefits

(ii) the purchase of an irrevocable annuity contract sufficient to cover vested benefits, and

(iii) the transfer of scheme assets and liabilities relating to a group of employees leaving the scheme.

VESTED RIGHTS

In relation to a defined benefit scheme, these are:

(i) for active members, benefits to which they would unconditionally be entitled on leaving the scheme;

(ii) for deferred pensioners, their preserved benefits, and

(iii) for pensioners, pensions to which they are entitled.

Vested rights include where appropriate the related benefits for spouses or other dependents.

This page is intentionally left blank

Report to the Council

Committee: Cabinet

Date: 15 September 2014

Portfolio Holder: Councillor A Grigg
(Asset Management & Economic Development)

Recommending:

(1) That a supplementary estimate from the Continuing Services Budget in the sum of £30,770 be approved to implement the new structure for the Asset Management & Economic Development Team.

1. The top management restructure introduced an Asset Management and Economic Development Team which currently is managed within the Governance Directorate – with a transfer to Neighbourhoods from April next year. Appendix 1 of the report shows the proposed structure with existing posts shown shaded for context with proposed additional posts in outline.

2. The current Asset Management Team is fully staffed on the professional side. However internal audit has requested more resilience in managing and operating the commercial rent collection and estate administration computer system and initial stages of debt recovery. This can be accomplished by adding duties to the proposed Assistant Asset Management and Economic Development Officers' job descriptions, which will mean that should the Business Manager be absent, then the computer system aspect of that role is covered.

3. The two new posts would be responsible for the early stages of debt collection prior to potential reference to the Legal Services Team, and will assist in income recovery. There is a current temporary resource at present for one of these posts (subject to job evaluation) but the need to provide support across the team will require the two assistants as set out.

4. The Economic Development posts will be tasked with providing a focal point for the local business community and third parties in both public and private sectors. They will develop and implement a range of initiatives aimed at promoting sustainable economic growth and contribute to the formulation of an Economic Development Strategy.

5. In addition, there is common consensus that the Council needs to produce an Economic Development Strategy to inform the Local Plan and support the economic aspirations of the Council. The proposed structure and new posts will support the financial and economic aims of the Council, which in turn will reduce the Council's reliance upon grants from the Government.

6. The costs of the proposed four new posts, using the mid point grade ranges and including pension costs, are:

- Grade 4 £21,700;
- Grade 6 £29,630;
- Grade 8 £39,840.

7. Assuming two posts at grade 4 and two at grade 8, the total cost would be £123,080. A bid for Continuing Services Budget growth in 2015/16 has already been agreed, but there is a need to start funding these new posts during 2014/15. It is anticipated that these posts will not be recruited to before January 2015, so a Continuing Services Budget Supplementary estimate of £30,770 is requested for 2014/15.

8. We recommend as set out at the commencement of this report.



SCRUTINY



Report to Council

Date of meeting: 30 September 2014

**Subject: Overview and Scrutiny Report to Council –
September 2014**

Officer contact for further information: S Tautz (Ext 4180)

Committee Secretary: A Hendry (Ext 4246)

Recommendations/Decisions Required:

That the Overview and Scrutiny Progress report from September 2014 to the Present be noted.

Report:

Overview and Scrutiny Committee Meeting 16 September 2014.

1. At our meeting on Tuesday 16 September we monitored the progress of the Corporate Plan Key Objectives 2014-15 – Quarter 1. The Corporate Plan is the Council's strategic planning documents setting out key priorities over the four year period from 2011/12 to 2014/15. The identification of key objectives provides greater focus on how areas for improvement will be addressed giving clear overall intentions for each year and are supported by a range of actions and deliverables designed to achieve specific outcomes. Members endorsed the current situation but requested that greater emphasis should be placed on the Council's intention to maintain a 0% Council Tax increase as an objective, it was also felt that the 0% Council Tax increase should feature in the Cabinet Forward Plan.

2. We went onto consider two reports regarding the recent Local Elections on 22 May 2014 and a Review of Polling Districts, Polling Places and Polling Stations. We extended our thanks to officers for the smooth running of the elections in May. It was advised that elections staff had dealt very well with recent legislative changes to voter registration, a 96% match has been achieved with the data from the electoral roll. However we have still experienced problems involving tellers at polling stations.

3. The Review for Polling Districts was a compulsory review of UK parliamentary polling districts and polling places. The District Council had consulted from 24 March to 30 May 2014 with local councillors, local MPs, regional members of the European Parliament, Parish and Town Councils, local County Councillors, political party agents and Returning Officers for the three Parliamentary Constituencies. Although we were satisfied with current arrangements it was brought to our attention that there were problems experienced by voters using Breach Barns polling station within Waltham Abbey North East ward in that the station was too far away for some voters. It was suggested that these voters should use the Community Centre, Saxon Way currently used by voters in this ward. We voted to recommend that Breach Barns is no longer used as a polling station for this ward.

4. We considered the Mayor of London's Consultation – London Infrastructure Delivery Plan which set out a business case for London to have fiscal devolution. Members supported extra tracking on the West Anglia lines in the Upper Lee Valley but had serious concerns about car parking facilities around train stations. We felt it important that the Mayor engage fully with cross boundary partnerships.

5. We also considered 2 PICK forms, one regarding a review of Planning Sub-

Committees procedures which will be referred to the Planning Services Scrutiny Panel for discussion and one regarding a review of the grant Aid Scheme. Members requested that a Task and Finish Panel be established to examine this issue. Officers will be asking for nominations through the Bulletin, it was advised that the panel membership should range between 5 and 7.

6. We agreed to the appointment of Councillor D Dorrell to the Constitution and Member Services Scrutiny Panel and we appointed Councillor J Knapman to the Planning Services Scrutiny Panel as a replacement for Councillor S Watson.

7. We supported amendments to the Terms of Reference for the Finance and Performance Management and Planning Services Scrutiny Panels. The Finance and Performance Scrutiny Panel will review relevant Key Performance Indicators to its service areas, and the Planning Scrutiny Panel has removed items regarding benchmarking of services and reviews of business processes and value for money as these were no longer relevant to its work. The Panel added three items from its Work Programme to its Terms of Reference as well.

Report to Council

Date of meetings: 30 September 2014

Portfolio: Leader's

Subject: Review of Polling Districts, Polling Places and Polling Stations

Officer contact for further information: S Hill (01992 56 4249)

Committee Secretary: M Jenkins (01992 56 4023)



Recommendations:

That a report be submitted to the Council recommending:

- (a) that, following a review, the proposals for Polling Districts and Polling Places in the Epping Forest District as set out in Appendix 1 as amended to this report and the reasons therefore as set out in Appendix 2 to this report be approved;**
- (b) that the proposals be published and copies made available for inspection by the public at the Civic Offices, in at least one place in each Parliamentary Constituency covering the Epping Forest District and on the Council's website;**
- (c) that the intention of the Electoral Registration Officer to reflect in the revised electoral register to be published on 1 December 2014 any alterations required as a result of the review be noted; and**
- (d) that the (Acting) Returning Officer when determining the location of Polling Stations for future elections, take account of the comments made about Polling Stations during the consultation period.**

Introduction:

1. The Electoral Registration and Administration Act 2013 introduced a change to the timing of compulsory reviews of UK Parliamentary polling districts and polling places. In accordance with the provisions of that Act a compulsory review must be started and completed between 1 October 2013 and 31 January 2015. Subsequent reviews must be started and completed within the period of 16 months that starts on 1 October of every fifth year after 1 October 2013. At the Overview and Scrutiny Committee meeting on 16 September 2014, Members supported a report regarding this review, subject to an amendment concerning use of one polling station in the Waltham Abbey area.

Roles and Responsibilities

2. The statutory responsibility for reviewing Parliamentary polling districts and polling places rests with the District Council for so much of any constituency as is situated within its area. It is therefore necessary for the Council to consider polling districts and polling places in the Epping Forest Parliamentary constituency and those parts of the Brentwood and Ongar and Harlow Parliamentary constituencies which are

situated within the Epping Forest District.

3. Where the Council makes any alterations to the polling districts within its area, the Electoral Registration Officer must amend the register of electors accordingly.
4. The (Acting) Returning Officer for each relevant constituency must comment during any review on both existing polling stations and the polling stations that would likely be used if any new proposal for polling places were accepted.

Definition of Terms

5. A polling district is a geographical area created by the sub-division of a UK Parliamentary Constituency for the purposes of a UK Parliamentary election. Each parish should be a separate polling district, unless there are special circumstances, for example, the parish has only a small number of electors and it is not practicable for the parish to be its own polling district.
6. A polling place is the building or area in which polling stations will be selected by the (Acting) Returning Officer. A polling place within a polling district must be designated so that polling stations are within easy reach of all electors from places across the polling district. It has been the practice at this Council to designate the entire polling district as the polling place although the Electoral Commission is of the view that polling places should be defined more specifically, for example, by designating a particular building or area and its environs. As the Council's approach has not been an issue in the past it is proposed that it be continued and this is reflected in the proposals.
7. A polling station is the room or area within the polling place where voting takes place. Unlike polling districts and polling places which are fixed by the local authority, polling stations are chosen by the relevant Returning Officer for the election.

Scope of Compulsory Reviews

8. Polling districts and polling places for other elections are not automatically part of the compulsory review. However, as polling districts and polling places for other elections are based on UK Parliamentary polling arrangements, the requirements of any other elections that are held within the district should be taken into account as part of the review. This means that although it is the (Acting) Returning Officer who is the primary Returning Officer for the purposes of the review and has a statutory role to participate in it, all Returning Officers within the constituency (if they are not also the (Acting) Returning Officer) should be involved in the review process.

Accessibility

9. As part of a review the Council must seek to ensure (a) that all electors in a constituency in the district have such reasonable facilities for voting as are practicable in the circumstances and (b) that so far as is reasonable and practicable every polling place and polling station is accessible to electors who are disabled.

Review Process

10. Notice of a review together with details of the existing polling districts, polling places and polling stations was given on 24 March 2014. Copies were made available at the Civic Offices and at the libraries at Buckhurst Hill, Loughton, Ongar and Waltham Abbey. Details were also published on the Council's website. District Councillors

were consulted via the Council Bulletin. Details were sent to the three local Members of Parliament, Eastern Region members of the European Parliament, Parish and Town Councils, local County Councillors, local political party agents, the Returning Officers for the three Parliamentary Constituencies covering the District and those with specific experience of assessing access to persons with different disabilities. A press release was issued and social media used to publicise the review.

11. The consultation period ran from 24 March 2014 until 30 May 2014. The consultation stage provides for representations and comments to be made on the existing and proposed arrangements for polling districts and polling places. There are two aspects of this stage: (a) submissions from the (Acting) Returning Officers of the UK Parliamentary constituencies which on receipt have to be published by the Council so that others can take account of those views and (b) submissions from electors and other interested persons and bodies.

Results of the Consultation Exercise

12. Epping Town Council drew attention to the fact that Homefield Close, Epping is currently split between two polling districts with electors occupying numbers 1-6 in polling district AN voting at the United Reformed Church, Lindsey Street and those occupying 7-19 in polling district AO voting at Epping Hall, St John's Road. This has been the case for many years and surprising has not led to any comments being made by the electors in that road. However, it is more logical for all of the electors in the road to be in the same polling district and it is recommended that house numbers 7-19 be transferred to polling district AN with the result that the polling station for all electors in the road will be the United Reformed Church.
13. The (Acting) Returning Officer for the Epping Forest Constituency highlighted three issues:-
 - (a) He drew attention to the parking difficulties in the vicinity of the Allnutts Institute, Allnutts Road, Epping polling station but said that no suitable alternative location could be found within the polling place. He pointed out that in recent years the Council had funded works at the Institute to make the entrance safer and more user friendly;
 - (b) In relation to the Hastingwood Village Hall polling station, the (Acting) Returning Officer drew attention to the purchase by the Council of a portable ramp to make access easier for wheelchair users; and
 - (c) The third issue on which he drew attention was the outcome of the community governance review which had taken place in 2012 in respect of Matching Green Village. He pointed out that whilst the review had changed the boundaries for parish, district and county council elections there had been no opportunity to change the Parliamentary constituency boundaries. As a result for the Parliamentary election in 2015 some voters in the Brentwood and Ongar Constituency would be using a polling station situated in the Harlow Constituency. Whilst acknowledging that this is not ideal he indicated that the situation could be managed and stated that careful publicity would need to be given stressing there would be two polling stations at Matching Village Hall, one for electors from the part of Matching Green Village in the Brentwood and Ongar Constituency and a second for the remainder of the polling district in the Harlow Constituency.
14. In accordance with the requirements of the polling districts, polling places and polling stations review, the representations of the (Acting) Returning Officer for the Epping

Forest Constituency were made available to the public during the week commencing 21 April 2014. No representations were received from the public in respect of the (Acting) Returning Officer's representations. No representations were made by the (Acting) Returning Officers for the Brentwood and Ongar and Harlow Constituencies.

15. The Harlow Constituency Labour Party stated that they are content with the present arrangements and see no case for change.
16. No other representations were made in relation to polling districts or polling places but the following comments were received in relation to polling stations. As advised earlier in this report, polling stations are chosen by the Returning Officer not the Council and the following comments and views thereon will be taken into account by the (Acting) Returning Officer:-
 - (a) District Councillor Gavin Chambers advised that he would like to see a different venue for the polling station for the Buckhurst Hill West district ward and suggested the use of the Library in Queen's Road. There are currently two polling stations serving that ward, St John's Church Hall, High Road and Buckhurst Hill Baptist Church, Palmerston Road. On receipt of Councillor Chambers' representations an approach was made to Essex County Council regarding the possible use of the Library. The Library Service responded stating that the library is open to the public on Thursdays (election day) and it is their busiest day so they would not be willing to close it denying access to the public. They continued that the public area is quite limited and it would not be possible to have the library and a polling station running at the same time;
 - (b) The Stapleford Abbots Parish Council advised that the one polling station at the Village Hall is adequate for that Parish;
 - (c) The Loughton Town Council pointed out that redevelopment works proposed for the buildings adjacent to the polling station at St Mary's Parish Centre, High Road, Loughton could disrupt access for electors requiring consideration of an alternative location;
 - (d) The Moreton, Bobbingworth and the Lavers Parish Council requested that the polling stations for the High Laver East and Little Laver polling districts be changed from Matching Village Hall to Magdalen Laver Village Hall; and
 - (e) An elector living at The Windsors, Buckhurst Hill who currently votes at the Woollard Centre advised that she previously had voted at the Church Hall at the top of Lower Queen's Road which is more convenient, especially for elderly electors living in the vicinity of The Windsors. The Woollard Centre has been the polling station for many years and the Church Hall was only used when the Woollard Centre was being renovated.
17. Although the Committee were satisfied with current arrangements it was brought to Member's attention that there were problems experienced by voters using Breach Barns polling station within Waltham Abbey North East ward in that the polling station was too far away for some voters. It was suggested that these voters should use the Community Centre, Saxon Way currently used by voters in this ward. The Committee voted to recommend that Breach Barns is no longer used as a polling station for this ward.
18. The (Acting) Returning Officer will also secure new polling stations where necessary, for example, at Chigwell Row where the existing polling station is due to be demolished before the next election.

Proposals following Review

19. Attached as Appendix 1 to this report are the proposals following consideration of the responses to the consultation exercise. The only change proposed is the transfer of numbers 7-19 Homefield Close, Epping from polling district AO to polling district AN resulting in the polling station for those electors being the United Reformed Church, Lindsey Street instead of Epping Hall, St John's Road.
20. Since the last compulsory review, all polling places and polling districts have been kept under consideration and an evaluation of their suitability carried out after each election. No changes have been identified in relation to polling places. Changes have been made to polling stations by the (Acting) Returning Officer when necessary.
21. The (Acting) Returning Officer has reviewed the accessibility for disabled persons of polling stations at each election in recent years and has arranged for works to be undertaken where required. It is considered that all of the existing polling stations are fully accessible.
22. Attached as Appendix 2 to this report are the suggested reasons for the proposals.
23. The Electoral Registration Officer proposes that the necessary alterations to the electoral register resulting from any changes to polling districts agreed by the Council will be reflected in the revised register published on 1 December 2014 following the annual canvass.
24. Electors affected by the review will be made aware of changes to the place where they vote, for example, when they receive poll cards for the next election.

Publishing the conclusions of the Review

25. Once the Council has agreed the proposals, details of the new polling districts and polling places must be made available to the public at the Civic Offices, in at least one conspicuous place in each of the three Parliamentary Constituencies and on the Council's website.
26. Along with the reasons for the decisions on the review and the designation of polling districts and polling places as a result of the review, the following must also be published at that time:
 - (a) correspondence sent to the (Acting) Returning Officers;
 - (b) correspondence sent to any person with particular expertise in relation to access to premises or facilities for disabled people;
 - (c) representations received by the Council;
 - (d) the minutes of the Council meeting at which consideration is given to the review;
 - (e) details of the places where the results of the review have been published.

The Appeals Process

27. It is possible that representations could be made to the Electoral Commission claiming that the review process has not been conducted correctly. As a result the Commission may require the Council to make further amendments.

This report is recommended for approval from the Constitution and Member Services Scrutiny Panel where it was discussed on 28 July 2014.

Reason for decision:

The Council must complete a review by not later than 31 January 2015.

Options considered and rejected:

There are no other options

Resource implications:

Budget provision: From existing provision provided the process is completed before 1 December 2014 when the new register of electors is published following the annual review. If this deadline is missed the register will need to be republished when the process is completed necessitating a supplementary estimate for printing etc.

Personnel: From existing provision

Land: N/A

Consultation undertaken:

District Councillors, local County Councillors, Parish and Town Councils, local MPs, Eastern Region MEPs, local political party agents, Returning Officers for the three Parliamentary Constituencies covering the district, groups with experience of assessing access to persons with different disabilities, the public via press release, social media, the Council's website, and places where documents were available for inspection.

Legal and Governance Implications:

It is a requirement of the Electoral Registration and Administration Act 2013 that a review is completed by not later than 31 January 2015.

Safer, Cleaner, Greener Implications:

There are no implications arising from the recommendations in respect of the Council's commitment to Climate Local Agreement, the corporate Safer, Cleaner, Greener initiative, or any crime and disorder issues within the district.

Background papers: Consultation letters and emails and responses

Risk Management: Failure to meet the reasonable requirements of the electors may result in the Electoral Commission directing the Council to make alterations or making them on behalf of the Council.

Equality: Account has been taken of the need to make polling places and polling stations accessible for all electors.

DISTRICT OF EPPING FOREST – SCHEDULE OF POLLING DISTRICTS AND POLLING PLACES REVIEW 2014

PROPOSED POLLING DISTRICTS AND POLLING PLACES

(EPPING FOREST PARLIAMENTARY CONSTITUENCY)

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
Buckhurst Hill East	Buckhurst Way	AA	That part of the Buckhurst Hill East parish ward of Buckhurst Hill parish comprising the roads – Albert Road (Wentworth Court and nos 2-24 evens), Birch Close, Buckhurst Way (51-71 odds, Honeysuckle Court and 2-182 evens), Cascade Close, Cascade Road, Cedar Close, Chestnut Avenue, Chestnut Close, Elgar Close, Elm Close, Holly Close, Hornbeam Close, Hornbeam Road, Lime Close, Lower Queens Road (2-90 evens), Maple Close, Station Way, Walnut Way, Willow Close	The polling district	Roding Valley Hall, Station Way	1743
Buckhurst Hill East	Loughton Way	AB	That part of the Buckhurst Hill East parish ward of Buckhurst Hill parish not included in the Buckhurst Way Polling District	The polling district	Woollard Centre, Loughton Way	1832
Buckhurst Hill West	St Johns	AC	That part of the Buckhurst Hill West parish ward of Buckhurst Hill parish comprising the roads – Albany View, Amberley Road (odd numbers), Ardmore Lane, Beech Avenue, Beech Lane,	The polling district	St John's Church Hall, High Road	2652

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			Brook Road, Chandos Close, Chequers Hills Road, Church Road, Devon Close, Epping New Road, Fairlands Avenue, Fernside, Forest Side, Gladstone Road, Greenhill High Road, Hawsted, Heron Close, High Road (51-117 odd numbers, 2-114 even numbers), Hills Road, Little Plucketts Way, Luctons Avenue, Manor Road, North End, Ormonde Rise, Osborne Road, Parkside, Powell Road, Roebuck Lane (16-72 even numbers, 31-79 odd numbers), Russell Road (2-24 even numbers, 1-99 odd numbers), Stag Lane, Starling Close, Stradbroke Grove (29-81 odd numbers, 14-54 even numbers), The Cedars, The Drive, The Meadway (odds), The Stables, Trent Road, Tuttlebee Lane			
Buckhurst Hill West	Westbury	AD	That part of the Buckhurst Hill West parish ward of Buckhurst Hill parish not included in the St John's Polling District	The polling district	Buckhurst Hill Baptist Church, Palmerston Road	2663
Chigwell Row	Chigwell Row	AE	The Chigwell Row parish ward of Chigwell parish	The polling district	To be decided	1886
Chigwell Village	St Johns	AF	That part of the Chigwell Village parish ward of Chigwell parish	The polling district	St John's Special School, Turpins	1721

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			comprising the roads – Brunel Road, Chigwell Park, Chigwell Park Drive, Chigwell Road, Coolgardie Avenue, Ely Place, Emmaus Way, Forest Avenue, Forest Lane, Grovewood Place, Hatch Side, High Road (Little West Hatch, Cedar Park, Chigwell Nursery, 187-221 odds, 118-152 evens, Semmering, Forest Terrace), Hilltop View, Love Lane, Luxborough Lane, Lyndhurst Rise, Manor Road, New Barns Farm Lane, New Barns Way, Smeaton Road, St Mary's Way, The Childers, Tudor Close, Turpins Lane		Lane	
Chigwell Village	Chigwell Village	AG	That part of the Chigwell Village parish ward of Chigwell parish not included in the St John's Polling District	The polling district	St Mary's Parish Rooms, High Road	1556
Grange Hill	Limes Farm	AH	That part of the Grange Hill parish ward of Chigwell parish comprising the roads – Clayside, Cobdens Limes Avenue, Copperfield, High Meadows, Keats Close Limes Avenue, Limes Avenue, Northdene, Orange Grove, Regency Close, Southdale, The Brambles, Trotwood, View Close, Westmede	The polling district	Limes Farm Hall, Limes Avenue	2052

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
Grange Hill	St Winifreds	AJ	That part of the Grange Hill parish ward of Chigwell parish not included in the Limes Farm Polling District	The polling district	St Winifred's Church Hall, Manor Road	3060
Epping Hemnall	Allnutts	AK	That part of the Epping Hemnall ward of Epping Town Council comprising the roads – Allnutts Road, Bower Hill, Bower Vale, Brook Road, Charles Street, Coopersale Hall, Coopersale Street, Crossing Road, Fiddlers Hamlet, Hillcrest Way, Oakleigh Rise, Stewards Close, Stewards Green Road, Stonards Hill (Stonards Cottages and Birds Green), The Orchards, Theydon Bower, Theydon Garnon, Warrenfield	The polling district	Allnutts Institute, Allnutts Road	1175
Epping Hemnall	Coopersale	AL	That part of the Epping Hemnall ward of Epping Town Council comprising the roads – Brickfield Road, Chevely Close, Coopersale Common, Coopersale Street, Garnon Mead, Houblons Hill, Institute Road, Laburnum Road, Parklands, St Albans Road, Vicarage Road	The polling district	Coopersale Social Institute, Institute Road	811
Epping Hemnall	Hemnall	AM	That part of the Epping Hemnall ward of Epping Town Council not included in the Allnutts and Coopersale Polling Districts	The polling district	Pelly Court, Hemnall Street	2984

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
Epping Lindsey and Thornwood Common	Lindsey North	AN	That part of the Epping St John's ward of Epping Town Council comprising the roads – Aragon Mews, Barnfield, Beaconfield Avenue, Beaconfield Road (1-77 odds, 2-114 evens), Beaconfield Way, Beulah Road, Birch View, Boleyn Row, Church Field, Church Hill, Coopersale Common, Egg Hall, Fairfield Road, Frampton Road, Granville Road, Greenacres, Homefield Close, James Street, King Henrys Walk, Kingswood Park, Lindsey Street, Lynceley Grange, Maltings Drive, Maltings Lane, Margaret Close, Margaret Road, Meadow Road, Palmers Hill, Park Side, Rayfield (1-25 odds), Severns Field, Seymour Chase, Shaftesbury Road (7-49 odds, 2-76 evens), St Margaret's Hospital, Stonards Hill (Redgrove House, 1-7 odds, Old Pastures), The Plain, Thornwood Road, Tidy's Lane, Woodbury Down, Woodmeads	The polling district	Epping United Reformed Church, Lindsey Street	2086
Epping Lindsey and Thornwood Common	Lindsey South	AO	That part of the Epping St John's ward of Epping Town Council not included in the Lindsey North Polling District	The polling district	Conference Room, Epping Town Council Offices, St John's Road	2188

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
Epping Lindsey and Thornwood Common	Thornwood	AP	The Thornwood parish ward of North Weald Bassett parish	The polling district	Thornwood Village Hall, Weald Hall Lane	783
Loughton Alderton	Barfields	AQ	That part of the Loughton Alderton ward of Loughton Town Council comprising the roads – Alderton Close, Alderton Hall Lane, Alderton Hill (71A and 73), Alderton Mews, Alderton Rise, Barfields, Barfields Gardens, Barfields Path, Borders Lane, Bryony Close, Bushfields, Chequers Road, Cherston Gardens, Cherston Road, Chigwell Lane, Colson Gardens, Colson Green, Colson Path, Colson Road, Crossfields, Deepdene Path, Deepdene Road, Greenfields, Greenfields Close, Hogarth Reach, Homecroft Gardens, Honeycroft, Ladyfields, Ladyfields Close, Lucton Mews, Lushes Road, Maybury Close, Parkmead, Poundfield Road, School House Gardens, The Hawthorns, The Lindens, The Spinney	The polling district	Murray Hall, Borders Lane	2773
Loughton Alderton	Oakwood	AR	That part of the Loughton Alderton ward of Loughton Town Council not included in the Barfields Polling District	The polling district	Senior Citizens Clubroom Oakwood Hill	643
Loughton	Willingale	AS	That part of the Loughton	The polling district	The Nursery Unit,	1812

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
Broadway			Broadway ward of Loughton Town Council comprising the roads – Austen Close, Barrington Close, Barrington Green, Barrington Road, Chigwell Lane, Doubleday Road, Etheridge Green, Etheridge Road, Eversley Close, Ibbetson Path, Kingsley Road, Lytton Close, Mornington Road, Paley Gardens, Parsonage Court, Rochford Avenue, Rochford Green, Rookwood Avenue, Rookwood Gardens, Sandford Avenue, The Broadway, Torrington Drive, Torrington Gardens, Westall Road, Willingale Road (260-360 evens, 249-297 odds)		The Thomas Willingale Primary School, The Broadway	
Loughton Broadway	Hereward	AT	That part of the Loughton Broadway ward of Loughton Town Council not included in the Willingale Polling District	The polling district	St Thomas More RC Church, Willingale Road	1459
Loughton Fairmead	Fairmead	AU	That part of the Loughton Fairmead ward of Loughton Town Council comprising the roads – Beech Close, Castell Road, Cedar Drive, Chandler Road, Chester Green, Chester Road, Cleland Path, Colebrook Lane (1-173 odds), Colebrook Path, Conyers Way, Droveaway, Englands Lane, Fairmeads, Grosvenor Close, Grosvenor	The polling district	Grosvenor Hall, Grosvenor Drive	1641

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			Drive, Grosvenor Path, Harvey Gardens, Lawton Road, Mead Close, Pyrles Green, Pyrles Lane (2-132 evens), Swanshope, Sycamore Close			
Loughton Fairmead	Colebrook	AV	That part of the Loughton Fairmead ward of Loughton Town Council comprising the roads – Appleton Road, Brady Avenue, Burney Drive, Colebrook Gardens, Colebrook Lane (2-102 even numbers), Etheridge Road, Foxley Close, Goldingham Avenue, Hanson Close, Hanson Drive, Hanson Green, Mannock Drive, Prescott Green, Thatchers Close, Westall Road	The polling district	Trinity Church Hall, Mannock Drive	957
Loughton Fairmead	Hillyfields	AW	That part of the Loughton Fairmead ward of Loughton Town Council not included in the Fairmead and Colebrook Polling Districts	The polling district	Loughton Town Council Meeting Room, Rectory Lane	735
Loughton Forest	Loughton Forest	AX	The Loughton Forest ward of Loughton Town Council	The polling district	Lincoln Hall, High Road	3442
Loughton Roding	Barncroft	AY	That part of the Loughton Roding ward of Loughton Town Council comprising the roads – Barncroft Close, Barncroft Green, Barncroft Road, Leycroft Close, Oakwood Hill (62-118 evens, 73-123 odds), River Way (57-153 odds, 62-	Loughton Oakwood	Oakwood Hill Senior Citizens Clubrooms (outside Polling District)	446

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			156 evens)			
Loughton Roding	Whitebridge	AZ	That part of the Loughton Roding ward of Loughton Town Council comprising the roads – Cheltenham Gardens, Danbury Road, Dunmow Close, Felstead Road, Greensted Road, Kirby Close, Nevill Way, Roydon Close, Sutton Close, The Meadway, Tylers Close, Valley Hill (54-150 evens, Hubbard Court, 59-123 odds, Roxwell House, Parndon House), Witham Close	The polling district	Whitebridge Junior School, Greensted Road	1081
Loughton Roding	St Michaels	BA	That part of the Loughton Roding ward of Loughton Town Council not included in the Barncroft and Whitebridge Polling Districts	The polling district	St Michaels and All Angels Church Hall, Roding Road	2072
Loughton St Johns	Loughton St Johns	BB	The Loughton St Johns ward of Loughton Town Council	The polling district	St John's Church Hall, Church Lane	3404
Loughton St Marys	St Mary's	BC	That part of the Loughton St Mary's ward of Loughton Town Council comprising the roads – Alderton Hill, Brook Road, Brooklyn Avenue, Churchfields, Clifton Road, Forest Road, Habgood Road, High Road, Kings Green, Priory Road, Rowans Way, Shaftesbury, Shelley Grove, Spareleaze Hill, St Mary's Close, Staples Road,	The polling district	St Mary's Parish Centre, High Road	1922

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			Station Road, The Drive, Traps Hill (nos 1-69 odds), Tycehurst Hill, Woodland Road, York Crescent, York Hill			
Loughton St Marys	Whitehills	BD	That part of the Loughton St Mary's ward of Loughton Town Council not included in the St Mary's Polling District	Loughton Alderton	Murray Hall, Borders Lane (outside Polling District)	1838
Theydon Bois	Theydon Bois	BE	The parish of Theydon Bois	The polling district	St Mary's on the Green Hall, Coppice Row	3332
Waltham Abbey High Beach	High Beach	BF	That part of the Waltham Abbey High Beach ward of Waltham Abbey Town Council comprising the roads – Avey Lane, Beech Hill Gardens, Church Road, Forest Close, Lippitts Hill, Manor Road, Mott Street (not included in the Sewardstone Polling District), Paul's Nursery Road, Pynest Green Lane, Rats Lane, Wellington Hill	The polling district	High Beech Village Hall, Avey Lane	449
Waltham Abbey High Beach	Sewardstone	BG	That part of the Waltham Abbey High Beach ward of Waltham Abbey Town Council comprising the roads – Baden Drive, Bury Road, Butlers Drive, Cornwall Place, Daws Hill, Farm End, Gilwell Park, Godwin Close, Hawes Lane, Hornbeam Lane, King George Way, Mill Lane, Mott Street,	The polling district	Gilwell Community Centre, Gilwell Hill, Sewardstone Road	916

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			(Mill Lodge, Mill House, Willow Tree Lodge, Daines Nursery, The Bungalow, Lira, Magnolia Cottage, Old Plough Cottage, Rose Cottage, Cedar Lodge, Beechside Bungalow, Netherhouse Cottages), Powell Drive, Sewardstone Green, Sewardstone Road, Woodman Lane			
Waltham Abbey High Beach	Upshire	BH	That part of the Waltham Abbey High Beach ward of Waltham Abbey Town Council comprising the roads – Cobbins End Road, Copped Hall, Copthall Green, Crown Hill, Epping Road, Fernhall Lane, Forest Side, Honey Lane, Honeypot Lane, Horseshoe Hill, Long Street, Sergeants Green Lane, Skillet Hill, Southend Lane, Upshire Road, Upshirebury Green, Warlies, Woodgreen Road, Woodredon Farm Lane, Woodredon Hill	The polling district	Upshire Village Hall, Horseshoe Hill	321
Waltham Abbey High Beach	Woodbine Close	BJ	That part of the Waltham Abbey High Beach ward not included in the High Beach, Sewardstone and Upshire Polling Districts	The polling district	Room at Woodbine Close Social Club	286
Waltham Abbey Paternoster	Ninefields	BK	That part of the Waltham Abbey Paternoster ward of Waltham Abbey Town Council	The polling district	Ninefields Community Centre, Hillhouse	1699

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			comprising the roads – Abbotts Drive, Amwell Court, Badburgham Court, Blackmore Court, Bromefield Court, Cullings Court, Farmers Court, Fullers Close, Geisthorp Court, Hill House, Loughton Court, Mallion Court, Neal Court, Read Court, Shingle Court, Skarnings Court, Stanford Court, Stanway Road, Sudicamps Court, Theydon Court, Tillingham Court, Winters Way, Woodford Court, Wormley Court, Wrangley Court			
Waltham Abbey Paternoster	Paternoster	BL	That part of the Waltham Abbey Paternoster ward of Waltham Abbey Town Council not included in the Ninefields Polling District	The polling district	King Harold School, Broomstick Hall Lane or Ninefields Community Centre, Hillhouse	1761
Waltham Abbey Honey Lane	Leverton	BM	That part of the Waltham Abbey Honey Lane ward of Waltham Abbey Town Council comprising the roads – Acacia Court, Ashleigh Court, Ashtree Court, Caneland Court, Caterham Court, Coppergate Court, Dowding Way, Eagle Close, Falcon Close, Farthingale Court, Farthingale Lane, Gant Court, Harlton Court, Harrier Way, Hawk Close, Haywood Court, Honey	The polling district	The Leverton Infant and Nursery School, Honey Lane	1990

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			Lane, (119-207 odds, Honey Lane Care Home, Upshire Hall Lodge, Skillett Hill Cottages, Skillett Hill Farm, Upshire Hall Lodge, 102-176 evens, Cobmead), Honeylands, Honeylands Cottage, Cobmead), Horseshoe Close, Jessop Court, Kestrel Road, Kings Meadow Court, Kingsdale Court, Lamplighters Close, Margherita Place, Margherita Road, Maynard Court, Merlin Close, Milhoo Court, Morris Court, Old Forge Court, Osprey Court, Osprey Road, Peregrine Road, Shernbroke Road, Stoney Bridge Drive, The Birches, Vicarage Court Horseshoe Close, Wheatfields Court Farthingale Lane, Wren Drive			
Waltham Abbey Honey Lane	Brookways	BN	That part of the Waltham Abbey Honey Lane ward of Waltham Abbey Town Council comprising the roads – Aldersgrove, Birchwood, Bray Springs, Caldbeck, Downlands, Fairways, Gilsland, Greenleas, Heronswood, Holecroft, Honey Lane (30-100 evens), Longcrofts, Mayfield, Nightingales, Oakwood, Patmore Road, Pinnacles Roundhills, Robinsway,	The polling district	Brookways, Roundhills	1446

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			Rochford Avenue, Roundhills, Ruskin Avenue, Springfields, Tennyson Avenue, The Dale, The Padgets, Windmill Close			
Waltham Abbey Honey Lane	Honey Lane	BO	That part of the Waltham Abbey Honey Lane ward of Waltham Abbey Town Council not included in the Leverton and Brookways Polling District	The polling district	Old Peoples Day Centre, adj. to Ninefields Community Centre, Hillhouse	1180
Waltham Abbey North East	Breach Barns	BP	That part of the Waltham Abbey North East ward of Waltham Abbey Town Council comprising the roads – Aimes Green, Breach Barns Lane, Claverhambury Road, First Avenue, Galley Hill, Maple Way, Northside, Second Avenue, Southside, The Rise, Third Avenue	Waltham Abbey South West	Community Centre, Saxon Way (as amended at the OSC on 16 September 2014)	413
Waltham Abbey North East	Monkswood	BQ	That part of the Waltham Abbey North East ward of Waltham Abbey Town Council not included in the Breach Barns Polling District	The polling district	Community Centre, Saxon Way	2879
Waltham Abbey South West	Abbey	BR	The Waltham Abbey South West ward of Waltham Abbey Town Council	The polling district	Waltham Abbey Town Hall, Highbridge Street	3118
Broadley Common, Epping Upland and	Upland North	BS	That part of the Epping Upland parish comprising the roads – Carters Lane, Chestnut Walk,	The polling district	Epping Upland Primary School, Carters Lane	642

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
Nazeing			Elm Close, Epping Green, Epping Green Road, Epping Long Green, Epping Upland, Eureka Gardens, Green Close, Parsloe Road, Pump Lane, Rye Hill, Rye Hill Road, The Magpies, Thornwood Road, Upland Road			
Broadley Common, Epping Upland and Nazeing	Upland South	BT	That part of the Epping Upland parish not included in the Upland North Polling District	Epping Lindsey South	Conference Room, Epping Town Council Offices, St John's Road (outside Polling District)	54
Broadley Common, Epping Upland and Nazeing	Bumbles Green	BU	The Bumbles Green parish ward of Nazeing parish	The polling district	The Leisure Centre, Bumbles Green	446
Broadley Common, Epping Upland and Nazeing	Broadley Common	BV	The Broadley Common ward of Roydon parish	The polling district	Craner Produce Farm, Common Road	565

This page is intentionally left blank

DISTRICT OF EPPING FOREST - SCHEDULE OF POLLING DISTRICTS AND POLLING PLACES REVIEW 2014

PROPOSED POLLING DISTRICTS AND POLLING PLACES

(BRENTWOOD AND ONGAR PARLIAMENTARY CONSTITUENCY)

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
North Weald Bassett	Village (North Weald)	BW	The Village parish ward of North Weald Bassett parish	The polling district	North Weald Village Hall, High Road	3726
Chipping Ongar, Greensted and Marden Ash	Chipping Ongar	BX	The Chipping Ongar ward of the Ongar Town Council	The polling district	Budworth Hall, High Street	1453
Chipping Ongar, Greensted and Marden Ash	Greensted	BY	The Greensted ward of the Ongar Town Council	Chipping Ongar	Budworth Hall, High Street (outside Polling District)	601
Chipping Ongar, Greensted and Marden Ash	Marden Ash	BZ	The Marden Ash ward of the Ongar Town Council	The polling district	St James Church Hall, St James Avenue	1437
Shelley	Shelley	CA	The Shelley ward of the Ongar Town Council	The polling district	Community Centre, Cripsey Avenue	1758
High Ongar, Willingale and The Rodings	High Ongar	CB	The High Ongar parish ward of the High Ongar parish	The polling district	High Ongar Village Hall, The Street	513

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
High Ongar, Willingale and The Rodings	Norton Mandeville	CC	The Norton Mandeville parish ward of the High Ongar parish	High Ongar Village	High Ongar Village Hall, The Street (outside Polling District)	147
High Ongar, Willingale and The Rodings	Paslow Common	CD	The Paslow Common parish ward of the High Ongar parish	High Ongar Village	High Ongar Village Hall, The Street (outside Polling District)	365
High Ongar, Willingale and The Rodings	Willingale	CE	The parish of Willingale	The polling district	Willingale Village Hall	409
High Ongar, Willingale and The Rodings	Abbess Beauchamp and Berners Roding	CF	The parish of Abbess Beauchamp and Berners Roding	The polling district	Room in The Rodings, Dunmow Road	358
Lambourne	Abridge	CG	The Abridge parish ward of the Lambourne parish	The polling district	New Village Hall, Ongar Road	1297
Lambourne	Lambourne End	CH	The Lambourne End parish ward of the Lambourne parish	The polling district	Parish Rooms, Lambourne End	197
Moreton and Fyfield	Bobbingworth	CJ	The Bobbingworth parish ward of the Moreton, Bobbingworth and The Lavers group of parishes	Moreton Village	Moreton Village Hall (outside Polling District)	220

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
Moreton and Fyfield	High Laver East	CK	That part of the High Laver parish ward of the Moreton, Bobbingworth and The Lavers group of parishes comprising the roads - Harlow Road, High Laver, High Laver Road, Mill Lane, Moreton Road	The polling district	Matching Village Hall, Matching Tye	60
Moreton and Fyfield	High Laver West	CL	That part of the High Laver parish ward of the Moreton, Bobbingworth and The Lavers group of parishes not included in the High Laver East Polling District	Magdalen Laver Village	Magdalen Laver Village Hall, Church Road (outside Polling District)	116
Moreton and Fyfield	Little Laver	CM	The Little Laver parish ward of the Moreton, Bobbingworth and The Lavers group of parishes	Matching Green Village	Matching Village Hall, Matching Tye (outside Polling District)	71
Moreton and Fyfield	Moreton	CN	The Moreton parish ward of the Moreton, Bobbingworth and The Lavers group of parishes	The polling district	Moreton Village Hall, Church Road	300
Moreton and Fyfield	Magdalen Laver	CO	The Magdalen Laver parish ward of the Moreton, Bobbingworth and The Lavers group of parishes	The polling district	Magdalen Laver Village Hall, Church Road	199
Moreton and Fyfield	Fyfield	CP	The parish of Fyfield	The polling district	Fyfield Village Hall	669
Passingford	Stanford Rivers	CQ	The parish of Stanford Rivers	The polling districts for Hare Street and Toot Hill combined	Toot Hill Village Hall	645

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
				to form one polling district for the whole parish		
Passingford	Stapleford Abbots	CR	The parish of Stapleford Abbots	The polling district	Stapleford Abbots Village Hall, Stapleford Road	837
Passingford	Stapleford Tawney	CS	The parish of Stapleford Tawney	The polling district	St Mary's Church Hall, Tawney Road, Stapleford Tawney	108
Passingford	Theydon Garnon	CT	The parish of Theydon Garnon	The polling district	The Gatehouse, All Saints Church, Theydon Garnon	106
Passingford	Theydon Mount	CU	The parish of Theydon Mount	The hamlet of Theydon Garnon	The Gatehouse, All Saints Church, Theydon Garnon (outside Polling District)	145

DISTRICT OF EPPING FOREST - SCHEDULE OF POLLING DISTRICTS AND POLLING PLACES REVIEW 2014

PROPOSED POLLING DISTRICTS AND POLLING PLACES

(HARLOW PARLIAMENTARY CONSTITUENCY)

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
Page 157	Hastingwood North	CV	That part of the Hastingwood parish ward of North Weald Bassett parish comprising the roads – Foster Street, Green Lane Threshers Bush, Harlow Common, Latton Common, London Road (Whalebone Cottages, Tara, Ashgrove, The Gatekeeper, Hill House, Hill House Cottage, End House, Hill Cottage, Bay Tree Cottage, Caroline Cottage, Maya), Mill Street, Park Avenue	The polling district	St Mary Magdalen Church Hall, Potter Street	314
	Hastingwood South	CW	That part of the Hastingwood parish ward of North Weald Bassett parish not included in the Hastingwood North Polling District	The polling district	Hastingwood Village Hall, Glovers Lane	180
	Matching(1)	CX	The Parish of Matching of Matching comprising the roads – Carters Green, Church Lane, Clifford Close, Downhall Road, Harlow Road, Harlow Tye, High Lane, Hobbs Cross Road,	The polling district	Matching Village Hall, Matching Tye	553

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
<p style="text-align: center;">Page 158</p>			Homefields, Housham Tye, Matching Green (The Cherry Tree, Lascelles Cottage, Lascelles Lodge, Wingates, Martinsfield, The Leys, Martins Cottage, Kingstons Cottages, Mulberry Cottage, Lilac Cottages, Lavender Cottage, Karensa, Scathes, Little Honington House, Beeches, Forge Cottage, Blackwood House, Moat House, Saddlers Cottage, Maytrees, The Limes, Pear Tree House, Pond House, The Old Exchange, The Maltings, The Malt Barn, Albion House, Green Edge Cottage) , Matching Hall, Matching Road, Moor Hall Road, New Way Lane, Newmans End, Potash Road, Rainbow Road, The Green, Threshers Bush			
	Hastingwood, Matching and Sheering Village	Matching(2)	CX	The Parish of Matching of Matching comprising the roads High Laver Road, Little Laver Road, Matching Green (Rose Cottage, Little Watermans, Willow Cottage, Horsegate, Brick Cottages, Jasmin Cottage, North Cottage, Chestnut Cottage, The Lilacs, Elem House, Little Elm Cottage, Maple House, Elms	The polling district	Matching Village Hall, Matching Tye

Ward	Polling District	Letters	Description of Polling District	Existing Polling Place	Existing Polling Station	Electorate
			Farm House, Home Meadow Barns), Watery Lane			
Hastingwood, Matching and Sheering Village	Sheering Village	CY	The Sheering Village parish ward of the Sheering parish	The polling district	Sheering Village Hall, The Street	693
Hastingwood, Matching and Sheering Village	Lower Sheering	CZ	The Lower Sheering parish ward of the Sheering parish	The polling district	Area in the bar at Railway Hotel, Hatfield Heath Road	1717
Lower Nazeing	Nazeingbury	DA	The Nazeingbury parish ward of the Nazeing parish	The polling district	St Giles Church Hall, Nazeing	2473
Lower Nazeing	Riverside	DB	The Riverside parish ward of the Nazeing parish	Nazeing Village	St Giles Church Hall, Nazeing (outside Polling District)	836
Roydon	Dobbs Weir	DC	The Dobbs Weir parish ward of the Roydon parish	The polling district	St Christopher's Hall, Dobbs Weir Road	425
Roydon	Roydon Village	DD	The Roydon Village parish ward of the Roydon parish	The polling district	St Peter's Church Hall, High Street	1399

This page is intentionally left blank

Reasons for Decision

Polling Districts

Polling districts are based on parishes or parish wards except where these are considered too large in which case they have been split into smaller districts.

The polling districts have been in place for several years and are considered to provide all electors with reasonable facilities to be able to vote.

Polling Places

Polling places are within the polling district except where it is not possible to find a suitable place within the area.

In making the decisions regard has been had to:

- (a) The reasonable requirements of the electors in the constituency; and
- (b) The accessibility for disabled persons to the polling stations within the polling places.

This page is intentionally left blank

Report to the Council

Committee: Cabinet

Date: 30 September 2014

Subject: Call-In and Urgency – Waiver of Contract Standing Orders for the urgent purchase and installation of a new sewage treatment plant at Walls Green, Willingale

Portfolio Holder: Councillor D Stallan (Housing)

Recommending:

To note that the Chairman of the Council agreed that the decision of the Housing Portfolio Holder, to waiver Contract Standing Order C3 (2) 'Contracts Not Exceeding £25,000' with regards to obtaining three written quotations for the urgent installation of a new sewage treatment plant at Walls Green, Willingale, CM5 0QW, should be treated as a matter of urgency and should not be subject to call-in.

1. The existing sewage treatment plant (STP) at Walls Green, Willingale, is 34 years old and well past its life expectancy. The plant is not working due to the recent failure of the shaft and associated bearings. This is a serious and urgent situation as the failure of the plant poses both a public health and environmental risk. In addition, there is the potential for the Council to be prosecuted if the required environmental discharge consent is breached.
2. The Council has a responsibility to maintain sewage treatment works and pumping stations that are either on Council owned land or where the Council has an established maintenance duty, such as for Council housing. The Council, utilising a contractor, currently maintains seventeen sewage treatment works and nine pumping stations across the district.
3. A tender process was carried out in 2013 and was awarded on a cost - benefit basis. The successful bidder was Binders Limited, one of the major companies in the country providing this type of service.
4. The STP at Walls Green serves a total of five properties; two of these are privately owned. The sale agreement commits these households to contribute their proportion of the costs towards the upkeep and maintenance of the STP.
5. The STP is currently not working due to the failure of the shaft. This has had an impact on the bearings and other elements of the plant. As the associated repair costs are significant and the plant is well past its life expectancy, it is considered prudent to replace the plant rather than carry out the repairs. There is an anticipated 4-6 week delivery lead time. The Council's contractor has said that he will try to get the new plant delivered in the shortest time possible. Whilst the plant is not working the Council will need to pay for the waste liquid to be tankered off site. The failure of the plant poses both a public health and environmental risk.

6. The Council's term contractor has provided a quote for the purchase and installation of new plant. The predicted costs trigger Contract Standing Order C3 (2) 'Contracts Not Exceeding £25,000' with regards to obtaining three written quotations. In the interest of getting the work done as quickly as possible and given that the contractor is the Council's term contractor and has provided a quote for the work that is considered both reasonable and value for money, a waiver of Contract Standing Order C3 (2), is sought.
7. The Chairman of the Council agreed to waive the call-in procedure as any delay would likely to be caused by the call-in process would seriously prejudice the Council's interests because the failure of the plant poses both a public health and environmental risk and the potential for the Council to be prosecuted if the required environmental discharge consent was breached.

Council House Building Cabinet Committee

TERMS OF REFERENCE AND MEMBERSHIP

Terms of Reference

1. To consider and recommend to the Cabinet the Development Strategy for the Council's House Building Programme on an annual basis.
2. To consider and sign-off development appraisals and financial appraisals produced by the Council's appointed Development Agent for sites previously identified by the Cabinet as having development potential and that could be included within the Council's House Building Programme.
3. To approve the submission of detailed planning applications, and/or if more appropriate outline planning applications, by the Council's appointed Development Agent for sites that the Cabinet Committee considers are suitable for development and viable, having regard to the development appraisals and financial appraisals for the sites.
4. To invite ward members to attend meetings of the Cabinet Committee when potential development sites in their ward are under consideration, and to provide an opportunity for ward members to provide comments on proposed developments, before development appraisals and financial appraisals are signed-off and approvals to submit planning applications are given.
5. To approve the subsequent development of sites considered suitable for development and viable that receive planning permission, subject to the acceptance of a satisfactory tender for the construction works.
6. To approve, and include within financial appraisals, the use of the following sources of funding for the development of individual sites within the Council's House Building Programme:
 - (a) The agreed Housing Capital Programme Budget for the House Building Programme;
 - (b) Capital receipts made available through the Council's Agreement with the Department of Communities and Local Government allowing the use of receipts from additional Right to Buy (RTB) sales as a result of the Government's increase in the maximum RTB Discount to be spent on House Building;
 - (c) Financial contributions received from developers for the provision of affordable housing within the District, in lieu of on-site affordable housing provision, in compliance with Section 106 Planning Agreements; and
 - (d) Grant funding received from the Homes and Communities Agency.
7. To approve the submission of the Council's Pre-Qualification Questionnaire to the Homes and Communities Agency (HCA), applying for Investment Partner status with the HCA.
8. To consider and accept tenders received for the construction works on sites included within the Council House Building Programme.
9. To determine whether, in addition to the potential development sites already considered by the Cabinet, sites with development potential within the following categories should be added to either the House Building Programme's Primary List or Reserve List and detailed development appraisals and financial appraisals undertaken by the Council's Development Agent:
 - (a) Other specific garage sites comprising 6 or less garages;
 - (b) Specific garage sites where garage vacancies arise with no waiting list of applicants; and
 - (c) Specific areas of Council-owned land on housing sites considered to be surplus to requirements.

10. To determine whether sites on the Reserve List of potential development sites previously agreed by the Cabinet should be promoted to the Primary List, and detailed development appraisals and financial appraisals undertaken by the Council's Development Agent, due to:
 - (a) There being insufficient numbers of properties that can be viably developed from the Primary List of potential development sites to deliver a House Building Programme of 120 new homes over a six-year period; and/or
 - (b) The Cabinet subsequently deciding to increase the size of the House Building Programme and there being insufficient numbers of properties that can be viably developed to deliver a larger Programme.
11. To monitor and report to the Cabinet on an annual basis:
 - (a) Progress with the Council House Building Programme; and
 - (b) Expenditure on the Housing Capital Programme Budget for the Council House Building Programme, ensuring the use (within the required deadlines) of the capital receipts made available through the Council's Agreement with the Department of Communities and Local Government allowing the use of receipts from additional Right to Buy (RTB) sales as a result of the Government's increase in the maximum RTB Discount to be spent on house building.
12. To approve applications to the Homes and Communities Agency (HCA) (or any successor body) to obtain HCA Investment Partner Status (or similar), in order to enable the Council to seek funding from the HCA, and to approve funding bids to the HCA for developments within the Council House Building Programme (*added by Leader Decision – 21.3.14*).
13. To consider and approve the future use of any potential development site previously identified by either the Cabinet or Cabinet Committee as having possible development potential for Council House Building where it either does not gain planning consent, is deemed inappropriate to develop undevelopable by the Cabinet Committee for whatever other reason or where the development appraisal identifies that the site is economically undevelopable. (*Added by Leader Decision – 16.5.14*)
14. To decide, where necessary, the names of developments undertaken through the Council House Building Programme, following consultation with the Parish or Town Councils and Ward Members. (*Added by Leader Decision – 27.8.14*)

Membership

Housing Portfolio Holder (Chairman)
Finance and Technology Portfolio Holder
Planning Portfolio Holder
Environment Portfolio Holder
Safer, Greener and Highways Portfolio Holder

Frequency of Meetings

As and when required, as determined by the Housing Portfolio Holder.