

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, 21 April 2015 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 Assistant Director of Governance and Performance Management 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 - 96)

To approve as a correct record and sign the minutes of the meeting held on 17 February 2015. (attached)

3. FORMER COUNCILLOR R WILMOT AND FORMER CHIEF EXECUTIVE MR BROKENSHERE

The Council is invited to stand for a minute's silence in tribute to the memory of Former District Councillor B Wilmot who passed away on 26 February 2015 and the Former First Chief Executive for Epping Forest District Council, Mr P D Brokenshire who also passed away recently.

Bob Wilmot served as a Loughton Resident Association District Councillor representing the St Johns Ward from 1988 to 1996. He also represented Loughton Town Council from 1996 to 2004.

Mr P D Brokenshire was the first Chief Executive, piloting the authority through the difficult process of combining the four predecessor Councils under local government reorganisation in 1973/4. He was a pioneer in two matters which are now accepted features of any good Council, namely policy planning and performance review.

4. DECLARATIONS OF INTEREST

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

5. ANNOUNCEMENTS

(a) **Apologies for Absence**

(b) **Presentation of Quality Councils Accreditation**

(c) **Presentation of High Sheriff's Award**

(d) **Announcements**

To consider any announcements by:

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

(e) Flowers

6. 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.

7. 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 any Member of the Cabinet; or
- (d) the Chairman of any Committee or Sub-Committee.

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.

8. REPORTS FROM THE LEADER AND MEMBERS OF THE CABINET (Pages 97 - 130)

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 Development Portfolio Holder;
- (c) Report of the Environment Portfolio Holder;
- (d) Report of the Finance Portfolio Holder;
- (e) Report of the Governance and Development Management Portfolio Holder;
- (f) Report of the Housing Portfolio Holder;
- (g) Report of the Leisure and Community Services Portfolio Holder;
- (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.

9. 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 8 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 thirty 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 at

his discretion.

10. MOTIONS

To consider the following motion, notice of which has been given under Council Procedure Rule 13.

(a) Recycling and the Council's Green Credentials

Proposed by: Councillor G Waller

Seconded by: Councillor J Philip

“This Council welcomes the recent publication by the Department for Environment, Food & Rural Affairs of local authority recycling statistics, demonstrating that Epping Forest District Council has the tenth highest recycling rate for local authorities in England; congratulates the District's residents on their unremitting commitment to recycling, which greatly contributes to this achievement; notes with approval this demonstration of the Council's strong green credentials; and pledges to continue its efforts to be one of the most environmentally friendly local authorities in the country.”

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

11. MEMBERS' ALLOWANCES SCHEME - REVIEW (Pages 131 - 148)

(Independent Member) To consider the attached report.

Reports of the Cabinet

12. CORPORATE PLAN 2015-20 (Pages 149 - 170)

(Leader) To consider the attached report.

Reports of Overview and Scrutiny

13. OVERVIEW AND SCRUTINY (Pages 171 - 172)

(a) To receive the report of the Chairman of the Overview and Scrutiny Committee and to answer any questions without notice asked in accordance with Council procedure rule 12.7(b) and 12.9 (a).

14. OVERVIEW & SCRUTINY PANEL FRAMEWORK (Pages 173 - 180)

(Chairman of Overview and Scrutiny) To consider the attached report.

15. REVIEW OF OPERATION OF PLANNING COMMITTEES AND TERMS OF REFERENCE (Pages 181 - 188)

(Chairman of the Constitution and Member Services Scrutiny Panel) To consider the attached report.

16. AMENDMENTS TO THE COUNCIL'S COMPLAINTS SCHEME (Pages 189 - 190)

(Chairman of the Constitution and Member Services Scrutiny Panel) To consider the attached report.

17. 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.

18. 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.

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EPPING FOREST DISTRICT COUNCIL COUNCIL MINUTES

Committee: Council **Date:** 17 February 2015

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.30 - 9.41 pm

Members Present: Councillors A Boyce (Chairman), Mrs E Webster (Vice-Chairman), K Adams, Mrs H Brady, W Breare-Hall, R Butler, G Chambers, D Dorrell, Mrs R Gadsby, L Girling, P Gode, Mrs A Grigg, R Jennings, Ms H Kane, H Kauffman, P Keska, J Knapman, Mrs J Lea, A Lion, Mrs M McEwen, L Mead, G Mohindra, R Morgan, S Murray, S Neville, J Philip, Mrs C P Pond, C C Pond, C Roberts, B Sandler, Mrs M Sartin, Ms G Shiell, D Stallan, Ms S Stavrou, B Surtees, Mrs T Thomas, Mrs L Wagland, G Waller, Ms S Watson, S Weston, C Whitbread, Mrs J H Whitehouse, J M Whitehouse and D Wixley

Apologies: Councillors K Angold-Stephens, R Bassett, K Chana, R Glozier, J Hart, Mrs S Jones, Ms Y Knight, H Mann, A Mitchell MBE, B Rolfe and A Watts

Officers Present: G Chipp (Chief Executive), D Macnab (Deputy Chief Executive and Director of Neighbourhoods), C O'Boyle (Director of Governance), R Palmer (Director of Resources), S G Hill (Assistant Director (Governance & Performance Management)), T Carne (Public Relations and Marketing Officer), A Hendry (Democratic Services Officer), P Seager (Chairman's Secretary) and R Perrin (Democratic Services Assistant)

80. WEBCASTING INTRODUCTION

The Assistant Director of Governance and Performance Management 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.

81. MINUTES

RESOLVED:

That the minutes of the Council meeting held on 16 December 2014 be taken as read and signed by the Chairman as a correct record.

82. DECLARATIONS OF INTEREST

(a) Dispensations

The Council noted that the Monitoring Officer had granted dispensations to the following "dual hatted" District Councillors (who were also Parish or Town Councillors) to enable them to take part and vote on agenda item 14 (Report of the Cabinet – Council Budget 2015/16) and in particular the Local Support Grant to Parish and Town Councils: H Brady, W Breare-Hall, R Gadsby, L Girling, P Gode, A Grigg, H Kane, J Knapman, J Lea, A Lion, G Mohindra, R Morgan, S Murray, J Phillip, C Pond, B Sandler, G Shiell, D Stallan, S Stavrou, B Surtees, T Thomas, L Wagland, S Watson, S Weston, E Webster, J M Whitehouse, D Wixley.

83. 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 a visit to Citizen Advice Bureau (CAB) Annual Christmas Lunch in Theydon Bois, the Children's Christmas Party at Norway House, to observe at the CAB Offices in Loughton, the Chairman's Civic Carol Service and the Annual Menorah Lighting in Chigwell. The Chairman wished everyone a happy New Year and advised that he had received a letter of thanks from Crisis at Christmas Charity for the donated T-Shirts he delivered before Christmas.

(ii) Floral Display

The Chairman advised that he intended the flowers from tonight's meeting to be sent to St Clare's Hospice, Hastingwood.

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

There were no announcements under this heading.

(c) Safeguarding Training

The Portfolio Holder for Safer, Greener and Transport, Councillor Waller asked all members to ensure that they had completed the Safeguarding training and that he would be writing to the members that had not attended to encourage them.

84. PUBLIC QUESTIONS (IF ANY)

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

85. QUESTIONS BY MEMBERS UNDER NOTICE**(a) Parking Permits in Epping**

By Councillor J H Whitehouse to Councillor G Waller, Portfolio Holder for Safer, Greener, Transport

'How many residents' and business parking bays exist in each zone in Epping and how many residents' and business parking permits have been issued for each zone?'

Response by Councillor G Waller, Portfolio Holder for Safer, Greener, Transport

In Epping, the number of parking bays for each zone is as follows:

Zone A	65
Zone B	2
Zone C	26
Zone E	0

I should explain not only that the length of each bay varies, so that some may accommodate one car whereas others can take several, but also that, as they are not

divided into actual parking spaces, the number of vehicles that can be parked in each one may vary, depending for instance on the length of each car.

At present I am unable to give separate figures for residents' and business parking bays.

A total of 272 parking permits have been issued in the 4 parking zones, and their breakdown is as follows:

Zone A	146
Zone B	9
Zone C	97
Zone E	20

Of these, the total number of business permits issued for Epping is 33, but as many as a third of these may currently be inactive for one reason or another. I should add that where no bays are provided, there is likely to be provision for vehicles to be parked at the kerb.

Additional question by Councillor J H Whitehouse

'Is there a ratio for permits to parking spaces, at which point no further permits are issued because a resident who has a permit, had received a penalty notice twice owing to a lack of parking spaces available?'

Response by Councillor Waller

Councillor Waller advised that he was not aware of such a ratio and that he was sorry to hear about the residents parking problems. He would look into the circumstances and if there were particular problems in a zone, it would be addressed.

86. REPORTS FROM THE LEADER AND MEMBERS OF THE CABINET

The Council received written reports from members of the Cabinet.

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

(a) The Leader of the Council

The Leader advised the Council that he had attended a number of meetings in relation to the duty to cooperate including the Sustainable Development Board which was mentioned in the Planning Policy Portfolio Holder's report. He also highlighted an emerging issue from the Essex Leaders meetings that the Council would need to debate in the months ahead, which was the consideration of the feasibility paper for an Essex devolution proposal. He advised that this would not be a move towards a Unitary Essex but a bid to Central Government to devolve powers and resources to a new combined authority in Essex. This could provide a greater control and focus to commonly agreed priorities across the County that currently the District Council may not be involved in. Considerations about what arrangements would be required to support this from both Essex and Central Government were required and he would advise members when he had further information.

(b) Environment

Councillor Breare-Hall advised that he had several updates to his report which included winning the 'Love Essex' anti-litter campaign, Keep Britain Tidy Diamond Jubilee Award,

the removal of the option to apply for Rate Relief under the extended arrangements for flood damage experienced between 1 April 2013 and 31 March 2014, with any applications now being dealt with through the Repair and Renew grant and further details to be made available in the Council Bulletin. Finally the unauthorised encampment on the Epping Forest College land had moved onto Highways Agency land near the M11, where they had been visited by Environmental Health Officers to prevent flying tipping.

(c) Governance and Development Management

Councillor Philip advised the Council that the funding for 'Maximising Registration' which provided 'House Notification Letters' for the Individual Elector Registration (IER) had added over 2,200 names to the register, removed over 1,700 and amended 662. Councillor Philip would also be raising the rainbow Flag outside the Civic Offices for the Gay, Lesbian, Bisexual and Transgender History month on Wednesday 18 February 2015.

87. QUESTIONS BY MEMBERS WITHOUT NOTICE

(a) Litter at Oldshire Lane, Waltham Abbey

Councillor Butler congratulated the Environment Portfolio Holder on the new waste contract and advised the Portfolio Holder about Oldshire Lane, Waltham Abbey, where a litter problem had occurred owing to drivers using this area to park and deposit rubbish on to the kerbside.

Councillor Breare-Hall advised that he was not aware of the problem at Oldshire Lane and he would investigate the problem.

(b) Countrycare

Councillor Wixley wanted to congratulate and thank Countrycare and the Volunteers for the work they provide around the District, in particular the hedgerows and trees that were planted in Loughton recently and would like a note of appreciation recorded.

Councillor Waller agreed that Countrycare provide a welcomed service and noted Councillor Wixley's sentiments.

(c) Electoral Registration Figures

Councillor Neville asked the Portfolio Holder for Governance and Performance Management whether he could advise on a comparison between how many people were registered this year compared to last year and whether he thought the same figures could be achieved this year or the figure would fall short?

Councillor Philip advised that he would get back to Councillor Neville with the exact figures on the register and an extensive data matching exercise had taken place with the last years register and other data sources which provided a 96% result. A further 5,000 changes had recently taken place, so the figures should hopefully be similar to the previous year. Councillor Philip did advise there had been a push to register 16/17 year olds at schools and at the college and hoped to have a similar level of people registered.

(d) Benefits Processing

Councillor J H Whitehouse asked the Portfolio Holder for Finance whether the time for benefits to be processed could be reduced from 21 days because of the majority of food bank users were people on benefits.

Councillor Stavrou advised that she believed that all the targets for benefits to be processed were being met and if Councillor J H Whitehouse felt that these could be improved, she would investigate.

(e) Accident & Emergency

Councillor Murray asked the Leader whether he shared his concerns of the latest waiting times for Accident and Emergency services at the Princess Alexander in Harlow, with 77.6% of patients being seen within four hours compared to a Government target of 95% and a national average of 90.5% and whether he had been in contact with the hospital authorities and whether he could exercise what influence he has to try and improve the situation?

Councillor Whitbread advised that he shared Councillor Murray's concerns and would discuss this further with him. He suggested that the Overview and Scrutiny Committee could look at this issue as well.

(f) Stepping up Roadshow

Councillor Gadsby asked the Portfolio Holder for Leisure and Community Wellbeing whether she had received any successful feedback on the Stepping Up roadshow provided by Essex County Council and whether any volunteering had been followed up?

Councillor Kane advised that she had not received any feedback on the event but would follow it up and advise Councillor Gadsby.

(g) Wheelie Bins

Councillor J M Whitehouse asked the Portfolio Holder for Environment what the requirements were between residents and Biffa with regards to place of return of wheelie bins by Biffa?

Councillor Breare-Hall advised that Biffa were required to return the wheelie bin to the boundary of the property where residents are requested to leave them for collection. Councillor Breare-Hall was aware of some cases where this was not happening and would be happy to take the details from Councillor J M Whitehouse and raise the issue with Biffa.

(h) Cornmill Car Park, Waltham Abbey

Councillor Lea asked the Portfolio Holder for Safer, Greener and Transport whether a pedestrian path could be provided for at the edge of the Cornmill car park, Waltham Abbey to allow wheelchair or pushchair access to the bridge?

Councillor Waller advised that he was aware of the problem and that the carpark was to be resurfaced so that the lines could accommodate the path.

(i) Appreciation for Information Provided

Councillor Surtees thanked the Portfolio Holder for Finance for her reply to a previous question at Council regarding Child Services.

(j) Housing

Councillor Shiell thanked the Portfolio Holder for Housing for the consideration of allocated parking for the Roundhills House building programme and asked whether other Council House Building schemes would have allocated parking?

Councillor Stallan advised that Councillor Shiell and Councillor Watts had raised their concerns at the Plans West committee that considered the Council Housebuilding scheme at Roundhills, which resulted in the sites being included in the off street parking programme. He confirmed that the areas which include the Council Housebuilding schemes would work together with the off street parking programmes.

88. MOTIONS

The Chairman reported that there were no motions to be considered at this meeting.

89. PAY POLICY STATEMENT 2015/16

Councillor A Lion presented a report on the Council's Pay Policy Statement for 2015/16 which was required by Section 38(1) of the Localism Act 2011 to be published each financial year. Specifically including the Council's approach to its highest and lowest paid employees.

Report as first moved **ADOPTED**

RESOLVED:

That the Council's Pay Policy Statement for 2015/16 attached as Appendix 1 to these minutes be adopted.

90. JOINT CONSULTATIVE COMMITTEE - REVIEW OF TERMS OF REFERENCE

Councillor A Lion presented a report on the revised terms of reference of the Joint Consultative Committee.

Report as first moved **ADOPTED**

RESOLVED:

That the revised terms of reference of the Joint Consultative Committee attached as Appendix 2 to these minutes be adopted.

91. SUPPORT FOR THE COUNCIL'S PROPERTY DEVELOPMENT PROGRAMME

The Council noted that the Chairman of the Council had agreed that the following decision of the Cabinet should be treated as a matter of urgency and not be subject to call-in;

(a) to retain the expertise and knowledge of the Assistant Director (Asset Management and Economic Development) on a part-time contract basis for a period of 13 months, to ensure that the development of Langston Road and other sites critical to the Council's future revenue streams proceed without delay;

(b) approve the use of Contract Standing Order C10 (Negotiated Tendering) to procure the contract;

(c) delegate the authority to negotiate and finalise contract terms to the Chief Executive and the Asset Management and Economic Development Portfolio Holder;

(d) that the cost was funded in 2014/15 from existing DDF development budgets;

- (e) that a DDF bid was made for £90,000 to cover the cost in 2015/16;
- (f) that given the high monthly cost of delaying key projects, the contract was executed expeditiously; and
- (g) the Director of Neighbourhoods procures replacement resource with an appropriate handover programme 6 months before the end of the contract period.

92. TREASURY MANAGEMENT STRATEGY STATEMENT & INVESTMENT STRATEGY 2015/16 TO 2017/18

Mover: Councillor Stavrou, Finance Portfolio Holder

Councillor Stavrou presented a report on the Council's Treasury Management Strategy, Annual Investment Strategy 2015/16 to 2017/18 and prudential indicators.

Report as first moved **ADOPTED**

RESOLVED:

That the following documents attached to these minutes as Appendix 3 be adopted:

- (a) Treasury Management Strategy Statement and Annual Investment Strategy 2015/16 to 2017/18;
- (b) Minimum Revenue Provision Statement;
- (c) Treasury Management Prudential Indicators for 2015/16 to 2017/18;
- (d) the rate of interest to be applied to any Inter-Fund Balances; and
- (e) Treasury Management Policy Statement.

93. COUNCIL BUDGETS 2015/16

Councillor Stavrou presented a report on an additional DDF budget to be added to the Council Budget for Town and Parish Councils affected by major preceptors that had not been updated on the final taxbase figure.

There voted for the recommendation: (44) namely: Councillors Boyce, Webster, Adams, Brady, Breare-Hall, Butler, Chambers, Dorrell, Gadsby, Girling, Gode, Grigg, Jennings, Kane, Kauffman, Keska, Knapman, Lea, Lion, McEwen, Mead, Mohindra, Morgan, Murray, Neville, Philip, C C Pond, C P Pond, Roberts, Sandler, Sartin, Shiell, Stallan, Stavrou, Surtees, Thomas, Wagland, Waller, Watson, Weston, Whitbread, J H Whitehouse, J M Whitehouse and Wixley.

Report as first moved **ADOPTED**

RESOLVED:

- (1) That a DDF budget of £5,543 be added to the budgets considered by Cabinet on 2 February.

Carried

Councillor Stavrou presented a report on budget and Council Tax Declaration 2015/16.

Amendment moved by J M Whitehouse and Seconded by B Surtees.

There voted for the recommendation: (7) namely: Adams, Gode, Murray, Neville, Surtees, J H Whitehouse and J M Whitehouse.

There voted against the recommendation: (37) namely: Councillors Boyce, Webster, Brady, Breare-Hall, Butler, Chambers, Dorrell, Gadsby, Girling, Grigg, Jennings, Kane, Kauffman, Keska, Knapman, Lea, Lion, McEwen, Mead, Mohindra, Morgan, Philip, C C Pond, C P Pond, Roberts, Sandler, Sartin, Shiell, Stallan, Stavrou, Thomas, Wagland, Waller, Watson, Weston, Whitbread and Wixley.

(1) That the Neighbourhoods Off Street Parking - Parking Fee Increases (£95,000) in 2015/16 be replaced with (£82,000) through not implementing weekend parking charges and therefore amending the total CSB savings in 2015/16 from (£573,000) to (£560,000) set out in Annex 1 be added to recommendation 1;

(2) That the Chief Executive Transformation Programme of £75,000 in 2015/16 be deleted from Annex 2 and Communities Grants to Voluntary Organisations Maintenance of £17,000 be included in Annex 2 for 2015/16 and 2016/17 decreasing the DDF in 2015/16 to £1,071,000 and increasing it to £548,000 in 2016/17 be added to recommendation 2; and

(3) That consequential amendments be made to annex 3, 4 and 8 to include DDF balances reducing by £1,071,000 and contribution from balances in 2015/16 increasing to £55,000.

Lost

There voted for the recommendation: (43) namely: Councillors Boyce, Webster, Adams, Brady, Breare-Hall, Butler, Chambers, Dorrell, Gadsby, Girling, Gode, Grigg, Jennings, Kane, Kauffman, Keska, Knapman, Lea, Lion, McEwen, Mead, Mohindra, Morgan, Neville, Philip, C C Pond, C P Pond, Roberts, Sandler, Sartin, Shiell, Stallan, Stavrou, Surtees, Thomas, Wagland, Waller, Watson, Weston, Whitbread, J H Whitehouse, J M Whitehouse and Wixley.

There voted against the recommendation: (1) Murray.

Report as first moved **ADOPTED**

RESOLVED:

(1) That the list of CSB growth and savings for the 2015/16 budget (set out in Annex 1 to these minutes) be approved;

(2) That the list of District Development Fund items for the 2015/16 budget (set out in Annex 2 to these minutes) be approved;

(3) That the revenue estimates for 2015/16 and the draft Capital Programme for 2015/16 be approved as set out in Annexes 3, 4 (a-g) and 5 to these minutes including all contributions to and from reserves as set out in the attached Annexes;

(4) That the Medium Term Financial Forecast be approved as set out in Annexes 8 a and 8 b to these minutes;

(5) That the 2015/16 HRA budget be approved and that the application of rent increases and decreases resulting in an average increase of 2.2% from £95.44 to £97.54, be approved;

(6) That £0.5 million be moved from the General Fund Reserve to create a new Earmarked Reserve that will be used for Invest to Save projects be approved;

(7) That the Council's policy of retaining revenue balances at no lower than £4.0M or 25% of the net budget requirement whichever is the higher for the four year period to 2017/18 be amended to no lower than £4.0M or 25% of the net budget requirement whichever is the higher during the four year period up to and including 2018/19;

(8) That the report of the Chief Financial Officer on the robustness of the estimates for the purposes of the Council's 2015/16 budgets and the adequacy of the reserves (Annex 9 attached to these minutes) be noted.

Declaration of Council Tax

(9) That it be noted that under delegated authority the Director of Resources, in consultation with the Finance Portfolio Holder, calculated the Council Tax Base 2015/16:

(a) for the whole Council area as 51,196.3 (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended); and

(b) for dwellings in those parts of its area to which a Parish precept relates as set out below and in Annex 6 attached to these minutes:

	Tax Base
Abess, Beauchamp & Berners	207.7
Roding	
Buckhurst Hill	5,028.5
Chigwell	5,874.3
Epping Town	4,885.6
Epping Upland	401.1
Fyfield	407.9
High Ongar	541.0
Lambourne	829.7
Loughton Town	11,927.6
Matching	421.1
Moreton, Bobbingworth and The Lavers	546.8
Nazeing	1,990.5
North Weald Bassett	2,441.3
Ongar	2,618.9
Roydon	1,265.9
Sheering	1,290.0
Stanford Rivers	348.0
Stapleford Abbotts	509.5
Stapleford Tawney	79.3
Theydon Bois	1,953.6
Theydon Garnon	76.4
Theydon Mount	111.7
Waltham Abbey Town	7,212.8

Willingale

227.1

(10) That the following amounts be calculated for the year 2015/16 in accordance with sections 31 to 36 of the Local Government Finance Act 1992:

(a) £123,646,699 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils;

(b) £112,870,550 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act;

(c) £10,776,149 being the amount by which the aggregate at 10 (a) above exceeds the aggregate at 10 (b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act);

(d) £210.49 being the amount at 10 (c) above (Item R), all divided by Item T (the amount at 9 (a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts);

(e) £3,159,675 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Annex 6);

(f) £148.77 being the amount at 10 (d) above less the result given by dividing the amount at 10 (e) above by Item T (9 (a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates;

(11) That it be noted that the County Council, the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the category of dwellings in the Council's area as shown in Annex 7 attached to these minutes;

(12) That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts in Annex 7 Part B (tabled) as the amounts of Council Tax for 2015/16 for each part of its area and for each of the categories of dwellings; and

(13) That in accordance with section 52ZB of the Local Government Finance Act 1992, Council determines that the amount of Council Tax shown at (10) (f) of £148.77 for 2015/16, being unchanged from 2014/15 is not excessive and therefore there is no need to hold a local referendum.

94. 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 Overview and Scrutiny Committee.

95. APPOINTMENT OF CO-OPTED MEMBER

In the absence of the Chairman of the Audit and Governance Committee, the Director of Governance presented a report on the procedure and appointment of a new Co-opted Member to the Audit and Governance Committee.

RESOLVED:

- (1) That a Panel of three Councillors including the Chairman of the Audit and Governance Committee be appointed with delegated authority to undertake interviews following public advertisement and to appoint the preferred candidate for the vacant co-opted member position on the Audit and Governance Committee be approved;
- (2) That Councillors K Adams and B Jennings be appointed to serve on the Panel with the Chairman of the Audit and Governance Committee;
- (3) That Mr. R. Thompson and Mr A Javis (co-opted members) be invited to attend the interviews in an advisory, non-voting capacity; and
- (4) That appreciation of the contribution of Mr. R. Thompson as a co-opted Member of the Audit and Governance Committee over a six-year period be formally recorded.

96. JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS

The Council received a written the report regarding the Lea Valley Regional Park Authority from Councillors M Sartin and S Stavrou the Council's representatives.

CHAIRMAN

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EPHING FOREST DISTRICT COUNCIL

PAY POLICY STATEMENT 2015/16

Introduction

Epping Forest District Council is located adjacent to three outer London boroughs and on the Central Line into the City of London. Also residents have easy access to major motorway routes as both the M11 and M25 run through the district. There is a high incidence of commuting from the district which impacts on the local labour market and levels of pay, particularly for jobs that require skills that are in relatively short supply. Whilst the economic downturn has eased some long standing recruitment difficulties and improved retention rates in key skill areas, the situation is not static and is capable of changing very rapidly.

This Statement reflects the Council's current **pay, pension and leave** policies and strategies which will be amended over time to deal with changing circumstances. These documents play an important role in attracting and retaining the best people to the Council.

All decisions on pay and reward for Chief Officers will comply with the Council's current Pay Policy Statement. Salaries for Chief Officers will be considered by Full Council.

Glossary. (*Hyperlink to Glossary 1*)

Hutton Review 2011 (*Hyperlink to Review 2*)

The Hutton Review looked at the rise in executive pay in the private and public sectors. It suggested that the 'public overestimates how much public sector executives are paid' and that 'chief executive officers of companies with a turnover of between £101 million and £300 million earn more than twice their public sector counterparts'. It also suggested that pay multiples (between the highest and lowest paid employees) were much wider in the private than public sector.

The Review proposed that public bodies should publish information on senior managers pay and pay multiples between the highest and lowest paid employees and to that end some of these recommendations have been taken forward by the Localism Act 2011.

Legislation

Section 38 (1) of the Localism Act 2011 requires English and Welsh Councils to produce a Pay Policy Statement for 2012/2013 and for each financial year thereafter.

The Council's Pay Policy Statement;

- Must be approved formally by the Council;
- Must be approved each year;
- May be amended during the course of the financial year; and

- Must be published on the Council's website.

The Pay Policy Statement must include;

- The level and elements of remuneration for each of the Chief Officers;
- The remuneration of its lowest paid employees (together with its definition of 'lowest paid employees' and the Council's reasons for adopting that definition);
- The relationship between the remuneration of its Chief Officers and other Officers; and
- Other aspects of Chief Officers' remuneration; remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments and transparency.

Remuneration is defined widely, to include not just pay but also charges, fees, allowances, benefits in kind, increases/enhancements of pension entitlements and termination payments.

All salaries and calculations are based on full time equivalent (fte) figures and where applicable includes Inner Fringe Allowance.

Publication of the Pay Policy Statement

The Policy has been made available on the Council's website and contains hyperlinks to associated documents.

Effect of this Policy Statement

Nothing in this Policy Statement enables unilateral changes to employee's terms and conditions. Changes to terms and conditions of employment must follow consultation and negotiation with individuals and recognised trade unions as set out in other agreements and in line with legislation.

Single Status Agreement

In 1997, the National Joint Council (NJC) for Local Government Services (a body that brings together public sector employers and trade unions) came to an agreement to introduce a new pay and grading structure covering all employees whose terms and conditions are governed by the 'Green Book'. In 2004 the NJC set a timetable that required all pay and grading reviews to be completed by 31 March 2007. Epping Forest District Council met this timetable and implemented Single Status in July 2003.

As a result of this process a new salary structure (*hyperlink to structure 3*) and a Job Evaluation Maintenance Procedure (*hyperlink to procedure 4*) were agreed between the trade unions and the Council. Collective Agreements, which set out a number of terms and conditions and pay arrangements, were also agreed with the trade unions (*hyperlink 5, 6 & 7 to agreements*). The Agreements are applied consistently to all employees.

Pay Awards

Major decisions on pay, such as annual pay awards, are determined for most local authorities in England and Wales by the National Agreement on Pay, arrived at through a system of central collective bargaining mechanisms between representatives of Local Government Employers and representatives of the relevant trades unions on the National Joint Council. It is the Council's policy to implement national agreements.

Overtime and Evening Meeting Allowances

Payments for working outside normal working hours are set out in the Council's Collective Agreements. (*hyperlink to Agreements 5, 6, & 7*).

Annual Leave

The Council's Annual Leave Policy sets out leave entitlements for employees. (*Hyperlink to Policy 8*).

Flexi-Time Scheme

The Council's Scheme applies to all employees with some exemptions due to service delivery needs. The arrangements are set out in the Council's guidance. (*Hyperlink to Policy 9*).

Subsistence Policy

Subsistence Allowances are paid in accordance with the Council's Subsistence Policy. The policy sets out when employees are able to claim, what to claim and how. (*Hyperlink to Policy 10*).

Car and Cycle Allowance Policy

The Council pays Essential and Casual Car User allowances in appropriate circumstances which are in accordance with 'Green Book' rates. The Car and Cycle Allowance Policy sets out when employees are able to claim, what to claim and how. (*Hyperlink to Policy 11*).

The general principles of both policies are to ensure that employees only claim for additional expenses when undertaking work for the Council.

These policies are applied consistently to all employees.

Car Leasing

Cabinet, at its meeting on 3 December 2012 agreed the following changes to the Council's Car Lease Scheme, following a lengthy review and robust consultation process;

- Employees on the current scheme will be allowed one further lease of 3 years, after which the scheme will close

- The Council will make its contribution based on a maximum of £4,000 per annum including insurance with all costs over the maximum to be met in full by the employee
- The Council's contributions are capped as follows:
 - Year 1 – 70%
 - Year 2 - 60%
 - Year 3 – 50%
- These reducing contribution rates are the upper limits. Employees who currently qualify for the lower rates of Council contribution will retain their current rate and will be unaffected until the cap falls below their current rate.

Currently there are 31 employees on the Scheme; 2 Chief Officers; 6 Assistant Directors and 23 employees, the same number as in 2014/15.

As a comparison at 2013/14 there were 43 employees on the Scheme; 4 Chief Officers; 7 Assistant Directors and 32 employees on the Scheme. At 2012/13 there were 60 employees on the Scheme; 4 Chief Officers; 13 Assistant Directors and 43 employees.

The Cabinet also agreed to implement a Green Car Salary Sacrifice Scheme for all eligible staff to access with no Council contribution towards the cost of an employee's lease payments. Currently there are **12** employees on this Scheme.

Professional Fees and Subscriptions

The Council will meet the cost of a legal practising certificate for all those employees where it is a requirement of their employment, in addition the professional fees for the statutory roles of the s151 Officer and Deputy s151 Officer. No other professional fee or subscription is paid. The Council does not differentiate between Chief Officers and other staff.

Pensions and Termination Payments

On ceasing to be employed by the Council, individuals will only receive compensation:

- in circumstances that are relevant (e.g. redundancy), and
- that is in accordance with our published Pension Policy on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or
- that complies with the specific term(s) of a compromise agreement.

All employees with contracts of 3 months or more are automatically enrolled into the Local Government Pension Scheme (LGPS), which is administered by Essex County Council. Details of the contribution rates are set out below. In addition, the Council will automatically enrol employees into the LGPS if they meet the relevant criteria in accordance with the automatic enrolment provisions.

The Council has the option to adopt a number of statutory discretions under the;

- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.
- The Local Government Pension Scheme (Administration) Regulations 2008.
- The Local Government (Discretionary Payments) Regulations 1996 (as amended).
- **The Local Government Pension Scheme (LGPS) April 2014.**

In general the Council has chosen not to exercise a range of discretions relating to the LGPS due to additional costs. The Council's Pension Policy (*hyperlink to Policy 12*) contains information regarding all its discretions and includes information regarding Flexible Retirement arrangements.

Payments on grounds of Redundancy are covered by the Council's Redundancy and Efficiency Payments Policy. (*hyperlink to policy 13*)

All employees are treated in the same way with regard to the calculation of severance payments in situations of redundancy.

Pension Contributions

Employee contribution rates wef 1 April 2014;

Salary	Contribution
Up to £13,500	5.5%
£13,501 to £21,000	5.8%
£21,001 to £34,000	6.5%
£34,001 to £43,000	6.8%
£43,001 to £60,000	8.5%
£60,001 to £85,000	9.9%
£85,001 TO £100,000	10.5%
£100,001 to £150,000	11.4%
£150,001 and above	12.5%

Election Fees

Council employees engaged by the Returning Officer for election duties received payments under the relevant schedule of fees (i.e. polling and counting duties).

Remuneration of Employees, Grades 1-12

Pay Scale

For employees subject to the 'National Agreement on Pay and Conditions of Service of the National Joint Council (NJC) for Local Government Services' (commonly known as the 'Green Book'), the Council uses a pay spine that commences at national Spinal Column Point (SCP) 5 and ends at local SCP 58. This pay spine is divided into 12 pay grades; grade 1 contains 1 scale point, grades 1 – 10 contain five incremental points and

grades 11 and 12 contain 4 incremental points. Grade 1 is the lowest and grade 12 is the highest of these pay grades. Posts are allocated to a pay band through a process of job evaluation.

As part of the latest national pay award, with effect from 1 October 2015 scp 5 will be deleted from the pay spine, therefore grade 1 will also be deleted.

The Council uses the NJC Job Evaluation Scheme to evaluate all posts on grades 1 – 12. This also includes Craft Workers who are subject to the Joint Negotiating Committee (JNC) for Local Authority Craft and Associated Employees National Agreement on Pay and Conditions (commonly known as the 'Red Book').

The Council does not operate overlapping pay grades therefore, the minimum point of a pay grade is not lower than the maximum point of the preceding pay grade. (*Hyperlink to pay scale 3*).

Individuals will normally receive an annual increment, subject to the top of their grade not being exceeded. For grades 1 – 10 the 5th point each grade will only be awarded if the employee has at least 5 years continuous service with the Council.

An Inner Fringe Allowance of **£824** per annum is paid to employees (this does not apply to Apprentices).

Assistant Directors

Assistant Directors are paid on grades 11 or 12 and are also subject to the NJC Job Evaluation Scheme. The salary ranges for these grades wef **1 January 2015** are;

Grade	Scale Column Points	Salary Range
Grade 11	SCP 51 – 54	£47,393 - £51,050
Grade 12	SCP 55 - 58	£53,102 - £57,225

The salary shown is inclusive of the Inner Fringe Allowance of **£824** per annum.

Definition of Lowest Paid Employees

For the purpose of this Policy Statement, employees on grade 1 are defined as our lowest-paid employees. This is because no employee of the Council is paid lower than SCP 5 which is contained in grade 1. **With effect from 1 October 2015 SCP 5 and grade 1 will be deleted from the pay spine.**

Employees on scp 5 will automatically progress to SCP 6, which is currently the bottom of grade 2. These employees will not be subject to incremental progression and will remain on scp 6. At **1 January 2015**, the fte annual value of this **SCP 5 will be £14,324** which includes an Inner Fringe Allowance of **£824** per annum.

From 1 October 2015, the fte annual value of SCP 6 will be £14,438, which includes an Inner Fringe Allowance of £824 per annum.

The exceptions to the lowest grade are Apprentices who are paid £120.00 per week.

General

The values of the SCPs in grades 1 – 12 are increased by pay awards notified from time to time by the National Joint Council for Local Government Services. **A national pay award was implemented to these grades effective from 1 January 2015 covering the period 1 April 2014 to 2016 of 2.2%. There was no back pay awarded but a sliding scale of 'non-consolidated' payments was agreed.**

An Inner Fringe Allowance of **£824** per annum is paid to employees (this does not apply to Apprentices).

Annual salaries are paid pro-rata to part-time employees based on the hours contracted to work.

Remuneration of Chief Officers

The Council will not agree any pay arrangement which does not reflect the correct employment and/or tax/NI status of a Chief Officer or employee.

It will be the responsibility of Council to agree the initial salaries for Chief Officers following external advice/evaluation/benchmarking.

Chief Executive

The Chief Executive role was recruited to on a permanent and full-time basis in 2012. During the recruitment process the Council took external advice to set the appropriate salary for the role which took account of current economic circumstances and the recruitment market.

As at 1 April **2015** the salary for the Chief Executive role will be a spot salary of £112,000 per annum which includes the Inner Fringe Allowance of **£824** per annum and evening meeting allowances. The postholder is entitled to claim essential car allowance in accordance with the Council's policy. The salary and pay arrangements for the Chief Executive were agreed at Full Council on 18 June 2012.

The Chief Executive is also the Council's Head of Paid Service and from 16 June 2014 the Chief Executive **took** on the responsibility of the Returning Officer.

Returning Officer

The Returning Officer role attracts payment of fees and expenses, depending on the elections held in any year. The amount for such payments varies according to the particular elections held from year to year. These fees are taxable and subject to National Insurance and pension deductions.

The amount for such payments varies according to the particular elections held from year to year. These fees are taxable and subject to National Insurance and pension deductions.

Only a proportion of the fees were retained by the Returning Officer. The remainder were paid to employees who provide specific support in the organisation of elections which are outside the scope of the ordinary scale of election fees.

Returning Officer – Assistant to the Chief Executive

EU Parliamentary Election	£5202
District Council Elections	£7738.75
Parish Council By-Election	£435.15

Returning Officer – Chief Executive

District Council By-Election (August)	£272.80
District Council By-Election (September)	£440.50
Ongar Town Council Parish Poll	£435.15

Directors

The pay scale for Directors consists of 3 incremental points. The level of pay is locally determined following benchmarking with other public sector organisations and agreement by Council.

All Directors report to the Chief Executive. As at 1 **January 2015**, the annual FTE salary range for the four Director posts will be **£84,121 - £90,130** which includes the Inner Fringe Allowance of **£824** per annum. The postholders are entitled to claim essential car allowance in accordance with the Council's Policy and can claim evening meeting allowances. There are three incremental points in this grade.

Any pay awards to Directors' salaries will be agreed at a national level as notified from time to time by the JNC for Chief Officers of Local Authorities. **A recent pay award has been agreed for the period 2014 to end of March 2016 whereby Directors' salaries will increase by 2% from 1 January 2015. There will be no back pay. This is the first pay award applied to Directors since 1 April 2008.**

The statutory roles of Monitoring Officer and 'Section 151' Officer will be carried out by the Director of Governance and the Director of Resources respectively. The postholders do not receive additional payments for these duties.

Assistant to the Chief Executive

From 16 June 2014 this role no longer exists in the Council's structure.

General Principles Applying to Remuneration of All Employees

On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. Usually new starters will be placed on the bottom of the pay grade unless their current salary is higher. In these circumstances their starting scale point will match their **previous** salary at least.

Access to appropriate elements of the Council's Relocation Scheme may also be granted in certain cases, when new starters need to move to the area.

The Council does not apply performance-related pay or bonuses.
Market Supplements will be paid in accordance with the Council's Policy for Payment of Market Supplements. ([Hyperlink to Policy 14](#))

Honorarium or ex-gratia payments will be paid in accordance with our Additional Payments Policy. ([Hyperlink to Policy 15](#))

These policies are applied consistently to all employees.

Pay Multiples

The Hutton Review raised concerns about multiples in the order of 20 or higher between the lowest and the highest paid employees in local authorities. However the Interim Report noted that the most top to bottom pay multiples in the public sector are in the region of 8:1 to 12:1. The Council is therefore content that having due regard for the level of responsibilities and personal accountability between the lowest and highest paid roles, the current multiple of **7.8** seems to be both justifiable and equitable.

The council does not set the remuneration of any individual or group of posts by reference to a multiple. However, as suggest by the Hutton Review the Council will monitor multiples over time to ensure they are appropriate and fair and will explain significant changes in pay multiples. The multiples are as following;

Role	2013/14		2014/2015		2015/2016	
	Multiple	Salary	Multiple	Salary	Multiple	Salary
Chief Executive compared to lowest salary	x 8.6	£112,000	x8.5	£112,000	x7.8	£112,000
Directors compared to lowest salary	x 6	£76,838	x6.8	£88,363	x6.3	£90,130
Assistant Directors compared to lowest salary	x 4	£52,837	x4.2	£55,993	x4	£57,225
Average salary compared to Chief Executive	x4.3	£26,300	x4.2	£27,000	x4.1	£27,500
Average salary compared to lowest salary	x2	£26,300	x2	£27,000	x1.9	£27,500

- The Director salary used is the top point of the Director range
- The Assistant Director used is the top point of grade 12
- The average salary is based on fte and has not been pro rata'd for part-time employees
- The lowest fte salary in the Council is **£14,324**

Remuneration Panel

The Council is not at this time considering forming a separate Remuneration Panel to set pay rates for Council employees. The Council will continue to use an external body to evaluate Chief Officer roles when required and/or to provide benchmark pay information for these roles. It will also continue to use an internal job evaluation panel to evaluate those posts graded 1 – 12.

Annual pay awards will continue to be determined at a national level and implemented by the Council.

It will be the responsibility of Council to agree the initial salaries for Chief Officers following external advice/evaluation/benchmarking.

Review

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. Our next Statement is scheduled to be for 2016/17 and will be submitted to Council for approval as reasonably practical before 31 March 2016.

If it should be necessary to amend this 2015/16 Statement during the year that it applies, an appropriate decision will be made by the relevant Committee, however, Council will agree the Pay Policy Statement.

JOINT CONSULTATIVE COMMITTEE – TERMS OF REFERENCE

(1) The Committee shall be called the Joint Consultative Committee

(2) Objectives

The purpose of the Joint Consultative Committee is;

- (a) To bring together the Council and the recognised trade union representatives to provide a regular forum for consultation and negotiation on matters relevant to industrial relations, productivity, work arrangements and those terms and conditions of employment which the employer and/or trade unions deem appropriate.
- (b) To ensure that the views of the recognised trade union representatives are sought on existing practices and on proposed changes which will affect staff.
- (c) To discuss, in relation to local conditions, the implementation of matters which have been prescribed or recommended at a national, provincial or other agreed level.
- (d) To conduct employee consultation between the employer and trade unions on any potential points of disagreement.
- (e) To consider any relevant matter referred to it by another Committee of the Council, by the trade unions or by an officer of the Council. Relevant matters may include new ways of working, policies, procedures, reorganisations, conditions of service, staff welfare, learning and development, working conditions or safety issues.
- (f) To discharge any other functions from time to time specifically referred to the Committee by the Cabinet.
- (g) Any matters concerning an individual including, (but not exhaustive) pay, conduct, capability, job evaluation or promotion are not within the scope of the Committee.

(3) Membership

- (a) The Joint Consultative Committee shall comprise of 18 persons.
- (b) The Joint Consultative Committee shall include 9 councillors (to be known as the 'Council Representatives') to be appointed annually by the Council at its annual meeting based on pro rata allocations between the political groups in accordance with the Local Government and Housing Act 1989 (as amended).
- (c) Nine trade union representatives employed by the Council (to be known as the 'Staff Representatives') shall be appointed by the trade unions represented on the East of England Local Government Association Regional Council in proportion to the number of such employees in membership of each trade union, subject to each trade union represented having a minimum of one representative each. All representatives must be employees of the Council.
- (d) All members of the Committee shall retire annually and shall be eligible for re-appointment. If a member of the Committee ceases to be either a member or officer of the Council, they shall cease to be a member of the Joint Consultative Committee. Any vacancies shall be filled as soon as practicable.

- (e) Each political group or trade union represented on the Committee shall be entitled to nominate substitute members provided that the Committee Secretary is given notice not later than 60 minutes before the commencement of the meeting.

(4) Chairman and Vice-Chairman

- (a) A Chairman and a Vice-Chairman shall be appointed by the Committee at their first meeting in each Council year. The offices to alternate each year between the Council and Staff Representatives. If the Chairman appointed is a Council Representative, the Vice-Chairman shall be appointed from the Staff Representatives, and vice-versa. The member appointed from the Council Representatives to be Chairman or Vice-Chairman shall be a member of the Cabinet.
- (b) The Chairman of the meeting shall not have a casting vote.
- (c) It shall be competent for either side to waive its right under (a) above to nominate a Chairman at the first meeting of each Council year, in which case the Committee may proceed to elect a Chairman and appoint a Vice-Chairman on that basis.

(5) Officers

- (a) The Assistant Director (HR) shall be the Lead Officer for the purpose of formal and informal liaison between meetings. They shall ensure that the considerations and recommendations of the Committee are reported to all staff via the next available staff newsletter or equivalent.

(6) Advisors

- (a) Either side shall have the right to co-opt, in a consultative capacity, representatives of particular Directorates or Service Areas affected by an item under discussion, but only for a period during which the matter is under consideration. The co-opted representative will attend the Committee as required.
- (b) Either side may arrange for the attendance in an advisory capacity of an officer or trade union official at a Committee meeting where it would be helpful to the business under discussion.
- (c) Such attendances under (a) and (b) above shall be notified to the Committee Secretary at least two working days of the meeting, who will inform the Chairman and Vice-Chairman of the Committee.

(7) Meeting – Procedure and Protocol

- (a) The Committee shall meet at least 4 times a year as set out in the annual Calendar of Meetings document. The Chairman or Vice-Chairman may call a meeting at any time giving at least 5 working days' notice.
- (b) A meeting can be called within seven days following the receipt by the Chief Executive of a requisition signed by not less than one-third of the members of either side.
- (c) The matters to be discussed at any meeting of the Committee shall be stated upon the notice summoning the meeting; provided that any other business may be considered if admitted by a majority vote of those present on each side at the meeting.

- (d) The agenda for meetings will be despatched to each member of the Committee at least 5 working days before the meeting.
- (e) The quorum of the Committee shall be 3 representatives of each side.
- (f) No recommendation shall be regarded as carried unless it has been approved by a majority of the members present on each side of the Committee. In the event that the Committee is unable to arrive at a consensus, the Cabinet will make the final decision taking the views of both sides into consideration.
- (g) The Committee will only act in an advisory role, making its recommendations to the relevant Portfolio Holder or the Cabinet for final decision.
- (h) The Committee shall have the authority to appoint or to arrange for the appointment of Sub-Committees or working parties where necessary.
- (i) The minutes of proceedings of the Committee shall be kept by the Director of Governance and shall be signed by the Chairman and the Vice-Chairman.
- (j) The meetings will usually be held outside normal working hours. The Staff Representatives on the Committee shall be eligible to claim an Evening Meeting Payment in accordance with the Council's policy.
- (k) In the event of a meeting being held during normal working hours, the Staff Representatives shall be granted paid leave of absence in respect of their attendance.
- (l) Either side may request the revision of the Terms of Reference. The Committee at their next meeting will then consider the matter.

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Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

Introduction

In April 2002 the Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (now the 2011 Edition) (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year.

In addition, the Department for Communities and Local Government (CLG) issued revised Guidance on Local Authority Investments in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.

This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to both the CIPFA Code and the CLG Guidance.

The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Council's treasury management strategy.

External Context

Economic background: There is momentum in the UK economy, with a continued period of growth through domestically-driven activity and strong household consumption. There are signs that growth is becoming more balanced. The greater contribution from business investment should support continued, albeit slower, expansion of GDP. However, inflationary pressure is benign and is likely to remain low in the short-term. There have been large falls in unemployment but levels of part-time working, self-employment and underemployment are significant and nominal earnings growth remains weak and below inflation.

The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee. Despite two MPC members having voted for an 0.25% increase in rates at each of the meetings August 2014 onwards, some Committee members have become more concerned that the economic outlook is less optimistic than at the time of the August Inflation Report.

Credit outlook: The transposition of two European Union directives into UK legislation in the coming months will place the burden of rescuing failing EU banks disproportionately onto **unsecured local authority investors**. The Bank Recovery and Resolution Directive promotes the interests of individual and small businesses covered by the Financial Services Compensation Scheme and similar European schemes, while the recast Deposit Guarantee Schemes Directive includes large companies into these schemes. The combined effect of these two changes is to leave public authorities and financial organisations (including pension funds) as the only senior creditors likely to incur losses in a failing bank after July 2015.

The continued global economic recovery has led to a general improvement in credit conditions since last year. This is evidenced by a fall in the credit default swap spreads of banks and companies around the world. However, due to the above legislative changes, **the credit risk associated with making unsecured bank deposits will increase** relative to the risk of other investment options available to the

Authority. In consequence the Council intends to develop its use of Treasury Bills and Certificates of Deposit. These are currently permissible within our Treasury Strategy, and will be via the broker King and Shaxson.

Interest rate forecast: The Council's treasury management advisor Arlingclose forecasts the first rise in official interest rates in August 2015 and a gradual pace of increases thereafter, with the average for 2015/16 being around 0.75%. Arlingclose believes the normalised level of the Bank Rate post-crisis to range between 2.5% and 3.5%. The risk to the upside (i.e. interest rates being higher) is weighted more towards the end of the forecast horizon. On the downside, Eurozone weakness and the threat of deflation have increased the risks to the durability of UK growth. If the negative indicators from the Eurozone become more entrenched, the Bank of England will likely defer rate rises to later in the year. Arlingclose projects gilt yields on an upward path in the medium term, taking the forecast average 10 year PWLB loan rate for 2015/16 to 3.40%.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at **Appendix A**.

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.93%, and that new long-term loans will be borrowed at an average rate of 3 to 4%.

Local Context

The Authority currently has £185.5m of borrowing and £62m of investments. This is set out in further detail at **Appendix B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance Sheet Summary and Forecast

	31.3.14 Actual £m	31.3.15 Estimate £m	31.3.16 Estimate £m	31.3.17 Estimate £m	31.3.18 Estimate £m
General Fund CFR	29.6	29.6	59.6	59.6	59.6
HRA CFR	155.1	155.1	155.1	155.1	155.1
Total CFR	184.7	184.7	214.7	214.7	214.7
Less: Other debt liabilities *	0	0	0	0	0
Borrowing CFR	184.7	184.7	214.7	214.7	214.7
Less: External borrowing	-185.5	-185.5	-214.5	-214.5	-214.5
Internal borrowing	-0.8	-0.8	0.2	0.2	0.2
Less: Usable reserves	57.5	55.0	45.0	50.0	55.0
Less: Working capital	47	45.0	45.0	45.0	45.0
Resources available for Investment	103.7	100.0	90.0	95.0	100.0

* finance leases and PFI liabilities that form part of the Authority's debt

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain investments below their underlying level, sometimes known as internal borrowing, subject to holding a minimum investment balance of £30m.

Investments are forecast to fall to £35m as capital receipts are used to finance capital expenditure and reserves are marginally used to finance the revenue budget.

The Authority has an increasing CFR due to a number of potential investment opportunities, these are not in the capital programme yet as there are still some uncertainties to resolve. It is likely that the Council will therefore be required to borrow up to £30m over the forecast period.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation from 2015/16.

Borrowing Strategy

The Authority currently holds £185.5 million of loans, the same as the previous year, as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Council expects to borrow up to £215m in 2015/16.

Objectives: The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective.

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Authority's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to use internal resources.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2015/16 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

In addition, the Authority may borrow short-term loans (normally for up to one month) to cover unexpected cash flow shortages. Though in the main we are only lending at present.

Sources: The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB)
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except the Essex Pension Fund)
- capital market bond investors
- Local Capital Finance Company and other special purpose companies created to enable local authority bond issues

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase

- Private Finance Initiative
- sale and leaseback

The Council has previously raised all of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans, that may be available at more favourable rates.

LGA Bond Agency: Local Capital Finance Company was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for three reasons: borrowing authorities may be required to provide bond investors with a joint and several guarantee over the very small risk that other local authority borrowers default on their loans; there will be a lead time of several months between committing to borrow and knowing the interest rate payable; and up to 5% of the loan proceeds will be withheld from the Authority and used to bolster the Agency's capital strength instead. Any decision to borrow from the Agency will therefore be the subject of a separate report to Full Council. This Council is not at present committed to working with the Agency.

LOBOs: The Council holds no LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost.

Short-term and Variable Rate loans: These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

Debt Rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Investment Strategy

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £50.7 and £66.7 million, and similar levels are expected to be maintained in the forthcoming year.

Objectives: Both the CIPFA Code and the CLG Guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk receiving unsuitably low investment income.

Strategy: Given the increasing risk and continued low returns from short-term unsecured bank investments, the Council aims to diversify into more secure and/or higher yielding asset classes during 2015/16. This is especially the case for the estimated £10m that is available for longer-term investment. The majority of the Council's surplus cash is currently invested in short-term unsecured bank deposits, and money market funds. This diversification will therefore represent a substantial change in strategy over the coming year.

Approved Counterparties: The Council may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 2: Approved Investment Counterparties and Limits

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates (by Group)	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£10m 10 years	£10m 20 years	£10m 50 years	£10m 20 years	£1m 10 years
AA+	£10m 5 years	£10m 10 years	£10m 25 years	£10m 10 years	£1m 10 years
AA	£10m 4 years	£10m 5 years	£10m 15 years	£10m 5 years	£1m 10 years
AA-	£10m 3 years	£10m 4 years	£10m 10 years	£10m 4 years	£1m 10 years
A+	£10m 2 years	£10m 3 years	£10m 5 years	£10m 3 years	£1m 10 years
A	£10m 12 months	£10m 2 years	£10m 5 years	£10m 2 years	£1m 10 years
A-	£10m 12 months	£10m 13 months	£10m 5 years	£10m 13 months	£1m 10 years
BBB+	£10m 100 days	£10m 6 months	£10m 2 years	£10m 6 months	n/a
BBB or BBB-	£10m next day only	£10m 100 days	n/a	n/a	n/a
None	n/a	n/a	n/a	n/a	n/a
Pooled funds	£5m per fund				

This table must be read in conjunction with the notes below

Credit Rating: Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. Unsecured investment with banks rated BBB or BBB- are restricted to overnight deposits at the Authority's current account bank, presently NatWest PLC.

Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the highest of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. The Treasury Management Strategy Statement for 2014/15 to 2016/17 was previously amended to permit lending to service providers with which the Council is in a contractual relationship (e.g. the Waste Management Contractor). A maximum of £5m will be lent to any one service provider and the repayment term may not exceed the end of the contract period. Where a loan is made to a service provider the loan will be secured on the assets the loan is used to finance.

Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain a high likelihood of receiving government support if needed.

Pooled Funds: Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Segregated Fund Manager: none of the Council's funds are managed on a discretionary basis by a Fund Manager.

Risk Assessment and Credit Ratings: Credit ratings are obtained and monitored by the Council's treasury advisers, currently Arlingclose, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other

market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Specified Investments: The CLG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

The Council defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

Non-specified Investments: Any investment not meeting the definition of a specified investment is classed as non-specified. The Council does not intend to make any investments denominated in foreign currencies, nor any that are defined as capital expenditure by legislation, such as company shares. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

Table 3: Non-Specified Investment Limits

	Cash limit
Total long-term investments	£30m
Total investments without credit ratings or rated below A-	£5m
Total investments with institutions domiciled in foreign countries rated below AA+	£5m
Total non-specified investments	£40m

Investment Limits: The Council’s useable revenue reserves available to cover investment losses are forecast to be £30million on 31st March 2015. In order that no more than 33% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £10million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries and industry sectors as below:

Table 4: Investment Limits

	Cash limit
Any single organisation, except the UK Central Government	£10m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£10m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker's nominee account	£15m per broker
Foreign countries	£10m per country
Registered Providers	£5m in total
Unsecured investments with Building Societies	£10m in total
Loans to unrated corporates	£10m in total
Money Market Funds	£15m in total

Liquidity Management: The Council uses spread sheets for cash flow forecasting to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a pessimistic basis, with receipts under-estimated and payments over-estimated to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial plan and cash flow forecast and known large transactions that may not be included in the forecast.

Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment.

	Target	Q3 Rating
Portfolio average credit rating	A-	A+

Liquidity: The Authority has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

	Target
Total cash available within 3 months	£20m

Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of net principal borrowed will be:

	2015/16	2016/17	2017/18
Upper limit on fixed interest rate exposure	100%	100%	100%
Upper limit on variable interest rate exposure	75%	75%	75%

Fixed rate investments and borrowings are those where the rate of interest is fixed for the whole financial year.

Maturity Structure of Borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Lower	Upper
Under 12 months	0%	100%
12 months and within 24 months	0%	100%
24 months and within 5 years	0%	100%
5 years and within 10 years	0%	100%
10 years and within 20 years	0%	100%
20 years and within 30 years	0%	100%
30 years and within 40 years	0%	100%
40 years and within 50 years	0%	100%
50 years and above	0%	100%

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2015/16	2016/17	2017/18
Limit on principal invested beyond year end	£30m	£30m	£30m

Other Items

There are a number of additional items that the Authority is obliged by CIPFA or CLG to include in its Treasury Management Strategy.

Policy on Use of Financial Derivatives: Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment).

The Council will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative

counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives, including those present in pooled funds, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.

Policy on Apportioning Interest to the HRA: On 1st April 2012, the Authority notionally split its existing long-term loans into General Fund and HRA pools. Though all the debt has since been in the HRA pool. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Authority's average interest rate on investments, adjusted for credit risk.

Investment Training: The needs of the Council's treasury management staff for training in investment management are assessed every month as part of the Treasury Management meetings, and additionally when the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

Investment Advisers: The Council has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues. The quality of this service is controlled by Officers experienced in these matters.

Investment of Money Borrowed in Advance of Need: The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £230 million. The maximum period between borrowing and expenditure is expected to be two years, although the Council is not required to link particular loans with particular items of expenditure.

Financial Implications

The budget for investment income in 2015/16 is £332,000, based on an average investment portfolio of £35million at an interest rate of 0.95%. The budget for debt interest paid in 2015/16 is £5.5 million, based on an average debt portfolio of £185million at an average interest rate of 3%. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

Other Options Considered

The CLG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Resources, having consulted the Portfolio Holder, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses will be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses will be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs will be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long term costs will be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs will be less certain

Appendix A - Arlingclose Economic & Interest Rate Forecast October 2014

Underlying assumptions:

- The UK economic recovery has continued. Household consumption remains a significant driver, but there are signs that growth is becoming more balanced. The greater contribution from business investment should support continued, albeit slower, expansion of GDP throughout this year.
- We expect consumption growth to slow, given softening housing market activity, the muted outlook for wage growth and slower employment growth. The subdued global environment suggests there is little prospect of significant contribution from external demand.
- Inflationary pressure is currently low and is likely to remain so in the short-term. Despite a correction in the appreciation of sterling against the US dollar, imported inflation remains limited. We expect commodity prices will remain subdued given the weak outlook for global growth.
- The MPC's focus is on both the degree of spare capacity in the economy and the rate at which this will be used up, factors prompting some debate on the Committee.
- Nominal earnings growth remains weak and below inflation, despite large falls in unemployment, which poses a dilemma for the MPC. Our view is that spare capacity remains extensive. The levels of part-time, self-employment and underemployment are significant and indicate capacity within the employed workforce, in addition to the still large unemployed pool. Productivity growth can therefore remain weak in the short term without creating undue inflationary pressure.
- However, we also expect employment growth to slow as economic growth decelerates. This is likely to boost productivity, which will bear down on unit labour costs and inflationary pressure.
- In addition to the lack of wage and inflationary pressures, policymakers are evidently concerned about the bleak prospects for the Eurozone. These factors will maintain the dovish stance of the MPC in the medium term.
- The continuing repair of public and private sector balance sheets leave them sensitive to higher interest rates. The MPC clearly believes the appropriate level for Bank Rate for the post-crisis UK economy is significantly lower than the previous norm. We would suggest this is between 2.5 and 3.5%.
- While the ECB is likely to introduce outright QE, fears for the Eurozone are likely to maintain a safe haven bid for UK government debt, keeping gilt yields artificially low in the short term.
- The probability of potential upside risks crystallising have waned a little over the past two months. The primary upside risk is a swifter recovery in the Eurozone.

Forecast:

- Arlingclose continues to forecast the first rise in official interest rates in Q3 2015; general market sentiment is now close to this forecast. There is momentum in the economy, but inflationary pressure is benign and external risks have increased, reducing the likelihood of immediate monetary tightening.
- We project a slow rise in Bank Rate. The pace of interest rate rises will be gradual and the extent of rises limited; we believe the normalised level of Bank Rate post-crisis to range between 2.5% and 3.5%.
- The short run path for gilt yields is flatter due to the deteriorating Eurozone situation. We project gilt yields on an upward path in the medium term.

	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Dec-17	Mar-18
Official Bank Rate													
Upside risk		0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Arlingclose Central Case	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.75	1.75
Downside risk				0.25	0.25	0.50	0.50	0.75	0.75	1.00	1.00	1.00	1.00
3-month LIBID rate													
Upside risk	0.05	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Arlingclose Central Case	0.55	0.60	0.65	0.85	1.00	1.15	1.30	1.45	1.60	1.75	1.85	2.05	2.15
Downside risk	0.10	0.15	0.20	0.30	0.40	0.55	0.65	0.75	0.85	-0.95	-0.95	-0.95	-1.00
1-yr LIBID rate													
Upside risk	0.10	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Arlingclose Central Case	0.95	1.00	1.05	1.20	1.35	1.50	1.65	1.80	1.95	2.10	2.20	2.40	2.50
Downside risk	-0.30	-0.35	-0.40	-0.45	-0.50	-0.55	-0.60	-0.65	-0.70	-0.75	-0.80	-0.80	-0.80
5-yr gilt yield													
Upside risk	0.30	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55
Arlingclose Central Case	1.70	1.75	1.90	2.00	2.10	2.20	2.30	2.40	2.50	2.60	2.70	2.90	2.95
Downside risk	-0.30	-0.35	-0.35	-0.35	-0.40	-0.45	-0.50	-0.55	-0.60	-0.65	-0.70	-0.70	-0.70
10-yr gilt yield													
Upside risk	0.30	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55
Arlingclose Central Case	2.40	2.45	2.55	2.60	2.65	2.70	2.75	2.80	2.85	2.90	2.95	3.05	3.10
Downside risk	-0.30	-0.35	-0.35	-0.35	-0.40	-0.45	-0.50	-0.55	-0.55	-0.55	-0.60	-0.60	-0.60
20-yr gilt yield													
Upside risk	0.30	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55
Arlingclose Central Case	2.90	2.95	3.05	3.10	3.15	3.20	3.25	3.30	3.35	3.40	3.45	3.50	3.55
Downside risk	-0.30	-0.35	-0.35	-0.35	-0.40	-0.45	-0.50	-0.50	-0.55	-0.55	-0.60	-0.60	-0.60
50-yr gilt yield													
Upside risk	0.30	0.35	0.40	0.45	0.50	0.50	0.50	0.50	0.50	0.50	0.55	0.55	0.55
Arlingclose Central Case	3.00	3.05	3.10	3.15	3.20	3.25	3.30	3.35	3.40	3.45	3.50	3.55	3.60
Downside risk	-0.30	-0.35	-0.35	-0.35	-0.40	-0.45	-0.50	-0.55	-0.55	-0.55	-0.60	-0.60	-0.60

Appendix B - Existing Investment & Debt Portfolio Position

	31.12.14 Actual Portfolio £m	31.12.14 Average Rate %
External Borrowing:		
PWLB - Fixed Rate	153.656	3.000
PWLB - Variable Rate	31.800	0.57
Local Authorities	0	0
LOBO Loans	0	0
Total External Borrowing	185.456	
Other Long Term Liabilities:		
PFI	0	
Finance Leases	0	
Total Gross External Debt	185.456	
Investments:		
<i>Managed in-house</i>		
Short-term investments	43.7	
Long-term investments	10.0	
<i>Managed externally</i>		
Fund Managers	0	
Pooled Funds	5.0	
Total Investments	58.7	
Net Debt	126.756	

Appendix C -

Prudential Indicators 2015/16 to 2017/18

1. Background:

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators.

2. Gross Debt and the Capital Financing Requirement:

This is a key indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

If in any of these years there is a reduction in the capital financing requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement which is used for comparison with **gross** external debt.

The Director of Resources reports that the Council had no difficulty meeting this requirement in 2014/15 excepting in a very minor way, nor are there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

3. Estimates of Capital Expenditure:

3.1 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax and in the case of the HRA, housing rent levels.

Capital Expenditure	2014/15 Revised £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m	2018/19 Estimate £m
Non-HRA	8.842	7.476	2.071	1.151	1.020
HRA*	15.250	18.952	22.003	20.176	19.400
Total	24.092	26.428	24.074	21.327	20.420

3.2 Capital expenditure will be financed or funded as follows:

Capital Financing	2014/15 Revised	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate
	£m	£m	£m	£m	£m
Capital receipts	7.578	8.002	4.537	3.212	2.811
Government Grants	1.638	1.395	0.390	0.355	0.324
Other Contributions	0.710	0.150	0.150	0.150	0.150
Major Repairs Allowance	8.754	11.969	11.235	7.455	7.407
Revenue contributions	5.412	4.912	7.762	10.155	9.728
Total Financing	24.092	26.428	24.074	21.327	20.420

Table 1 shows that the capital expenditure plans of the Authority can be funded entirely from sources other than external borrowing.

4. Ratio of Financing Costs to Net Revenue Stream:

4.1 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The definition of financing costs is set out in the Prudential Code.

4.2 The ratio is based on costs net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2013/14 Actual	2014/15 Estimate	2015/16 Estimate	2016/17 Estimate	2017/18 Estimate
	%	%	%	%	%
Non-HRA	-0.39	-0.05	-0.06	-0.83	-1.22
HRA	16.47	16.05	15.81	15.03	14.47

5. Capital Financing Requirement:

5.1 The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and financing.

Capital Financing Requirement	2013/14 Actual £m	2014/15 Revised £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m
HRA	155.1	155.1	155.1	155.1	155.1
Non-HRA	29.6	29.6	59.6	59.6	59.6
Total CFR	184.7	184.7	214.7	214.7	214.7

5.2 The Council has embarked on a house building programme. The preliminary work started during 2012/13 with the works themselves starting in 2013/14. Whilst the business plan includes a very modest allocation for this, it is expected that the programme will be expanded in years beyond 2014/15 once the first schemes have been completed successfully and following the Government announcement with regards to “Reinvigorating Right to Buy and One for One Replacement” where the Government desire is that at a national level every additional home sold under Right to Buy will be replaced by a new home for affordable rent. Given the need to borrow for any additional house building the Council took advantage of the competitive borrowing rates whilst it could, rather than borrowing in a few years time when those rates will be unavailable. In the meantime this will allow the General Fund to continue (as it has done for a number of years) to internally borrow from the Housing Revenue Account at an appropriate rate, resulting in no detrimental impact on the General Fund from self-financing and would be fair to the HRA as it will still broadly receive the same level of income that it would have had if it had invested the money, rather than loaned internally to the GF.

6. Incremental Impact of Capital Investment Decisions:

6.1 This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and Housing Rent levels. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

Incremental Impact of Capital Investment Decisions	2014/15 Estimate £	2015/16 Estimate £	2016/17 Estimate £	2017/18 Estimate £
Increase in Band D Council Tax	-0.45	-0.28	0.15	-0.06
Increase in Average Weekly Housing Rents	-0.48	0.02	0.01	-16.80

7. Authorised Limit and Operational Boundary for External Debt:

- 7.1 The Authority has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Authority and not just those arising from capital spending reflected in the CFR.
- 7.2 The **Authorised Limit** sets the maximum level of external debt on a gross basis (i.e. excluding investments) for the Authority. It is measured on a daily basis against all external debt items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities). This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Authority's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.
- 7.3 The **Authorised Limit** is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).
- 7.4 The **Operational Boundary** has been set on the estimate of the most likely, i.e. prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.
- 7.5 The **Operational Boundary** links directly to the Authority's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the **Authorised Limit** reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the **Authorised Limit**.

	2014/15 Approved £m	2014/15 Revised £m	2015/16 Estimate £m	2016/17 Estimate £m	2017/18 Estimate £m
Authorised Limit for Borrowing	230.00	230.00	230.00	230.00	230.00
Authorised Limit for External Debt	230.00	230.00	230.00	230.00	230.00
Operational Boundary for Borrowing	204.00	204.00	219.00	219.00	219.00
Operational Boundary for External Debt	204.00	204.00	204.00	219.00	219.00

8. Adoption of the CIPFA Treasury Management Code:

- 8.1 This indicator demonstrates that the Authority has adopted the principles of best practice.

Adoption of the CIPFA Code of Practice in Treasury Management
The Council approved the adoption of the CIPFA Treasury Management Code at its meeting on 22 April 2002.

The Authority has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

9. Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure:

- 9.1 These indicators allow the Authority to manage the extent to which it is exposed to changes in interest rates. This Authority calculates these limits on (*select as appropriate*) net principal outstanding sums, (i.e. fixed rate debt net of fixed rate investments / net interest paid (i.e. interest paid on fixed rate debt net of interest received on fixed rate investments))
- 9.2 The upper limit for variable rate exposure has been set to ensure that the Authority is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.

	2014/15 Approved %	2014/15 Revised %	2015/16 Estimate %	2016/17 Estimate %	2017/18 Estimate %
<u>Fixed</u>					
Upper Limit for Fixed Interest Rate Exposure on Debt	100	100	100	100	100
Upper limit for Fixed Interest Rate Exposure on Investments	(100)	(100)	(100)	(100)	(100)
<u>Variable</u>					
Upper Limit for Variable Interest Rate Exposure on Debt	25	25	25	25	25

Upper Limit for Variable Interest Rate Exposure on Investments	(75)	(75)	(75)	(75)	(75)
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9.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Authority’s treasury management strategy.

10. Credit Risk:

10.1 The Authority considers security, liquidity and yield, in that order, when making investment decisions.

10.2 Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Authority’s assessment of counterparty credit risk.

10.3 The Authority also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:

- Published credit ratings of the financial institution (minimum A- or equivalent) and its sovereign (minimum AA+ or equivalent for non-UK sovereigns);
- Sovereign support mechanisms;
- Credit default swaps (where quoted);
- Share prices (where available);
- Economic fundamentals, such as a country’s net debt as a percentage of its GDP);
- Corporate developments, news, articles, markets sentiment and momentum;
- Subjective overlay.

10.4 The only indicators with prescriptive values remain to be credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.

Appendix D -

Appendix D - Current Recommended Sovereign and Counterparty List as at 31/12/2014
(Section 8)

Country/ Domicile	Counterparty	Maximum Counterparty Limit £m	Maximum Group Limit (if applicable) £m	Maximum Maturity Limit
UK	Santander UK Plc (Banco Santander Group)	10.0		6 months
UK	Bank of Scotland (Lloyds Banking Group)	10.0	10.0	6 months
UK	Lloyds TSB (Lloyds Banking Group)	10.0		6 months
UK	Barclays Bank Plc	10.0		100 days
UK	HSBC Bank Plc	10.0		6 months
UK	Nationwide Building Society	10.0		6 months
UK	NatWest (RBS Group)	Suspended	10.0	Suspended
UK	Royal Bank of Scotland (RBS Group)	Suspended		Suspended
UK	Standard Chartered Bank	10.0		6 months
Australia	Australia and NZ Banking Group	10.0		6 months
Australia	Commonwealth Bank of Australia	10.0		6 months
Australia	National Australia Bank Ltd (National Australia Bank Group)	10.0		6 months
Australia	Westpac Banking Corp	10.0		6 months
Canada	Bank of Montreal	10.0		6 months
Canada	Bank of Nova Scotia	10.0		6 months
Canada	Canadian Imperial Bank of Commerce	10.0		6 months
Canada	Royal Bank of Canada	10.0		6 months
Canada	Toronto-Dominion Bank	10.0		6 months
Finland	Nordea Bank Finland	8.0		6 months
France	BNP Paribas	Suspended		Suspended
France	Credit Agricole CIB (Credit Agricole Group)	Suspended		Suspended
France	Credit Agricole SA (Credit Agricole Group)	Suspended		Suspended

France	Société Générale	Suspended		Suspended
Germany	Deutsche Bank AG	8.0		100 days
Netherlands	ING Bank NV	8.0		100 days
Netherlands	Rabobank	8.0		6 months
Netherlands	Bank Nederlandse Gemeenten	8.0		6 months
Sweden	Svenska Handelsbanken	8.0		6 months
Switzerland	Credit Suisse	8.0		100 days
US	JP Morgan	8.0		6 months

***Please note this list could change if, for example, a counterparty/country is upgraded, and meets our other creditworthiness tools or a new suitable counterparty comes into the market. Alternatively, if a counterparty is downgraded, this list may be shortened.*

Group Limits - For institutions within a banking group, the authority executes a limit of that of an individual limit of a single bank within that group.

The Council is not currently investing with the Euro Zone counterparties but the limits above are those recommended by Arlingclose.

Appendix E - Non-Specified Investments

Instrument	Maximum maturity	Maximum £M	Capital expenditure?	Example
Call accounts, term deposits & CDs with banks, building societies & local authorities which do not meet the specified investment criteria (on advice from TM Adviser)	5 years	20	No	
Deposits with registered providers	5 years	20	No	
Gilts	5 years	10	No	
Bonds issued by multilateral development banks	5 years	5	No	<i>EIB Bonds, Council of Europe Bonds etc.</i>
Sterling denominated bonds by non-UK sovereign governments	5 years	5	No	
Money Market Funds and Collective Investment Schemes	5 years	20	No	<i>Investec Target Return Fund; Elite Charteris Premium Income Fund; LAMIT; M&G Global Dividend Growth Fund</i>
Corporate loans and debt instruments issued by corporate bodies	5 years	10	No	
Collective Investment Schemes (pooled funds) which do not meet the definition of collective investment schemes in SI 2004 No 534 or SI 2007 No 573	These funds do not have a defined maturity date	10	Yes	<i>Way Charteris Gold Portfolio Fund; Lime Fund</i>

Appendix F - MRP Statement 2014/15

CLG's Guidance on Minimum Revenue Provision (issued in 2010) places a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Secretary of State and local authorities are required to "have regard" to such Guidance under section 21(1A) of the Local Government Act 2003.

The four MRP options available are:

- Option 1: Regulatory Method
- Option 2: CFR Method
- Option 3: Asset Life Method
- Option 4: Depreciation Method

NB This does not preclude other prudent methods.

MRP in 2014/15: Options 1 and 2 may be used only for supported (i.e. financing costs deemed to be supported through Revenue Support Grant from Central Government) Non-HRA capital expenditure funded from borrowing. Methods of making prudent provision for unsupported Non-HRA capital expenditure include Options 3 and 4 (which may also be used for supported Non-HRA capital expenditure if the Authority chooses). There is no requirement to charge MRP in respect of HRA capital expenditure funded from borrowing.

The MRP Statement will be submitted to Council before the start of the 2014/15 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Authority at that time.

The Authority's CFR at 31st March 2012 became positive as a result of the Housing Subsidy reform settlement. This would normally require the Authority to charge MRP to the General Fund in respect of Non-HRA capital expenditure funded from borrowing. CLG has produced draft regulations intended to mitigate this impact, and as such under Option 2 (the CFR method) there is no requirement to charge MRP in 2013/14.

If, as is likely, the Council undertakes General Fund borrowing in 2015/16 then in the following financial year, 2016/17, there will be a requirement to charge MRP.

TREASURY MANAGEMENT POLICY STATEMENT

1. INTRODUCTION AND BACKGROUND

1.1 The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code.

1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:-

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
- Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

1.3 The Council will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

1.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Finance & Performance Cabinet Committee and for the execution and administration of treasury management decisions to the Director of Resources who will act in accordance with the organisation's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

1.5 The Council nominates the Audit & Governance Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

2. POLICIES AND OBJECTIVES OF TREASURY MANAGEMENT ACTIVITIES

2.1 The Council defines its treasury management activities as:

"The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

2.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the

principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.”

2.4 The Council’s borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.

2.5 The Council’s primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority’s investments followed by the yield earned on investments remain important but are secondary considerations.

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST			Original	Revised	Estimate	Estimate	Estimate	Estimate
Directorate	Service		2014/15 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's
Chief Executive	Directorate Restructure	Savings	(70)	(70)	(20)			
	Subscriptions			10				
	Corporate Policy Making	Flexible Working and Accomodation Review				(100)		
	Directorate	Savings		(4)				
Total Chief Executive			(70)	(64)	(20)	(100)	0	0
Communities	All Weather Pitch	Townmead Project	(23)	(35)	(5)			
	Safer Communities	Recharged to HRA for Anti Social Behaviour Work		(119)	(5)			
	Directorate Restructure	Savings/Increase	5	5				
	Affordable Housing	Senior Housing Development Officer - Additional Hours			5			
	Private Sector Housing	Leaseholder Accreditation Scheme		(3)				
	Community Arts Programme	Additional Income			(10)			
	Grants to Vol. Organisations	Budget Reduction		(7)	(17)			
	Total Communities			(18)	(159)	(32)	0	0
Governance	Directorate Restructure	Savings	(73)	(73)	(19)			
	Internal Audit	Corporate Fraud Team			66			
	Conservation Policy	Conservation Advice SLA	2	2				
	Democratic Services	Democratic Services Assistant (Premises Licences)	22					
	Governance & Performance Management	Restructure			(10)			
	Estates & Economic Development	Estates & Economic Development Restructure	54	64	92			
	Land and Property	Rental Income 2-18 Torrington Drive	(224)	(209)	(13)			
	Land and Property	Bridgeman House Income	(20)					
	Land and Property	Rental Income Shops		(68)	(21)			
	Land and Property	Oakwood Hill Units		(5)	(24)			
	Land and Property	Greenyards			(3)			
	Legal Services	Restructure		(4)	(10)			
	Public Relations	Discontinuance of the Forester			(39)			
	Development Control	Operational Savings		(6)				
	Development Control	Publicity Savings			(6)			
	Development Control	Increased Development Control Income		(80)				
	Development Control	Senior Planning Officer			1	6		
Development Control	Increased pre-application Income		(40)					
Total Governance			(239)	(419)	14	6	0	0

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service	Original	Revised	Estimate	Estimate	Estimate	Estimate	
		2014/15 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	
Neighbourhoods	Land Drainage & Flood Defence							
	Licensing	(6)	(3)					
	North Weald Airfield							
	Leisure Management							
	Off Street Parking							
	Off Street Parking							
	Off Street Parking							
	Off Street Parking							
	Waste Management							
	Waste Management							
	Fleet Operations							
	Fleet Operations							
	Emergency Planning							
	Industrial Activities							
	Animal Welfare							
	Animal Welfare							
	Countrycare							
	Directorate Restructure							
		Total Neighbourhoods	(207)	(44)	(205)	(313)	(117)	0
	Resources	Civic Offices						
Civic Offices								
Civic Offices								
Civic Offices								
Facilities Management								
Finance Miscellaneous								
Finance Miscellaneous								
Finance Miscellaneous								
Housing Benefits								
Housing Benefits								
Housing Benefits								
Accountancy								
Directorate Restructure								
Directorate								
Car Leasing								
Corporate Training								
Corporate Improvement								
Cashiers								
Bank and Audit charges								
Bank and Audit charges								
ICT								
	Total Resources	90	57	(150)	(46)	0	0	
Other Items	Investment Interest							
	New Homes Bonus							
	Pensions							
	Total CSB	(870)	(1,089)	(573)	(410)	(117)	0	

DISTRICT DEVELOPMENT FUND

Directorate	Service	Description	Original	B/F from	Revised	Estimate	Estimate	Estimate	Estimate	Estimate
			2014/15 £000's	2013/14 2014/15 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's	
Chief Executive	Corporate Policy Making	Transformation Programme	150		75	75				
	Corporate Policy Making	Efficiency Challenge Programme (RIEP)		3	3					
	Corporate Policy Making	LLPG staffing	22	46	42	16				
	Corporate Policy Making	LLPG staffing HRA Contribution	(5)	(10)	(9)	(4)				
	Corporate Policy Making	Restructure - Severance Pay	48		53					
Total Chief Executive			215	39	164	87	0	0	0	0
Communitites	Grants to Voluntary Orgs	Furniture Exchange Scheme	20		20					
	Grants to Voluntary Orgs	VAEF transport scheme	32		32					
	Safer Communities	Analysts post	14		16	27				
	Safer Communities	Contributions to Analysts post			(31)					
	Safeguarding	Safeguarding audit	44		42	47				
	Safeguarding	Rechargeable to HRA			(21)	(27)				
	Homelessness	Legal Fees			52	20	20	20		
	Housing General Fund	Landlord Accreditation Scheme			3	3				
	Housing General Fund	ECC re. Mobile Homes/Sites Improvements		2	2					
	Housing General Fund	Safe and Well Scheme		12	12					
	Housing General Fund	Energy Efficiency Works			4					
	Housing General Fund	Energy Efficiency Works - Hertsmere DC			(4)					
	Housing General Fund	Works in default			7	5				
	Housing General Fund	Works in default			(7)	(5)				
	Communities	Externally Funded Projects		137	184	153				
Communities	Externally Funded Projects		(137)	(184)	(153)					
Total Communitites			110	14	127	70	20	20	0	0

DISTRICT DEVELOPMENT FUND

55

Directorate

Governance

Service	Description	Original 2014/15 £000's	B/F from 2013/14 2014/15 £000's	Revised 2014/15 £000's	Estimate 2015/16 £000's	Estimate 2016/17 £000's	Estimate 2017/18 £000's	Estimate 2018/19 £000's
	Building Control Group	(89)		(64)	(57)			
	Building Control Group	69		45	41			
	Development Management				25	25	25	
	Development Management	55	9	33				
	Development Control			(120)				
	Development Control / Building Control			(8)				
	Economic Development	10						
	Economic Development	30		25	5			
	Economic Development		10					
	Economic Development	25		10	15			
	Economic Development	39	23	53	9			
	Elections			(80)				
	Electoral Registration	53	5	77	49			
	Electoral Registration	(53)		(72)	(49)			
	Estates & Valuation	33						
	Estates & Valuation	130	9	255	278			
	Legal			(15)				
	Governance	46		47				
	Governance Policy	69		19				
	Land and Property		10	16				
	Land and Property			(58)				
	Local Land Charges	88	(88)					
	Local Land Charges			(20)	(20)			
	Planning Appeals		46	11	35			
	Planning Appeals			(6)				
	Planning Services	7			10	15		
	Public Conveniences		21	21				
	Public Relations & Information	11						
	Public Relations & Information			(14)				
	Town Centre Regeneration		45		45			
	Total Governance	523	90	155	386	40	25	0

DISTRICT DEVELOPMENT FUND

Directorate	Service	Description	Original	B/F from	Revised	Estimate	Estimate	Estimate	Estimate
			2014/15 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	2018/19 £000's
Neighbourhoods	Food Safety	Inspections	4	1	2	3			
	Inspection of Workplaces	Expenditure of government grant		15	15				
	Inspection of Workplaces	Awarded Prosecution Costs - Queensthorpe			(5)				
	Neighbourhoods	Restructure - Severance Pay	66		66				
	Licensing	Additional Staff Premises Licences	4		4	4			
	Forward Planning	Maternity Cover	13	2	15				
	Countrycare	Conservation staffing			7	7			
	Local Strategic Partnership	Food Task Force	30		30				
	Forward Planning	Local Plan	321	103	230	250	280		
	Forward Planning	Neighbourhood Planning		5	10				
	Forward Planning	Neighbourhood Planning Grant			(5)				
	Contaminated Land & Water Quality	Contaminated land investigations	25			64			
	Off Street Parking	Payment to NEPP for Redundancies			31				
	Off Street Parking	Reduction in PCN income			40				
	Off Street Parking	Traffic orders and information boards				15			
	Leisure Management	Leisure Management Contract (Loughton)				46			
	Leisure Management	Leisure Management Contract (Loughton)			(23)	(23)			
	Leisure Management	Abortive feasibility costs re Waltham Abbey Pool			27				
	Leisure Management	Equipment/Signage		3	3				
	NWA Strategy Action Plan	NWA Consultancy exercise		20	20				
	North Weald Airfield	Safety of Bund	3	2	5	3			
	North Weald Airfield	Loss of Income - Hangar 5	4		4				
	Countrycare	BRIE - SLA	4		4	4	4	4	
	Countrycare	Protected species/habitat related consultation	9	1	10	10			
	Parks & Grounds	Roding Valley Lake - Disabled Projects		5	5				
	Parks & Grounds	Roding Valley Lake - Disabled Projects			(5)				
	Parks & Grounds	Open Spaces - Tree Planting			10				
	Parks & Grounds	Open Spaces - Tree Planting			(10)				
	Parks & Grounds	Survey of River Roding erosion				15			
	Street Cleansing	Surplus on recycling of street cleansing arisings	(18)						
	Waste Management	Waste contract procurement consultants	40	(27)	13				
	Waste Management	Wheeled bin replacements		1					
	Waste Management	Publicity		10	10				
Abandoned Vehicles	Abandoned vehicles contract	4							
Waste Management	Waste Contract Mobilisation			5					
Total Neighbourhoods			509	141	518	398	284	4	0

DISTRICT DEVELOPMENT FUND

5
Directorate

Resources

Service	Description	Original 2014/15 £000's	B/F from 2013/14 2014/15 £000's	Revised 2014/15 £000's	Estimate 2015/16 £000's	Estimate 2016/17 £000's	Estimate 2017/18 £000's	Estimate 2018/19 £000's
	Implementation of E-Invoicing		7	4	3			
	Temporary Additional Staffing	49		119	190	190	190	
	Technical Agreement Contributions	(157)		(127)	(197)	(190)	(190)	
	Collection Investment	(47)		(47)	(47)			
	Local Council Tax Support Expenditure	47	14	20	32			
	Local Council Tax New Burdens Grant			(79)				
	Local Council Tax New Burdens Expenditure					79		
	Local Council Tax Support		15					
	Hardship Fund	(5)		(5)	(5)			
	Data Sharing Programme		7	7				
	Transitional Funding	31			31			
	Welfare Reform Expenditure	37	5	37	24			
	Welfare Reform Grant			(24)				
	Overpayments			(150)				
	Clawback of benefit previously granted			(80)	(35)			
	Out of Hours Service - Severance Payments	32	7	24				
	Committee Room Tables	10		10				
	NNDR re-assessment			25				
	Vending machine rentals saving				(5)			
	Planned Building Maintenance Programme	199	77	153	129	30	66	
	Subscription saving/Hub rebate			(18)				
	Emergency Premises Works			2	18			
	Total Resources	196	132	(129)	138	109	66	0
	Total Service Specific District Development Fund	1,553	416	835	1,079	453	115	0
	Lost Investment Interest	151		191	115	78	78	
	Council Tax Freeze	(80)		(83)	(83)			
	Right to Challenge Expenditure	13						
	New Homes Bonus			(10)				
	Records Scanner			26				
	Enveloping Machine/Franking Machine			40	12			
	Langston Road Development		147	147				
	Reduction due to appeals	250						
	Deficit Payments	(24)		(24)				
	Support Grants				6			
	Total District Development Fund	1,863	563	1,122	1,129	531	193	0

REVENUE EXPENDITURE, INCOME AND FINANCING

2014/15 ORIGINAL ALL REVENUE ITEMS £	2014/15 REVISED ALL REVENUE ITEMS £		GENERAL FUND ACCOUNT £	2015/16 ORIGINAL HOUSING REVENUE ACCOUNT £	ALL REVENUE ITEMS £
Gross Expenditure					
1,170,660	1,164,050	Office of the Chief Executive	4(a) 1,171,590	0	1,171,590
5,873,100	5,953,340	Governance	4(b) 5,850,130	0	5,850,130
16,886,040	16,531,360	Neighbourhoods	4(c) 15,231,810	0	15,231,810
42,004,740	42,227,390	Resources	4(d) 42,704,410	0	42,704,410
32,418,690	31,519,760	Communities	4(e) 5,092,690	27,474,860	32,567,550
258,990	264,970	Internal Trading Organisations	4(f) 233,550	0	233,550
98,612,220	97,660,870	Total Expenditure on Services	70,284,180	27,474,860	97,759,040
5,581,000	5,564,000	Interest Payable (Inc HRA)	457,000	5,144,000	5,601,000
16,211,000	14,167,000	Revenue Contribution to Capital	12,000	16,869,000	16,881,000
280,238	280,238	Parish Support Grants	245,984		245,984
3,077,383	3,077,383	Precepts Paid to Parish Councils	3,159,675	0	3,159,675
123,761,841	120,749,491	Total Gross Expenditure	74,158,839	49,487,860	123,646,699
Gross Income					
39,366,390	39,584,130	Government Subsidies	39,902,390	0	39,902,390
31,814,570	31,630,860	Rents from Dwellings	0	32,177,460	32,177,460
5,087,150	5,110,100	Miscellaneous Rents, Trading Operations etc.	4,292,090	858,170	5,150,260
4,749,540	5,090,130	Fees and Charges	3,431,410	1,587,540	5,018,950
400,200	420,250	Interest on Mortgages and Investments	470,000	250	470,250
5,990,260	6,756,500	Grants and Reimbursements by other Bodies	6,023,050	0	6,023,050
87,408,110	88,591,970	Total Operational Income	54,118,940	34,623,420	88,742,360
1,042,833	1,479,623	Contribution from/(to) Revenue Reserves	42,048	(52,560)	(10,512)
(62,000)	(154,000)	FRS 17 Adjustment	(154,000)	0	(154,000)
1,863,000	1,122,000	Contribution from/(to) District Development Fund	1,129,000	0	1,129,000
(2,748,000)	(4,013,000)	Contribution from/(to) Other Reserves	(2,000)	(3,100,000)	(3,102,000)
(94,000)	43,000	Contribution from/(to) Collection Fund	50,000		50,000
19,359,000	16,534,000	Contribution from/(to) Capital Reserves	2,320,000	18,017,000	20,337,000
6,375,941	6,528,941	Exchequer Support	5,878,702		5,878,702
113,144,884	110,132,534	Total Gross Income	63,382,690	49,487,860	112,870,550
10,616,957	10,616,957	To be met from Local Taxation	10,776,149	0	10,776,149
Financed by:					
7,539,574	7,539,574	District Precept			7,616,474
3,077,383	3,077,383	Parish Council Precepts	10e		3,159,675
10,616,957	10,616,957	Total Financing			10,776,149

Office of the Chief Executive

Programme 2015/16

2014/15 Original		2014/15 Probable		Revenue Expenditure	2015/16 Original	
£	£	£	£		£	£
1,590,020		1,877,540		Corporate Activities	1,819,170	
	1,590,020		1,877,540	Total Expenditure		1,819,170
	419,360		713,490	Income from Internal Charges		647,580
	1,170,660		1,164,050	Net Expenditure (see Annex 3)		1,171,590
	1,170,660		1,164,050	To be met from Government Grant and Local Taxation		1,171,590
	-		-	Capital Expenditure (see Annex 5)		-

Governance

Programme 2015/16

2014/15 Original		2014/15 Probable		Revenue Expenditure	2015/16 Original	
£	£	£	£		£	£
543,430		524,660		Elections	563,670	
1,328,850		1,201,030		Member Activities	1,159,440	
2,521,020		2,635,380		Planning Services	2,699,960	
696,490		947,920		Land & Property	848,200	
352,450		313,770		Economic Development	309,190	
689,440		477,650		Other Activities	439,140	
3,582,123		4,257,530		Support Services	4,354,630	
	9,713,803		10,357,940	Total Expenditure		10,374,230
	3,840,703		4,404,600	Income from Internal Charges		4,524,100
	5,873,100		5,953,340	Net Expenditure (see Annex 3)		5,850,130
				Service Generated Income		
3,160,190		3,441,170		Miscellaneous Rents, Trading Operations etc	3,460,200	
1,212,390		1,525,150		Fees and Charges	1,353,440	
128,000		122,290		Grants and Reimbursements by other Bodies	194,100	
	4,500,580		5,088,610	Total Income		5,007,740
	1,372,520		864,730	To be met from Government Grant and Local Taxation		842,390
	-		4,924,000	Capital Expenditure (see Annex 5)		3,496,000

Neighbourhoods

Programme 2015/16

2014/15 Original		2014/15 Probable		Revenue Expenditure	2015/16 Original	
£	£	£	£		£	£
1,278,150		1,222,840		Environmental Health	1,257,500	
382,100		398,290		Licensing	408,990	
2,012,160		2,053,650		Leisure Management	2,021,650	
969,420		996,480		North Weald	978,120	
205,310		149,970		Emergency Planning	154,720	
7,716,830		7,449,510		Waste Management	6,067,380	
755,200		698,880		Land Drainage & Sewerage	774,330	
1,079,830		1,057,660		Parks and Grounds	1,091,960	
1,313,780		1,330,760		Technical Services	1,381,550	
1,090,780		1,021,490		Forward Planning & Economic Development	943,780	
4,501,940		4,386,420		Support Services	4,408,740	
	21,305,500		20,765,950	Total Expenditure		19,488,720
	4,419,460		4,234,590	Income from Internal Charges		4,256,910
	16,886,040		16,531,360	Net Expenditure (see Annex 3)		15,231,810
				Service Generated Income		
1,024,500		792,890		Miscellaneous Rents, Trading Operations etc	797,890	
1,558,510		1,479,220		Fees and Charges	1,619,620	
3,039,950		2,913,630		Grants and Reimbursements by other Bodies	1,993,510	
	5,622,960		5,185,740	Total Income		4,411,020
	11,263,080		11,345,620	To be met from Government Grant and Local Taxation		10,820,790
	4,324,000		466,000	Capital Expenditure (see Annex 5)		512,000

Resources

Programme 2015/16

2014/15 Original		2014/15 Probable		Revenue Expenditure	2015/16 Original	
£	£	£	£		£	£
39,707,570		39,674,640		Housing Benefits	40,253,920	
1,828,540		1,813,490		Local Taxation	1,950,370	
456,990		847,040		Other Activities	584,040	
2,940,550		3,246,450		Accommodation Services	2,798,660	
3,105,830		2,746,010		ICT Services	2,868,570	
2,513,980		2,702,440		Financial Services	2,810,610	
1,393,620		1,380,920		Other Support Services	1,441,560	
	51,947,080		52,410,990	Total Expenditure		52,707,730
	9,942,340		10,183,600	Income from Internal Charges		10,003,320
	42,004,740		42,227,390	Net Expenditure (see Annex 3)		42,704,410
				Service Generated Income		
39,000,390		39,212,130		Government Subsidies	39,522,390	
27,000		34,000		Miscellaneous Rents, Trading Operations etc	34,000	
29,200		25,450		Fees and Charges	23,710	
534,080		500,610		Grants and Reimbursements by other Bodies	617,620	
	39,590,670		39,772,190	Total Income		40,197,720
	2,414,070		2,455,200	To be met from Government Grant and Local Taxation		2,506,690
	1,087,000		1,351,000	Capital Expenditure (see Annex 5)		933,000

Communities

Programme 2015/16

General Fund £	2014/15 Original		General Fund £	2014/15 Probable		Revenue Expenditure	2015/16 Original		
	Housing Revenue £	Total £		Housing Revenue £	Total £		General Fund £	Housing Revenue £	Total £
		0			0				
	27,712,910	27,712,910		26,190,150	26,190,150	Council Housing		27,474,860	27,474,860
1,196,150		1,196,150	1,309,790		1,309,790	Private Sector Housing	1,302,280		1,302,280
444,350		444,350	575,060		575,060	Homelessness	532,580		532,580
482,170		482,170	462,800		462,800	Voluntary Sector Support	400,430		400,430
1,034,680		1,034,680	1,108,910		1,108,910	Community services	1,067,150		1,067,150
1,576,630		1,576,630	1,581,460		1,581,460	Sports Development	1,509,100		1,509,100
609,770	1,034,340	1,644,110	451,320	972,140	1,423,460	Support Services	447,680	1,034,300	1,481,980
5,343,750	28,747,250	34,091,000	5,489,340	27,162,290	32,651,630	Total Expenditure	5,259,220	28,509,160	33,768,380
638,010	1,034,300	1,672,310	159,730	972,140	1,131,870	Income from Internal Charges	166,530	1,034,300	1,200,830
4,705,740	27,712,950	32,418,690	5,329,610	26,190,150	31,519,760	Net Expenditure (see Annex 3)	5,092,690	27,474,860	32,567,550
						Service Generated Income			
366,000		366,000	372,000		372,000	Government Subsidies	380,000		380,000
	31,814,570	31,814,570		31,630,860	31,630,860	Rents from Dwellings		32,177,460	32,177,460
	875,460	875,460		842,040	842,040	Miscellaneous Rents, Trading Operations etc		858,170	858,170
143,510	1,574,880	1,718,390	212,240	1,612,520	1,824,760	Fees and Charges	201,090	1,587,540	1,788,630
	1,200	1,200		250	250	Interest on Mortgages and Investments		250	250
651,230		651,230	1,282,970	0	1,282,970	Grants and Reimbursements by other Bodies	1,041,820		1,041,820
	(7,353,000)	(7,353,000)		(8,882,000)	(8,882,000)	HRA Interest & Reversal of Depn		(7,096,000)	(7,096,000)
	799,840	799,840		986,480	986,480	Use of Balances		(52,560)	(52,560)
1,160,740	27,712,950	28,873,690	1,867,210	26,190,150	28,057,360	Total Income	1,622,910	27,474,860	29,097,770
3,545,000	-	3,545,000	3,462,400	0	3,462,400	To be met from Government Grant and Local Taxation	3,469,780	0	3,469,780
3,218,000	17,773,000	20,991,000	2,101,000	15,182,000	17,283,000	Capital Expenditure (see Annex 5)	2,535,000	18,902,000	21,437,000

Internal Trading Organisations

Programme 2015/16

2014/15 Original		2014/15 Probable			2015/16 Original	
£	£	£	£	Revenue Expenditure	£	£
2,414,070		2,445,540		Housing Maintenance	2,545,570	
445,630		471,780		Fleet Operations	444,110	
	2,859,700		2,917,320	Total Expenditure		2,989,680
	2,600,710		2,652,350	Income from Internal Charges		2,756,130
	258,990		264,970	Net Expenditure (see Annex 3)		233,550
				Service Generated Income		
231,050		235,550		Fees and Charges	233,550	
	231,050		235,550	Total Income		233,550
	27,940		29,420	To be met from Government Grant and Local Taxation		-
	50,000		68,000	Capital Expenditure (see Annex 5)		50,000

Non Service Budgets

Programme 2015/16

66

General Fund £	2014/15 Original Housing Revenue £	Total £	General Fund £	2014/15 Probable Housing Revenue £	Total £	Revenue Expenditure	General Fund £	2015/16 Original Housing Revenue £	Total £
(399,000)		(399,000)	(420,000)		(420,000)	Interest & Investment Income	(470,000)		(470,000)
	16,211,000	16,211,000	213,000	13,954,000	14,167,000	Revenue Contribution to Capital	12,000	16,869,000	16,881,000
(1,637,000)		(1,637,000)	(1,937,000)		(1,937,000)	Other Items	(2,176,000)		(2,176,000)
451,000	5,130,000	5,581,000	430,000	5,134,000	5,564,000	Interest Payable (Inc HRA)	457,000	5,144,000	5,601,000
(2,633,000)	(29,000)	(2,662,000)	(2,788,000)	(34,000)	(2,822,000)	Depreciation Reversals & Other Adjs.	(2,320,000)	(34,000)	(2,354,000)
(4,218,000)	21,312,000	17,094,000	(4,502,000)	19,054,000	14,552,000		(4,497,000)	21,979,000	17,482,000
-	16,726,000	16,726,000	-	13,746,000	13,746,000	Transferred to Housing Summary	-	18,017,000	18,017,000
(4,218,000)	38,038,000	33,820,000	(4,502,000)	32,800,000	28,298,000		(4,497,000)	39,996,000	35,499,000
		(242,993)			(493,143)	Contribution (from)/to Revenue Reserves			(42,048)
		62,000			154,000	FRS 17 Adjustment			154,000
		10,000			473,000	Contribution (from)/to Other Reserves			2,000
		(2,738,000)			(3,540,000)	Transfer (from)/to Housing Revenue Account			(3,100,000)
		94,000			(43,000)	Contribution (from)/to the Collection Fund			(50,000)
		(1,863,000)			(1,122,000)	Contribution from District Development Fund			(1,129,000)
		29,142,007			23,726,857	Reduction in Amount to be met from Government Grant and Local Taxation & other Housing Revenue Account items			31,333,952

Page 74

Capital Programme

Programme 2015/16

General Fund £	Housing Revenue £	2014/15 Original	General Fund £	Housing Revenue £	2014/15 Probable	Gross Expenditure	General Fund £	2015/16 Original	Total £
		Total £			Original Housing Revenue £				
-		-	4,924,000		4,924,000	Governance	3,496,000		3,496,000
4,324,000		4,324,000	466,000		466,000	Neighbourhoods	512,000		512,000
1,087,000		1,087,000	1,351,000		1,351,000	Resources	933,000		933,000
3,218,000	17,773,000	20,991,000	2,101,000	15,182,000	17,283,000	Communities	2,535,000	18,902,000	21,437,000
	50,000	50,000	-	68,000	68,000	Internal Trading Organisations	-	50,000	50,000
8,629,000	17,823,000	26,452,000	8,842,000	15,250,000	24,092,000	Total Capital Expenditure	7,476,000	18,952,000	26,428,000
-	16,211,000	16,211,000	213,000	13,954,000	14,167,000	Less: Revenue Contributions to Capital	12,000	16,869,000	16,881,000
8,629,000	1,612,000	10,241,000	8,629,000	1,296,000	9,925,000	To be met from Capital Resources	7,464,000	2,083,000	9,547,000
Financed by:									
7,051,000	844,000	7,895,000	6,971,000	607,000	7,578,000	Capital Receipts	6,514,000	1,488,000	8,002,000
1,509,000		1,509,000	1,547,000		1,547,000	Government Grants	858,000		858,000
69,000	768,000	837,000	111,000	689,000	800,000	Other Grants	92,000	595,000	687,000
8,629,000	1,612,000	10,241,000	8,629,000	1,296,000	9,925,000	Total Financing	7,464,000	2,083,000	9,547,000

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COUNCIL TAX RATES FOR DISTRICT & PARISH/TOWN COUNCILS 2015/16

Authorities	Tax Base No.'s	Precept 2015/16	Council Tax Band D	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
		£	£	£	£	£	£	£	£	£	£
District Expenses	51,196.3	7,616,474	148.77	99.18	115.71	132.24	148.77	181.83	214.89	247.95	297.54
Abbess, Berners and Beauchamp Roding	207.7	5,200	25.04	115.87	135.19	154.50	173.81	212.43	251.06	289.68	347.62
Buckhurst Hill	5,028.5	346,432	68.89	145.11	169.29	193.48	217.66	266.03	314.40	362.77	435.32
Chigwell	5,874.3	271,451	46.21	129.99	151.65	173.32	194.98	238.31	281.64	324.97	389.96
Epping Town	4,885.6	409,609	83.84	155.07	180.92	206.76	232.61	284.30	335.99	387.68	465.22
Epping Upland	401.1	14,777	36.84	123.74	144.36	164.99	185.61	226.86	268.10	309.35	371.22
Fyfield	407.9	10,882	26.68	116.97	136.46	155.96	175.45	214.44	253.43	292.42	350.90
High Ongar	541.0	13,500	24.95	115.81	135.12	154.42	173.72	212.32	250.93	289.53	347.44
Lambourne	829.7	32,118	38.71	124.99	145.82	166.65	187.48	229.14	270.80	312.47	374.96
Loughton Town	11,927.6	586,599	49.18	131.97	153.96	175.96	197.95	241.94	285.93	329.92	395.90
Matsong	421.1	13,770	32.70	120.98	141.14	161.31	181.47	221.80	262.12	302.45	362.94
Moreton, Bobbingworth and the Lavers	546.8	13,643	24.95	115.81	135.12	154.42	173.72	212.32	250.93	289.53	347.44
Nazeing	1,990.5	68,752	34.54	122.21	142.57	162.94	183.31	224.05	264.78	305.52	366.62
North Weald Bassett	2,441.3	171,892	70.41	146.12	170.47	194.83	219.18	267.89	316.59	365.30	438.36
Ongar Town	2,618.9	268,336	102.46	167.49	195.40	223.32	251.23	307.06	362.89	418.72	502.46
Roydon	1,265.9	28,900	22.83	114.40	133.47	152.53	171.60	209.73	247.87	286.00	343.20
Sheering	1,290.0	31,066	24.08	115.23	134.44	153.64	172.85	211.26	249.67	288.08	345.70
Stanford Rivers	348.0	19,900	57.18	137.30	160.18	183.07	205.95	251.72	297.48	343.25	411.90
Stapleford Abbots	509.5	5,391	10.58	106.23	123.94	141.64	159.35	194.76	230.17	265.58	318.70
Stapleford Tawney	79.3	1,522	19.19	111.97	130.64	149.30	167.96	205.28	242.61	279.93	335.92
Theydon Bois	1,953.6	104,986	53.74	135.01	157.51	180.01	202.51	247.51	292.51	337.52	405.02
Theydon Garnon	76.4	1,000	13.09	107.91	125.89	143.88	161.86	197.83	233.80	269.77	323.72
Theydon Mount	111.7	1,400	12.53	107.53	125.46	143.38	161.30	197.14	232.99	268.83	322.60
Waltham Abbey Town	7,212.8	734,407	101.82	167.06	194.90	222.75	250.59	306.28	361.96	417.65	501.18
Willingale	227.1	4,142	18.24	111.34	129.90	148.45	167.01	204.12	241.24	278.35	334.02
Town and Parish Total	51,196.3	3,159,675	61.72	41.15	48.00	54.86	61.72	75.44	89.15	102.87	123.44
District, Town and Parish Total	51,196.3	10,776,149	210.49	140.33	163.71	187.10	210.49	257.27	304.04	350.82	420.98

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PART A : ANALYSIS OF MAJOR PRECEPTING AUTHORITIES 2015/16

Authorities	Tax Base No.'s	Precept 2015/16	Council Tax Band D	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
		£	£	£	£	£	£	£	£	£	£
Essex County Council	51,196.3	55,637,253	1,086.75	724.50	845.25	966.00	1,086.75	1,328.25	1,569.75	1,811.25	2,173.50
Essex Police Authority	51,196.3	7,533,491	147.15	98.10	114.45	130.80	147.15	179.85	212.55	245.25	294.30
Essex Fire Authority	51,196.3	3,400,438	66.42	44.28	51.66	59.04	66.42	81.18	95.94	110.70	132.84
District Expenses	51,196.3	7,616,474	148.77	99.18	115.71	132.24	148.77	181.83	214.89	247.95	297.54

PART B : SUMMARY - COUNCIL TAX RATES INCLUDING ALL PRECEPTS 2015/16

Abbees, Berners and Beauchamp Roding	207.7	5,200	25.04	982.75	1,146.55	1,310.34	1,474.13	1,801.71	2,129.30	2,456.88	2,948.26
Buckhurst Hill	5,028.5	346,432	68.89	1,011.99	1,180.65	1,349.32	1,517.98	1,855.31	2,192.64	2,529.97	3,035.96
Chigwell	5,874.3	271,451	46.21	996.87	1,163.01	1,329.16	1,495.30	1,827.59	2,159.88	2,492.17	2,990.60
Epping Town	4,885.6	409,609	83.84	1,021.95	1,192.28	1,362.60	1,532.93	1,873.58	2,214.23	2,554.88	3,065.86
Epping Upland	401.1	14,777	36.84	990.62	1,155.72	1,320.83	1,485.93	1,816.14	2,146.34	2,476.55	2,971.86
Fyfield	407.9	10,882	26.68	983.85	1,147.82	1,311.80	1,475.77	1,803.72	2,131.67	2,459.62	2,951.54
High Ongar	541.0	13,500	24.95	982.69	1,146.48	1,310.26	1,474.04	1,801.60	2,129.17	2,456.73	2,948.08
Lambourne	829.7	32,118	38.71	991.87	1,157.18	1,322.49	1,487.80	1,818.42	2,149.04	2,479.67	2,975.60
Loughton Town	11,927.6	586,599	49.18	998.85	1,165.32	1,331.80	1,498.27	1,831.22	2,164.17	2,497.12	2,996.54
Matching	421.1	13,770	32.70	987.86	1,152.50	1,317.15	1,481.79	1,811.08	2,140.36	2,469.65	2,963.58
Moreton, Bobbingworth and the Lavers	546.8	13,643	24.95	982.69	1,146.48	1,310.26	1,474.04	1,801.60	2,129.17	2,456.73	2,948.08
Nazeing	1,990.5	68,752	34.54	989.09	1,153.93	1,318.78	1,483.63	1,813.33	2,143.02	2,472.72	2,967.26
North Weald Bassett	2,441.3	171,892	70.41	1,013.00	1,181.83	1,350.67	1,519.50	1,857.17	2,194.83	2,532.50	3,039.00
Ongar Town	2,618.9	268,336	102.46	1,034.37	1,206.76	1,379.16	1,551.55	1,896.34	2,241.13	2,585.92	3,103.10
Roydon	1,265.9	28,900	22.83	981.28	1,144.83	1,308.37	1,471.92	1,799.01	2,126.11	2,453.20	2,943.84
Sheering	1,290.0	31,066	24.08	982.11	1,145.80	1,309.48	1,473.17	1,800.54	2,127.91	2,455.28	2,946.34
Stanford Rivers	348.0	19,900	57.18	1,004.18	1,171.54	1,338.91	1,506.27	1,841.00	2,175.72	2,510.45	3,012.54
Stapleford Abbots	509.5	5,391	10.58	973.11	1,135.30	1,297.48	1,459.67	1,784.04	2,108.41	2,432.78	2,919.34
Stapleford Tawney	79.3	1,522	19.19	978.85	1,142.00	1,305.14	1,468.28	1,794.56	2,120.85	2,447.13	2,936.56
Theydon Bois	1,953.6	104,986	53.74	1,001.89	1,168.87	1,335.85	1,502.83	1,836.79	2,170.75	2,504.72	3,005.66
Theydon Garnon	76.4	1,000	13.09	974.79	1,137.25	1,299.72	1,462.18	1,787.11	2,112.04	2,436.97	2,924.36
Theydon Mount	111.7	1,400	12.53	974.41	1,136.82	1,299.22	1,461.62	1,786.42	2,111.23	2,436.03	2,923.24
Waltham Abbey Town	7,212.8	734,407	101.82	1,033.94	1,206.26	1,378.59	1,550.91	1,895.56	2,240.20	2,584.85	3,101.82
Willingale	227.1	4,142	18.24	978.22	1,141.26	1,304.29	1,467.33	1,793.40	2,119.48	2,445.55	2,934.66

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PART C : CHANGES IN BAND D CHARGES

Authorities	Council Tax Requirement		Council Tax Band D		Increase
	2014/15 £	2015/16 £	2014/15 £	2015/16 £	%
Essex County Council	55,075,838	55,637,253	1,086.75	1,086.75	0.00
Police and Crime Commissioner for Essex	7,311,517	7,533,491	144.27	147.15	1.996
Essex Fire Authority	3,366,126	3,400,438	66.42	66.42	0.00
District Expenses	7,539,574	7,616,474	148.77	148.77	0.00
Abbess, Berners and Beauchamp Roding	5,000	5,200	24.70	25.04	1.377
Buckhurst Hill	345,563	346,432	68.89	68.89	0.00
Chigwell	270,575	271,451	47.16	46.21	-2.014
Epping Town	404,805	409,609	83.84	83.84	0.00
Epping Upland	14,846	14,777	36.84	36.84	0.00
Fyfield	10,780	10,882	26.66	26.68	0.075
High Ongar	12,437	13,500	23.58	24.95	5.810
Lambourne	29,267	32,118	35.48	38.71	9.104
Loughton Town	581,700	586,599	49.18	49.18	0.00
Matching	13,586	13,770	32.70	32.70	0.00
Moreton, Bobbingworth and the Lavers	13,647	13,643	25.22	24.95	-1.071
Nazeing	68,164	68,752	34.50	34.54	0.116
North Weald Bassett	138,737	171,892	57.27	70.41	22.944
Ongar Town	267,578	268,336	102.56	102.46	-0.098
Roydon	28,365	28,900	22.43	22.83	1.783
Sheering	31,066	31,066	24.38	24.08	-1.231
Stanford Rivers	19,900	19,900	57.92	57.18	-1.278
Stapleford Abbotts	5,709	5,391	11.56	10.58	-8.478
Stapleford Tawney	1,507	1,522	19.47	19.19	-1.438
Theydon Bois	99,133	104,986	51.14	53.74	5.084
Theydon Garnon	976	1,000	12.00	13.09	9.083
Theydon Mount	1,424	1,400	13.10	12.53	-4.351
Waltham Abbey Town	708,425	734,407	99.34	101.82	2.496
Willingale	4,193	4,142	18.24	18.24	0.00

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Medium Term Financial Strategy

Introduction

1. For a number of years as part of the Council's sound financial planning arrangements a four-year financial strategy has been prepared. This document allows a considered view to be taken of spending and resources. Without a medium term financial strategy finances would be managed on an annual basis leading to sudden expansions and contractions in services. Clearly such volatility would lead to waste and be confusing for stakeholders.
2. Managing this Council's finances has been made easier by isolating one off fluctuations (District Development Fund or DDF) from the ongoing core services (Continuing Service Budgets or CSB). This distinction highlights the differing effects in the medium term of approving different types of initiative.
3. A key part of the strategy is future rises in Council Tax and the Council has a stated ambition to remain a low tax authority in the long term. To achieve this over the long term it is important to avoid the gimmick of one-off reductions. For 2015/16 it appears there will be a mixed picture across Essex, with some authorities increasing charges to just below the referendum limit and some considering token reductions.
4. At its 28 July 2014 meeting the Finance and Performance Management Cabinet Committee decided to recommend a continued freeze in the Council Tax. This recommendation was adopted by cabinet on 8 September 2014.

Previous Medium Term Financial Strategy

5. The July meeting of the Cabinet Committee considered the annual Financial Issues Paper and an updated medium term financial strategy. At that time Members attention was drawn to a number of areas of significant uncertainty. Key amongst those were the structural reforms to the financing of local authorities through the local retention of NNDR and the Government's programme of welfare reform. The general state of domestic and world economies remained a concern although most of the key income streams were now showing improvement. There were also questions over the New Homes Bonus, Development Opportunities and the Organisational Review.
6. Against this background of risk and uncertainty a forecast was constructed that set a target of £13.15m for CSB expenditure for 2015/16 and maintained the requirement for annual CSB savings over the forecast period. At this time deficit budgets were anticipated for each year of the forecast, although these were reducing at the end of the forecast.
7. At that time the predicted General Fund balance at 1 April 2019 of £8.29m represented 65% of the anticipated Net Budget Requirement (NBR) for 2018/19 and was therefore somewhat higher than the guideline of 25%. It was also predicted at that time that there would be £1.4m left in the DDF at 1 April 2019.

Updated Medium Term Financial Strategy

8. In the period since the Financial Issues Paper the Government has provided the draft settlement figures for next year and Cabinet increased the CSB target to £13.33m. The reductions in funding were somewhat smaller than had been anticipated, which was helpful given the increasing cost pressures. In constructing the forecast it has been necessary to make certain assumptions, these are set out below:
- a) CSB Growth – the net savings required for 2015/16 have been found, but budgets will be re-visited during the course of 2015/16 to seek further reductions. In common with the earlier version of the strategy, target CSB savings are included for the period 2016/17 to 2018/19. The organisational restructure, savings on waste management, additional rental income and additional development control income have helped achieve the savings required for 2015/16. However, on top of known predicted savings, net savings targets of £250,000 for 2016/17 and £400,000 for 2017/18 may prove challenging.
 - b) DDF – all of the known items for the four-year period have been included and at the end of the period a balance of £0.9m is still available. This is consistent with the position in the current year's budget, where the MTFS adopted in February 2014 showed a closing balance at the end of the period of under £1m.
 - c) Grant Funding – beyond 2015/16 it has been assumed that there will be a 10% reduction in grant in each of the following years. These figures will be subject to change as a Comprehensive Spending Review will have to be conducted during 2015/16.
 - d) Other Funding – no amounts have been included for any additional New Homes Bonus that may arise for subsequent years. No growth in funding has been anticipated from growth in the non-domestic rating list. It has been assumed that the allowance for losses on appeals will be adequate but there are hundreds of appeals still outstanding, including one against the largest item on our rating list.
 - e) Council Tax Increase – Members have confirmed they wish to freeze the charge for 2015/16. Increases of 2.5% have been allowed for subsequent years. These assumptions have been built into the strategy.
9. This revised medium term financial strategy has deficits from 2015/16 to 2018/19, although these are reducing and the use of reserves in 2018/19 is £168,000 lower than in 2016/17. The predicted revenue balance at the end of the period is £8.5m, which represents 68% of the NBR for 2018/19 and thus comfortably exceeds the target of 25%.
10. It is worth repeating that savings of £0.9m are still to be identified for the last three years of the strategy and that identified savings of £0.4m in 2016/17 and 2017/18 will have to be delivered. In approving the medium term financial strategy Members are asked to note these targets. The strategy will be monitored during the year and updated for the July 2015 meeting of the Finance and Performance Management Cabinet Committee.

GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY 2014/15 - 2018/19

ORIGINAL 2014/15	REVISED FORECAST 2014/15	FORECAST 2015/16	FORECAST 2016/17	FORECAST 2017/18	FORECAST 2018/19
£'000 NET REVENUE EXPENDITURE	£'000	£'000	£'000	£'000	£'000
14,644 Continuing Services Budget	14,913	13,921	13,900	13,415	12,985
-870 CSB - Growth Items	-1,089	-573	-410	-117	0
0 Net saving	0	0	-250	-400	-250
13,774 Total C.S.B	13,824	13,348	13,240	12,898	12,735
1,863 One - off Expenditure	1,122	1,129	531	193	0
15,637 Total Net Operating Expenditure	14,946	14,477	13,771	13,091	12,735
10 Contribution to/from (-) Other Res	500	0	0	0	0
-1,863 Contribution to/from (-) DDF Balances	-1,122	-1,129	-531	-193	0
-243 Contribution to/from (-) Balances	-493	-42	-347	-314	-179
13,541 Net Budget Requirement	13,831	13,306	12,893	12,584	12,556
FINANCING					
6,095 Government Support (NNDR+RSG)	6,248	5,638	5,074	4,567	4,338
0 RSG Floor Gains/(-Losses)	0	0	0	0	0
6,095 Total External Funding	6,248	5,638	5,074	4,567	4,338
7,540 District Precept	7,540	7,616	7,819	8,017	8,218
-94 Collection Fund Adjustment	43	52	0	0	0
To be met from Government 13,541 Grants and Local Tax Payers	13,831	13,306	12,893	12,584	12,556
Band D Council Tax	148.77	148.77	152.46	156.33	160.24
Percentage Increase %		0	2.5	2.5	2.5

GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY 2014/15 - 2018/19

	REVISED FORECAST 2014/15	FORECAST 2015/16	FORECAST 2016/17	FORECAST 2017/18	FORECAST 2018/19
REVENUE BALANCES	£'000	£'000	£'000	£'000	£'000
Balance B/forward	9,884	9,391	9,349	9,002	8,688
Surplus/Deficit(-) for year	-493	-42	-347	-314	-179
Balance C/Forward	9,391	9,349	9,002	8,688	8,509
DISTRICT DEVELOPMENT FUND					
Balance B/forward	3,848	2,726	1,597	1,066	873
Transfer Out	-1,122	-1,129	-531	-193	0
Balance C/Forward	2,726	1,597	1,066	873	873
CAPITAL FUND (inc Cap Receipts)					
Balance B/forward	17,467	14,104	7,661	4,679	3,022
New Usable Receipts	4,215	1,559	1,555	1,555	1,555
Use of Capital Receipts	-7,578	-8,002	-4,537	-3,212	-2,811
Balance C/Forward	14,104	7,661	4,679	3,022	1,766
TOTAL BALANCES	26,221	18,607	14,747	12,583	11,148

The Chief Financial Officer's report to the Council on the robustness of the estimates for the purposes of the Council's 2015/16 budgets and the adequacy of the reserves.

Introduction

1. The Local Government Act 2003 section 25 introduced a specific personal duty on the "Chief Financial Officer" (CFO) to report to the Authority on the robustness of the estimates for the purposes of the budget and the adequacy of reserves. The Act requires Members to have regard to the report when determining the Council's budget requirement for 2015/16. If this advice is not accepted, the reasons must be formally recorded within the minutes of the Council meeting. Council will consider the recommendations of Cabinet on the budget for 2015/16 and determine the planned level of the Council's balances.
2. Sections 32 and 43 of the Local Government Finance Act 1992 also require billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the net budget requirement.
3. There are a range of safeguards, which exist to ensure local authorities do not over-commit themselves financially. These include:
 - The CFO's s.114 powers, which require a report to the Cabinet and to all members of the local authority if there is or is likely to be unlawful expenditure or an unbalanced budget
 - The Prudential Code, which applied to capital financing from 2004/05.

The Robustness of the Recommended Budget

4. A number of reports to the Cabinet in recent years have highlighted the difficulties inherent in setting budgets, not least because of significant changes in the level and complexity of Government funding and continuing pressure to protect and develop services. At the same time major changes have been introduced to the way the Council is structured and managed and the way services like waste and leisure are delivered. These changes and the extended period of low economic growth are still ongoing and represent significant risks to the Council's ability to evaluate all the financial pressures it faces.
5. However the Council's budget process, developed over a number of years, has many features that promote an assurance in its reliability:
 - The rolling four year forecast provides a yardstick against which annual budgets can be measured
 - The early commencement of the budget process and the clear annual timetable for both Members and officers including full integration with the business planning process promotes considered and reasoned decision making
 - The establishment of budget parameters in the summer is designed to create a clear focus before the budget process commences

- The analysis of the budget between the continuing services and one off District Development Fund items smoothes out peaks and troughs and enables CSB trends to be monitored
 - The adoption of a prudent view on the recognition of revenue income and capital receipts
 - The annual bid process whereby new or increased budgets should be reported to Cabinet before inclusion in the draft budget
 - Clear and reasoned assumptions made about unknowns, uncertainties or anticipated changes
6. With a Cabinet system the onus is on Portfolio Holders to work closely with Directors to deliver acceptable and accurate budgets. This role has been taken seriously and has helped enhance the detailed knowledge of the Cabinet. There is an established process that allows the Finance Scrutiny Panel to challenge and debate the detailed budgets with the Finance Cabinet Committee.
7. The budget is therefore based on strong and well-developed procedures and an integrated and systematic approach to the preparation of soundly based capital and revenue plans and accurate income and expenditure estimates. The risks or uncertainties inherent in the budget have been identified and managed, as far as is practicable, and assumptions about their impact have been made.
8. **The conclusion is that the estimates as presented to the Council are sufficiently robust for the purposes of the Council's overall budget for 2015/16.**

Factors to be taken into account when undertaking a Risk Assessment into the overall Level of Reserves and Balances

9. Guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) states that the following factors should be taken into account when the CFO considers the overall level of reserves and balances:
- Assumptions regarding inflation;
 - Estimates of the level and timing of capital receipts;
 - Treatment of demand led pressures;
 - Treatment of savings;
 - Risks inherent in any new partnerships etc;
 - Financial standing of the authority i.e. level of borrowing, debt outstanding etc;
 - The authority's track record in budget management;
 - The authority's capacity to manage in-year budget pressures;
 - The authority's virements and year-end procedures in relation to under and overspends;
 - The adequacy of insurance arrangements.
10. These issues have formed the basis for budget reports in the past and they remain relevant for the current budget.

Factor Assessment

a. Inflationary pressures

11. Every year base budget estimates are produced and then different inflation factors are applied to the resultant figures to take budgets to out-turn prices. It is inevitable that there will be either over or under provision for the full cost of inflation, as prices will vary against the estimates made. Efforts have been made to predict the level of inflation in the coming year, although the difficulty in making these predictions is highlighted by inflation remaining low and below the target for, and predictions of, the Monetary Policy Committee. The most recent figures for the year to December 2014, released on 13 January, have shown inflation at 0.5% which is the lowest level since recording in this form began in 1996. The last time inflation was at the target level of 2% was December 2013 and it has been below that level on a generally declining path since. As it is now more than 1% below the target the Governor of the Bank of England will be required to write a letter of explanation to the Chancellor of the Exchequer. This ongoing low inflation makes any increase in the rate of interest unlikely in the near future.
12. Even though inflation has been low increases in pay have been lower and people have seen the real value of their earnings fall. Pay rates had been frozen for several years prior to the 1% increase for 2013/14 and now 1.1% increases have been agreed for both 2014/15 and 2015/16. The Medium Term Financial Strategy (MTFS) includes an allowance of 1.5% for pay awards for 2016/17 and 2017/18. In the budgets the centrally held vacancy allowance has been maintained at 1.5%. This reflects the deletion of posts during the organisational restructure and the consequent reduction in the levels of salary under spends.

b. Estimates on the level and timing of capital receipts

13. The Council has always adopted a prudent view on the level and timing of capital receipts. Capital receipts are not recognised for budgetary purposes unless they have been received or their receipt is contractually confirmed prior to the budget being ratified. Currently, no significant disposals are anticipated in 2015/16.
14. The exception to this relates to receipts from council house sales. In this instance because sales occur throughout the year assumptions are made about their generation. Following the increase in Right to Buy discounts the number of sales has increased significantly. During 2012/13 there were 13 sales but 2013/14 saw the number increase to 53 and the first 9 months of 2014/15 have seen 28 sales. This indicates that the various Government initiatives to encourage lending have been effective and that it has become easier to obtain a mortgage.
15. Even with the Authority's substantial capital programme, which exceeds £116m over five years, it is anticipated that the balance of usable capital receipts at 31 March 2019 will be just under £1.8m. The Capital Strategy continues to emphasise that priority will be given to capital schemes that will create future revenue benefit, either through increased income or reduced costs.

c. Treatment of demand led pressures and savings

16. The previous demand led pressures on the benefits and homelessness services have been easing with the slow improvement in the economy. Locally the housing market is improving, with increases in key income streams like planning and land charges. The income from both these areas will be greater in 2014/15 than 2013/14.
17. The net savings for the budget have been achieved from three main areas. Firstly, the new waste management contract has generated CSB savings of £144,000 in 2014/15 and £88,000 in 2015/16. Secondly, increases in income in the Governance Directorate with Development Control contributing £120,000 and additional property rental income yielding another £130,000 over the two years. The third significant item is changing pay and display parking fees, which should provide £68,000. A number of other smaller savings have also been identified and together these provide a sound base for the 2015/16 budget. However, there is still a need for further savings in 2016/17 and 2017/18 and work is ongoing on a number of ideas to reduce net costs.

d. Risks inherent in partnership arrangements etc

18. There are several partnership arrangements, some of which carry risks of varying degrees in monetary terms. The risks have not been specifically identified in the budget but are underwritten through the Authority's balances.

e. Financial standing of the authority (i.e. level of borrowing, debt outstanding etc)

19. The Authority is no longer debt free, due to self-financing for the Housing Revenue Account (HRA). Although this is not a significant concern as the 30 year business plan for the HRA has demonstrated that the Authority will be considerably better off in the long term. Revenue reserves for both the General Fund and the HRA are in a healthy state.
20. A major threat to the Authority's financial standing is further substantial reductions in central government funding. The period from 2011/12 to 2015/16 will see grant funding reduced by approximately 60%. The period beyond 2015/16 will be the subject of the next Comprehensive Spending Review and whoever is in the next government will need to do more to reduce the deficit. A change of government could also see the New Homes Bonus scrapped and other structural changes to local authority finances. This means predicting beyond 2015/16 is hazardous although it is likely that there will be further reductions in revenue support grant and an increasing reliance on retained business rates.
21. I have previously expressed concern at the transfer of large financial risks to local authorities at a time of economic uncertainty. These risks were the localisation of Council Tax Benefit and the local retention of non-domestic rates. The implementation of Local Council Tax Support has been a success and the scheme has been managed within budget. In view of the success so far and the reducing caseload it has been possible to leave the scheme largely unchanged again for 2015/16.

22. Local retention of non-domestic rates has been more problematic and still represents a considerable financial risk. The major concern here arises from the treatment of appeals and refunds. Even though DCLG have already had the benefit of non-domestic rates paid in respect of periods prior to 1 April 2013, all appeals regardless of start date are accounted for within the new system. This means billing authorities are refunding money that they have not benefited from in the first place. There are still several hundred appeals outstanding, including one against the largest item on our rating list, and it is difficult to robustly predict what the combined outcomes will be.

f. The authority's track record in budget management, including its ability to manage in-year budget pressures

23. The Authority has a proven track record in financial management as borne out by the Annual Audit Letters from the Authority's external auditors. A comparison of actual net expenditure with estimates over a number of year's shows that the Council rarely experiences over spends of any significance.
24. Most managers have received training on budget management. A course involving an external trainer, the CFO and the Chief Internal Auditor has now been supplemented with additional detailed training on a directorate basis being provided by accountancy staff.
25. The quarterly budget monitoring reports on key budgets to both the Finance and Performance Management Cabinet Committee and Scrutiny Panel will continue throughout 2015/16. The production of these reports during the year is essential in identifying emerging problems at the earliest opportunity. This allows maximum benefit to be accrued from any corrective action taken.

g. The authority's virement and year-end procedures in relation to under and overspends

26. The Authority has recognised and embedded virement procedures that allow funds to be moved to areas of pressure. Although underspends and overspends are not automatically carried forward, the Authority does have an approved carry forward scheme for capital and DDF which is actioned through the formal provisional outturn report to the Finance & Performance Management Cabinet Committee in the summer of each year.

h. The adequacy of insurance arrangements

27. The Council is now in the final year of a five year agreement that was entered into following a collaborative procurement exercise with twelve other authorities. This exercise was somewhat disappointing and there was little benefit from it as insurance is something that is assessed on a risk by risk basis and not a uniform commodity that can be procured in bulk. Because of the value of the tender and the complexity of the insurance market, an external broker has been appointed to assist with the procurement. The Authority still maintains an insurance fund, which as at 31 March 2014 had a balance of £1.05m.

i. Pension liabilities

28. The latest triennial valuation as at 31 March 2013 showed an increase in the funding level of the scheme to 77% (the value of the scheme's assets only cover 77% of the liabilities). This has allowed the actuaries to reduce both the deficit payments and the projected recovery period. However, ongoing contributions have increased from 13% to 15.9% and this left the combined payment figure for 2014/15 and the two subsequent years similar to pre-valuation level. It is not anticipated that any applications will be made to DCLG for capitalisation directions and the full amounts of the deficit payments have been included in the CSB.

Statement on the adequacy of the reserves and balances

29. The Use of Resources assessment previously conducted by the external auditors moved on from the formulaic approach of CPA to achieve the 'good' ranking for reserves. The old formula had suggested that the Council should maintain a General Fund balance of at least £0.89m but no more than £17.86m. The Council's current best estimate of the General Fund balance at 31 March 2016 is £9.36m as shown in the Annex 8 b. This is clearly within the range specified but as a benchmark is not particularly useful. Therefore a risk assessment related to the Authority's individual circumstances is provided as a more meaningful benchmark against which the adequacy of the balances can be determined.
30. The following table lists those developments and cost pressures within the four-year forecast that offer the greatest risk to financial stability.

Item of risk	Estimated value of financial risk £000	Level of risk %	Adjusted level of risk £000
Basic 5% of Net Operating Expenditure			900
Grant reduction being 15% instead of 10% beyond 2015/16	600	50	300
Loss of New Homes Bonus in a new funding system	8,000	25	2,000
Pay award being settled 1% in excess of estimate for 16/17 and future years	800	25	200
Inflationary pressures between 1-4% higher than budget	600	20	120
Loss of North Weald Market Income	2,800	40	1,120
Unintended consequences of HRA reform impacting on General Fund	2,000	10	200
Localisation of Council Tax Benefit - Increase in caseload not covered by funding	1,000	20	200
Retention of non-domestic rates – losses on appeals	1,000	40	400
Renegotiating External contracts and partnership arrangements	4,000	25	1,000
Emergency Contingency	800	20	160
Total	21,600		6,600

31. The estimates for income generated from the market at North Weald airfield have been reduced but this remains a key source of income. Uncertainties surrounding the future of the airfield create a risk to the Authority that needs to be recognised and quantified hence its inclusion in the list above.
32. A number of contracts have been granted to outside bodies for the provision of Council services. The failure of any of these contracts would lead to the Council incurring costs, which may not be reimbursed. Other than certain bond arrangements there is no specific provision made in the estimates for this type of expenditure, which therefore would have to be covered by revenue balances.
33. The presentation in this table is not a scientific approach, but a crude attempt to put a broad order of scale on the main financial risks potentially facing the Council. It is meant to be thought provoking rather than definitive. It is certainly not a complete list of all the financial risks the Council faces but it shows the potential scale of some of the risks and uncertainties and the impact they may have on the Council's balances if they were to come to fruition.
34. Based on the old CPA formula there is an expectation that an authority should carry a level of balance that equates to at least 5% of the net operating expenditure (NOE) of the Authority. During the period of the four-year plan NOE is expected to average out at £13.5m, which suggests a figure of £675,000.
35. The Council has always been conscious of its balances position as can be demonstrated by budget reports over many years. Fortunately for the Authority the question had not been whether it had a sufficient level of balance but rather that it had too much. Balances increased by £213,000 in 2013/14 to leave a balance of £9.88m at 31 March 2014.
36. Policies have been determined previously to bring about reductions and the current policy reflects that deficit budgets are necessary to support the structured reduction in spending. The current policy allows for balances to fall to no lower than 25% of Net Budget Requirement (NBR). This is slightly different from the NOE stated above, the average NBR figure for the next four years is expected to be £12.8m therefore 25% of that figure equates to £3.2m. The current four-year forecast shows balances still at £8.5m at the end of 2018/19.
37. The risk assessment undertaken above suggests that 20-25% of NBR is about the range that this authority should be maintaining its balances within. By 31 March 2019 balances will represent 68% of NBR, which is more than adequate. However, Members are aware that this situation can only be achieved with CSB savings and have stated a clear target of reducing expenditure throughout the period of the medium term financial strategy.
38. It has already been stated that the capital fund is expected to remain in a surplus position beyond 2018/19 and the capital programme is fully funded.
40. The main earmarked reserve is the District Development Fund (DDF) which is used to keep one off items of income and expenditure separate from the base budget. At 31 March 2014 the balance on the DDF was £3.8m, which was an increase of £0.2m in the year. The DDF is predicted to have a balance of £0.9m at the end of 2018/19, although this is likely to be reduced by the Local Plan and any further organisational changes. The only other earmarked reserve with a significant balance is the Insurance Reserve, which stood at £1.05m at the end of 2013/14. There were no significant movements in the year on this fund.

41. The HRA revenue balance of £2.97m at 31 March 2014 is expected to decrease, by £1m in 2014/15 and then increase by £52,000 in 2015/16 to remain above £2m. The balance on the Housing Repairs Fund is expected to reduce over the next year, from £2.75m to £1.74m. Similarly the Housing Major Repairs Reserve is predicted to decrease from £11.36m to £10.13m. The 30 year business plan has demonstrated that under self-financing the overall financial standing of the HRA will improve significantly and its reserves going into 2015/16 remain healthy.

42. **The conclusion is that the reserves of the Council are adequate to cope with the financial risks the Council faces in 2015/16 but that savings will be needed in subsequent years to bring the budget back into balance in the medium term. Given the imminent general election there are particular concerns about New Homes Bonus and potential changes to the funding structure for local authorities.**

Parish	Precept based on notified taxbase £	Precept based on amended taxbase £	DDF Grant to top up Precept £
Chigwell	272,399	271,451	948
Epping Town	412,099	409,609	2,490
Lambourne	32,150	32,118	32
Loughton Town	587,100	586,599	501
Matching	13,800	13,770	30
Moreton, Bobbingworth and the Lavers	13,783	13,643	140
Nazeing	68,940	68,752	188
North Weald Bassett	172,034	171,892	142
Roydon	28,915	28,900	15
Stapleford Abbots	5,410	5,391	19
Waltham Abbey Town	735,445	734,407	1,038
			<u>5,543</u>

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Report to the Council

Committee: Cabinet

Date: April 2015

Subject: Portfolio Assets and Economic Development

Portfolio Holder: Councillor A Grigg

Recommending:

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

Waltham Abbey Studies

Reports commissioned on the issues and opportunities facing Waltham Abbey Town centre have now been received from consultants and are being refined in liaison with the Economic Development Team. The reports comment in varying degrees of detail on the potential for various interventions or development projects throughout the town. However, each of the reports have been compiled in isolation, not only from each other, but also the ongoing gathering of the Local Plan evidence base and the district-wide study being compiled by Hardisty Jones consultants. Given this ongoing development of the Council's Local Plan, and the parallel development of an Economic Development Strategy, it is not appropriate that these reports and proposals be taken forward at this point but they will inform future developments in the town in line with the outcomes and policies agreed in the Local Plan.

Superfast Broadband

The Economic Development Team is working closely with the Essex County Council Superfast Broadband team and supporting the Portfolio Holder for Support Services and Technology on the development of Phase 2b (The Rural Challenge Project or RCP) of the Superfast Broadband rollout programme. The RCP aims to provide solutions to the provision of superfast broadband to a section of the Epping Forest District's rural areas. The Invitations to Tender have been sent out to a number of bidders and the assessment of those bids is likely to take place during late April / early May

Staffing

A new Assistant Asset Management & Economic Development officer has recently been appointed to the Economic Development Team and it is anticipated will take up the post in late April / early May.

Business Support / Growth Hub

A brand new online business support, advice and growth hub has opened for Greater Essex. The BEST (Business Essex, Southend, & Thurrock) Growth Hub is being provided by the South East Local Enterprise Partnership and will act as a portal to enable local businesses to access the support they require. In the initial months, business enquiries will at first be handled by navigators in the Southend Growth Hub who will redirect them to the relevant local council contact. The online offer is currently a very simple one but this will be developed and enhanced over the next few months as a business support mapping exercise is completed, again supported by SE LEP funding. This mapping exercise will simplify access to the many varied national, regional and local business support initiatives that exist.

Business Survey

Essex County Council have now completed their business survey. A headline report for Essex has been generated but district level detail is, for the most part, still awaited. Just over 1,000 businesses were interviewed and 105 Epping Forest businesses were contacted. Some top-level (Essex-wide) results showed that although only 11% of businesses employed apprentices, up to 37% were likely to do so in the future. Some 64% were planning to train or upskill their staff in the next 12 months, 29% expected their number of employees to increase in the next 12 months and 77% were aiming to grow their business in the next 2-3 years.

Report to the Council

Committee: Cabinet **Date:** 21 April 2015

Subject: Environment **Item:**

Portfolio Holder: Councillor W Breare-Hall

Recommending:

That the report of the Environment Portfolio Holder be noted.

Waste Management

Members will recall that the decision to award the Waste Management contract to Biffa from November 2014 was based on a Tuesday to Friday collection service. The change was to become effective once Biffa procured a new vehicle fleet and relocated from Langston Road Depot to their own depots in Waltham Cross and Edmonton.

I am pleased to inform Members that the new 4 day collection service will commence on 12 May 2015. Prior to this every household will receive a letter in the post which will inform them of the specific day change for them, and the Council's website will have a new search tool that will allow residents to check their refuse and collection day. Some of the features of the new service commencing on 12 May are:

1. Refuse and recycling services will be collected from Tuesday to Friday.
2. No requirement to catch up after a Bank Holiday Monday.
3. A brand new fleet of vehicles for the service.
4. Batteries will be collected every week with the food and garden wheelie bin.
5. Textiles will be collected fortnightly with recycling sacks, blue box and the weekly food and garden wheelie bin.
6. Small electrical equipment will be collected fortnightly with the refuse wheelie bin and the weekly food and garden wheelie bin.

On 18 February I joined a small group of Members in visiting Biffa's Material Recovery Facility (MRF) at Edmonton, where our recycling material is delivered. The visit was both interesting and informative, and it was pleasing to see that all of the material that our residents recycle is diverted from landfill. I will arrange another visit for any other Members who would like to see the facility.

I am pleased to inform Members that the Department for Communities and Local Government has approved the joint funding bid of £896,468 submitted by Epping Forest, Braintree, Harlow and Tendring district councils. The funding will be used for increased publicity and initiatives to help with the following within the four districts:

- Weekly food recycling in 97 schools
- 11,000 properties in blocks of flats to receive new recycling services
- Reduction in landfill waste of circa 9000 tonnes

I shall keep Members informed of the specific schemes and initiatives within this district.

Old Shire Lane in Waltham Abbey received a deep cleanse in March, which included the removal of fly tipped items. Biffa have agreed a long-term cleansing plan for the area, with work to be carried out first thing in the morning when parking is less of a problem. The possibility of installing additional litter bins on the verge side of the road is also being investigated.

Flooding and Water

The relatively dry winter period has meant an overall reduction in flooding incidents. Liaison with Essex Highways and Thames Water has seen EFDC officers take a coordinating role, especially as the latter have not been proactive in either managing or taking positive action on the majority of cases. Members have invited Thames Water representatives to attend the next Safer, Cleaner, Greener Scrutiny Panel on 28th April in order to understand their priorities.

Officers from the Engineering Drainage and Water Team are working closely with Forward Planning to ensure that the forthcoming updated Strategic Flood Risk Assessment for the district is sound and robust in order that it will help shape development policy across the district.

Fly-tipping

A curfew and community orders were imposed on two residents who illegally deposited waste on land at the entrance to a site previously used by travellers in Epping Lane, Stapleford Tawney, after being prosecuted by Epping Forest District Council in Chelmsford Magistrates Court on 5th March.

Mr. Karl Stichman, of Colson Road, Loughton, was given a 12 month community order with a curfew for a period of 3 months between the hours of 8.00pm and 7.00am, 7 days a week. Mr. Jay Grant, of Grosvenor Drive, Loughton, was also given a 12 month community order with a requirement that he carries out 100 hours unpaid work. The defendants were ordered to pay the Council's prosecution costs of £298 each.

Fly tipped waste was found by an Environment and Neighbourhoods Officer on 26th August 2014. The matter was investigated and the waste was traced back to a shop in Borders Lane, Loughton.

The owner of the shop informed the Council that she had asked her cousin, Karl Stichman, to remove the waste from her shop with the intention of it being taken to a proper recycling centre.

However, when interviewed under caution by Council officers, Mr. Stichman told the Council that the Essex County Council recycling centre had refused to accept some of the waste, as it was trade waste, so he and his friend Jay Grant had fly tipped it.

Additional general advice in relation to this case

Commercial waste from business premises, construction waste, or waste that does not come directly from a domestic property cannot be taken to ECC recycling centres. Commercial and construction waste must be disposed of via legitimate authorised companies. Companies disposing of commercial waste must also keep Waste Transfer Notes to record how they dispose of their waste.

Essex County Council have informed us that they are in the process of tightening up on checks that they carry out at their recycling sites to detect and deter commercial waste being passed off as household waste for free disposal. In particular, ANPR cameras will be used to record and detect regular visitors which may indicate a commercial source of waste. There is a risk that when waste is turned away from recycling centres (as in this case) this will lead to more fly-tipping. EFDC's enforcement team will be working with ECC to follow up on any evidence they obtain that indicates illegal commercial waste disposal.

Unauthorised encampments (UE)

Harlow Council obtained an interim injunction to prohibit unauthorised encampments from a number of open spaces around Harlow. Fears that this could lead to the caravans in Harlow moving to neighbouring authorities has so far been unfounded. Most of the caravans that had been regularly moving around Harlow left the area before the injunction hearing, with the final group moving when the interim injunction was obtained. It has been reported that the caravans moved out of Essex.

Officers still have concerns that Essex police have restricted the use of their discretionary power to remove 6 or more caravans from land, under s.61 of the Criminal Justice and Public Order Act 1994 (s.61), so removing UE primarily relies on landowners (including EFDC) pursuing possession proceedings to evict trespassers, a process that can take weeks to be effective.

Noise nuisance

A noise abatement notice was served in February on The Princess of Wales public house (formerly The Clydesdale), Westall Road, Loughton, after the duty noise officer witnessed loud music causing a statutory nuisance, contrary to advice that had been provided previously. The premises licence holder is now working with the enforcement team to comply with the notice.

Food Safety

The Food Standards Agency and the renown London School of Economics and Political Science are carrying out a research project into the consistency of inspections and risk ratings. I am pleased to confirm that the Agency is satisfied with the Food Hygiene Rating scores applied by officers from EFDC. Further information will be provided when the full results of the study are published.

Health and Safety at Work

Officers have identified a number of businesses in the beauty sector who have been undertaking treatments such as IPL (Intense Pulsed Light) and laser hair removal, teeth whitening and the application of semi-permanent make up without the necessary medical involvement and advice. They have been advised to stop providing such treatments until they meet all safety requirements.

The Health and Safety Executive have identified Carbon Monoxide (CO) emissions from Tandoor ovens and indoor charcoal cooking as presenting particular risks. The team have obtained monitoring equipment to measure the level of CO from kitchens and will be investigation whether food businesses in the area are at risk over the forthcoming year.

Air Quality

The Annual Updating and Screening Assessment for DEFRA is currently being prepared. Monitoring results show that air quality in Epping and Loughton high streets is at borderline levels, and any deterioration would require the authority to consider the declaration of Air Quality Management Areas.

Report to the Council

Committee: Cabinet

Date: 21 April 2015

Subject: Finance

Portfolio Holder: Councillor S Stavrou

Item:

Recommending:

That the report of the Finance Portfolio Holder be noted

Accountancy

Since our last meeting the Chancellor of the Exchequer has delivered his Budget and I thought Members would find it helpful if I highlighted a few key points. In terms of overall spending, the Government's assumption is that Total Managed Expenditure (TME) will fall in real terms in 2016/17 and 2017/18 at the same rate as over the period 2010/11 to 2014/15. TME will then stay flat in real terms in 2018/19 before increasing in line with nominal Gross Domestic Product in 2019/20. This spending plan is not as drastic as many had anticipated, but clearly within the overall plan some areas of Government spending will be hit harder than others.

A review of the future structure of business rates is now underway and this should report back by the 2016 Budget. This is one area of policy that has widespread political support as the current system is clearly no longer fit for purpose. It would be good to see the current limited local retention of business rates extended and proper reward being given to districts that have a track record of using economic development to increase the number and size of businesses in their area.

As the Council has many mature and experienced Members I thought the changes on pensions might be of interest. From April 2016 the tax rules will change to allow people who are already receiving income from an annuity to sell that income to a third party. The proceeds of the sale could then be taken directly or drawn down over a number of years.

The Budget also included announcements on service integration, devolution, apprenticeships, planning and housing. If Members are interested in finding out more of the detail I would strongly recommend the on the day briefing note provided by the Local Government Association. This is written in relatively plain English and at only thirteen pages is rather less intimidating than the Budget itself.

Of course the extent to which any or all of the above are implemented will be determined by the general election. The Medium Term Financial Strategy approved as part of the Council's budget in February did allow for reductions in funding in future years and these estimates will be re-evaluated as more information becomes available. Over a number of years our prudent financial management has put the Council in a strong position and this will allow us to manage whatever adjustments are necessary in a structured and controlled manner.

Benefits

Last year the Budget saw the introduction of a welfare spending cap for the years 2015/16 to 2018/19. For 2015/16 the level of spending is now predicted to be £120.6 billion which will exceed the cap of £119.7 billion. However, this is within the allowed margin of 2% of the forecast of the Office for Budget Responsibility. It is interesting looking forward that by 2019/20 spending on welfare is predicted to be £3.3 billion inside the cap.

The year-end position on the key performance indicators will be considered at the June meeting of the Resources Panel, but I will take this opportunity to give a brief update. The average time taken on processing a new claim was below 22 days, which is well ahead of the target of 25 days. The other processing indicator is for changes of circumstance and this is also performing better than the target of 6 days.

Revenues

This is always a very busy time of year for staff in both Benefits and Revenues as the new-year bills and notifications generate a lot of calls and correspondence. As always, help and advice is being offered to support both residents and businesses that are facing changes in their bills.

The key performance indicators at the end of the year are positive for both Council Tax and Non-Domestic Rates. At the end of March the in-year collection rate for Council Tax was 97.79% which was ahead of the target of 97.0%. Similarly, Non-Domestic Rates was also ahead of the target of 97.7% with 97.86% having been collected.

Report to the Council

Subject: Portfolio Holder Report – Governance and Development Management

Date: 21 April 2015

Portfolio Holder: Councillor John Philip

Recommending:

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

1. Development Management

Building Control has had a very positive year with a total estimated turnover of £407 000. This is an increase over budget for the year of £21 000 representing a 6% increase over the 2014/15 budget of £386 000.

Building Control has also taken specific steps during the year under review to manage and limit expenditure. Their fee earning income of over £407 000 indicates that a further small increase in income would have seen BC achieving “break even” status for their ‘Ring Fenced Fee Earning Account. In other words an 8% increase over budget would have achieved this.

The outlook for Building Control remains positive, although they will continue to face significant competition due to the competing demands for the market share of Building Control Survey work.

During 2015/16 Building Control will be taking on two trainee Building Control Surveyors. This will add further stability and resilience to the Building Control Team both in terms of short term support and longer term succession planning.

Development Control has experienced a record turnover for 2014/15 of over £811 000. This represents an increase over the original budget of £515 000 of 58%, a considerable £296 000 above the original budget.

DC’s budget was increased to £715 000 in January 2015. However, DC still managed to exceed this revised budget by over £96 000. This is demonstrated by their average monthly fee earning income from December 2014 to March 2015 of £73 000 per month.

In addition DC has also collected £105 000 in Pre-Application fees, which exceeded the budget by £25 000.

The number of planning applications received for 2014-15 has increased from the previous year by approximately 250 to just under 3,000, which has been carefully managed and in a small number of instances, overtime costs have been incurred to manage the current surge in planning applications.

The outlook for DC is positive and efforts will be made to progress the quality of the service through electronic records improvement and planning officer staff development. However, just a note of caution in respect of quality of decision making - appeal performance on planning application decisions in total for 2014-15 has resulted in 36% allowed (24 out of 67) which is similar to last year, but still relatively high compared to previous years.

2. Local Land Charges

This report relates solely to proceedings brought against the Council by a group of Property Search Companies advised by Tinklers Solicitors. Over 150 local authorities faced similar claims as part of the same action. A Settlement Agreement has been entered into between the Claimants and the Council, the terms of which are confidential. The claims are therefore now concluded against this Council and the other authorities involved.

For the sector as a whole, negotiations resulted in the Claimants' claims being reduced by approximately 51%. The Council along with the majority of local authorities involved in the matter received legal advice from Bevan Brittan LLP and Leading Counsel.

A second group of Property Search Companies are also seeking to claim refunds although no proceedings have yet been issued. The claims are subject to negotiation and as such remain confidential and subject to legal privilege.

I will update members with a confidential report once both claims are concluded. At this stage, though, I want to note that the successful conclusion to the first set of claims could not have been achieved without successfully preserving the confidentiality and the significant amount of widespread partnership between this council and the others involved.

Report to the Council

Committee: Cabinet

Date: 21st April 2015

Subject: Housing

Portfolio Holder: Cllr David Stellan

Recommending:

That the report of the Housing Portfolio Holder be noted.

Review of the Housing Allocations Scheme and Tenancy Policy

At its meeting on 9 March 2015, the Cabinet agreed both the revised Housing Allocations Scheme and Tenancy Policy. The main changes are as follows:

Housing Allocations Scheme

- An increase in the current 3 year Residency Criteria, with any new applicant who has lived in the District for less than 5 continuous years immediately prior to their date of registration not qualifying for inclusion on the Council's Housing Register. Existing homeseekers already on the Housing Register for less than 4 ½ continuous years will be removed;
- A lesser residency requirement of 3 years applied to those leaving care and supported housing, which will enable the Council to continue to provide valuable support to this client group and meet with its corporate parenting responsibilities;
- In accordance with the Government's Code of Guidance and recent Consultation Paper "Right to Move", an exception to be made to the Residency Criteria for existing tenants who are seeking to move from another local authority district in England across boundaries to be closer to their work, or to take up a job, apprenticeship or full-time training that will lead to employment, subject to certain conditions;
- The Financial Criteria limits for when lead applicant/s are ineligible to join the Housing Register reduced, with those who have a gross annual household income including; residential property equity, savings, shares or any other assets, exceeding £76,000 not qualifying to join the Council's Housing Register, regardless of the size of accommodation required;
- The incentive payments offered to existing tenants downsizing accommodation, where both properties are owned by the Council, increased - with the amount paid for each bedroom released rising from £500 to £1,000. The amount paid for removal costs will remain the same at £500, but a standard additional decoration allowance payment of £500 will be paid, subject to a total maximum payment of £4,000 being made; and
- The penalties for refusing offers of accommodation strengthened - with any home seeker who refuses two offers of suitable accommodation for which they have expressed an interest within any period, having their application deferred for a period of twelve months. A lesser penalty will be applied to existing Council tenants who are under-occupying and

wish to move to smaller Council accommodation. In these circumstances, homeseekers must refuse three offers of suitable accommodation before being penalised in the same way.

Tenancy Policy

- Extension of the use of Flexible (fixed-term) Tenancies - to include all Council properties (except for sheltered accommodation and grouped dwelling schemes, and existing tenants of the Council who are transferring and downsizing accommodation); and
- Introduction of an additional requirement under the Assessment Criteria (which determines whether, at the end of the fixed-term, a further tenancy is granted) that a further tenancy will not generally be granted where, in accordance with the Council's Housing Allocations Scheme, the tenant has sufficient income and/or assets to meet their own housing need themselves.

The target date for both the revised Housing Allocations Scheme and Tenancy Policy to come into force is 1 July 2015. This is due to the necessary implementation arrangements which include:

- Re-designing the on-line application form to comply with the new policies;
- Writing to around 1,600 home seekers on the Housing Register, explaining that they must re-register on-line and giving a final deadline for re-registering, after which they will be removed from the Housing Register;
- Working with the Council's Choice Based Lettings system administrator, Locata Housing Services (LHS), to ensure their IT system meets with the requirements of the revised Scheme; and
- Reviewing the cases of all qualifying homeseekers, contacting those who fail to re-register to ensure that appropriate advice/assistance is given to either vulnerable applicants or those who do not have access to a computer.

The Cabinet agreed that both the Housing Allocations Scheme and the Tenancy Policy should be reviewed by the Housing Select Committee following 2 years of operation, with the further reviewed Scheme coming into force on 1 April 2018.

Housing Improvement and Service Enhancements Programme – 2015/16

Following detailed consideration by the Housing Scrutiny Panel, the Cabinet recently considered the Scrutiny Panel's recommendations on the most appropriate use of the Housing Improvements and Service Enhancements Fund for next year.

The Fund was set up when self-financing of the Housing Revenue Account (HRA) was introduced in 2012, and uses the additional money that has become available to the Council to fund housing services as a result of self-financing.

As a result the Cabinet has agreed the following new housing service enhancements for 2015/16:

- Increasing the financial incentives offered to Council tenants to downsize their accommodation (see separate report above);
- Increasing the size of the new Corporate Fraud Team to combat more social housing fraud;
- Introducing paperless and daily direct debit facilities for Council tenants, leaseholders and Careline clients, to replace the current facility of offering just four dates each month;
- Providing a grant of £37,800 to the Epping Forest Citizens Advice Bureau to fund the continuation of two temporary full-time Debt Advisors for a further 12 months;

- Extending the opening hours of the Limes Centre, Chigwell to the afternoon and expanding the range of services provided for a pilot period of 12 months; and
- Allocating £284,000 to the Major Capital Housing Projects Reserve to fund future improvements schemes in future years

I am grateful to the Housing Scrutiny Panel for all their work in identifying appropriate schemes that will really improve the housing service given to our tenants.

Telecare Service Association (TSA) Accreditation

The Telecare Services Association (TSA) is the organisation that sets the industry standard for the delivery of “telecare” and “telehealth” services.

Following a challenging external audit by the TSA, the Council’s Careline Service was first awarded TSA accreditation in March 2011. In order to retain accreditation, the TSA undertakes an annual one-day audit, and a full two-day audit, every 3 years.

Following the full two-day audit by the TSA in March 2014, which assessed the service as meeting all of the required standards, the annual audit was successfully completed again in March 2015.

The audits, which confirm ongoing accreditation under the Code of Practice, are conducted by the National Security Inspectorate (NSI), an independent body on behalf of TSA. They give confidence to members that our Careline Service provides a safe and reliable service.

Annual Report to Tenants 2014

Under the *'Housing Regulatory Framework for Social Housing in England'*, all registered housing providers, including the Council, are required to produce an annual report for their tenants.

There are four Consumer Standards in the Regulatory Framework and the annual reports have to set out the ways that the Council is meeting its obligations under these standards, which are:

- Tenant Involvement and Empowerment (Involving our tenants)
- Home (Housing repairs and maintenance)
- Tenancy (Housing applications and lettings, Setting and collecting the rents)
- Neighbourhood and Community (Managing tenancies and estates, older people’s services)

The Council has now produced its *'Annual Report to Tenants 2014'* which shows how the Housing Service has performed against its own targets and previous performance, including performance against its ‘tenant selected indicators’, a suite of performance indicators agreed with the Tenants and Leaseholders Federation. The Framework also requires the Council to publish information on complaints on an annual basis, so this is also included in the report. It also covers the objectives and key achievements of the Housing Service, and plans for the future.

The Annual Report is being sent to all Council tenants and has been published on the Council’s website. Copies of the report are also available from the Communities Information Team at the Civic Offices.

The Epping Forest District-Wide Tenant Participation Agreement

The Epping Forest District-wide Tenant Participation Agreement between Epping Forest District Council and Epping Forest Tenants and Leaseholders Federation outlines the way in

which the Council and the Federation will work together to promote tenant participation and to provide good quality and relevant information to tenants. The Agreement sets out how the Federation will operate and both the Council's and the Federation's commitment to involving tenants in the provision of housing services, including the ways in which tenants who wish to become involved will be supported and encouraged.

The Agreement is updated and renewed every three years and is signed by the Chairman of the Federation and the Housing Portfolio Holder on behalf of the Council. The latest version of the agreement was approved by the Federation's Executive Committee on 3rd December 2014.

Funding for Housing Related Support from Essex County Council – 2015/16

In my last report to Council, I reported that officers had been advised by Essex County Council (ECC) officers that they had been asked to save £2million (10%) from their county-wide Housing Related Support (HRS) budget in 2015/16, and that this saving requirement may need to be increased to £3million, depending on the outcome of internal discussions.

For this reason, ECC established an "HRS Savings Working Group", including representatives from HRS providers, to discuss how the £2million saving could be most appropriately implemented. Following consideration of the Working Group's proposals, ECC officers formulated their own proposals based on the Working Group's suggestions.

The Council currently receives funding of just over £300,000 from ECC towards the cost of providing the Council's Careline and Scheme Management Service to Council tenants living in sheltered housing and other housing designated for older people. However, I explained in my last report that, from April 2015, ECC intended to cut this funding by £133,000 per annum (43%).

I therefore undertook a review on how this expected lost income could be replaced through the charges made to service users. Following my review, the Finance and Performance Management Cabinet Committee agreed my proposal to spread the required increase in charges to service users over the next two years. Therefore, the charge for the Careline Service was increased by 27p per week from April 2015, and the charge for the Scheme Management Service was increased by 71p per week for sheltered housing tenants and 39p per week for tenants in other designated housing for older people.

Tenants in receipt of housing benefit (who previously paid nothing towards the cost) now have to meet this additional cost themselves for the first time, plus an additional 56p and 13p per week for sheltered housing tenants and tenants in other designated housing for older people respectively.

Letters were sent to all the tenants affected, to explain the increased charges and the reasons.

As a result of spreading the required increases in charges over two years instead of one year the Housing Revenue Account (HRA) was expected to subsidise the loss of the Essex CC funding by around £58,000 during 2015/16.

However, just less than two weeks before the start of the financial year (25th March 2015), out of the blue, we received a letter from Essex CC advising that "there are no plans for changes to HRS funding in 2015-16" and that, for services to older people "we will build on work we have already done to work with stakeholders to identify the best way to support vulnerable older people. We intend to have a clear agreed position in place for 2016-17". Therefore, the proposed reduction in funding for HRS in 2015/16 has not been implemented.

Whilst this is clearly good news I consider it very unsatisfactory that, after receiving a clear indication from Essex CC officers that a significant cut in HRS funding would be made - to which the Council responded in a prudent and responsible way by making appropriate increases in charges to tenants – we hear, after our budget process has been completed and the new charges implemented, that the proposed cuts are not now being made. Indeed, our Director of Communities, along with officers from other councils, has expressed his concern to ECC officers about how this process has been handled by the County Council.

Since the increased charges have already been implemented and tenants have been notified and are now paying the increased charges, it is not at all straightforward to simply rescind the increases without significant administrative difficulties and causing a lot of confusion for tenants.

I am therefore currently considering with officers the options for the most appropriate way forward to respond to this latest information from the County Council, in terms of the HRS charges made, with a view to a report setting out the options being submitted the Cabinet meeting on 11th June 2015 for a decision.

“Home Truths” – Report on the Housing Market in the East of England (NHF)

Each year, the National Housing Federation (NHF – effectively, the national “trade body” for housing associations) produces a report on housing costs and related data in the East of England Region. This year’s report has just been published.

In its publication, the NHF highlights Epping Forest as one of the areas with the lowest levels of housing affordability in the region. The report gives useful comparisons of average house prices, incomes and ratios of incomes to house prices in 2013 across the Region. This latest report identified that, for the Epping Forest District:

- The average property price was £381,450 and the gross income required for a mortgage was £87,190 – both the highest in Essex and the 4th highest in the Region;
- The average ratio of property prices to income was 11.8 - the highest in Essex and the 4th highest in the Region; and
- The average monthly private rent for a 3 bed house/flat was £1,123 – again, the highest in Essex and the 4th highest in the Region

As members will appreciate, property prices and private rents have increased since 2013.

Launch of the Association of Retained Council Housing’s (ARCH’s) Manifesto

In February, the Association of Retained Council Housing (of which the Council is a member) launched its manifesto *“For a Council Housing Renaissance”*, in conjunction with the National Federation of ALMOs, in advance of the forthcoming parliamentary election.

The Manifesto argues for councils that have retained their housing stock to be given opportunities to make the best use of the freedoms that the self-financing of housing revenue accounts provides, in order to maintain and improve the existing housing stock and deliver more homes. It encourages the Government to lift the current cap on how much councils can borrow for landlord purposes and to explore opportunities for councils to build homes for sale and market rent, in order to support the provision of homes at affordable rents. It also seeks to ensure that the current policy of replacing homes sold under the Right to Buy on a one-for-one basis continues, and that council tenants get a fair deal out of the Government’s welfare reforms, particularly the introduction of Universal Credit.

Council House-building Programme

At its meeting in February 2015, the Council Housebuilding Cabinet Committee considered a number of reports, starting with a report on the future use of the site at Burton Road, Loughton, which makes up Phase 2 of the Housebuilding Programme. Members considered two alternative design options, one for 43 new homes and 100% parking on the site, and another for a similar scheme to the one that was previously submitted and refused permission by the Area Plans Sub-Committee, comprising 52 homes - but with the flat blocks reduced in height by between ½ and 1 metre to overcome the concerns of the Sub-Committee. Other options considered including selling the site or appealing this planning decision.

The Committee, after consulting with the local Ward Councillors, decided to submit a revised design for 52 new homes, but to link the development with an off street parking scheme in nearby Torrington Drive and to recommend to the Cabinet that the parking scheme be given priority.

The Cabinet Committee also considered revised feasibility studies for Queens Road, North Weald and Centre Drive, Epping - which were agreed and added to the Programme as Phase 3, along with 8 other sites in Epping, Coopersale, Ongar and North Weald. The Committee also agreed that sites in Buckhurst Hill and Ongar should make up Phase 4 of the Programme, in line with the Cabinet's policy on the prioritisation of sites.

The Committee was made aware of the need to bring forward and overlap Phases 2, 3, 4 and 5, with only 3-month gaps between each of the phases starting on site, in order to keep up with the accumulation of one-for-one receipts that have built up from the higher than expected Right to Buy sales that have competed in the last 2 years. The Cabinet Committee has also asked officers to look at a range of options on ideas of how to ensure these one-for-one receipts are spent.

Following consultation with Waltham Abbey Town Council and all three local Ward Councillors, the Cabinet Committee agreed the names proposed by the Town Council for some of the new developments being provided under Phase 1 of the Programme, currently on site. The development at the site of the former Red Cross Hall in Roundhills will be named "Hockley Court", after the late Fred Hockley, who was a long-time resident of Waltham Abbey and member of the Red Cross for over 60-years. The two homes near to Fairways are to be called "Wood Villas", named after the late Mr A E Wood, a local resident who in 1912 was an international athlete and broke three world lap time records during the World 15 mile Championship.

Report to the Council

Subject: Leisure & Community Services **Date:** April 2014

Portfolio Holder: Cllr Mrs Helen Kane **Item:**

Recommending:

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

Community Services:

Changing lives through football: Funding secured from the Police and Crime Commissioner (PCC) through a competitive process, has enabled a two very successful football diversion projects for young people, to be provided in Limes Farm, Chigwell and Town Mead, Waltham Abbey.

The level of participation by young people (boys and girls) at both projects has been excellent, with on average 25 young people at Limes Farm and 40 at Town Mead taking part regularly each week, although I am delighted to say that at the Waltham Abbey sessions, which are held on the new 3G Astroturf pitch, over 80 young people have been attending in the last couple of weeks.

As part of the funding agreement, the Police & Crime Commissioner's office have carried out an independent assessment of the impact of the project in both areas and the findings were so good, that a further grant has been awarded to the Council to cover the cost of an additional six months' provision. The PCC acknowledged that an impressive level of engagement had taken place and that the impact on the attitude of participants was significant. The extra funding from the PCC will also enable the introduction of a new boxing club at the Limes Centre and additional multi-sports sessions each week.

One young man's journey: A particular highlight of the football project over the last six months has been the engagement of a 15 year old lad (who I'll call David for the purpose of this report) who was initially barred from the sessions due to very aggressive behaviour and attitude. The lead football coach saw David sitting outside the football area the following week and spent time with him to try and find out why he was behaving as he was, and found that he came from a broken home and felt a lot of anger towards his father. David also felt that he 'did not fit in' at school and was not attending. The coach encouraged David to take part that evening and his goalkeeping skills were so good that the coach referred him to a friend who ran a Sunday League Team. Surprisingly David went along to the team's training session and before long, he was registered for the team and playing Sunday league football.

Following a meeting with David's mum, the coach also made an appointment with the headmistress of his school and after hearing about the success in David's progress with the football sessions and playing in a football league, a plan was set up to enable David to return. The plan was based on point system, whereby, if David was late for school or behaved inappropriately he was be given a negative point and if he was to reach six negative points he would not be allowed to play football.

This basic discipline has been the making of David. He is continuing to progress at school and he has progressed technically at football. He is now in the run up to his exams, which is excellent considering the position he was in before joining the football project.

Although I have picked out one particular success generated through the football project, there are many others. Before the football started, there was a great deal of youth nuisance at Town Mead and cases of vandalism of the pitch and surrounding areas. This has subsided since the sessions started, which are held on Friday evenings between 6 – 8pm and the young people are really engaged, due to the professionalism of the coaching team and the respect and trust that has been built.

Epping Forest Youth Council: I am delighted to advise Members, that on 18th March I was in attendance at the annual High Sheriffs Awards evening, where the Epping Forest Youth Council was awarded the prestigious High Sheriff's Shield 2015, along with a cheque for £1000. The Essex-wide award was in recognition of the Youth Council's anti-bullying project which involved the design and distribution of 1200 wristband memory sticks promoting their #URNotAlone Bullying Awareness website to every Year 9 pupil in the district. The website promotes support numbers and guidance for young people and parents in respect of bullying.

During the Easter holidays, the Community, Health & Wellbeing Team facilitated an intergenerational event with the help of members of the Youth Council. An afternoon tea for 25 residents of Buckhurst Court Sheltered Accommodation Scheme was held on 30th March which proved to be a resounding success. Old and young took part in an Easter egg hunt and games from "days gone by". One resident aged 100 said she "didn't normally stay out late (!) but was having so much fun she didn't want to go home!"

Tenant Participation: The Tenant Participation Officer, who is now based within the Community, Health & Wellbeing Team, has recruited and trained a group of ten EFDC Housing Tenants to 'Mystery Shop' the Council's services. Each Mystery Shopper will be tasked to carry out three mystery shops within a three-month period using a variety of methods. The first series of "shops" will take place during the period 1st April 2015 – 30th June 2015. The results of the exercise will be fed back to the relevant section managers as part of the Council's continuous improvement process. The Mystery Shopping exercise will then continue on a quarterly basis.

District Museum News: The Museum Collections volunteers have been cataloguing our immediate museum collection backlog since January 2015 alongside the Volunteer Coordinator, Katie Weston. We have welcomed 5 new volunteers who have completed in house training on handling and documentation. They are working quickly and accurately and have fully catalogued 207 items.

Katie has also organised two community volunteer projects at Lowewood museum. A work experience day to learn about collections management, which was held on the 16th March with 12 art students from Hertford Regional College and secondly, a volunteer day on the 20th March involving 12 pupils from King Harold School that was run in partnership with Broxbourne Borough Council, where the students tidied and replanted the Lowewood Museum Garden. This was the first time Lowewood museum has welcomed garden volunteers.

Arts Council England Resilience Fund: The Council has just been awarded £55k from Arts Council England for the District Museum and Lowewood Museum, as part of their new 'Resilience' funding stream. The District Museum which is currently undergoing a major capital redevelopment supported by the Heritage Lottery Fund is one of only two museums

in Essex to have been awarded this funding, which is designed to support museums to become more sustainable and resilient.

The grant will go to support two strands of work. The first is to undertake a feasibility study to explore the possibility of setting up a body or Trust to secure external funding for the delivery of museum, heritage and culture activity in the Epping Forest District and the Borough of Broxbourne. The second strand of work would be to explore other opportunities created by the expanded museum offer and the services provided in order to contribute to the health, wellbeing and economic development of the district in a sustainable way. A further application will be made to support the implementation of any recommendations later this year.

Museum Redevelopment Project: The start date for the main building contract for the Museum has been agreed with the main contractors (Coniston Ltd) as 20th April and the works are expected to take 27 weeks. Over the last few months, a range of work has been undertaken to prepare for the building works, including a Listed Building review, to record key features in the building such as Georgian floor timbers that will need to be removed for the installation of the lift. There has also been a further asbestos survey undertaken and engineering reviews in light of the 'stripping out' process.

New Exhibitions & Projects:

'Mythical creatures': This joint project involving 28 college students, is opening at Epping Forest College on 13th April and is funded by the Arts Council England (ACE) and Royal Opera House Bridges project.

'Local Artist Antony Trollope' - A new exhibition opening on 4th April at Lowewood Museum. This explores the local links of this acclaimed Victorian artist and is an exhibition in partnership with the Trollope Society.

Archaeological Projects in Waltham Abbey – The Museum team has been working with Historic England, Waltham abbey Church and the Waltham abbey Historical Society on a number of archaeological projects in the town.

Motiv8 Dance Showcase: I was very pleased to be part of the audience for the annual Motiv8 dance showcase event, where young people aged 5-19 from across Epping Forest District were given the chance to perform at Epping Forest College in front of an audience of over 250 x people. Over 190 young people performed in the event, which welcomed an audience of over 500 over the two nights, in two 'sold out' shows. The Motiv8 Showcase is delivered in partnership with the College and its pupils involving everyone from student ambassadors to those studying design, media, performing arts as well as hair and makeup.

Active Assemblies: Active Assemblies, a programme designed to engage primary pupils in activity and healthy eating was demonstrated by pupils from Roydon Primary School in the NHS Healthy Schools Award Ceremony in Chelmsford on 20th March. The Epping Forest Dance Engagement Officer, along with the School's Head Teacher and pupils from the school got the audience of over 300 on their feet to take part. Roydon school's involvement in Active Assemblies has contributed to them achieve their Enhanced Healthy Schools Award.

Limes Farm Dance Classes: Free dance classes for young residents of Limes Farm, are being offered for a period of ten weeks between April and June. Two sessions aimed at children from 5years+ are being run on a 'drop-in' basis on Saturdays at the Limes Centre. Average attendance in the first couple of sessions has been around 17 and there are hopes for a dance group to be set up after the programme ends.

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Report to the Council

Committee: Full Council

Date: April 2015

Subject: Planning Policy

Portfolio Holder: Councillor Bassett

Recommending:

That the report of the Planning Policy Portfolio Holder be noted

Local Plan

Local Plan timetable/workshops

The Local Development Scheme agreed in July 2014 proposed that the next stage of consultation on the draft plan/preferred option is to run in the summer of 2015. This would be followed by analysis of the responses and the preparation of a pre-submission plan for publication in 2016. It is not now going to be possible to meet this timetable and we are currently reviewing the position with the intention of publishing a revised / updated programme (LDS) which we are targeting for the June Cabinet Meeting

The reasons for the delay are because of multiple factors which I have documented below. As you are aware production of the consultation preferred option draft plan is dependent on completion of key pieces of supporting evidence needed to underpin the policies in the draft plan. In particular the SHMA, undertaking a comprehensive Green Belt Review, additional work required to complete the Strategic Flood Risk Assessment as a result of changes to the Government's Planning Practice Guidance.

We also the need to take very seriously the statutory Duty to Cooperate as we have seen many Local Plans, including the recent Uttlesford' s plan, being found unsound by Inspectors at examination because they lack robust evidence and / or failed in meeting the Duty to Cooperate.

Inspectors decisions have also made us change our work plan and the St Albans Inspector decision meant we needed to undertake a comprehensive Green Belt Review of the entire district: new Government guidance and Inspector's report made it clear that this was expected before the release of any green belt – much of the Stage 1 Green Belt work (see below) has been done in house and has taken a considerable resource

Government changes to policy in relation to strategic flood risk has meant that as part of the existing brief, consultants have been asked to undertake additional work to produce a Level 1 "compliant" SFRA.

We have also seen delays in the strategic transport assessment using the new VISUM modelling – initial results now expected by the end of April and we then need to complete additional transport accessibility work required for the District

We also have experience staffing issues which meant the Planning Policy team has not been fully staffed since January 2014 but we are pleased to report we are now back to full strength.

Update on key evidence work

Strategic Housing Market Assessment update: One of the key pieces of evidence work is an update of our Strategic Housing Market Assessment (SHMA) in conjunction with the other authorities within our Housing Market Area: East Herts, Harlow and Uttlesford. We were not entirely satisfied with initial findings and as such the timetable slipped as we commissioned two additional pieces of work: the first to ensure that the economic activity scenarios match with the appropriate job growth projections for each District, the second to run a scenario based on intercensal population change which would more assess the projections for migration. We obtained agreement from the other three authorities to commission this work and this is now being used as the basis for identifying the Objectively Assessed Need (OAN). The consultants are now looking at housing mix and affordable housing to include in the final report. As Uttlesford recently discovered, this has become an increasingly important issue with Inspector's questioning OAN, the relationship between the housing need evidence in the SHMA and employment forecasts. We hope to get revised draft in May to enable us to progress with settling the Objectively Assessed Housing Need

Economic and employment evidence: Hardisty Jones has provided their interim findings on economic and employment evidence to support both the Local Plan and Council's overall Economic Development Strategy. Officers have provided comments and a meeting has been arranged to discuss comments on the interim findings. This work will need to incorporate the work commissioned by economic development on Waltham Abbey Town Centre and the Essex County Council commission for an Essex Economic Growth Strategy. Once finalised, this report will be reported to Cabinet alongside the report on the SHMA.

Green Belt Review: The fieldwork for Phase 1 of the Green Belt Review in the District to undertake a comprehensive high-level review of all Green Belt land across the District to identify its contribution to the Green Belt, as stipulated in the NPPF has now been substantially completed and is being mapped and written up. It will identify both the primary functions of the Green Belt, which deliver the national purposes, and in particular whether there are areas of the Green Belt land which no longer contribute towards the national purposes or contribute the least to these.

It is then proposed to share the findings of Phase 1 with the Town and Parish Councils in accordance with the Cabinet's decision, before reporting to Cabinet on the findings and undertaking Phase 2 more detailed work. As we want to use the outcomes of the updated SFRA1 and transport accessibility work to sieve sites to inform the more detailed assessment, it is likely that this report to June Cabinet.

This will set out the proposed methodology and work programme for Phase 2. A number of our neighbouring authorities are also currently undertaking Green Belt reviews. To ensure consistency of approach at the Cooperation for Sustainable Development Board meeting on 27th January it was agreed to share information regarding methodologies and findings of evidence base work including Green Belt reviews.

Strategic Land Availability Assessment: An update of the Strategic Land Availability Assessment has been completed as part of the Local Plan evidence base. A summary note of the findings will be placed in the bulletin.

Plan viability: The contract for the work on plan viability being undertaken by Dixon Searle Partnership, which will also inform policy choices on CIL/S106, is underway. The timetable has been revised, in discussion with the consultants, to enable the general direction from the Members' workshops on options and outcomes from strategic flood risk assessment and transport accessibility to inform the consideration of viability

Duty to cooperate: Officers have been meeting regularly with the appropriate authorities to consider cross boundary issues including the update to the SHMA and identifying the objectively assessed housing need, the approach to Green Belt reviews being carried out by several authorities, and identifying the functional economic area.

At the recent Sustainable Development Board meeting members had a presentation from John McGill on current West Anglia mainline, Crossrail 2 and also a presentation from Essex County Council updating on M11 Corridor junction including Junction 7a.

Following the previous meeting held last October, Councillor Whitbread wrote to the Chairman (copied to all other members of the group) to advise that we had concerns that the emerging figure for the Objectively Assessed Housing Need for the SHMA might mean we will be unable to meet our full housing need. This is a precautionary measure in the context of the recent planning practice guidance published on 6 October 2014 which reiterates the advice in the National Planning Policy Framework that local planning authorities should meet objectively assessed needs. Once need has been assessed the authority should take account of any constraints such as green belt which indicate that development should be restricted.

Uttlesford Local Plan examination:

The PINS Inspector raised fundamental concerns regarding the soundness of the Uttlesford District Council's draft Local Plan. These focussed on:

- i) the housing numbers derived from an out dated SHMA and objectively assessed need for housing (OAN) and;
- ii) The potential expansion of the village Elsenham, in particular concerns about the capacity of the local road network in the absence of committed significant infrastructure improvements.

In a letter subsequently sent to Uttlesford DC the Inspector concluded that he was not able to recommend adoption of the plan as submitted. He advised that the options for the Uttlesford District Council were either to continue the examination, but with the inevitable conclusion that he would not be able to recommend changes which would make the plan sound, or to consider withdrawing the plan. Uttlesford District Council decided to withdraw. The Council are now considering the additional evidence work required in order to address the Inspector's concerns and revising their Local Plan timetable accordingly.

Neighbourhood Plans: Moreton, Bobbingworth and the Lavers produced a revised draft Plan following the critical friend advice received from an NPIERS examiner. Officers have met with representatives and provided informal comments and advice

and are currently undertaking a screening opinion on the requirement for Strategic Environmental Assessment which is a necessary part of the process. Once this has been completed we will then need to agree with the parish whether the plan is ready to go for examination. As no objections were received following consultation, Buckhurst Hill Parish Council was designated under delegated powers as a neighbourhood area for the purposes of making a plan. . Loughton Parish Council has recently applied for their parish to be designated and a six week consultation on this proposal will be undertaken.

North Weald Bassett Parish Neighbourhood Plan

An application for the designation of a Neighbourhood Area for the purposes of the preparation of a Neighbourhood Development Plan was received from North Weald Bassett Parish Council. This application, and the representation received in response to the advertisement of it, has prompted the Council to recommend the addition of a more detailed set of criteria to be applied to all subsequent applications, to assess each application for known and possible cross boundary matters of strategic importance which should be addressed via the Duty to Cooperate.

The location of North Weald Bassett Parish, immediately adjacent to Harlow's administrative boundary, and the possibility of strategic cross boundary growth via the Local Plans of Epping Forest, Harlow and East Hertfordshire District Councils, has caused the Council to question the desirability of designating the whole of the parish, for Neighbourhood Development Plan purposes, at this stage in the preparation of the District Local Plan.

In considering the alternatives available, advice from Counsel has been received which confirms that the District Council has a broad discretion in determining whether it is desirable to designate the area which has been applied for. As a result, it determined that the north western part of the Parish, bounded by the M11 to the east, the administrative boundary with Harlow to the north, the Parish boundary to the west, and the London Road (B1393) and Rye Hill Road to the south, should be excluded from the Neighbourhood Area designation and treated as a strategic Site . We subsequently met with the Parish to explain the reasoning and allowed them time to report and discuss with their full parish council before we concluded any designation. We expect a report to come to the June Cabinet.

Uttlesford Statement of Community Involvement

Uttlesford DC are currently consulting on a revised Statement of Community Involvement (SCI). Actually they have made only very minor changes to their existing SCI, mostly to do with reflecting changes in national policy since it was adopted, and the fact that their Local Plan timetable has changed since their draft Plan was withdrawn at Examination recently. I do not see any problems with the minor changes they have proposed, and it seems to me to fulfil all the NPPF requirements.

Planning Policy Team staffing

Following appointment of the Planning Policy Manager, the structure of the rest of the team has been reviewed through a job evaluation panel. As a consequence we are appointing two career grade planning officers and an administrative support officer to replace the previous postholder who resigned in December.

Lea Valley Food Task Force Update

The partnership has been refocusing its work programme around three main work streams, Planning Policy, Employment and Education, Food Institute.

Potential EU project bid with Westland Municipality where we are working with EU enterprises to establish a joint bid to Interreg Fund, which would amount to several million Euro. This would in the first instance look at recycling and opportunities to expand R+D. An officer had been sent to attend a meeting in Amsterdam to meet with EU counterparts and he passed back details of the emerging bid from Holland and Belgium.

It was agreed that this represented an exciting opportunity and the chance to lever in EU Funding at a significant level and officers should work up proposals with EU Partners, consult with potential local partners, and prepare an Expression of Interest.

National Institute work stream - A brief had been prepared for consultants by ADAP+ as agreed and this had been approved by the Steering Group. This looked at a fund of £30K to enable a comprehensive study to be undertaken. The allocation for the work was now £20K, following the redirecting of £10k from this work to enable the qualification project to proceed. It was agreed that further contributions should be sought from other partners locally, and further afield if required, to enable the comprehensive study to occur, if this was not possible a scaled back version would be produced.

Essex Food Sector Study - ECC had commissioned an Essex wide study into the food sector following on from the work of the Task Force. A Project plan will be ready shortly.

London Stanstead Cambridge Consortium Report - LVFTF had been lobbying hard to ensure that Food was adopted as one of the LSCC main priorities. It had commissioned, as agreed, with financial support currently from LSCC, London Borough of Enfield a study into food resources along the LSCC area.

LVRP Proposals for Areas 6/7/8 - Members individually and collectively were very concerned that the proposals included statements about compulsory purchase of glasshouses and their businesses. It was agreed that we would respond to the consultation in line with the general consensus that both the content and timing of the proposals are very unhelpful particularly considering that partners were awaiting the outcome of a judicial review initiated by the Park Authority into EFDC permission for glasshouse expansion.

At the request of the Task Force I wrote to the Chairman of the LVRPA outlining the concerns of partners and ask that the consultation be withdrawn. I subsequently have received a reply from Derrick Ashley the Chair of the Authority that the proposals had been badly written in respect to what they meant and that they were referring to possible small redundant glasshouse sites and not any of the existing businesses.

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Report to the Council

Subject: Safer, Greener & Transport **Date:** 21 April 2015

Portfolio Holder: Councillor G Waller

Recommending:

That the Report of the Safer, Greener & Transport Portfolio Holder be noted.

Community Safety

Domestic Homicide Review

All reports of Domestic Homicide Reviews must be submitted to the Home Office for assessment by its Quality Assurance Panel, and are assessed as either 'adequate' or 'inadequate'. I am glad to be able to report to Council that Epping Forest District Community Safety Partnership's second Domestic Homicide Review has now been assessed as 'adequate' and is available on Essex Safeguarding Adults Board website, using the link below. The Panel commented that it was "a very clear and well-structured report".

'Gemma' (34) – not her real name – was stabbed to death by her former partner 'David' in October 2013, and 'David' then took his own life. The review of the case found that although there are learning points, it is unlikely that the agencies involved could have foreseen or prevented 'Gemma' 's death with the information available.

Report is available on this link: <http://alturl.com/8sr5e>

I would like to thank all members of the CSP Review Panel for their excellent work and their commitment to the Review's objectives. In particular, I would like to pay tribute to the original Chair, Judge Anthony Bradbury; to the Community Safety Manager, Caroline Wiggins; and to the final Report Author, John Gilbert for their special contributions.

Incident in Epping High Street

There was a serious incident in the early hours of Sunday 1 March, outside The Villa night club in Epping. CCTV images provided by the Community Safety team were helpful to the police in identifying how and where the trouble originated, and those involved. Since that time, the night club's licence has been reviewed by a Licensing Sub Committee and, following a change of ownership, the premises are due to re-open in due course as a restaurant.

Crucial Crew

At the High Sheriff's Awards in March, the Community Safety Partnership was successful in receiving a £1000 grant towards the Crucial Crew workbooks. Crucial Crew this year will take place between 8 and 19 July, and all primary age schools in the district, including state and private schools, are attending. For the second year, a number of Brentwood schools are also participating, with all monies received from these schools used to offset the cost of the event.

Safeguarding

Leadership Team Safeguarding Training

As part of the Council's commitment to safeguarding, Directors and Assistant Directors received a two hour safeguarding training session from Essex Safeguarding Children's Board Practice Development Manager. The session included information about safeguarding children and adults with needs for care and support and was complemented by a presentation by the Council's Community Safety Officer on domestic violence. The Leadership Team were joined by several Council members, who found the session very useful including particularly the aspects concerning accountability and governance.

Countrycare

Since my last report, Countrycare has continued its well attended weekly volunteer days, with tasks such as path maintenance, glade clearance and tree felling.

Countrycare was broken into on 19 February. Following that occurrence, and in order to prevent similar thefts in the future, a new security safe for the strimmers has been purchased and CCTV will be installed.

At the end of February, some Countrycare volunteers and Countryside Assistant Paul Ceconi entered a hedgelaying competition run by the Woodland Trust. Paul came third in the novice category of the competition and Peter Vaughan, a Countrycare Volunteer, came third in the veteran category.

On 17 March, 10 boys from St John's School, Epping, came to Swaines Green for a practical session digging scrapes and cutting back blackthorn on the Nature Reserve. This is part of a project run by the Council's Community Development service to get students out volunteering.

The Spring Tree Wardens meeting took place on 24 March, attended by 11 Tree Wardens and four members of staff. The Wardens were shown training videos on protecting the roots of trees and the effects of soil compaction, as well as how to maintain veteran fruit trees. Further Tree Warden training is to be undertaken by the Council during April.

Countrycare's events got off to a flying start this Easter with over 50 children attending the Easter Scavenger Hunt at Roughtalleys Wood. Countrycare also attended Community Development's Play in the Forest scheme, helping the children to hunt bugs in the Forest.

Car Parking

Council Car Parks Strategy

Following the recent Cabinet decision to set up a Portfolio Holder Advisory Group on the Car Parks Strategy, the first meeting of the Group took place on 2 April. with the Group supporting me in implementing and monitoring the adopted Strategy. The Group considered the timeline for the implementation of the Strategy, the specification of new smart meters, CCTV systems, car park lighting and associated works. The new pay and display machines are under order, with implementation of the Strategy, including new tariffs, scheduled for 1 July. I shall provide members with regular updates on progress.

Parking Reviews

The formal statutory consultation associated with creating Traffic Regulation Orders for the Buckhurst Hill Parking Review has been completed and officers at Essex Highways are now preparing cost estimates for the installation of signs and lines. Once the cost proposals are received from Essex Highways, the Council will be in a position to issue a formal order for the works to be carried out.

I have asked officers to review the previous proposals for the Loughton Broadway Parking Review and to make preparations in the first instance for a meeting with the local ward members to discuss the strategy for taking a scheme forward.

North Essex Parking Partnership (NEPP)

At the most recent meeting of the NEPP Joint Committee on 13 March, the following six schemes were approved for the introduction of on-street parking controls:

1. The Green, Theydon Bois
2. Pentlow Way Buckhurst Hill
3. Alderwood Drive, Abridge
4. Hoe Lane, Abridge
5. Hillcrest Way, Epping
6. Smarts Lane, High Beech Road and Forest Road, Loughton

Cabinet has recently agreed changes to the way in which schemes are nominated to NEPP. Instead of relying solely on scheme scores by NEPP officers, more consideration will be accorded to local wishes, and this will involve a greater degree of consultation with ward members and with town and parish councils.

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Report to the Council

Committee: Cabinet

Date: 21 April 2015

Subject: Technology and Support Services

Portfolio Holder: Councillor A Lion

Item:

Recommending:

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

Support Services

Envelope Machine

Colleagues may remember I previously reported that Cabinet had agreed a reallocation of budgets to facilitate the purchase of an envelope machine, 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.

I am pleased to report that the Leaseholder Team in Communities has also used the service this year to notify leaseholders of the estimated charges relating to their property along with all the associated documentation. This work has helped reduce the notional 'deficit' in the Reprographics budget and also saved time and money for Communities. Further publicity to promote the service will be on-going.

Apprentices

I can report that the Council has begun publicising its Apprenticeship Scheme for 2015. The County's Employment and Skills Team have visited three schools within the district to promote apprenticeships and inform students about the Council's scheme.

Our apprentices took part in putting together a number of adverts with the Loughton Youth Project for broadcast during Apprenticeship Week, which took place early in March.

We have also publicised the Scheme on our website which allows local young people to register an interest. To fit with the school timetable we will start the formal recruitment process by advertising the Scheme at the beginning of June. The aim is to start the next group of apprentices on 3 August 2015.

Accompanied Attendance List

Members will recall the article in the Council Bulletin in February regarding the Council's Accompanied Attendance list. The Accompanied Attendance (AA) List is a list of persons that Officers or Members of the Council, or persons working on their behalf may meet in the course of their work of whom we have information indicating it is inadvisable, for reasons of safety, to meet with alone.

The reasons for inclusion for those on the AA List are specific. The entries are based on factual evidence such as criminal convictions or information from Council Officers, Police Officers, Health Care professionals or other similar officials.

The information contained in the list is highly confidential and subject to the Data Protection Act 1998 (DPA). A requirement of the DPA is that we write to those on the list and inform them of the information held about them. There are exemptions that allow the Council to withhold this information from some of those listed. Exemptions include information that is owned by other organisations (such as the police) which we do not have the right to disclose; and information that, if it were revealed to the listed person, may increase the risk to those meeting with them.

Following an extensive review of the list, letters have been sent to those who are required to receive them. Thirteen letters have been sent to twelve recipients (one person is listed at two addresses). Some recipients have challenged their inclusion on the list and these challenges are being dealt with. There has been no adverse publicity resulting from the letters being sent.

There are currently 64 entries on the list. It is planned to make the listed addresses in each ward available electronically to Members after the election. In the meantime you may still enquire about addresses in your ward by contacting any of the following officers:

Wendy Gains, Safety Officer (x4084), Simon Hill, Assistant Director of Governance and Performance Management (x4249), and Steve Tautz, Democratic Services Manager (x4180)

Facilities

Solar Panels and roof works to the main & Conder buildings

The installation of the solar panels is dependent on the prior completion of roofing works. The roofing repair and strengthening tender was withdrawn, as the contractor failed to meet their contractual obligations. A new tender is due to be sent out imminently, with a start date in July after the completion of the window replacement contract. The solar panel installation can then follow on from the roof works.

Window replacement works to the main building

Work to replace the windows in the main building has commenced with the scaffolding at the back of the building. It is anticipated that the works will be completed by July.

New Front Entrance Door

New automatic front doors have been installed, including some minor alterations to the entrance and the provision of a new Chairman's notice board. These were available for use by the public on the 2 April 2015. These works were agreed at Cabinet in 2013 as the doors no longer met either security or Disability Discrimination Act requirements.

The Kitchen in the Members Area

Work on the refurbishment of the kitchen, has now been completed. The majority of the work, was carried out by in-house staff and local contractors.

Technology

Waste Management Integration

There has been a collaborative effort between the Council, Biffa and Merlin to integrate the Council's waste management IT system (M3) with the system used by Biffa. The integration of the two systems will lead to greater efficiencies and real-time information being given to our residents leading to an improved resident experience when dealing with the Council regarding waste management. For example, a missed bin could be reported by either phone or website form and this information would be verified and instructions sent directly back to the cab. It is anticipated that integration will start to go live by the end of April.

Resilient Internet Connection

Internet Connectivity is now a necessary part of the ICT provision for Council systems and staff. ICT has begun to implement a secondary Internet connection for back up and resiliency purposes. Once the installation is complete the hard work of adapting our internal infrastructure to take advantage of the resilient connection begins. The Council should be able to take advantage of the resilient connection by the end of this calendar year.

Superfast Broadband High Speed Internet

As the priority areas identified by this Council for the rollout of superfast broadband were largely in the original phase of the Superfast Essex program, the Council has been asked to suggest alternative priority areas for the Rural Challenge initiative. The Portfolio Holder Advisory Group has decided that it would be best to wait for the tender responses from potential infrastructure suppliers before making any selections. The County Council is expecting tenders back during April and when these have been analysed another meeting of the Advisory Group will be arranged to progress the initiative.

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Report to the Council

Subject: Members' Allowances Scheme - Review

Committee: Member Remuneration Panel

Date: 21 April 2015

Independent Member: Mr S Lye

Recommending:

Basic Allowance

- (1) That no change be made to the amount of Basic Allowance of £4,300 per member per annum currently included in the Members' Allowances Scheme;**
- (2) That in formulating future budgets, the Council consider increasing further the level of implementation of the Basic Allowance to achieve the full amount of £4,300;**

Special Responsibility Allowances

- (3) That no change be made to the current amounts of Special Responsibility Allowances (SRA) currently included in the Members' Allowances Scheme;**
- (4) That an SRA of £2,150 be applied to the position of the Chairman of the Constitution Working Group for 2015/16;**
- (5) That the application of the SRA for the Chairman of the Constitution Working Group for 2016/17 and beyond, be further reviewed by the Remuneration Panel during 2015/16; and**

Revised Scheme and Guidance Note

- (6) That, subject to the above recommendations, the Members' Allowances Scheme and Guidance Note for 2015/16 attached as an appendix to this report (incorporating highlighted changes) be adopted and implemented with effect from 28 May 2015.**

1. The Member Remuneration Panel was established in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003. These regulations, which arose out of relevant provisions of the Local Government Act 2000, require all local authorities to set up and maintain an advisory Independent Remuneration Panel to review and provide advice on Members' allowances. All Councils are required to convene their Panel and seek its advice before making any changes or amendments to allowances schemes and must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.

2. The current members of the Remuneration Panel are Mr. D. Jackman, Ms. R. Kelly and Mr. S. Lye. This report will be presented by Stephen Lye on behalf of the Panel.

Members' Allowances Scheme

3. The last review of the Members' Allowances Scheme undertaken by the Panel reviewed all aspects of the Scheme and the recommendations of the Panel at that time were accepted in full by the Council in January 2014. We have recently undertaken our

annual review of the Members' Allowances Scheme for 2015/16.

4. As in previous years, we were keen to hear the views of members about how the current scheme is working and whether there might be specific issues or proposals that the Panel should address. As part of the review, we therefore asked the Democratic Services Manager to place an item in the Council Bulletin inviting councillors to raise issues or concerns about the current scheme that they wished us to consider. No issues or concerns were submitted for our consideration.

5. In undertaking our review, we sought up to date comparative data on the amounts of member allowance made by other similar local authorities. Although the Local Government Association has not undertaken a national benchmarking survey for many years, some comparative information on the allowances schemes operated by other councils has been obtained from a number of the 'family group' of authorities identified by the Audit Commission.

Basic Allowance

6. All local authorities must make provision for a flat-rate allowance to be payable to all Members. The 'Basic Allowance' is payable equally to all Councillors and is designed to cover member activities such as constituency casework, preparation for and attendance at meetings of the Council's committees etc. and service as the representative of the authority on outside bodies for which no separate remuneration is made.

7. The Council has previously adopted our recommendation that a Basic Allowance of £4,300 be made for each member per annum. In the current economic climate, the Panel is not minded to recommend any changes to the Basic Allowance element of Members' Allowances Scheme at this time, although we will revisit this issue as part of our review of the Scheme for 2016/17.

8. However, the Council has previously decided not to implement payment of the full Basic Allowance amount and to restrict this to (currently) £3,435 per member per annum, which represents 80% of the Basic Allowance. Although we have encouraged the Council to implement payment of the full amount of the Basic Allowance, it has consistently decided not to do so.

9. Implementation of a Basic Allowance payment at less than the sum provided in the approved Scheme is unusual and may be unique to the Council. We would reiterate the comments that that we have made in previous years that, by paying a relatively low level of Basic Allowance, there is a danger of undervaluing the role of councillors, which could make it more difficult to attract potential candidates to stand for election in future. This might also lead to public perception that current councillors are not worthy of receiving the full amount. Whilst we appreciate that implementation is a matter for the Council to determine and there is a need for restraint in setting the Council's budget and achieving savings, we remain of the view that the level of implementation should be increased on a full or phased basis as soon as possible.

Special Responsibility Allowance

10. Each local authority may also make provision in its Members' Allowances Scheme for the payment of Special Responsibility Allowances (SRA), for those Councillors who have significant responsibilities. Members can receive more than one SRA if they hold more than one position.

11. We have been advised that a review has recently been undertaken of the Council's overview and scrutiny panel framework, in light of the adoption of its new management structure in December 2013. This has aligned scrutiny responsibilities with the service directorates in the form of four new 'select committees' and resulted in the deletion of the existing Constitution and Member Services Scrutiny Panel.

12. The Constitution and Member Services Scrutiny Panel is responsible for the ongoing maintenance and review of the Council's constitution and all matters relating to its members. We are aware that the Panel has commenced a root and branch review of the constitution, which has not been undertaken for a considerable number of years, and that this work is not anticipated to be completed until at least March 2016. Under the new framework the Constitution and Member Services Scrutiny Panel will be wound-up from the commencement of the 2015/16 municipal year to facilitate the new select committee arrangements, and then be re-established as a 'Constitution Working Group' in order to complete its outstanding work on the review of the constitution.

13. The review of the constitution is an important and complex piece of work and we consider that an SRA should be applied to the position of the Chairman of the Working Group. In accordance with the current Members' Allowances Scheme as last reviewed by the Panel in January 2014, an SRA of £2,150 per annum is made to the chairmen of each of the standing scrutiny panels. At the time of the last review of the Scheme, this included the Chairman of the Constitution and Member Services Scrutiny Panel. As a result of the concurrent disbandment of the Constitution and Member Services Scrutiny Panel, this approach would be cost neutral in terms of the Council's financial resources

14. As it is likely that, on completion of its review of the constitution in 2016, the Working Group may only then meet as occasionally necessary to consider specific constitutional issues, we also consider that this SRA should be reviewed after the completion of the current review of the constitution, given that it is likely that the new Working Group will only need to meet infrequently thereafter.

15. We have not undertaken any wider review of other Special Responsibility Allowances, as we understand that there has been no change in responsibilities since our last review.

Conclusions

16. The Panel has considered the benchmarking data obtained from the 'family group' of authorities. Whilst comparisons should be treated with caution as these cannot necessarily be made on a like-for-like basis, the Council's implemented level of basic allowance (£3,435) is clearly the lowest of those authorities for which data has been supplied.

17. Special Responsibility Allowances are particularly difficult to compare, as different structures apply in each authority, although the SRA allocated to the Leader is considered to be a good benchmark. The current SRA for the Leader of the Council (£7,875) is the second lowest amongst those family group authorities that have supplied benchmarking data.

Recommendations

18. The proposals set out in this report will require minor amendments to be made to the Members' Allowances Scheme, to reflect the re-establishment of the existing standing scrutiny panels as the new select committees, the establishment of the Constitution Working Group, and other minor matters related to member bodies. A copy of the revised Scheme is attached as an appendix to this report.

19. In the light of the ongoing economic situation, we consider that no changes should be made to the level of the Basic and Special Responsibility Allowances made to members of the Council for 2015/16. We have not considered any changes to other elements of the Members' Allowances Scheme, such as travel and subsistence allowances etc., which are paid at the 'standard' level that also applies to officers of the Council..

20. We consider that the revised Members' Allowances Scheme arising from our review should be adopted by the Council and implemented from the start of the 2015/16 municipal year.

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

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MEMBERS' ALLOWANCES SCHEME

SCHEME OF MEMBERS' ALLOWANCES - STATEMENT CONCERNING IMPLEMENTATION 2015/16

**The following scheme has been agreed for the period
28 May 2015 to 25 May 2016**

The Council decided at its meeting on 28 May 2015 to implement the amount of Basic, Special Responsibility and Co-optees Allowances provided in the scheme as set out below:

Basic Allowance: £3,435 per annum per Councillor

The amounts set out below show the amounts of Special Responsibility Allowance (SRA) payable during the year:

DUTY	ANNUAL AMOUNT OF SRA
Leader	£7,875
Cabinet members (9)	£6,300 each
Chairman of District Development Management Committee	£2,362
Chairmen of Area Plans Sub-Committees	£2,362 each
Chairman of Overview and Scrutiny Committee	£3,150
Chairmen of Staff Appeals Panel and Housing Appeals and Review Panel	£ 110 each (per meeting held)
Chairmen of Licensing Sub Committee (6)	£2,362 divided between the 6 Chairmen
Chairman of Audit and Governance Committee	£2,150
Chairmen of Select Committees (4)	£2,150 each
<u>Chairman of the Constitution Working Group</u>	<u>£2,150</u>
Chairman of the Standards Committee	£ 500
The amounts payable during the year for independent members are:	
Independent Persons affiliated to the Standards Committee	£ 250
Independent Members of the Remuneration and Parish Remuneration Panels	£ 250

Co-opted Members of the Audit & Governance Committee £ 500

**A copy of the full scheme is available on request from Democratic Services, Civic
Offices, Epping.**

EPPING FOREST DISTRICT COUNCIL - REMUNERATION AND EXPENSES SCHEME

The Epping Forest District Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) Regulations 1990 and the Local Authorities (Members' Allowances) (England) Regulations 2001, hereby makes the following scheme:

1. Scheme

This scheme may be cited as the Epping Forest District Council Members' Allowance Scheme and shall have effect for the period 28 May 2015 to 25 May 2016 .

2. Definition

In this scheme:

"business mileage" means mileage incurred for journeys by Councillors between their homes and business venues or between the Civic Offices, Epping and business venues;

"Councillor" means a member of the Epping Forest District Council who is a Councillor;

"home to office mileage" means mileage incurred for journey by Councillors between their homes and the Civic Offices, Epping;

"independent person" means (a) a member of the Standards Committee who is not an elected councillor or (b) a co-opted member of an Overview and Scrutiny Committee, or the Audit and Governance Committee who is not an elected councillor; and

"year" means the period ending with 25 May 2016 .

3. Basic Allowance

Subject to paragraph 7, £4,300 shall be paid to each Councillor. Payments are subject to deductions for tax and national insurance dependant on the circumstances of individual councillors.

4. Special Responsibility Allowances

(1) For each year a special responsibility allowance shall be paid to those Councillors who hold the special responsibilities in relation to the allowances specified in Schedule 1 to this scheme. Special responsibility allowances shall be calculated as multipliers of the Basic Allowance. There is no restriction on the number of separate SRA's which are payable to an individual member.

(2) Subject to paragraph 7, the amount of each allowance shall be the amount specified against that special responsibility in Schedule 1 for the year.

5. Travelling and Subsistence (including Cycle Allowance)

(1) These expenses may be claimed by members of the Council in connection with the carrying out of approved duties specified in Schedules 2, 3 and 4 of this scheme.

- (2) Payments may be claimed up to the maximum casual user rate set for officers of the Council as adjusted annually by the National Joint Council for Local Government Services (travel expenses) and the East of England Regional Assembly (subsistence expenses).
- (3) Payment of home to office car mileage will be subject to deduction of tax and national insurance contributions, dependant on the circumstances of individual councillors. Business mileage incurred by councillors will not be subject to such deductions if the mileage rate claimed does not exceed 45 pence per mile.

6. Child Care and Dependant Carers' Allowances

- (1) The maximum rate for this allowance shall be set at a rate equivalent to the Adult National Minimum Wage (currently £6.31 per hour).
- (2) A member of the Council shall be eligible to claim up to four hours of the allowance for the performance of approved duties under this scheme and for the purpose of contributing to the cost of providing personal care to immediate dependants who are in need of care and supervision.
- (3) The rate applicable shall be subject to automatic increases on an annual basis in line with uprating of the Adult National Minimum Wage.
- (4) The allowance is not payable in respect of carers who are members of the member's immediate and close family i.e. parents, children, spouses, co-habitees or members of the same household as the member.
- (5) All claims shall be subject to Audit checks and no claim in excess of the maximum level will be payable, whatever the circumstances.

7. Renunciation

A councillor or independent member may by notice in writing given to the Assistant to the Chief Executive elect to forego any part of his entitlement to an allowance under this scheme.

8. Part-year Entitlements

- (1) The provisions of this paragraph shall have the effect of regulating the entitlements of a councillor to basic and special responsibility allowances where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable:
- (2) If an amendment to this scheme changes and the amount to which a councillor is entitled by way of a basic allowance or a special responsibility allowance, then in relation to each of the periods:
 - (a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect; or
 - (b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the end of the year;

the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.

- (3) Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a basic allowance shall be to the payment to such part of the basic allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.
- (4) Where this scheme is amended as mentioned in sub-paragraph (2), and the term of office of a councillor does not subsist throughout the period mentioned in such-paragraph (2)(a), the entitlement of any such councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole of the same proportion as the number of days during which his term of office as a councillor subsists bears to the number of days in that period.
- (5) Where a councillor has during part of, but not throughout a year such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of that allowance as bears to the whole of the same proportion as the number of days during which he/she has such special responsibilities, bears to the number of days in that year.
- (6) Where this scheme is amended as mentioned in sub-paragraph (2), and a councillor has during part, but does not have throughout the whole, of any period mentioned in sub-paragraph (2)(a) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

9. Claims and Payments

- (1) Payments shall be made in respect of basic and special responsibility allowances, subject to subparagraph (2), in instalments of one quarter of the amount specified in this scheme on the last Wednesday of each third month;
- (2) Where a payment of one-quarter of the amount specified in this scheme in respect of a basic allowance or a special responsibility allowance would result in the councillor receiving more than the amount to which by virtue of paragraph 8(1), he or she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.
- (3) Claims must be made within a period of one year of the duty being carried out. Payments after that period will only be made in exceptional circumstances.

10. Uprating for Inflation

There will be no inflationary adjustment to the allowances set out in this scheme except those relating to travel, subsistence and child and dependant carers.

11. Co-optees' Allowance

Co-optees' allowance will be payable to independent members as set out in Schedule 5 to this scheme.

12. Withholding/Recovery of Payments

Where any councillor or independent member has already received a payment in respect of any period during which they have been:

- (a) ceased to be a member of the Authority; or
- (b) not entitled in any other way to receive the allowance in respect of that period, the Council may require that such part of the allowance as relates to the period in question shall be repaid to the Authority.

13. Pensionable Status

Remuneration payable to councillors of the Epping Forest District Council under this scheme shall be entitled to pensionable status in accordance with a scheme made under Section 7 of the Superannuation Act 1972, if they opt in to the Essex Superannuation Scheme.

For the purposes of a Paragraph 13.1 above basic allowance and special responsibility allowance will be treated as amounts in respect of which such pensions are payable in accordance with a scheme under that Act.

14. Further Guidance

Further guidance on this scheme can be found in Appendix 1.

SCHEDULE 1

1. The following are specified as the special responsibilities in respect of which special responsibility allowances are payable and the amounts of those allowances.

DUTY	ANNUAL AMOUNT OF SRA
Leader of Council	£10,750
Cabinet members	£6,450 (each)
Chairman, District Development Management Committee	£3,225
Chairmen of Area Plans Sub-Committees	£3,225 (each)
Chairman of Overview and Scrutiny Committee	£4,300
Chairmen of Licensing Sub Committee (6)	£3,225 (divided equally between the six Chairmen).
Chairmen of Staff Appeals and Housing Appeals and	£110 each

Review Panels	(per meeting held)
Chairman of Audit and Governance Committee	£2,150
Chairmen of Select Committees	£2,150 (each)
<u>Chairman of the Constitution Working Group</u>	<u>£2,150</u>

SCHEDULE 2 APPROVED DUTIES

1. The following are specified as an approved duty for the purpose of the payment of travelling and subsistence expenses, attendance at any of the following:
- (a) a meeting of the authority, the Cabinet, a Cabinet Committee, the Overview and Scrutiny Committee and its Panels, the Standards Committee and its Sub-Committees, or as a member of any other Committee or sub-committee, panel, working group, special committee or board of the authority;
 - (b) any other meeting held by the Authority provided that:
 - (i) where the authority is divided into two or more political groups, it is a meeting to which members of at least two such groups have been invited; or
 - (ii) if the authority is not so divided, it is a meeting to which at least two members of the authority have been invited;
 - (c) duties relating to the supervision of tender opening as required by the Council's Standing Orders;
 - (d) attendance as representative of the Council at any approved conference or meeting of the outside organisations set out in Schedules 3 and 4;
 - (e) attendance at any meeting or other official function at the request of the Chief Executive, Deputy Chief Executive or a Service Director including meetings between group representatives for a particular Committee and officers;
 - (f) any other duty approved by the Council or the Cabinet or any other committee, sub-committee, special committee or Board or Panel or any duty of a class so approved, for the purpose of, or in connection with, the discharge of functions or the body, or of any of its committees or sub-committees;
 - (g) attendance by a councillor at a meeting of which he or she is not a member for the purpose of explaining a motion referred from the Council;
 - (h) attendance as a councillor at the invitation of the Local Government Commissioner for Administration for the purpose of investigating a complaint against this Council of maladministration;
 - (i) attendance as an appointed representative of Epping Forest District Council at any meeting of Essex County Council or any of its committees or sub-committees for the purpose of formal consultations on any matter affecting the powers or duties of this Council or the district or any part thereof;

- (j) attendance on behalf of the Council or the Cabinet or as a Chairman on behalf of a Committee at an official function;
- (k) attendance at seminars and training courses arranged by the authority;
- (l) consultation meetings arranged by the authority where the member's attendance is required or where the business directly affects the member's ward;
- (m) site visits arranged by Area Plans Sub-Committees or the District Development Control Committee;
- (n) informal site visits by individual councillors in respect of their duties as members of an Area Plans Sub-Committee;
- (o) attendance at a meeting concerning joint working or partnership arrangements to represent the Council's interests.

2. There is specified as an approved duty for the purpose of paying travelling and subsistence expenses attendance at any of the outside organisations shown in Schedule 4.

3. Attendance by members of the Council at meetings of outside organisations not shown in Schedule 4 shall NOT qualify for payment of travelling and subsistence expenses.

SCHEDULE 3 CONFERENCE AND MEETINGS

<p>Conference and meetings organised by any person or body who is not doing so by way of trade nor whose objects are wholly or partly political, attendance at which is authorised by or on behalf of the authority and which does not involve an absence overnight from the councillors normal place of residence.</p>	<p>Appropriate subsistence and travelling expenses (second class return rail fare or car mileage at the appropriate rate whichever is the less if travel outside the Epping Forest District is required).</p>
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<p>Conferences and meetings organised by any person or body who is not doing so by way of trade nor whose objects are wholly or partly political, attendance at which is authorised by or on behalf of the authority and which involves an absence from the councillor's normal place of residence of one or more nights.</p>	<p>Appropriate subsistence and travelling expenses (second class return rail fare or car mileage at the appropriate rate whichever is the less if travelling outside the Epping Forest District is required).</p>
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SCHEDULE 4 OUTSIDE ORGANISATIONS

Attendance as appointed representative of the Council on any outside organisations, such attendances being deemed approved duty for the purpose of paying subsistence and travelling expenses.

**SCHEDULE 5
CO-OPTEE'S ALLOWANCE**

Chairman of the Epping Forest District Standards Committee:	£500 per annum
Independent Persons affiliated to the Standards Committee:	£250 per annum
Co-opted independent members of an Overview and Scrutiny Committee	£500 per annum
Co-opted members of the Audit and Governance Committee	£500 per annum

MEMBER REMUNERATION SCHEME

**EPPING FOREST DISTRICT COUNCIL
GUIDANCE NOTE ON ALLOWANCES AND EXPENSES FOR MEMBERS**

1. INTRODUCTION

- 1.1 A Councillor is eligible for the payment of attendance allowances and for reimbursement of travel and subsistence expenses in respect of approved duties carried out on behalf of the Council. An approved duty is one which has been authorised by or on behalf of the Council in advance.
- 1.2 The Council has a formal scheme for allowances which is updated from time to time. A copy of the scheme is set out elsewhere in the Constitution binder. This note is of a more informal nature and is designed to assist members in dealing with their claims and explaining the arrangements to the public.

2. BASIC ALLOWANCE (INCLUDING SUPPLEMENTARY BASIC ALLOWANCE)

- 2.1 This is a flat rate allowance payable to all members of the Council. This annual amount is paid in quarterly instalments. Members do not have to claim this amount.
- 2.2 A grant of £250 per annum as a supplement to the basic allowance will be payable to assist members in receiving electronic notification of and Internet access to papers for Council meetings and associated information subject to the member signing an agreement to undertake to meet the terms and conditions set out in the Members' Connectivity Scheme (set out in Appendix 1 attached).

3. SPECIAL RESPONSIBILITY ALLOWANCE

- 3.1 This is a special allowance payable to the Leader, Cabinet members and certain Chairmen. It is designed to reflect the additional responsibilities of these office holders. This amount is paid in quarterly instalments during the year and does not have to be claimed.

4. TRAVEL EXPENSES

- 4.1 Members may re-claim reasonable travel expenses (including public transport tickets, taxi fares, parking costs where appropriate subject to submission of evidence of expenditure) in respect of approved duties as defined in the scheme (Schedule 2).

4.2 Car Travel

The normal rates for car travel are the same as the higher rates paid to officers classed as casual users. Claims must be fixed on the rates applicable at the time of the journey. These rates are set out on the reverse of the claim form and are reviewed annually.

4.3 Shortest Distance

Claims for car travel should be by reference to the shortest distance from home to the Council offices or other venue for the approved duty concerned. No claim for additional expenses will be entertained unless there is a valid reason for incurring the additional mileage.

4.4 Travel Direct from Place of Employment etc

For claims involving direct travel from a Councillor's place of employment (or other departure point) for an approved duty, the distance claims shall be limited to the home to meeting venue element of the journey. All such claims must be endorsed "CLAIM LIMITED" on the form.

4.5 Travel Outside the District – Limit on Amount Claimable

For journeys to approved meetings outside the District or by members resident outside the district, claims irrespective of mode of travel must not exceed the lower of:

- (a) second class return rail fare plus underground and other fares from station to destination at each end of the journey; or
- (b) the appropriate car mileage.

This is subject to consideration of any special circumstances as set out in 4.6 below.

4.6 Travel over Long Distances – Special Circumstances

If, for any reason, a councillor undertakes travel over long distances or from outside the District, members are advised to contact the Assistant to the Chief Executive in advance for advice on what would constitute a reasonable claim in the circumstances.

4.7 Use of Public Transport within Epping Forest District

The rate for travel by public transport must not exceed the ordinary fare (or any available cheap fare). A member may not claim travelling expenses in respect of a single duty from more than one body. In all such claims evidence of expenditure (i.e. tickets or other receipts) MUST be provided. No claim will be allowed without such evidence.

4.8 Cycle Allowance

This allowance is payable at the highest of the higher casual rates paid to officers classed as casual users.

4.9 Child and Dependant Carer's Allowance

This allowance may be claimed at a rate equivalent to the current rate for the Adult National Minimum Wage. Certain conditions are set out in the Scheme.

5. **SUBSISTENCE EXPENSES**

- 5.1 Subsistence expenses (covering refreshments and meals etc paid for by a member) are claimable by councillor in respect of making attendances connected with approved duties on behalf of the Council. The rates for such expenses are set out (by reference to meal time and periods of absence) on the reverse of the form which is supplied to members on a quarterly basis. These rates may not be exceeded. Periods of absence will be calculated on the basis of departure from home or place of work if it is not possible to return home in the time available.

- 5.2 All claims for subsistence must be accompanied by receipts in respect of meals etc as evidence of expenditure actually having been incurred. No claims will be allowed in the absence of such evidence.
- 5.3 Special arrangements exist in respect of subsistence expenses in respect of duties involving an absence overnight from a councillor's normal place of residence. These are outlined under Section 7 relating to conferences.
- 5.4 A Councillor may not claim subsistence expenses in respect of a single duty from more than one body.

6. CONFERENCES

- 6.1 Attendance at Conferences and payment of allowances and expenses are subject to prior approval by the Council, Cabinet, appropriate committee, Leader or Deputy Leader in all cases.
- 6.2 All conferences deemed to be approved duties shall, in accordance with statutory requirements, be relevant to the District and not wholly or partly commercial or political in their objectives.

Allowances for Attendance at Conferences (Involving an Absence from Home)

Subsistence - Nights Away from Home

- 6.3 For conferences involving one or more night's absence, claims can be made for reasonable day or overnight expenses that are necessarily and exclusively incurred in the attendance as an authorised representative of the Council at a meeting, conference or seminar that it held outside of the Epping Forest District.

Claims for Subsistence

- 6.4 These claims should cover such items as hotel bills, refreshments, meals (other than free meals which should be discounted) and similar items. No claims will be allowed unless evidence is provided of all expenditure being claimed. All relevant bills and receipts should be forwarded to the Assistant to the Chief Executive with claims.

Travel Claims

- 6.5 The guidance outlined under paragraph 4.5 will apply to all conferences.

7. TAXATION AND NATIONAL INSURANCE IMPLICATIONS

- 7.1 Details of the tax and national insurance implications of allowance payments and expenses claimed are available through Democratic Services. In such matters, members are advised to seek advice from their tax office in the event of any concerns .
- 7.2 Supplementary Note Regarding Treatment of Claims for Travel Expenses by Car for Tax and National Insurance Purposes

(a) Travel by Car – Councillors' Homes to Civic Offices Expenses
("Home to Office Mileage")

Her Majesty's Revenue & Customs (HMRC) deems a councillor's workplace for the purposes of their role as an elected representative to be the Civic Offices, Epping and therefore that such expenses are subject to tax and national insurance deductions.

(b) Travel by Car – Councillors' Homes to Other Venues or Civic Offices to Other Venues for the Purposes of Council Business ("Business Mileage")

HMRC has determined that such travel shall not be subject to tax or national insurance deductions except where the rate of reimbursement exceeds 45 pence per mile. Travel to any meetings of the Council or its subordinate bodies which are held at a location other than the Civic Offices is deemed to be business mileage.

(c) **Second Journeys**

Second journeys will be subject to taxation and National Insurance deductions depending on whether the journey constitutes home to office or business mileage.

8. ALTERATION OF CLAIMS

8.1 All claim forms submitted by members are checked by Democratic Services. The Assistant to the Chief Executive (or the Assistant Director - Democratic Services acting on his behalf) is authorised to reduce incorrect claims in the following circumstances:

- (a) where a member does not attend at a claimed meeting;
- (b) where a claimed meeting is not approved;
- (c) where an incorrect amount of allowance is claimed; and
- (d) where a correct date has not been claimed.

8.2 Any changes under paragraph 8.1 will be notified to members after the claim form has been processed. Any other problems with members' claims will be referred back for the claimant and processing of the claim will not take place until the query has been clarified.

9. INTERPRETATION

9.1 These guidelines are subject to the overall interpretation of the Chief Executive as to what constitutes a reasonable claim in any individual circumstances.

Report to the Council

Subject: Corporate Plan 2015-20

Committee: Cabinet

Date: 21 April 2015

Portfolio Holder: Leader - Councillor C Whitbread

Recommendation:

(1) That the proposed Corporate Plan 2015-20 and Key Action Plan for 2015/16, as attached to this report, be adopted.

Report:

1. The Corporate Plan is the Council's highest level strategic document and sets the strategic direction for the authority for the lifetime of the plan. It focuses on a number of key areas over the lifetime of the Plan. Therefore, as a strategic document, the Corporate Plan does not contain specific information on the wide range of services that the authority provides, or how it delivers statutory duties or enforces legislation.

2. The Corporate Plan is an important element in the Council's performance management framework and corporate business planning processes. It provides a framework for the development of detailed annual directorate business plans and other detailed service plans which directly contributes to the achievement of the Council's aims and objectives. The Corporate Plan also provides the policy foundation for the authority's Medium-Term Financial Strategy and assists in the provision of quality services.

Corporate Plan 2015-20

3. The current Corporate Plan expires on 31 March 2015 and a new Corporate Plan has been developed for the period 2015/16 to 2019/20. The draft new Corporate Plan is attached at Appendix 1 to this report.

4. The new Plan includes many of the sections found in the organisation's previous Council Plans including the Key Objectives pertinent to the life of the Plan. However, the most significant change to the structure of the Plan is the exclusion of the Key Cabinet Objectives Action Plan. This Action Plan, because it changes annually and will be published on the Council's website, will instead be accessible from the Corporate Plan via a hyperlink. This will enable the Action Plan to be updated more easily without affecting the structure of the Corporate Plan. The corporate aims and key objectives are a central element of a Corporate Plan and as such the new Corporate Plan has been developed around them.

5. Like the existing Corporate Plan, and to minimise expenditure associated with the production of the new Plan, it will be primarily available via the Council's website. However, should it be required in other formats then assistance will be provided to facilitate access to the Plan.

Corporate Aims and Key Objectives

6. The strategic themes identified by Cabinet members and the Council's Management Board for the next five years, have been refined into a set of three Corporate Aims.

Additionally a new set of more specific Key Objectives to support the Aims have been developed. The Plan and proposed aims, together with an outline of the key objectives, have been communicated to all staff and feedback invited.

7. The proposed Corporate Aims and Key Objectives are set out within the Corporate Plan at pages 6-9, attached at Appendix 1, and also in the Key Action Plan for 2015/16 at Appendix 2 to this report.

Key Action Plans

8. Key Action Plans will continue to be set annually. Every year during the lifetime of the Key Objectives, the Key Action Plan will be updated and agreed between January and April, with actions to be undertaken over the following year to work towards the achievement of the Key Objectives. New actions will reflect the progress already achieved against the Objective and emerging priorities.

9. The Action Plans will be closely monitored as at present, and performance will continue to be reported quarterly to the Cabinet and Overview and Scrutiny Committee. It should be noted that the target dates currently shown against individual actions on the attached Action Plan could be subject to change between consideration by Members and prior to publication.

Conclusion

10. The new Corporate Plan 2015-20 and the Key Action Plan for 2015/16 were considered by the Overview and Scrutiny Committee in February 2015, and then agreed by the Cabinet in March 2015. They now require formal adoption by the Council.

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



Working for our future

A corporate plan for Epping Forest District Council
2015 - 2020

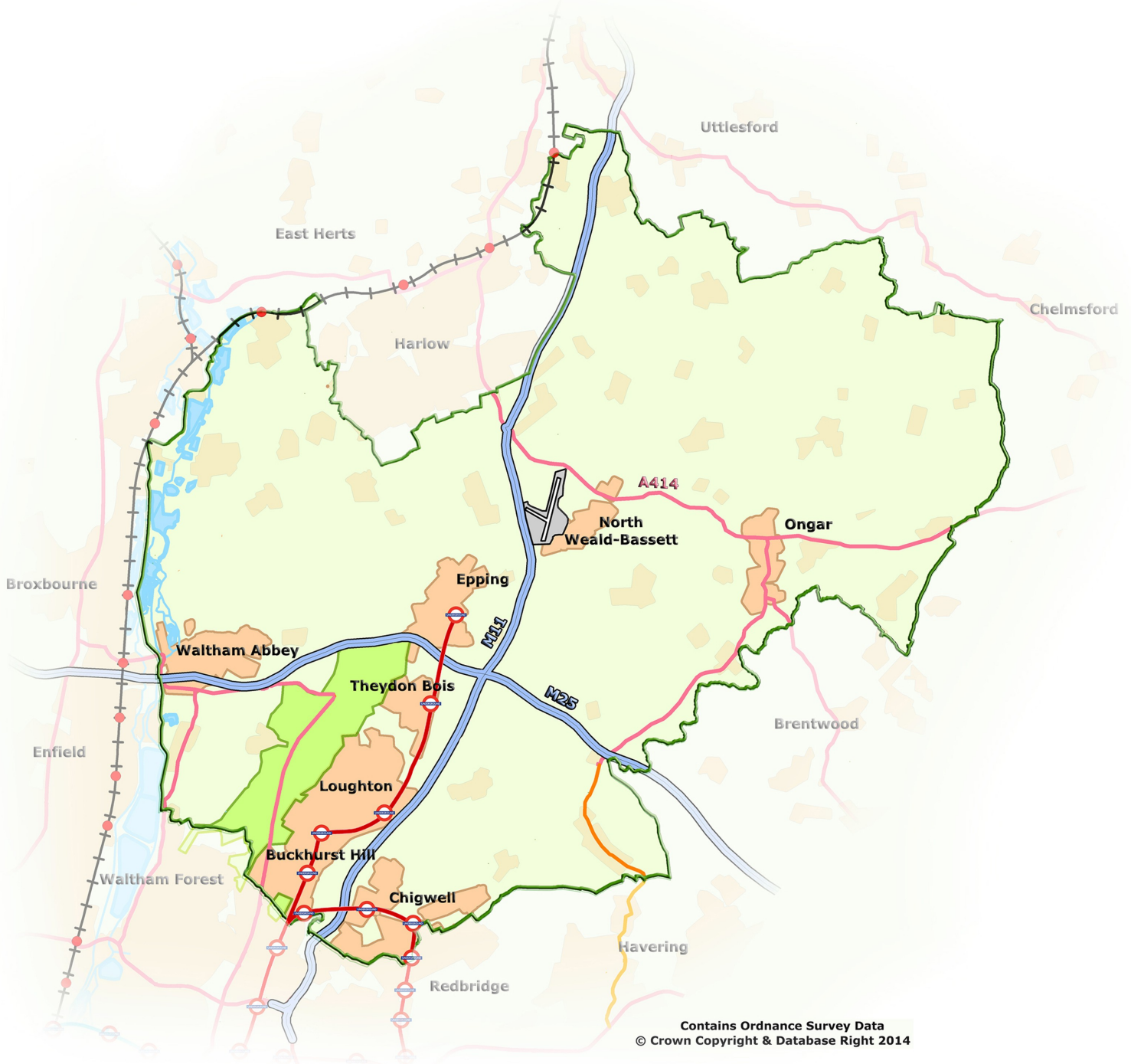


Page 151

**Epping Forest
District Council**

www.eppingforestdc.gov.uk

Epping Forest - a district full of character. We want it to continue to be great place to live, work, play, study and do business.



Introduction

Welcome to Epping Forest District Council's Corporate Plan 2015 - 2020. This document sets out a framework for Council policy and decision making over that five year period. It helps the Council to carry out its responsibilities in an ordered and logical way.

This Plan does four things:

1. It sets out a **vision** of where the Council wishes the district to be in five years' time.
2. It outlines **key aims and objectives** for the Council which are designed to ensure that the vision becomes a reality.
3. It **informs the local community** about what the Council wants to achieve, allowing Council Tax payers and others who live or work in the district to monitor progress and judge how successful the Council is in meeting local needs.
4. It indicates for its **partners in service provision** the path which the Council intends to take.

What does the Plan contain?

Section 1 (P4-5) District overview and vision

Epping Forest District profile as at 2015, highlighting important issues to be addressed over the five years of the Plan and beyond. A summary of the Council vision for the district in 2020.

Section 2 (P6-9) Strategic Aims and Key Objectives

The Council's three fundamental aims to achieve its vision, and the key objectives which support them - addressing the issues affecting the district and service delivery.

Section 3 (P10-11) Reporting the Council's Performance and Partnership Working

With information and hyperlinks to performance information about the Council and its partnerships with other organisations.

Our district

Epping Forest District in Essex takes its name from the forest which runs from its southern boundaries northwards. The district shares boundaries with Greater London and Hertfordshire.

The three main settlements of Buckhurst Hill, Chigwell and Loughton contain more than half the district's population of approximately of 124,700 people. However, this southern area amounts to only five percent of the district. The remaining 95 percent is made up largely of separate market towns, villages and hamlets in attractive countryside. Most of the district is designated within the protective status of the Metropolitan Green Belt.

Services are provided at three levels by Essex County Council, Epping Forest District Council and local Town and Parish Councils.

District Council services include:

- housing
- street cleansing
- waste collection and recycling
- sports and recreation
- planning applications for homes and business
- voter registration
- benefit administration
- council tax and business rate collection
- environmental health

County Council services include:

- education
- social care
- highways and transportation

Parish and Town Council services include:

- allotments
- burial grounds and cemeteries
- public halls
- playgrounds and sports grounds

Forecasts suggest that the population of the district could rise significantly from the current 124,700 over the next twenty years.

A key factor in this estimated growth, is that life expectancy in the district is higher than the national average and rising. Projections indicate that by 2020 over 55 percent of the district's population will be 60 years+.

Although the population of the district is fairly affluent there are some areas of deprivation with children living in poverty. Nearly a quarter of the district's adult population and almost a fifth of children in school year six are classified as being obese.

Unemployment is generally low. Many residents commute to jobs in London. The district is well connected by eight London Underground stations and a National Rail station. The M25 and M11 provide good road links including a fast route to Stansted Airport. Local employment opportunities centre on distribution, hotels, restaurants, banks and finance and public services.

Whilst crime and fear of crime remain a cause of local concern, in comparison with many other places, the district is a safe place to live and work.

Our vision

We want to make best use of existing infrastructure to meet the district's need for development in the most sustainable locations with the least possible impact on our natural and historic environment.

We want to keep the individual character, identity and separateness of our towns and villages by protecting the Green Belt.

We want new homes to meet the needs of local people while also supporting economic development. The scale of development should be appropriate to the size of our towns and villages, bringing vitality and other benefits to our communities.

We want to maintain and protect access to our open and natural spaces including Epping Forest, The Lea Valley Regional Park and the countryside.

We want more and better cultural, community and recreational facilities.

We want to keep our strong links with London whilst also developing a more sustainable local economy including increased leisure and tourism, aviation, research and development, food production and the building industry.

We want to build relationships with our partners to develop initiatives and service improvements with reduced costs, greater efficiency and better value for money.

We want to design and build our services around the needs of our aging population and residents living in deprivation.

We want a low Council Tax.

We want to embrace modern technology and innovation as we strive to improve the quality and efficiency of our services.



Our strategic aims and key objectives

The Council has identified three key strategic aims in achieving its vision for the district over the course of the five-year plan.

Objectives have also been identified as key to achieving the three aims of the Plan. An Action Plan setting out specific activities and target dates will be set out each year to deliver the objectives. Progress will be monitored quarterly.

The aims and objectives are the Council's top strategic priorities which we want to address over the lifetime of the Plan. Therefore they are not a full list of all the things the Council does. The Council provides many services which will continue to be provided throughout the life of the Plan and beyond. The aims and objectives provide a framework within which we can develop our detailed service plans and allocate our resources over the five year period.

Aim 1 - To ensure that the Council has appropriate resources, on an ongoing basis, to fund its statutory duties and appropriate discretionary services whilst continuing to keep the Council Tax low.

(a) Budgets - Our Objective

To ensure that the Council's Medium Term Financial Strategy plans meet the Council's financial and service requirements for any forward five year period, whilst minimising any reliance on Government funding.

Concern about the national budget deficit and borrowing will continue to influence the Council's financial planning. We expect further reductions in Government funding over the five-year period which will continue to challenge our financial planning and local service delivery.

The Council will therefore continue to review its services to find ways of reducing costs and achieving better value for money.

All budgets relating to 'statutory' services (those which must be provided by the Council) and 'discretionary' services (which the Council is not required by law to provide) will be reviewed critically each year.

Whilst the Council's primary aim is to provide residents with good quality services, we also aim to keep Council Tax levels as low as possible and deal with financial pressures by managing our budgets with care.

(b) Property Assets - Our Objective

To continue reviewing and developing the Council's own property and landholdings for appropriate uses, in order to maximise revenue streams and capital receipts, and to deliver the following key projects:

- the Epping Forest Shopping Park, Loughton
- the Council House Building Programme
- St John's Redevelopment Scheme, Epping
- North Weald Airfield

The Council owns land including a wide-ranging and significant number of residential, commercial, industrial and operational properties.

The Council will continue to explore new ways of using its land and assets to generate more capital receipts and income to support the delivery of services to our residents.

In so doing, the Council will give our own council house building and economic development schemes added impetus. With the key sites listed

above in mind, the Council's investment will boost the local economy of the district at the same time.

(c) Joint Working - Our Objective

To explore appropriate opportunities to make savings and increase income through the shared delivery of services with other organisations, where such arrangements would provide improved and/or more cost effective outcomes.

Working with our partners including other councils, we will seek new opportunities for cost savings and improved value for money by providing services across more than one district. Activities likely to be suitable for this approach are highlighted in the Plan.

Aim 2 - To ensure that the Council has a sound and approved Local Plan and commences its delivery.

(a) The Local Plan - Our Objective

To undertake consultation with local residents and work with neighbouring Councils, and to publish a sound Local Plan which meets the needs of our communities whilst minimising the impact on the district's Green Belt.

We plan to achieve the right balance between the employment, housing and leisure needs of our residents while protecting the special character of our district and the Green Belt in particular. We will do this by producing a Local Plan to ensure new development with all necessary infrastructure in the most suitable and sustainable locations.



Our strategic aims and key objectives.....continued

(b) Economic Development Strategy - Our Objective

To increase opportunities for sustainable economic development and new local employment in the district.

The promotion of sustainable economic development, employment and support for local business is a key issue for the Council. Key objectives put forward relate to local town centres, business partnerships and young peoples' apprenticeship schemes.

(c) Leisure & Cultural Strategy - Our Objective

To deliver the Council's new Leisure and Cultural Strategy, in order to maximise participation and value for money in leisure and cultural services for local residents and visitors.

Proposals to develop cultural and recreational facilities in the district are included in the Plan. Key objectives highlight both new facilities and existing establishments that are to be enhanced and expanded. These proposals link with the review of the Council's property assets. They also improve local employment prospects and recognise the importance of partnerships in delivering some new facilities.

Aim 3 - To ensure that the Council adopts a modern approach to the delivery of its services and that they are efficient, effective and fit for purpose.

This aim focuses on the Council's ways of working and our responsiveness to the needs of the local people.



(a) Customer Contact - Our Objective

To have efficient arrangements in place to enable customers to easily contact the Council in a variety of convenient ways, and in most cases have their service needs met effectively on first contact.

The possibilities opened up by the use of new technology are among the issues under review as the Council focuses on the ways of improving the ways we contact and communicate with our residents.

(b) Modernising Council Operations - Our Objective

To utilise modern technology to enable Council officers and members to work more effectively, in order to provide enhanced services to customers and make Council services and information easier to access.

Our key initiatives include the Council's focus on information technology to support our working practices. Key projects have been identified to ensure the Council's IT infrastructure is upgraded to ensure it meets future demands.

Other proposals deal with the way in which the Council operates as an organisation. The Council will examine where information technology can be used to cut costs, improve efficiency, allow more flexible working patterns, release office space and provide a wider range of information to the public online and through our website.

(c) District Demographic Profile - Our Objective

To ensure that the Council understands the effects of an ageing population and works with other agencies to make appropriate plans and arrangements to respond to this need.

The Council already has research data drawing attention to the age profile of our local population and on areas of social deprivation. The average age of residents is increasing but the implications of this for Council services are not fully understood.



Our performance

To ensure the Council remains on target, it is essential to monitor the progress of our aims and objectives. Performance monitoring allows the Council to see problems as they arise and intervene to bring us back on track. We monitor our performance against our Key Action Plan and publish progress reports every three months.

Residents and councillors can keep track of the Council's performance. Various monitoring reports are published online. These are regularly updated working documents for staff and councillors responsible for the key actions in the Plan.

Performance information will be made available via our website and can be accessed using the following links:

[See the latest quarterly Key Action Plan performance report.](#)

[See how we are performing against our key performance indicators.](#)

[Read the Council's Directorate Business Plans.](#)



Our partners

The Council works in partnership with many other agencies. These include Essex County Council, the Health Service, the Police, Essex Fire and Rescue, Parish and Town Councils, voluntary organisations and the private sector.

Working to reduce costs and deliver services efficiently and effectively on a wider basis, this Plan stresses the importance of seeking and reviewing opportunities for partnerships. Working with our partners, the Council can utilise the co-ordinated strengths and expertise of each organisation for the benefit of our own community as well as the wider area of West Essex with which we have particularly good links.

Partnership Case Studies:

1) Herts and Essex Housing Options Consortium

Applicants for council housing apply through the 'Choice Based Lettings Scheme' which we operate in partnership with five other councils and an agency. The partnership approach reduces costs in several ways.

Sub-contracting the management of the housing register allows homeseekers to apply online. Homelessness applications and annual renewals can be managed more efficiently. Partners share experience, ideas and best practice.

Vacated properties (including homes let by housing associations) are advertised online every fortnight. Each property listing includes location, type (eg house, flat, bungalow etc), rent, service charge, Council Tax band and landlord. Homeseekers can make an application by

'expressing interest' on up to three properties by phone, text, email or website. The Council then makes an offer according to the rules of the Housing Allocations Scheme. Usually this means the applicant with the highest priority band registered for the longest time.

Each property list includes general information about the allocation of previous properties. This helps prospective applicants understand how the scheme works and their chances of a successful bid for different types of property. It includes information on the number of people expressing an interest, their priority bandings and the length of time they have been registered while waiting for housing.

2) Epping Forest Community Safety Partnership

Epping Forest Community Safety Partnership is led and administered by Epping Forest District Council. Its primary role is to reduce crime within the district, through the identification of key priorities and the delivery of targeted projects. The well-established partnership includes eleven local agencies with an interest in the district - including councils, the emergency services, probation agencies and the voluntary sector.

Partnership working has resulted in a number of successful outcomes. Essex Police and Crime Commissioner funding for a Crime Analyst with two other partnerships in Essex provides tracking and co-ordination of essential data on criminal trends. Other initiatives include the 'Crucial Crew' and the 'Essex Fire Break Project', both of which encourage young people to think about the way they conduct themselves within society.

Please tell us if you would like this information provided in large print or another format.

Epping Forest District Council
Civic Offices, High Street, Epping, Essex CM16 4BZ
Telephone: Epping (01992) 564042
www.eppingforestdc.gov.uk



**Epping Forest
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Page 162

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Corporate Plan: 2015-2020
KEY ACTION PLAN 2015-2016

Action	Lead Directorate	Responsibility for Achievement	Target Date	Progress Report <i>(as at end of Quarter X)</i>
Aim (i) To ensure that the Council has appropriate resources, on an ongoing basis, to fund its statutory duties and appropriate discretionary services whilst continuing to keep Council Tax low.				
(a) To ensure that the Council's Medium Term Financial Strategy plans to meet the Council's financial and service requirements for any forward five year period, whilst minimising any reliance on Government funding.				
1) Deliver the savings identified for 2015/16 in the business cases approved by Members.	Management Board	Chief Executive	March 2016	
2) Progress preparations for delivering the savings identified for 2016/17 within the Medium Term Financial Strategy.	Management Board	Chief Executive	March 2016	
3) Develop additional business cases, through a structured approach, to address the need for net savings in subsequent years.	Management Board	Chief Executive	Sept 2015	
4) Commence the budget cycle early again next year with an updated MTFs to take account of any changes following the general election.	Resources	Director of Resources	July 2015	
(b) To continue to review and develop the Council's own assets and landholdings for appropriate uses, in order to maximise revenue streams and capital receipts, and to deliver the following key projects: <ul style="list-style-type: none"> ■ The Epping Forest Shopping Park, Loughton ■ St John's Redevelopment Scheme, Epping ■ Council Housebuilding Programme ■ North Weald Airfield 				
1) Complete Phase 1 of the Council Housebuilding Programme to provide 23 new affordable rented homes in Waltham Abbey.	Communities	Asst. Director (Housing Property & Development)	Dec 2015	
2) Complete the major refurbishment scheme at Marden Close, Chigwell Row to convert 20 difficult-to-let bedsits and a communal hall into 12 self-contained flats.	Communities	Asst. Director (Housing Property & Development)	Sept 2015	

3) Secure planning permission and commence Phase 2 of the Council Housebuilding Programme to provide up to 52 new affordable rented homes at Burton Road, Loughton.	Communities	Asst. Director (Housing Property & Development)	Aug 2015	
4) Negotiate and complete the St John's redevelopment Scheme at Epping, and identify a suitable location within the District to which the Housing Repairs Service can be relocated from the Epping Depot.	Neighbourhoods	Assistant Director (Policy, Planning & ED)	Sept 2015	
5) Work in partnership with Moat Housing to commence the development of the Council garage site at Vere Road, Loughton to provide up to 15 affordable rented homes, together with up to 14 additional parking spaces to facilitate the development of the adjacent site of the former Sir Winston Churchill PH.	Communities	Director of Communities	March 2016	
6) Seek to vacate the Council's Hemnall Street Offices, Epping in order to redevelop/let the premises, by relocating Community Services staff to office accommodation to be purchased close to Epping Forest District Museum, Waltham Abbey, and at the Civic Offices through the freeing-up of Council accommodation as a result of flexible working arrangements.	Communities / Management Board	Chief Executive / Asst. Director (Community Services and Safety)	March 2016	
7) Review all licence arrangements at North Weald Airfield.	Neighbourhoods	Assistant Director (Neighbourhoods)	April 2015	
8) Progress the Epping Forest Shopping Park scheme in association with Member decisions.	Neighbourhoods	Assistant Director (Policy, Planning & ED)	Sept 2016	
(c) To explore appropriate opportunities to make savings and increase income through the shared delivery of services with other organisations, where such arrangements would provide improved and/or more cost effective outcomes.				
1) Work with 5 neighbouring councils, through a consortium arrangement, to renew the contract and service arrangements for the Shared Housing Register Management Service, in order to continue to share the Service's costs and improve service delivery.	Communities	Assistant Director (Housing Operations)	Jan 2016	

2) Approach neighbouring authorities to carry out checking and vetting of Building Control plans through partnership working.	Governance	Assistant Director (Development Management)	Jan 2016	
3) Review the shared opportunities with the Public Law Partnership: <ul style="list-style-type: none"> to pool knowledge when implementing legislative change, work towards standardising documentation used in the member Council used in the provision of services across the partnership, and take advantage of reductions in the costs of on-line library services and training which are negotiated by the partnership.	Governance	Assistant Director (Legal Services)	March 2016	
4) Explore the possibility of sharing an integrated HR/Payroll IT system with other authorities.	Resources	Assistant Director (HR)	Sept 2015	
5) Explore providing payroll services to other authorities.	Resources	Assistant Director (HR)	March 2016	
6) Explore providing an audio typing service to other authorities.	Resources	Assistant Director (HR)	March 2016	
7) Identify additional Council services that may benefit from a shared provision with other organisations (either provided by the Council or others), to reduce costs, create income and/or improve service delivery.	Management Board	Chief Executive	March 2016	

Page 165

Aim (ii) To ensure that the Council has a sound and approved Local Plan and commences its subsequent delivery

(a) To produce a sound Local Plan, following consultation with local residents and working with neighbouring councils, that meets the needs of our communities whilst minimising the impact on the District's Green Belt.

1) Update the Council's Housing Strategy, following production of the Preferred Options for the Local Plan.	Communities	Director of Communities	Dec 2015	
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2) Complete the gathering of information to form the evidence on which key decisions will be taken as part of the Local Plan.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	April 2015	
3) Agree on objectively assessed Housing and Employment Need for the Local Plan Period.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	April 2015	
4) Agree a Draft Local Plan and undertake the appropriate sustainability appraisal.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	June 2015	
5) Undertake the Preferred Options Consultations.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	June-Sept 2015	
6) Submit the Final Local Plan to the Planning Inspectorate for Examination.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	Nov 2015	
<p>16 To increase opportunities for sustainable economic development within the District, in order to increase local employment opportunities for residents.</p>				
16 Consider the practicalities of revising procurement arrangements to encourage/require contractors to employ local residents for Council contracts.	Resources	Director of Resources	Dec 2015	
2) Incorporate the findings of the Economic Development Study into the Local Plan Evidence base with a view to determining future Employment Need.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	April 2015	
3) After consultation on Preferred Options to allocate Employment land within the Council's Local Plan.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	Nov 2015	
4) Develop and implement a new Economic Development Plan for the District, building on the work that has been undertaken with regard to individual Town Centres.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	May 2015	
5) Continue to support the work of Local Business Partnerships to support the local economy and generate additional local employment opportunities.	Neighbourhoods	Assistant Director (Policy Planning & Economic Development)	Ongoing	

6) Continue with the Council's apprenticeship scheme for the district's young people, providing sustainable employment opportunities.	Resources	Assistant Director (HR)	Sept 2015	
(c) To deliver the Council's new Leisure and Cultural Strategy, in order to maximise participation and value for money in the provision of leisure and cultural services to local residents and visitors.				
1) Complete the extension and major refurbishment of the Epping Forest District Museum, Waltham Abbey and open to the public.	Communities	Assistant Director (Community Services and Safety)	Dec 2015	
2) Work in partnership with Waltham Abbey Town Council to investigate the feasibility of developing a new leisure/community hub at Hillhouse, Waltham Abbey.	Neighbourhoods / Communities	Director of Neighbourhoods / Director of Communities	March 2016	
3) Appoint external specialist support to the competitive dialogue process for the new Leisure Management Contract, to ensure that the Council achieves best consideration.	Neighbourhoods	Assistant Director (Neighbourhoods)	April 2015	
4) In accordance with the recommendations of the Leisure and Culture Strategy to jointly pursue the provision of a new Secondary School on the Ongar Campus site, with a view to entering a Dual-Use Agreement for the Leisure Centre.	Neighbourhoods	Assistant Director (Neighbourhoods)	May 2015	
5) As part of the competitive dialogue procurement process for the new Leisure Management Contract, take forward the provision of a replacement swimming pool in Waltham Abbey.	Neighbourhoods	Director of Neighbourhoods	April 2015 onwards	

Aim (iii) To ensure that the Council adopts a modern approach to the delivery of its services and that they are efficient, effective and fit for purpose.

(a) To have efficient arrangements in place to enable customers to easily contact the Council, in a variety of convenient ways, and in most cases have their service needs met effectively on first contact.

1) Increase the opening hours of the Council Office at the Limes Centre, Chigwell, to improve access for local residents to a range of Council services.	Communities	Assistant Director (Community Services and Safety)	June 2015	
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2) Introduce web-based and smartphone applications to enable Council tenants to report repairs on-line.	Communities	Asst. Director (Housing Property & Development)	May 2015	
3) Establish a multi-disciplinary officer group to undertake a review and report on proposals for improving customer contact with the Council.	Management Board	Assistant Director (Governance and Performance Improvement)	March 2016	
(b) To utilise modern technology to enable Council officers and members to work more effectively, in order to provide enhanced services to customers and make Council services and information easier to access.				
1) Introduce more flexible methods for customers to pay for Council services.	Resources	Assistant Director (Revenues)	Dec 2015	
2) Introduce an on-line facility for customers to easily view and research objects held by the Epping Forest District Museum.	Communities	Museum Heritage and Culture Manager	March 2016	
3) Scan old Development Control & Building Control files and microfiche and increase the number of planning records available on the Council's website.	Governance	Assistant Director (Development Management)	July 2016	
4) Investigate and, if possible, implement the returns of Local Land Charges Searches by email.	Governance	Assistant Director (Legal Services)	April 2016	
5) Update the Contracts Register so that the contract documentation can be accessed and viewed by using an icon on the register. This will apply to new contracts at first.	Governance	Assistant Director (Legal Services)	April 2016	
6) Identify, during audits, any manual documentation or process that can be improved by conversion to electronic form.	Governance	Chief Internal Auditor	March 2016	
7) Continue the implementation of the Council's ICT Strategy, with the completion of the following key projects: (a) Printer reduction, removal and redeployment, and implementation of print management software; and (b) Mobile and flexible working.	Resources	Assistant Director (ICT & Facilities Management)	March 2016	

8) Complete a review of accommodation and make recommendations on utilisation of space and flexible methods of working.	Management Board	Chief Executive	Sept 2015	
(c) To ensure that the Council understands the effects of an ageing population within the District and works with other agencies to make appropriate plans and arrangements to respond to these effects.				
1) Undertake a study to identify and better understand the demographics of an ageing population in the District and the effects on the Council and local residents.	Communities	Assistant Director (Community Services and Safety)	March 2016	
2) Review the provision and delivery of community and cultural services to older people, to ensure that appropriate resources are targeted at the increasing numbers of older people, in order to help improve their general health and wellbeing.	Communities	Assistant Director (Community Services and Safety)	Oct 2016	
3) Undertake a review of the Council's sheltered and designated accommodation for older people, with a view to rationalising the amount and location of such accommodation and identifying improvements required to the retained accommodation to ensure it remains fit for purpose.	Communities	Assistant Director (Housing Operations) / Assistant Director (Housing Property & Development)	March 2016	

Page 169

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Report to Council

Subject: Overview and Scrutiny Report to Council – April 2015

Committee: Overview and Scrutiny

Date: 21 April 2015

Chairman: Councillor R Morgan

Recommendations/Decisions Required:

- (1) That the Overview and Scrutiny Progress report from February 2015 to the Present be noted.**

Report:

Overview and Scrutiny Committee Meeting 10 February 2015

1. At our meeting on Monday 10 February we received a report on the draft Corporate Plan for 2015 to 2020. We noted that the current Corporate Plan ended on 31 March 2015 and this new Corporate Plan had been developed to take the authority forward over the next five years. On close consideration of the new plan and its strategic aims we went on to have a brief discussion on how this could be made more widely available to members of the public. In conclusion we agreed with the new Corporate Plan and Key Action Plan.

2. We then considered the final report of the O&S Panel Framework Review Task and Finish Panel. This Panel had been established in July 2014 to review the Council's existing Scrutiny Panel framework.

3. The Panel had also considered the possible combination of the Audit and Governance Committee with the Standards Committee, but on reflection the Panel agreed that the possible combination of these two Committees should be omitted from its recommendations.

4. They concluded, and we agreed that, the new structure be based on a four 'Select Committee' system and their general responsibilities were to reflect the four new Directorates. Also, they recommended the continuation of the Constitution and Member Services Scrutiny Panel as a 'Constitution Working Group' to continue its current work on updating of the Constitution. Along with various other recommendations made by the Panel, we agreed that this new system should be implemented in the new municipal year.

5. We then considered a consultation put to us by the Lea Valley Regional Park Authority of its Park Development Framework. While it was not a planning authority, they had a duty to prepare plans for the management and development of the park.

6. We were in general agreement with the majority of their proposals, however there were two matters that caused us concern. Firstly the significant amount of new buildings being proposed and the impact this would have on the green belt. And secondly, there was their reference to the use of Compulsory Purchase Powers for large areas of glasshouses. We noted that the Authority had advised that it was not its intention to use compulsory purchase powers to undermine existing businesses, but the words used in the consultation were not clear on this point. We agreed the draft response as long as it also included our concern on these two points.

7. We then went on to review the Committee's and the Scrutiny Panel's work programme to date.

8. We noted that that the County's Mental Health Services were to give a presentation to

our Committee at our March meeting and discussed the issues we would like them to present on and wondered if the Youth Council would like to be present and ask their own questions.

9. Finally, we reviewed the Cabinet's Forward Plan but had no specific items that we wanted to consider.

Overview and Scrutiny Committee Meeting 23 March 2015

10. At our meeting on Monday 23 March we received a presentation from the Child and Adolescent Mental Health Services. We welcomed Chris Martin, the Integrated Commissioning Director (West) and Christine Pace, the CAMHS Commissioning Lead. They gave us an update on the joint re-commissioning of the emotional wellbeing and mental health services for Children and Young People in Southend, Essex and Thurrock. We noted that the new service model was based on need assessments and feedback from consultations with service users and partners. They highlighted the need for more integration, clearer access routes to services and a more family focused approach.

11. Ms Pace indicated that there would be clear support offered to partners working with children and young people as part of their joint working initiative.

12. They were currently commissioning one integrated service for the whole county for targeted and specialist mental health services, and hoped to identify a successful bidder by this May and to 'go live' by November.

13. We then reviewed the progress made by the end of the third quarter, of the Cabinet's Key Objectives for 2014/15; with which we were satisfied.

14. We then considered the report from the Constitution and Members Service Scrutiny Panel on their review of the Planning Committees and their terms of reference. This had started off at the Planning Services Scrutiny Committee where they looked at, among other things, the operation of the speaking arrangements and the terms of reference for the Planning Sub-committees and the District Development Committee. They then made several recommendations, which after some animated debate we agreed.

15. We then considered an amendment to the Council's Complaints Scheme, recommending that step 4 of the procedure, the member complaints panel, be disbanded. This was because, with the new rules introduced by the Local Government Ombudsman, we would not have the time to refer any complaints up to this last stage of the procedure. In any case these meetings were rarely used. Again, after some robust discussions we agreed to support these recommendations.

16. We then reviewed and agreed the terms of reference for the Grant Aid Review Task and Finish Panel.

17. We then went on to review our Committee's and the Scrutiny Panel's work programme to date.

18. We noted that the North Essex Parking Partnership was to give a presentation to our Committee at our April meeting.

19. In view of the recent problems faced by Whipps Cross Hospital and the Barts Health NHS Trust we debated when was the earliest we could usefully invite them to address us on the problems they faced and their proposed solutions. To this end the Chairman of the Overview and Scrutiny Committee has now written to the Chair of the Barts Trust inviting him to the O&S June meeting.

20. Finally, we reviewed the Cabinet's Forward Plan but had no specific items that we wanted to consider.

Report to the Council

Subject: Overview & Scrutiny Panel Framework

Committee: Overview & Scrutiny Review Task and Finish Panel Date: 21 April 2015

Committee Chairman: Councillor R Morgan

Recommending:

- (1) That the establishment of a new overview and scrutiny framework, based on a structure of four 'select committees', to be introduced with effect from the commencement of the 2015/16 municipal year, be noted;**
- (2) That the number of members appointed to the select committees remain unchanged from the current scrutiny panel framework, and that eleven councillors be appointed to membership of each select committee by the Overview and Scrutiny, in accordance with pro-rata provisions;**
- (3) That, as a result of the implementation of the new select committee framework, the existing Constitution and Member Services Scrutiny Panel be disbanded with immediate effect, and be re-established as a new 'Constitution Working Group' for 2015/16;**
- (4) That the Appointments Panel be recommended that to ensure continuity during the on-going review of the Council's constitution, existing members of the Constitution and Member Services Scrutiny Panel be appointed (where possible) to the Constitution Working Group for 2015/16 at the annual Council meeting on 28 May 2015, and that the total number of members appointed to the Working Group remain at eleven in accordance with pro-rata provisions;**
- (5) That the proposed terms of reference of the Constitution Working Group be agreed, and the Working Group report directly to the Council in connection with the achievement of its work programme related to the review of the constitution;**
- (6) That, on the recommendation of the independent Member Remuneration Panel, a Special Responsibility Allowance of £2,150 be applied to the position of the Chairman of the Constitution Working Group for 2015/16 in accordance with the Council's Member Remuneration and Expenses Scheme; and**
- (7) That the Director of Governance be authorised to undertake any consequential amendments to the Council's constitution necessary for the implementation of the select committee framework and the Constitution Working Group, including the removal of provisions relating to the existing scrutiny panel structure as required.**

Report

1. In February 2014, the Overview and Scrutiny Committee established a Task and Finish Panel to review the existing framework of the Council's scrutiny panels and make recommendations for how the structure could best complement the new management structure of the Council. The remit of the Task and Finish Panel was only to address the future structure of the scrutiny panel framework, and wider constitutional aspects or the

operation of the Overview and Scrutiny Committee itself, were excluded from the scope of the review exercise.

2. At its meeting on 10 February 2015, the Overview and Scrutiny Committee agreed a number of proposals of the Task and Finish Panel with regard to the future structure of the overview and scrutiny panel framework, centred around the establishment of a new framework of 'select committees' (attached as Appendix 1). The new framework has the effect of reducing the number of scrutiny panels (from five) through the (substantial) alignment of scrutiny responsibilities with those of the service directorates and the effective deletion of the existing Constitution and Member Services Scrutiny Panel.

3. The new framework will improve current arrangements that appear to have resulted in a situation where not all service areas are subject to scrutiny (if required) or allocated to a particular panel for scrutiny purposes. The development of annual work programmes for each select committee, informed by relevant service aims and priorities, is a key feature of the new framework. The framework also provides for relevant scrutiny activity to continue to be undertaken by way of the creation of task and finish panels (as necessary), ensures that all services have a 'reporting' route for overview and scrutiny and that there is clear scope to the scrutiny activities of each Committee. The new framework arrangements will include enhanced member training, particularly in the use of techniques to improve scrutiny activities

4. The framework provides for the existing Constitution and Member Services Scrutiny Panel to be wound-up from the commencement of the 2015/16 municipal year, to facilitate the new select committee arrangements. The Scrutiny Panel is responsible for the ongoing maintenance and review of the Council's constitution and all matters relating to members, and has recently commenced a root and branch review of the constitution. This work is not anticipated to be completed until March 2016. It is therefore proposed that the Scrutiny Panel be re-established as a 'Constitution Working Group' in order to complete its outstanding work on the review of the constitution, and that it should report directly to the Council. It is likely that, on completion of its review of the constitution in 2016, the Working Group may only then meet as occasionally necessary to consider specific constitutional issues, as it is anticipated that no similar review of the constitution would then be required for a number of years. Proposed terms of reference for the Working Group are attached as Appendix 2 to this report.

5. The review of the constitution is an important and complex piece of work and the Overview and Scrutiny Committee has recommended that a Special Responsibility Allowance should be applied to the position of the Chairman of the Working Group. This matter is outside the responsibility of the Committee, and a report of the independent Member Remuneration Panel in connection with this issue is included elsewhere in the agenda for this meeting. As a result of the refocusing of the work programme of the new working group to matters concerning the constitution only, issues relating to members that would previously have been dealt with by the Scrutiny Panel will be transferred to the new select committee with responsibility for the functions of the Governance Directorate, which includes democratic and member services.

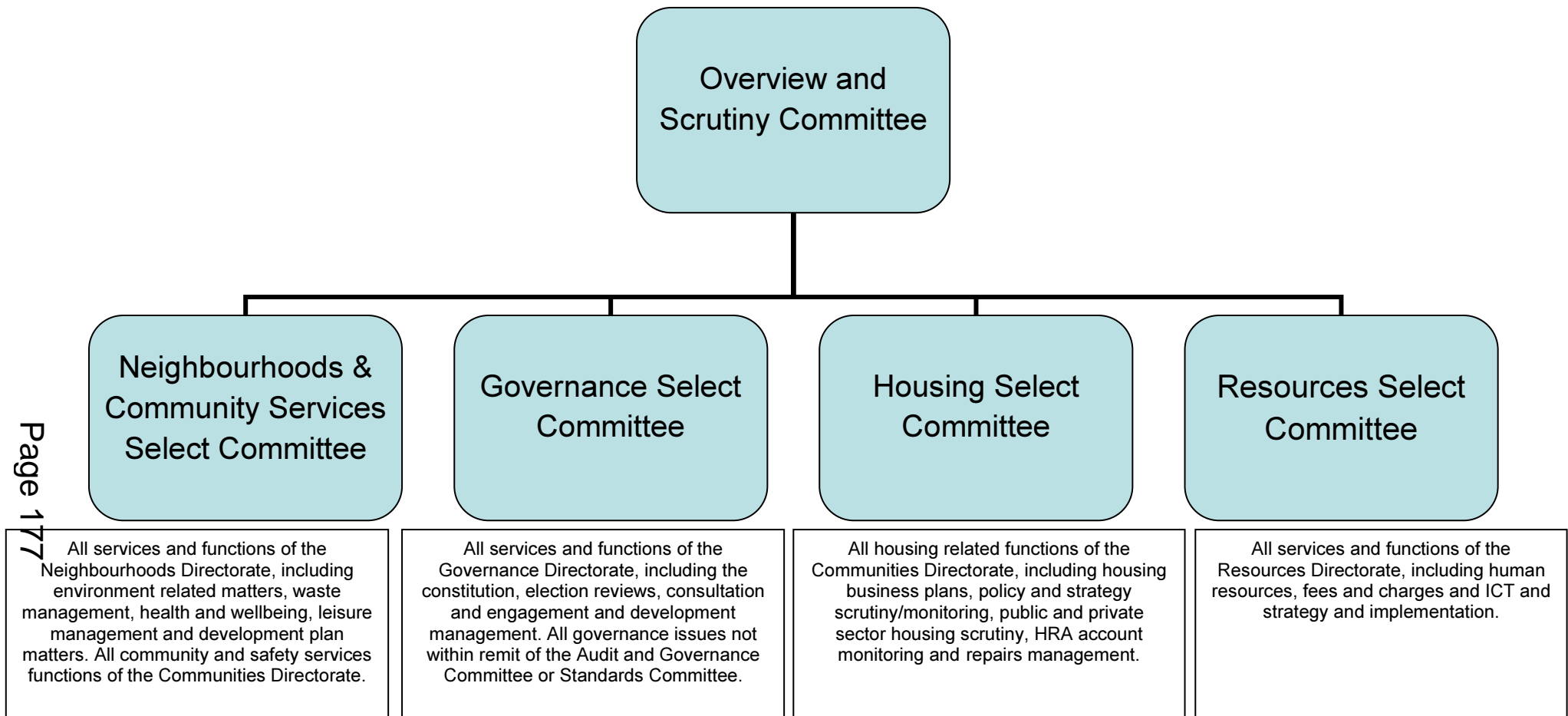
6. The review of the framework of the scrutiny panels also considered the possible benefits of the combination of the Audit and Governance Committee and the Standards Committee. Although this approach was ultimately not generally supported by members, the Overview and Scrutiny Committee noted that it might be necessary to review the operation of the Audit and Governance Committee in the future, to address the requirements of the Local Audit and Accountability Act 2014. Although no legal impediment has been identified to prevent the Council from combining the two committees if desired, the Committee was mindful of the Act, which changes the way in which the Council's external auditors are appointed.

7. The adoption of the proposed new overview and scrutiny framework is not of itself a matter reserved to the Council. However, some related matters proposed by the Overview and Scrutiny Committee do require the agreement of the Council, and the Committee also

wished to take this opportunity to formally advise all members of the future overview and scrutiny structure, in view of the likely wider interest in the establishment of the new framework.

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Proposed Overview and Scrutiny Select Committee Framework



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CONSTITUTION WORKING GROUP

TERMS OF REFERENCE

Title: Constitution Working Group

Status: Working Group

Terms of Reference:

(1) To complete a review of the Council's Constitution by 31 March 2016 and to recommend new arrangements accordingly;

thereafter:

(2) To review any aspect of the authority's constitutional arrangements as requested by the Council;

(3) To undertake general reviews of specific elements of the Constitution in order to ensure that the authority's constitutional arrangements complement current legislative requirements and decisions made by the Council; and

(4) To consider any proposals of the Director of Governance for necessary revision to any element of the Constitution.

Reporting:

The Working Group shall report directly to the Council in connection with its Terms of Reference and the achievement of its work programme.

Chairman:

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Report to Council

Subject: Review of Operation of Planning Committees and Terms of Reference

Committee: Constitution and Member Services Scrutiny Panel

Date: 21 April 2015

Committee Chairman: Councillor M Sartin

Recommendations:

That:

- (1) the adoption of the attached revised draft Article on the operation of and arrangements for planning committees including the proposals for the renaming of the District Development Management Committee be agreed;**
- (2) the inclusion of the provisions within the Council's Constitution with immediate effect subject to a review during 2016 be agreed; and**
- (3) the approval of consequential amendments to the constitution by the Monitoring Officer including the removal of old provisions and areas of duplication be agreed.**

Report:

1. (Chairman of Panel – Councillor M Sartin) The Overview and Scrutiny Committee, at its meeting on 16 September 2014, referred a PICK request to the Planning Services Panel. The request was sponsored by the Chairman of the District Development Control Committee, Councillor Brian Sandler.

2. The Planning Services Scrutiny Panel, at its meeting on 9 December 2015 and the Constitution and Member Services Scrutiny Panel, at its meeting on 16 February 2015 had looked at the following matters:

(i) The operation of the speaking arrangements and deadlines for submission of material for the Planning subcommittees as currently contained within the rules for participation on planning matters to include:

- (a) Classes and types of speakers, duration and registration arrangements and deadlines;
- (b) The extent of Chairman's discretion on such matters;
- (c) Procedure for other submissions and photographic material;

(ii) The terms of reference of the Planning subcommittees and District Development Control Committee to include:

- (a) Definitions of applications of major importance;
- (b) Clarification of the mechanism for referrals from Planning Subcommittees
- (c) The role of the Leader as currently defined in the DDCC's terms of reference.
- (d) How the Council's own applications are dealt with.

3. The operation of arrangements for speaking at planning meetings has never been substantively reviewed since they began in 2006. The review was timely for two reasons; firstly the review of the Constitution into which this review fits neatly. Secondly there have

recently been a number of 'complaints' about operation (mainly from applicants/objectors).

4. Having discussed, in some detail, the operation of the Planning meetings at the Planning Services Scrutiny Panel, the Constitution and Member Services Scrutiny Panel and the Overview and Scrutiny Committee, Officers have been able to codify member's wishes into the attached revised Article of the Constitution. The article brings together all references to the Planning Committees in one place within a new Constitution.

5. This revised Article sets out the membership of the committees, responsibility for functions, terms of reference and participation and site visits rules. In particular it seeks to draw a clear line between the main bulk of applications dealt with at area level and those which would be considered, either directly, or by reference, by the District Development Management Committee (renamed as part of these proposals).

6. The changes will also bring clarity to the role of the Chairman in controlling the business at the meeting, particularly for speakers.

7. It was considered by the Panels and the Overview and Scrutiny Committee that these rules should be implemented in advance of the completion of the Constitution Review to allow a period of operational experience to be undertaken with a check in 2016 to make sure that they are still appropriate.

8. Members are asked to consider the revised Article for incorporation into the Constitution for adoption. We recommend as set out at the commencement of this report.

New Article

District Development Management Committee and Area Plans Subcommittees.

The Council will establish the following Committees which shall be appointed by the Council at its annual meeting.

Membership

- (1) The following shall be the non-executive committees of the Council, consisting of the number of members set out below:

Committee or Subcommittee	Number of Councillors	Membership
District Development Management Committee	15	15 members of the Council appointed by the Council at its Annual meeting, subject to pro rata requirements and including those members appointed as Chairman of each Area Planning Subcommittee. Members to be appointed on the basis of aptitude, interest and planning experience
Area Plans Subcommittee South	25 members (Max)	All District Wards in the Parishes of Buckhurst Hill, Chigwell and Loughton. – subject to (3) below and quorum requirements set out in the Council rules
Area Plans Subcommittee East	19 members	District Wards of Chipping Ongar, Greensted and Marden Ash; Epping Hemnall; Epping Lindsey and Thornwood Common; Hastingwood, Matching and Sheering Village; High Ongar; Willingale and The Rodings; Lambourne; Lower Sheering; Moreton and Fyfield; North Weald Bassett; ; Passingford; Shelley and Theydon Bois.
Area Plans Subcommittee West	14 members	All District Wards in the Parish of Waltham Abbey together with the District Wards of Lower Nazeing; Broadley Common, Epping Upland and Nazeing and Roydon.

- (2) Members of the Council appointed to each Area Plans Subcommittee shall be drawn solely from those representing wards within the area for which the Subcommittee is responsible shown in column three above. Seats on each Subcommittee shall be allocated to all Councillors representing electoral wards in the areas concerned. The

requirement for the appointment of Subcommittees from all members of the Council shall not apply to the Area Plans Subcommittees.

- (3) The Area Plans Subcommittee (South) shall comprise a maximum of 25 Councillors, being the total number representing wards in the area for which the Sub Committee is responsible. At the Annual Council meeting, the Council shall determine the membership of that Subcommittee on the basis of the number of Councillors who sign a written notice stating that they wish to serve on the Subcommittee for the ensuing year. Any Councillor who does not sign a notice shall be deemed not to be a member of the Subcommittee for the year in question. Councillors may not retract a signed notice or seek to join the Subcommittee by signing a notice until the next Annual Council meeting.
- (4) A member of the executive may serve on an Area Plans Subcommittee if otherwise eligible to do so as a Councillor.

Responsibility for functions:

The Committee and Subcommittees the subject of this Article have responsibility for determining matters which have been delegated by the Council and the Executive shown in Part 3 of this Constitution, showing those which are the responsibility of the Executive and those which are not Executive functions and any limitations on delegation.

Terms of Reference:

District Development Management Committee

- (1) To determine:
 - (a) Any development proposals which affect more than one Area Plans Subcommittee;
 - (b) Any 'large scale' application (as defined within guidance issued by the Department for Communities and Local Government (DCLG));
 - (c) Any 'major' application (as defined within guidance issued by the DCLG) where the Council is the land owner.
 - (d) Any application referred by an Area Plans Subcommittee by resolution, by a minority of members of an Area Plans Subcommittee in accordance with the Council's Rules or where the Subcommittee is unable to determine the application.
 - (e) To determine any recommendation of an Area Plans Subcommittee which relates to potential decisions liable to give rise to claims for costs or compensation, including development management matters and enforcement of planning requirements (including recommendations of no action) but excluding works on preserved trees.
 - (f) Any planning application or other planning matter submitted by, or on behalf of, a Councillor of the Authority (and/or a spouse or partner thereof).

Area Plans Subcommittees:

- (1) To consider all applications (except as may be delegated to the Assistant Director Governance – Development Management or fall to the District Development Management Committee to determine as set out above) received for development

within the respective Subcommittee area and, except as detailed below, to make decisions on behalf of the district planning authority thereon.

- (2) Subject to the prior approval of the Chairman of the Subcommittee, to consider informal proposals for development and to give guidance to Assistant Director Governance – Development Management.
- (3) To consider planning applications made by other authorities which are considered by the Assistant Director Governance – Development Management to require member response.
- (4) To consider and make recommendations to the District Development Management Committee on applications for development within the respective Subcommittee Area where:
 - (i) the Subcommittee's proposed decision is a substantial departure from
 - (a) the Council's approved policy framework; or
 - (b) the development or other approved plan for the area; or
 - (c) it would be required to be referred to the Secretary of State for approval as required by current government circular or directive
 - (ii) the refusal of consent may involve the payment of compensation; or
 - (iii) the District Development Management Committee have previously considered the application or type of development and has so requested; or
 - (iv) the Subcommittee wish, for any reason, to refer the application to the District Development Management Committee for decision by resolution.
- (5) Applications made by officers of the Council defined in Appendix A of the Planning Services Scheme of Delegation which are required to be determined by a subcommittee.
- (6) Where an application is objected to by a Councillor in a purely personal capacity.

Public Participation at District Development Management Committee and Area Plans Subcommittees on Planning Matters

- (1) There shall be afforded to those classes of persons specified in the rules for participation at Appendix 1 to this Article an opportunity, on request, to make oral representations to any Area Plans Subcommittee (or in appropriate circumstances, the District Development Management Committee) meeting concerning any planning application or related matter before that Subcommittee for determination.
- (2) The procedure for dealing with requests to address an Area Plans Sub-Committee or the District Development Management Committee shall be as prescribed from time to time by the Council and as set out in Appendix 1.

Site Visits

- (1) Site visits may be undertaken of any potential development site subject to application where there is a substantial benefit to the decision-making process. Such a visit may

be approved by the Subcommittee at the meeting where they are being asked to determine the matter or in advance on the recommendation of Assistant Director Governance – Development Management in consultation with the Chairman of the Subcommittee.

- (2) Site visits will be undertaken following the guidance at Appendix 2 to this Article.

**RULES FOR PARTICIPATION ON PLANNING MATTERS AT COUNCIL,
AREA PLANS SUB AND DISTRICT DEVELOPMENT MANAGEMENT COMMITTEE
MEETINGS**

1. The following persons shall be able, on request, to address the appropriate Area Plans Subcommittee and/or District Development Management Committee on any planning application or related matter within its terms of reference and included on any agenda, for a period of three minutes:
 - (a) one objector;
 - (b) one representative of any relevant Parish or Town Council for the purpose of explaining the views of that Council on the matter in question;
 - (c) one representative of any other authority consulted on the application or as a statutory consultee where they have so requested; and
 - (d) the applicant (or one nominated agent or representative);

In the case of planning applications which have a District wide significance, it shall be permissible for the Chairman of an Area Plans Subcommittee or the District Development Management Committee, to allow any Parish or Town Council to comment on such an application.

2. For the purposes of this Standing Order the definition of "planning application or any related matter" shall not include any existing or proposed enforcement act under the Planning Acts.
3. The Chairman of the Committee or Subcommittee may allow additional speakers in exceptional circumstances
4. Persons wishing to address the Committee or Subcommittee are required to register with Democratic Services by 4.00 pm on the day before the meeting. The Chairman may make changes or additions to speakers after that time at their discretion.
5. Persons addressing an Area Plans Subcommittee shall be allowed no more than three minutes to present their case. At the discretion of the Chairman, speakers may clarify matters relating to their presentation and answer questions from Subcommittee members.
6. Written submissions and photographic or similar material will not be considered by an Area Plans Subcommittee or District Development Management Committee. Any written submissions received after the agenda is produced will be verbally summarised and reported to the Committee.
7. The right to address the Committees is extended to both the Area Planning Subcommittees and the District Development Management Committee (but not to Council). Having previously made representations at an Area Subcommittee does not preclude any applicant, objector or parish/town council representative from speaking again when the matter is reconsidered.

Guidance for Members at Site Visits

Formal site visits may be requested by any planning committee. These can be requested either before a planning meeting or resolved at the meeting concerned. However, these consume resources and delay determination of an application. It is good practice to consider site visits only where there is a substantial benefit to the decision-making process, e.g. when the impact of the proposed development is difficult to visualise from prior inspection from a public place, or from the plans and the supporting material; or it is particularly contentious.

It is recognised that Councillors are subject to lobbying on specific applications. In such cases, it is essential that care is taken to maintain the Council's and its members' integrity so as to protect the credibility of the planning process.

Councillors are asked to bear in mind the following guidance when undertaking planning site visits so as to avoid the perception of pre-determination.

- Site visits should be undertaken at an agreed predetermined time and conducted in a single group with a planning officer present at all times.
- Members of the committee concerned are encouraged to attend site visits.
- The site visit is managed by the Chairman, Vice-Chairman or planning officer present. The Chairman or Vice Chairman will remind Councillors of the guidance at the beginning of each visit. Members of the committee or subcommittee should not enter into discussions with interested parties, such as the applicant, the agent or neighbours during the visit.
- Councillors/Planning Officers should not allow interested parties to use the site visit as an opportunity of lobbying members of the committee. It is made clear to other parties at the outset that the purpose is to gather information and to view the site only.
- Any questions from Councillors should be limited to questions of fact and directed, in the first instance, to the planning officer present and not directly to interested parties present.
- In the interests of fairness to all parties, members as a single group should consider the desirability of viewing an application site from more than one property when the site visit is arranged.
- Councillors must ensure that the application is not determined at the site visit
- Councillors should avoid acceptance of any hospitality at a site visit which could be misinterpreted by third parties.

Report to Council

Subject: Amendments to the Council's Complaints Scheme

Committee: Constitution and Member Services Scrutiny Panel

Date: 21 April 2015

Committee Chairman: Councillor M Sartin

Recommendation:

- (1) That Step 4 reviews of complaints by the Member Complaints Panel be discontinued;**
- (2) That consequent on the approval of recommendation (1) above:**
 - (i) The provisions relating to the Complaints Panel contained within the Constitution be removed; and**
 - (ii) The Appointments Panel be advised that nominations to the Complaints Panel will no longer be required.**

Report (Chairman of Constitution and Member Services Scrutiny Panel).

1. The Overview and Scrutiny Committee considered and agreed the report of the Constitution and Members Services Scrutiny Panel on the Council's Complaints Scheme at their March 2015 meeting.

2. They noted that the Council's complaints scheme currently had four stages. The investigation of a complaint at each stage is undertaken by the following:

Step 1 - Manager of the service area concerned.

For example: Benefits Manager; Housing Options Manager, Principal Planning Officer,
Waste Manager.

Step 2 - Director, or more usually, an Asst. Director.

Step 3 - Complaints Officer on behalf of the Director of Governance (responsible for the Compliments and Complaints scheme) and the Chief Executive.

Step 4 - Member Complaints Panel

3. The Local Government Ombudsman has previously expressed surprise that EFDC has a four stage complaints procedure. No other Councils in Essex, and virtually no other Councils across the country, have as many stages or offer a final review by Members.

4. However, the last Step 4 review by EFDC's Member Complaints Panel was back in 2012, three years ago. There is a good reason why no Step 4 reviews by Members have been undertaken since then and also why none are foreseen for the future.

5. In 2006, the Local Government Ombudsman introduced what has become known as the *12 week rule*.

6. The Ombudsman takes the view that Councils should be able to complete **every** stage in their own complaints procedure within 12 weeks of their first receipt of the complaint. If a Council is unable to do so, the complainant has the right to bypass any remaining stages in the Council's complaints procedure and instead take their complaint to the Ombudsman.

7. However, the current design of EFDC's complaints procedure makes it impossible to complete all four stages within 12 weeks for the following reasons.

8. Investigations at Steps 1, 2 and 3 usually each take around 3 - 4 weeks to complete. So, by the time a Step 3 review has been completed, the 12 week time limit is already fast approaching. But if a complainant remains dissatisfied and requests a further review, it takes a further 7 - 8 weeks to organise a meeting of the Step 4 Member Complaints Panel as illustrated below:

Time required	Action required
1 week	On formal closure of the Step 3 investigation, the complainant first of all has to be notified that they now have a further three weeks in which to submit their written statement for consideration by the Step 4 Complaints Panel
3 weeks	Time allowed for complainant to submit their written statement.
Up to 2 weeks	Required by officers to prepare the Council's response to the complainant's statement once received.
1 week	For agenda preparation, printing and circulation.
1 week	The agenda pack has to be received by all who will be attending at least one week before the Step 4 meeting.

9. It has therefore become routine that complainants have to be advised that, because it will not be possible to offer them a Step 4 review within the 12 week time limit, they now have the right to bypass Step 4 and instead take their complaint to the Ombudsman.

10. There is no indication that the Ombudsman will either remove or relax the 12 week rule so it is anticipated the above position will continue. The Step 4 Complaints Panel would therefore continue to exist in name but have no actual function to fulfil.

11. If members agree to the removal of the Step 4 Panel, consequential amendments will be required of the Constitution. We recommend as set out at the commencement of this report.