

## **EPPING FOREST DISTRICT COUNCIL CABINET MINUTES**

**Committee:** Cabinet **Date:** 3 March 2016

**Place:** Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 8.15 pm

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

**Other Councillors:** L Girling, R Morgan, C C Pond and C P Pond

**Apologies:** -

**Officers Present:** G Chipp (Chief Executive), C O'Boyle (Director of Governance), R Palmer (Director of Resources), D Bailey (Head of Transformation), K Durrani (Assistant Director (Technical Services)), S G Hill (Assistant Director (Governance & Performance Management)), P Pledger (Assistant Director (Housing Property)), S Bacon (Senior Systems Support Officer), J Bell (Senior Account), T Carne (Public Relations and Marketing Officer), M Kitts (Conservation Officer), G J Woodhall (Senior Democratic Services Officer) and J Leither (Democratic Services Officer)

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### **144. WEBCASTING INTRODUCTION**

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

### **145. DECLARATIONS OF INTEREST**

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

### **146. MINUTES**

#### **Decision:**

(1) That the minutes of the meeting held on 4 February 2016 be taken as read and signed by the Leader of Council as a correct record.

### **147. REPORTS OF PORTFOLIO HOLDERS**

#### Environment

The Portfolio Holder informed the Cabinet that, as part of the 'Clean for The Queen' initiative, there would be a litter pick in Loughton on 4 March 2016 to which all were invited to participate.

### **148. PUBLIC QUESTIONS**

The Cabinet noted that there had been no public questions submitted for consideration at the meeting.

**149. OVERVIEW AND SCRUTINY**

The Chairman of the Overview & Scrutiny Committee reported that the following items of business had been considered at its meeting held on 23 February 2016:

- (a) a presentation from the Barts Health NHS Trust on progress with their improvement plan - 'Safe and Compassionate' – after Whipps Cross Hospital was placed under special measures;
- (b) a consultation from Basildon Borough Council on their Local Plan;
- (c) a report on the performance of the Council's Key Performance Indicators during the third quarter of 2015/16;
- (d) a review of the Waste Recycling Collection arrangements, as requested by the Environment Portfolio Holder and to be considered by the Cabinet in due course;
- (e) an update report from the Youth Engagement Task & Finish Panel; and
- (f) a consultation from Essex County Fire & Rescue Service on their planned restructure and priorities for the future.

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

**150. COUNCIL HOUSEBUILDING CABINET COMMITTEE - 19 JANUARY 2016**

The Housing Portfolio Holder presented the minutes from the meeting of the Council Housebuilding Cabinet Committee, held on 19 January 2016.

There were no recommendations for the Cabinet to consider. Other issues considered by the Cabinet Committee included: a report on sites unsuitable for development; the current financial position of the Council Housebuilding Programme; the procurement of the Contractor for Phase III of the Council Housebuilding Programme; Officer Resources for the Council Housebuilding Programme; the Risk Register for the Programme; a progress report for the Programme; and the acceptance of a tender for Phase II of the Council Housebuilding Programme. The Assistant Director of Housing (Housing Property) added that the Job Description had now been drafted for the proposed new Housing Development Manager post.

**Decision:**

- (1) That the minutes of the meeting of the Council Housebuilding Cabinet Committee, held on 19 January 2016, be noted.

**Reason For Decision:**

The Cabinet was satisfied that the Cabinet Committee had fully addressed all the relevant issues.

**Other Options Considered and Rejected:**

The Cabinet was satisfied that the Cabinet Committee had considered all the relevant options and that there were no further options to consider.

**151. COUNCIL HOUSEBUILDING PROGRAMME ANNUAL REPORT 2015/16**

The Housing Portfolio Holder presented the Council Housebuilding Programme Annual Report for 2015/16, which set out the progress made over the previous twelve months.

The Portfolio Holder informed the Cabinet that the main challenge during 2015/16 had been the need to accelerate the Programme to keep pace with the rate of Council House Right-to-Buy sales and avoid the need to return 1-4-1 receipts to the Government. A range of contingency measures had been put in place, including: the purchase of individual properties vacant on the open market; the purchase of affordable rented housing provided by developers as part of Section 106 agreements; and the purchase of affordable rented housing at the Council's former nursery in Pyrles Lane, Loughton. The Council Housebuilding Cabinet Committee had considered 42 feasibility studies as part of the programme, which now consisted of the following elements:

- (i) Marden Close & Faversham Hall – completed in December 2015;
- (ii) Phase I – Waltham Abbey;
- (iii) Phase II – Burton Road, Loughton;
- (iv) Phase III – Epping, Coopersale & North Weald;
- (v) Phase IV – Loughton;
- (vi) Phase V – Buckhurst Hill & Ongar; and
- (vii) the purchase of 11 new affordable homes at Barnfield in Roydon.

The Portfolio Holder reported that the anticipated underspend for the Programme would be £2.3million by Quarter 4 of 2016/17, for which it would be necessary to purchase properties on the open market to avoid the need to return monies to the Government. It was also highlighted that two new posts to manage the Programme had been agreed, both on fixed three-year contracts and funded from the Housing Revenue Account.

The Cabinet welcomed the report and noted the significant progress being made with the Programme. In particular, the building of twelve new 1-bedroomed flats at Faversham Hall and Marden Close was cited as an excellent development. The Leader of Council stressed that the Programme was delivering new homes for local people, built where local people wanted to live.

**Decision:**

- (1) That the Annual Progress Report 2015/16 on the Council Housebuilding Programme be noted.

**Reasons for Decision:**

As set out in its Terms of Reference, the Council Housebuilding Cabinet Committee was required to report to the Cabinet on an annual basis.

**Other Options Considered and Rejected:**

None, as the report noted the progress made with the Programme during the previous twelve months.

**152. EPPING FOREST DISTRICT MUSEUM - RESILIENCE FUNDING**

The Portfolio Holder for Leisure & Community Services presented a report on resilience funding for the Epping Forest District Museum.

The Portfolio Holder stated that, prior to the commencement of the redevelopment of the Council's Museum in Waltham Abbey, a successful funding bid was made to the Arts Council England's Resilience Fund, which secured £55,000 of funding, to enable two feasibility studies to be undertaken. The first of these studies was to investigate the potential to establish a Development Trust, to sit in parallel to the Council's operation of the Museum, Heritage and Culture Service, in order to enable the service to access external and charitable funding that the Council would be prohibited from applying for. The second study was to investigate potential revenue income generating opportunities for the Museum, Heritage and Culture service following the complete redevelopment and expansion of the Museum and amalgamation of Museum Services and Community Arts.

The Portfolio Holder reported that these studies had now been published and the Cabinet was requested to consider the recommendations of the reports, with a view to these being progressed to the next stage, via a further funding bid to Arts Council England (ACE) in the sum of £280,000. This amount was deemed as more favourable than a higher bid, following a meeting with ACE Resilience Fund Officers in February 2016. Contributions in the sum of £10,000 each to the proposed Resilience Fund had also been secured from Chelmsford City Council and Broxbourne Borough Council, for which match funding from this Council of £20,000 was being sought from the Council's 'Invest to Save' fund.

The Cabinet noted that the Council had an excellent record of securing external funding for this type of project, and thanked the Officers involved for their efforts.

**Decision:**

- (1) That the findings from the two Feasibility Studies undertaken with £55,000 funding from Arts Council England be noted;
- (2) That a submission be made to Arts Council England for a further £280,000 funding, to support the recommendations from the two consultant studies;
- (3) That the contributions of £10,000 each from Broxbourne Borough and Chelmsford City Councils towards the proposed Resilience Fund proposal be noted;
- (4) That the Council's required match funding of £20,000 for the bid be funded from the Council's Invest to Save Fund; and,
- (5) That Neighbourhoods and Community Services Select Committee be requested to consider the formation of a Development Trust for Epping Forest and Lowewood Museums.

**Reasons for Decision:**

To support the recommendations from the two Feasibility Studies undertaken and

apply for further funding from Arts Council England to set up a Resilience Fund, to support the longer term sustainability of the Epping Forest District Museum Service.

**Other Options Considered and Rejected:**

To not proceed with a further funding application to Arts Council England.

**153. TRANSFORMATION PROGRAMME - SCOPE AND METHODOLOGY**

The Leader of Council presented a report on the scope and methodology of the Transformation Programme.

The Leader reminded the Cabinet that the Transformation Programme was initiated through the adoption of a scoping report on 3 December 2015. This report detailed the purpose, drivers for change and benefits statement for the Programme. It also outlined the authority's approach to the management of change, including transformation methodology and project management. The arrangements to govern business transformation were detailed, alongside the four work streams for the Programme, which were:

- (i) Customer Experience;
- (ii) Business Culture;
- (iii) Resources, Accommodation and Technology; and
- (iv) Major projects.

The Leader stated that the Programme would recommend investments in technology and changes to working practices that would improve customer service and deliver efficiency savings. Major recommendations brought forward through the programme would be reported with fully costed business cases for either the Cabinet or the Council to approve any investment required. The Transformation Board had been established by the Chief Executive and was currently establishing teams to work on the following priority projects:

- (i) Customer Experience (subject of the next report on the agenda);
- (ii) a review of service accommodation;
- (iii) project and programme management; and
- (iv) the identification of relatively quick and easy projects to achieve the Programme's savings target of £100,000 for 2016/17.

The Leader emphasised the importance of the Transformation Programme and an update report on the initial progress would be submitted to the next meeting of the Cabinet. The initial programme would be co-ordinated by the Head of Transformation, with assistance from the National Management Trainee, from within existing resource budgets.

**Decision:**

- (1) That the purpose of the transformation programme and the benefits statement be agreed;

- (2) That the scope and approach to managing change and the transformation methodology be agreed;
- (3) That arrangements to govern the transformation programme, including the Transformation Programme Board and Programme Management Office, be noted; and
- (4) That the transformation work streams be agreed and further discovery be mandated to identify opportunities for change.

**Reasons for Decision:**

To establish a robust approach to govern and manage business transformation, including work streams, programmes and projects, aligned with the Corporate Plan.

**Other Options Considered and Rejected:**

To not proceed with the Transformation Programme; however, our residents expected modern, customer focused services that were well-managed and provided value for money.

**154. TRANSFORMATION PROGRAMME - CUSTOMER EXPERIENCE WORKSTREAM**

The Leader of Council presented a report on the Customer Experience Work Stream as part of the Transformation Programme.

The Leader reported that in April 2015, as part of the Corporate Plan Action Plan for 2015/16, the Council had set a Key Action of having efficient arrangements in place to enable customers to contact the Council easily in a variety of convenient ways and, in most cases, have their service needs met effectively on first contact. The Action Plan for 2015/16 required that a multi-disciplinary Officer group be established to undertake a review and report on proposals for improving customer contact with the Council by March 2016.

The Leader stated that the review had now been undertaken and it had proposed a number of recommendations across three areas:

- (i) proposals for a rationalised reception service and options for handling customer contact;
- (ii) how to develop business processes to enable channel shift to cost effective channels; and
- (iii) proposals for the evaluation of Customer Relationship Management (CRM) systems.

The Cabinet was requested to accept the recommendations of the Review in principle as a starting point for transforming the Customer Experience, agree the implementation of a centralised customer services function, and progress a number of further steps including the appointment of a Customer Services Manager, investigation of potential Customer Relationship Management systems and the repair or replacement of the atrium windows.

The Cabinet welcomed the report and felt it was important to both improve services and reduce costs. The Portfolio Holder for Governance & Development Management supported the bringing together of the various customer services into one location,

and the appointment of a Customer Services Manager, and suggested investigating whether the atrium windows could be removed to generate additional usable space. The Portfolio Holder for Planning Policy commented that, although methods of communication had changed drastically in recent time, residents still needed to visit the Civic Offices. Some of these visitors could be distressed and therefore it was important to deal with visitors as quickly and efficiently as possible.

**Decision:**

- (1) That the recommendations made to the Council by the Customer Services Review Group (as attached at Appendix 1 of the report) be accepted in principle as a starting point for the Transformation Programme - Customer Experience Work Stream;
- (2) That, having considered the options, a centralised customer services function be agreed;
- (3) That the following steps be approved:
  - (a) the appointment of a Customer Services Manager and IT support post for the Council, with a further report to the Cabinet on any additional resources required and options for filling these positions;
  - (b) the Transformation Programme Board to consider the organisational structure for the customer services function;
  - (c) the repair or replacement of the atrium windows during the 2016/17 financial year with a further report to the Cabinet if additional resources be required;
  - (d) to undertake a full feasibility design and costing of the main reception including its accommodation needs by October 2016;
  - (e) to seek a recommendation from Officers on a suitable Customer Relationship Management system for the Council (formal evaluation stage to be completed by October 2016);
  - (f) to initiate discussions with public sector partners to explore the potential for sharing reception space and to accommodate this within any design; and
  - (g) to set targets and a timescale for the further discovery and implementation stages from the Transformation Programme Board, including formal monitoring of customer visits.

**Reasons for Decision:**

The anticipated benefits of this approach would be:

- increased accessibility to services that matched the changing needs of our aging population;
- increased proportion of customer contacts completed at the first point of contact;
- reduced need for customers to re-tell their stories by using a light Customer Relationship Management system;

- increased efficiency and cost reduction, 'nudging' customers to complete their transactions using self-service; and
- increased satisfaction with our customer service.

**Other Options Considered and Rejected:**

- (i) To not implement a combined reception area or centralised customer contact handling.
- (ii) To continue to provide services to the public in the manner currently undertaken.
- (iii) To not bring forward the required repairs to the Atrium windows to 2016/17.
- (iv) To not seek the implementation of a CRM system.

**155. LOUGHTON BROADWAY PARKING REVIEW**

The Portfolio Holder for Safer, Greener & Transport presented a report on the Loughton Broadway Parking Review.

The Portfolio Holder reminded the Cabinet that the Council had made a commitment to implement area wide parking reviews across the District when it had held the agency agreement with the County Council. At the end of the agency agreement in 2005, a decision was taken to continue implementation of the ongoing schemes. The Cabinet had previously resolved not to consider any further area wide parking reviews until the reviews at Epping, Buckhurst Hill and Loughton Broadway had been completed. The Epping and Buckhurst Hill reviews had now been completed and work could commence on the Loughton Broadway Parking Review (LBPR).

The Portfolio Holder stated that important lessons had been learnt from the Epping and Buckhurst Hill reviews; for example, carrying out an area wide review had proven to be very divisive and it had not always been possible to address the often conflicting requirements of residents, commuters, businesses and other road users. It was easier to obtain consensus around local specific issues, for example the creation of small scale resident parking zones or address junctions with perceived safety issues. Recent and proposed developments in the Loughton Broadway area involving projects like the Epping Forest Shopping Park, the redevelopment of the site of the former Sir Winston Churchill Public House, housing developments along Burton Road and the decision of Epping Forest College to introduce parking charges in their car park would create new pressure on the on street parking in the area. It was necessary to take a holistic view of the parking provisions and assess the impact of the aforementioned developments.

The Portfolio Holder reported that the Council did not have the technical expertise to deliver the Review, and therefore had two options to engage the services of: Essex Highways; or the North Essex Parking Partnership (NEPP). The Council had used Essex Highways for the two previous Reviews in Epping and Buckhurst Hill, but it was felt that there were a number of advantages in engaging the NEPP, including: lower Officer charge rates; greater control as the Council was still a member of the Partnership; easier access to NEPP Officers; informed decision making as the NEPP would be responsible for enforcing any new parking restrictions; and the NEPP had expertise gained from similar reviews elsewhere in Essex.

Therefore, the Portfolio Holder sought agreement from the Cabinet to proceed with the Loughton Broadway Parking Review, and appoint the North Essex Parking

Partnership to undertake a scoping exercise – the results of which would be reported back to the Cabinet at a future meeting.

The Housing Portfolio Holder was very concerned that a recent planning application for the Council Housebuilding Programme had been refused permission pending the outcome of the Parking Review for Loughton Broadway. The Portfolio Holder wanted the review to be completed as soon as possible otherwise the Council could end up having to repay monies to the Government. The Portfolio Holder for Governance & Development Management also expressed fears that the NEPP would not start the Review until 2018/19.

In response, the Portfolio Holder was reluctant to give a date for the completion of the Parking Review at the current time until the scoping exercise had been completed. The Parking Review for Buckhurst Hill had taken two years, and this could be used as a possible 'ball park' estimate. A lack of resources at Essex County Council had contributed to the delays with the previous schemes, but the Council would be paying for Road Traffic Orders to be written by the NEPP not the County Council, so this should progress the Loughton Broadway Parking Review in a more timely manner.

The Portfolio Holder added that the NEPP had indicated they would engage extra staff for the review. The Assistant Director of Neighbourhoods (Technical Services) stated that the known trouble spots would be dealt with first, before a review of the wider area was undertaken. The NEPP had also indicated that they would like the staff undertaking the Review to be accommodated at the Civic Offices; it was suggested that the Broadway Office could be a more appropriate location, and the Portfolio Holder agreed to consider this.

A local Member for Loughton Broadway commented that all of the local Members had welcomed the consultations undertaken by the Portfolio Holder, and a list of local parking trouble spots had been supplied. It was felt that the NEPP Technical Team was generally better than the Enforcement Teams, and the Cabinet was informed that the planning application for the Council Housebuilding Programme at Loughton Broadway had been refused on the advice of a local member for Chigwell Village.

The Portfolio Holder confirmed that he would continue to work with local Members, and paid special tribute to the support of Cllr Girling. The Leader of Council highlighted that it should be the County Council that deals with parking issues, not the District Council, and there was also a need to liaise with the Off-Street Parking Programme on Council owned land to ascertain if there was any synergy. The Leader also stressed that the budget for the Review was as listed in the report; the Council could not afford to spend any more on it.

**Decision:**

- (1) That, in accordance with the Cabinet Decision of October 2010, the Loughton Broadway Parking Review be proceeded with, acknowledging that this would require a comprehensive assessment of existing and projected parking provision, including the Epping Forest Shopping Park;
- (2) That the North Essex Parking Partnership be appointed to carry out a scoping exercise for the Loughton Broadway Parking Review, including the implementation of some small scale traffic regulations;
- (3) That a further report be submitted to the Cabinet detailing the full scope of scheme and financial implications; and

(4) That Contract Standing Order C5 (contracts exceeding £25,000 but not exceeding £50,000) be set aside to enable the appointment of the North Essex Parking Partnership.

**Reasons for Decision:**

To implement the last of the three area-wide Parking Reviews previously agreed by the Cabinet, and to address urgent local parking issues in the Loughton Broadway area.

**Other Options Considered and Rejected:**

To not proceed with the scheme; however, this would be contrary to the previous Cabinet decision to undertake a review of parking issues in the Loughton Broadway area.

To carry out a small, targeted parking review and only address local parking issues; however, this would not consider the impact of a number of large ongoing infrastructure development schemes on the on street parking provisions in the area.

**156. WALTHAM ABBEY CONSERVATION AREA CHARACTER APPRAISAL AND MANAGEMENT PLAN**

The Portfolio Holder for Safer, Greener & Transport presented a report on the Waltham Abbey Conservation Area Character Appraisal and Management Plan.

The Portfolio Holder reminded the Cabinet that, by law, Local Planning Authorities were required to designate conservation areas and, following these designations, proposals for the preservation and enhancement of these areas. The proposals took the form of conservation area management plans and it was considered best practice to accompany these management plans with character appraisals which charted the history of an area, the reasons for its designation, and the key elements of its special interest. Character Appraisals often preceded Management Plans as they provided the knowledge and understanding required to inform the creation of a successful and meaningful Management Plan.

The Portfolio Holder stated that the Character Appraisal and Management Plan for the Waltham Abbey Conservation Area had been prepared following due process and was now ready to be adopted and published for use by the general public (particularly residents), the Council's Development Management Section, and any other interested parties. Once adopted, the document would become a material consideration in the planning process and would inform the decisions made relating to proposed developments within the conservation area. As part of the appraisal process, the suitability of the conservation area boundary was assessed and it was intended to remove two areas from the Waltham Abbey Conservation Area.

The Deputy Leader, a local Member for Waltham Abbey High Beach, broadly supported the report and thanked the Officers for their efforts. However, the Deputy Leader expressed grave concerns about the removal of Thrift Hall and Thrift Cottage from the Conservation Area; the Cottage in particular was in an extremely parlous state and enquired what the Council could do to prevent this listed building from falling down. The Portfolio Holder for Leisure & Community Services added that the Cottage was currently for sale and the owner would like to demolish the existing building. The Conservation Officer outlined a number of measures that the Council could take, including serving notice on the Owner under the Listed Buildings Act or

issuing a Compulsory Purchase Order and repairing the Cottage itself. The Leader of Council suggested that a further report should be submitted to the Cabinet outlining all the options available to the Council in relation to Thrift Cottage, and this was agreed.

**Decision:**

- (1) That the adoption and publication of the Character Appraisal and Management Plan for the Waltham Abbey Conservation Area be agreed;
- (2) That the boundary amendment to the Waltham Abbey Conservation Area be approved; and
- (3) That a further report be submitted to the Cabinet outlining the possible steps that could be taken by the Council to protect Thrift Cottage.

**Reasons for Decision:**

Under the provisions of section 69 of the Planning (Listed Buildings and Conservation Areas) Act 1990, Local Planning Authorities were required to designate areas of 'special architectural or historic interest, the character or appearance of which it was desirable to preserve or enhance'. Section 71 of the same Act stated that the Local Planning Authority had a duty to 'publish proposals for the preservation and enhancement' of their conservation areas. This took the form of a Conservation Area Character Appraisal and Management Plan. Therefore, it was a key statutory duty that this document was published.

**Other Options Considered and Rejected:**

To not publish the character appraisal. However, the Council would not be fulfilling one of its statutory duties under the Planning (Listed Buildings and Conservation Areas) Act 1990, and the lack of a character appraisal could make planning decisions within these areas less consistent and more difficult to defend at appeal.

**157. KEY OBJECTIVES 2015/16 - QUARTER 3 PROGRESS**

The Leader of Council presented a report on the progress made during the third quarter of the municipal year with the Corporate Plan Key Action Plan for 2015/16.

The Leader stated that the Corporate Plan was the Council's key strategic planning document, setting out its priorities over the five-year period from 2015/16 to 2019/20. The priorities or Corporate Aims were supported by Key Objectives, which provided a clear statement of the Council's overall intentions for these five years. The Key Objectives were delivered by an annual Action Plan, with each year building upon the progress made in previous years. The annual Action Plans contained a range of actions designed to achieve specific outcomes, to ensure the actions remained relevant and appropriate, and to identify opportunities to secure further progress or improvement. Since the Action Plan for 2015/16 was agreed by Cabinet in March 2015, five additional actions had been identified as appropriate to progress the Key Objectives during 2015/16, and these were added to the Action Plan for Quarter 2.

The Leader reported that, after the first nine months of 2015/16, progress was as follows:

- 49 (89%) of the individual actions had been achieved or were on schedule to be achieved by the target date or a revised target date

- before the end of the year;
- 5 (9%) of the individual actions were behind schedule and might not be completed before the end of the year; and
- 1 (2%) of the individual actions were on hold as a result of external circumstances.

**Decision:**

(1) That the progress with the achievement of the Council's Key Objectives for 2015/16 at the end of Quarter 3 be noted.

**Reasons for Decision:**

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

**Other Options Considered and Rejected:**

None, as failure to monitor and review performance against the Key Objectives and to consider corrective action where necessary, could have negative implications for the Council's reputation and might mean that opportunities for improvement were lost.

**158. INVEST TO SAVE FUNDING BID - PROVISION OF THE OFF STREET PARKING ARRANGEMENTS IN THE DISTRICT**

The Portfolio Holder for Safer, Greener & Transport presented a report on an 'Invest to Save' funding bid for the provision of the Off Street Parking Arrangements in the District.

The Portfolio Holder reminded the Cabinet that it had agreed to give notice of withdrawal from the Off Street Parking element of the North Essex Parking Partnership (NEPP) at its meeting on 11 January 2016. This notice had to be served by 31 March 2016 and would allow the Council to operate the Off Street Car Parking operation itself from 1 April 2017. When making this decision, the Cabinet considered the scoping report by Road Traffic Act Associates (RTAA) which concluded that there were clear financial advantages for the Council to depart from the Off Street Parking element of NEPP. The Cabinet also recognised that the Council did not possess the in-house expertise to carry out the procurement exercise for the appointment of a provider for the Off Street Enforcement operations, cash collections, pay and display machine maintenance and administration, and also agreed to set aside Contract Standing Orders to enable the appointment of RTAA to assist the Council with the procurement process.

The Portfolio Holder reported that £15,000 had previously been approved from the 'Invest to Save' fund for the work undertaken by RTAA for the scoping report; there was £10,000 of this sum left. It was estimated that a further £15,000 would be required for the appointment of RTAA to provide the Council with specialist advice during the procurement process for the management of the Off Street Car Parks across the District, and these monies was again being sought from the 'Invest to Save' fund. A further report would be submitted to the Cabinet in due course outlining the Procurement Strategy, potential savings, implementation costs, and a schedule for the delivery of Off Street Parking Operations.

The Cabinet welcomed the report but one or two Members expressed concern over 'wizardry with figures'. A local Member for Loughton Broadway commented that the performance of the NEPP had been derisory, both in respect of On and Off Street Parking enforcement, and there was an overwhelming argument to bring the Off Street Parking enforcement back in-house. The Portfolio Holder explained that, since the NEPP had taken control of the Off Street Car Parks, the revenue for the Council for enforcement had halved; although it was highlighted that the Council did not enforce solely to make money.

**Decision:**

(1) That the Invest to Save Funding bid for the costs associated with the procurement process for the management of the Council off street car parks be agreed; and

(2) That a further report be submitted to the Cabinet detailing the Procurement Strategy, potential savings, set up costs and timeline for the delivery of off street parking operations outside of the North Essex Parking Partnership.

**Reasons for Decision:**

To ensure the Council had expert professional advice when it procured a service provider for the Off Street Car Parking enforcement, cash collection and administration services.

**Other Options Considered and Rejected:**

To not seek external expert advice would mean that the Council would not be able to prepare a modern and fit for purpose technical tender specification.

**159. EPPING FOREST SHOPPING PARK - OPTION TO TAX**

The Finance Portfolio Holder presented a report on the Council's option to tax the development of the Epping Forest Shopping Park.

The Portfolio Holder stated that the Council currently enjoyed the protection of Section 33 of the VAT Act 1994 whereby it could reclaim all of the Value Added Tax (VAT) paid on expenditure relating to its exempt supplies as long as the VAT on costs relating to exempt supplies was less than 5% of the total VAT incurred by the Council in any given financial year. As it was intended that, once built, the Council would lease out the commercial units in the Shopping Park then, in principle, this would be an exempt supply for VAT purposes and would mean that the VAT on directly attributable costs would need to be included in the Council's partial exemption calculation.

The Portfolio Holder advised the Cabinet that, with the construction of the shopping park, the Council would have large amounts of VAT on costs relating to an exempt supply which would push it over the current 5% partial exemption de-minimis limit. An option to tax would convert the exempt supply to a taxable supply; this would mean that the Council would charge VAT on the income it received from the leases for the commercial units and as such, the VAT on costs relating to the Shopping Park would not need to be included in the Council's partial exemption calculation. If an option to tax was not put in place by the end of the financial year then the Council might not be able to recover approximately £7million of VAT.

**Decision:**

- (1) That an 'Option to Tax' for the Epping Forest Shopping Park be agreed.

**Reasons for Decision:**

To ensure the Council could reclaim all of the VAT incurred on the development.

**Other Options Considered and Rejected:**

To not "Opt to Tax" and not reclaim any VAT on exempt supplies (both in relation to the Shopping Park and other exempt supplies by the Council in any given financial year). However, the potential cost would exceed £7million.

**160. ANY OTHER BUSINESS**

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

**161. EXCLUSION OF PUBLIC AND PRESS**

The Cabinet noted that there was no business which necessitated the exclusion of the public and press from the meeting.

**CHAIRMAN**