



CABINET
Thursday, 3rd March, 2016

You are invited to attend the next meeting of **Cabinet**, which will be held at:

Council Chamber, Civic Offices, High Street, Epping
on **Thursday, 3rd March, 2016**
at **7.00 pm** .

Glen Chipp
Chief Executive

Democratic Services
Officer

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The Directorate of Governance
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Members:

Councillors C Whitbread (Leader of the Council) (Chairman), S Stavrou (Deputy Leader and Finance Portfolio Holder) (Vice-Chairman), R Bassett, W Breare-Hall, A Grigg, D Stallan, G Waller, H Kane, A Lion and J Philip

PLEASE NOTE THE START TIME OF THE MEETING

1. WEBCASTING INTRODUCTION

- (a) This meeting is to be webcast;
- (b) Members are reminded of the need to activate their microphones before speaking; and
- (c) the Chairman will read the following announcement:

"I would like to remind everyone present that this meeting will be broadcast live to the Internet and will be capable of subsequent repeated viewing, with copies of the recording being made available for those that request it.

By being present at this meeting, it is likely that the recording cameras will capture your image and this will result in your image becoming part of the broadcast.

You should be aware that this may infringe your human and data protection rights. If you have any concerns then please speak to the Webcasting Officer.

Please could I also remind Members to activate their microphones before speaking.”

2. APOLOGIES FOR ABSENCE

(Director of Governance) To be announced at the meeting.

3. DECLARATIONS OF INTEREST

(Director of Governance) To declare interests in any item on this agenda.

4. MINUTES

To confirm the minutes of the last meeting of the Cabinet held on 4 February 2016 (previously circulated).

5. REPORTS OF PORTFOLIO HOLDERS

To receive oral reports from Portfolio Holders on current issues concerning their Portfolios, which are not covered elsewhere on the agenda.

6. PUBLIC QUESTIONS

To answer questions asked by members of the public after notice in accordance with the motion passed by the Council at its meeting on 19 February 2013 (minute 105(iii) refers) on any matter in relation to which the Cabinet has powers or duties or which affects the District.

7. OVERVIEW AND SCRUTINY

(a) To consider any matters of concern to the Cabinet arising from the Council's Overview and Scrutiny function.

(b) To consider any matters that the Cabinet would like the Council's Overview and Scrutiny function to examine as part of their work programme.

8. COUNCIL HOUSEBUILDING CABINET COMMITTEE - 19 JANUARY 2016 (Pages 5 - 20)

(Housing Portfolio Holder) To consider the attached minutes from the meeting held on 19 January 2016, and any recommendations therein.

9. COUNCIL HOUSEBUILDING PROGRAMME ANNUAL REPORT 2015/16 (Pages 21 - 28)

(Housing Portfolio Holder) To consider the attached report (C-071-2015/16).

10. EPPING FOREST DISTRICT MUSEUM - RESILIENCE FUNDING (Pages 29 - 36)

(Leisure & Community Services Portfolio Holder) To consider the attached report (C-072-2015/16).

11. TRANSFORMATION PROGRAMME - SCOPE AND METHODOLOGY (Pages 37 - 48)

(Leader of the Council) To consider the attached report (C-073-2015/16).

12. TRANSFORMATION PROGRAMME - CUSTOMER EXPERIENCE WORKSTREAM (Pages 49 - 58)

(Leader of the Council) To consider the attached report (C-074-2015/16).

13. LOUGHTON BROADWAY PARKING REVIEW (Pages 59 - 64)

(Safer, Greener & Transport Portfolio Holder) To consider the attached report (C-075-2015/16).

14. WALTHAM ABBEY CONSERVATION AREA CHARACTER APPRAISAL AND MANAGEMENT PLAN (Pages 65 - 70)

(Safer, Greener & Transport Portfolio Holder) To consider the attached report (C-069-2015/16).

15. KEY OBJECTIVES 2015/16 - QUARTER 3 PROGRESS (Pages 71 - 96)

(Leader of Council) To consider the attached report (C-070-2015/16).

16. INVEST TO SAVE FUNDING BID - PROVISION OF THE OFF STREET PARKING ARRANGEMENTS IN THE DISTRICT (Pages 97 - 102)

(Safer, Greener & Transport Portfolio Holder) To consider the attached report (C-076-2015/16).

17. EPPING FOREST SHOPPING PARK - OPTION TO TAX (Pages 103 - 106)

(Finance Portfolio Holder) To consider the attached report (C-077-2016/16).

18. ANY OTHER BUSINESS

Section 100B(4)(b) of the Local Government Act 1972, together with paragraphs (6) and (24) of the Council Procedure Rules contained in the Constitution require that the permission of the Chairman be obtained, after prior notice to the Chief Executive, before urgent business not specified in the agenda (including a supplementary agenda of which the statutory period of notice has been given) may be transacted.

In accordance with Operational Standing Order 6 (non-executive bodies), any item raised by a non-member shall require the support of a member of the Committee concerned and the Chairman of that Committee. Two weeks' notice of non-urgent items is required.

19. 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.

EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Council Housebuilding Cabinet **Date:** Tuesday, 19 January 2016
Committee

Place: Council Chamber, Civic Offices, **Time:** 7.00 - 9.50 pm
High Street, Epping

Members Present: D Stallan (Chairman), W Breare-Hall, S Stavrou, A Lion and J Philip

Other Councillors: S Neville, J H Whitehouse and J M Whitehouse

Apologies: R Bassett and G Waller

Officers Present: A Hall (Director of Communities), P Pledger (Assistant Director (Housing Property)) and J Leither (Democratic Services Officer)

Also in attendance: I Collins (Pellings LLP) and K Harris (East Thames Group)

22. SUBSTITUTE MEMBERS

The Cabinet Committee noted that Councillor J Philip substituted for Councillor R Bassett and Councillor A Lion for Councillor G Waller.

23. DECLARATIONS OF INTEREST

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

24. MINUTES

Resolved:

That the minutes of the meeting held on 27 July 2015 be taken as read and signed by the Chairman as a correct record.

25. CHANGE OF ORDER

The Chairman proposed to the Cabinet Committee that due to the sensitive nature of Agenda Item 6, Council House-building Programme (Phase 2) – Acceptance of Tender and Agenda Item 8, Council House-building Programme – Progress Report, these two items should be moved to the end of the Agenda so they can be discussed in private session.

Resolved:

(1) That Agenda Item 6, Council House-building Programme (Phase 2) – Acceptance of Tender be moved to the end of the Agenda where part of this report would be heard in private session; and

(2) That Agenda Item 8, Council House-building Programme – Progress Report be moved to the end of the Agenda after Agenda Item 6, where part of this report would be heard in private session.

26. COUNCIL HOUSE-BUILDING PROGRAMME - SITES UNSUITABLE FOR DEVELOPMENT

The Assistant Director (Housing Property & Development) presented a report to the Cabinet Committee. He advised that the sites at Springfield (Site B), Epping; Langley Meadow, Loughton and Loughton Way, Buckhurst Hill had been identified as being undevelopable, either because they did not or are not likely to receive planning permission or they are not financially viable for the Council to develop for the reasons as set out below.

Springfield (Site B), Epping

The site at Springfield (Site B) in Epping has 15 x garages, of which seven (46.6%) are vacant. This site was approved by the Cabinet Committee in November 2014 to seek planning permission to provide 2 x 1-bed bungalows. At the Area Planning Sub-Committee East it was felt that this development, if constructed in conjunction with other sites in the vicinity, would present too great a parking stress on the surrounding streets.

As there were a high percentage of vacant garages and the likelihood that there were a number of others not used for parking it was recommended that the garages be demolished, the site be re-surfaced and the land marked out to leave the site as open car parking for local residents with a residents' parking scheme.

Langley Meadow (Site A), Loughton

The site at Langley Meadow (Site A), Loughton which was currently laid out as amenity space, was approved by the Cabinet Committee in November 2014 to seek planning permission for 2 x 1-bed flats. However, during Pre-app discussions with the Planning Officers the Council's Arboriculturist was consulted and it was felt the development would cause harm to the existing tree on the site and as such the development could not be supported.

This site is laid out as grassed amenity space with trees. Whilst there was a perceived need for parking in the local vicinity, the Cabinet Committee had already agreed to retain the parking area at the opposite end of the block as open parking. Therefore, it was recommended that this space be retained as open amenity land.

Loughton Way, Buckhurst Hill

The site at Loughton Way, Buckhurst Hill has 24 x garages, of which nine (37.5%) are vacant, was approved by the Cabinet Committee in October 2014 to seek planning permission to provide 4 x 3-bed houses. However, during Pre-app discussions with the Planning Officers and following a detailed topographical site investigation, it was felt the unconventional design and more particularly the changes in level between the adjacent houses and the ground level to the new houses would present on-going structural maintenance issues associated with the retaining structures, which would bring into question the long term viability of the development.

As there were a high percentage of vacant garages, and a likelihood that there were a number of other garages not used for parking, it was recommended that the garages be demolished, the site be re-surfaced and the land marked out to leave the

site as open car parking for local residents with a residents' parking scheme. This would assist the parking stresses on the nearby development in Kirby Close.

Decision:

- (1) That the garages at Springfields (Site B), Epping be demolished and the hardstandings be re-surfaced and marked out to leave the site as open car parking for local residents and a residents' parking scheme introduced;
- (2) That the land at Langley Meadow (Site A), Loughton be retained by the Council as open amenity land;
- (3) That the garages at Loughton Way, Buckhurst Hill be demolished and the hardstandings be re-surfaced and marked out to leave the site as open car parking for local residents, with a residents' parking scheme introduced; and
- (4) That all costs associated with the demolition, resurfacing, retaining walls, street lights and residents parking scheme be funded by the Off Street Parking Programme.

Reasons for Decision:

The Cabinet Committee is required to decide on the future use of garage sites unsuitable for development in line with the Council's Policy.

Other Options Considered and Rejected:

To adopt any other of the options within the existing Policy on the future use of undevelopable sites, as set out in the body of the report.

27. COUNCIL HOUSE-BUILDING PROGRAMME - FINANCIAL POSITION

The Assistant Director (Housing Property & Development) presented a report to the Cabinet Committee. He advised that one of the Cabinet Committee's Terms of Reference was to monitor expenditure on the Housing Capital Programme Budget for the Council Housebuilding Programme, ensuring the use (within the required deadlines) of the capital receipts made available through the Council's Agreement with the Department of Communities and Local Government (DCLG) allowing the use of additional "Replacement Right to Buy (RTB) Receipts" received as a result of the Government's increase in the maximum RTB Discount to be spent on housebuilding.

The Assistant Director advised that the schedule set out at Agenda Item 7, Appendix 1 was the current position as at 4 January 2016 with regard to the Right to Buy Receipts.

Appendix 1 (Agenda Item 7) captured the total amount of Replacement Right To Buy Receipts received and available for use for "One-for-One Replacement" on the Council's Housebuilding Programme, as captured on the Pooling Return to the DCLG, and when it was required to be spent. It also captured the actual expenditure to date and compared that to the projected future planned expenditure profile.

Appendix 2 (Agenda Item 7) set out the amount and use of financial contributions available to the Council's Housebuilding Programme from Section 106 Agreements, in lieu of the provision of on-site affordable housing on private development sites, and other sources of funding (e.g. sales of HRA land and non-RTB property, and external funding).

Appendix 3 (Agenda Item 7) set out the expenditure profile. This had been profiled to reflect the detailed programme that had been included elsewhere in the Agenda, which discussed the need to accelerate the house-building programme.

Appendix 4 (agenda Item 7) set out the financial modelling summary of all sites agreed by the Cabinet Committee by phase incorporating the unit mixes and numbers, updated costs and subsidy requirements.

This information had been captured and presented for monitoring purposes. However, it was noted that due to delays on the construction of Phase 1, delays in securing planning permission on Phase 2 and delays in completing legal agreements for the Barnfield S106 development, coupled with a higher than expected rate of RTB's there will be an underspend of around £2m in Quarter 4 of 2016/17. However, this relied on Broadway Construction Ltd delivering the Phase 1 construction works by July 2016, which was their own projected completion date.

As previously agreed by the Cabinet Committee, and to avoid giving any 1-4-1 receipts to the Government that the Council had accumulated from RTB sales, it was noted that it would now be necessary to purchase street properties on the open market to utilise this underspend.

Decision:

- (1) That the current financial position be noted, in respect of:
 - (a) The amount of additional "Replacement Right to Buy (RTB) Receipts" for utilisation under the Government's "one-for-one replacement" scheme that has been received; when it is required to be spent; the actual expenditure to date; and the future planned expenditure profile (Appendix 1);
 - (b) The amount and use of financial contributions available to the Council's Housebuilding Programme from Section 106 Agreements, in lieu of the provision of on-site affordable housing on private development sites, and other sources of funding (e.g. sales of HRA land and non-RTB property, and external funding) (Appendix 2);
 - (c) The expenditure profile that reflects the house-building programme (Appendix 3); and
 - (d) A Financial Modelling summary of all sites agreed by the Cabinet Committee by phase incorporating the unit mixes and numbers, updated costs and subsidy requirements (Appendix 4).
- (2) That it be noted, to avoid passing 1-4-1 RTB Receipts to the DCLG, the Council will need to spend around £2m by the end of Quarter 4 of 2016/17 on the purchase of street properties.

Reasons for Decision:

The Council's Housebuilding Programme is a high profile, high cost activity. It is therefore essential to ensure that budgets, costs and expenditure are properly monitored, to enable corrective action to be taken at the earliest opportunity when necessary.

Other Options Considered and Rejected:

Not to have regular Financial Reports presented to the Cabinet Committee.

28. COUNCIL HOUSE-BUILDING PROGRAMME (PHASE 3) - PROCUREMENT OF WORKS CONTRACTOR

The Assistant Director (Housing, Property & Development) presented a report to the Cabinet Committee. He advised that there was a lack of interest from larger contractors on the East Thames Framework to undertake Phase 3 of the Council's house-building programme as a whole, due to the complications and difficulties managing small dispersed sites. It was therefore, necessary to look at alternative procurement methods. Soft market testing suggested that a better approach would be to let the works through a mixture of smaller contracts using different contract types.

The Assistant Director reported that Pellings LLP had undertaken a soft market test with other contractors outside of the East Thames Framework, some of whom were local small contractors, to gauge their interest or otherwise in tendering for the 8 sites that make up Phase 3. The feedback from this exercise had resulted in a mixed response as detailed below:

- some were interested in a design and build approach only;
- some in a fully designed approach;
- some if the tender was based on a two stage approach (initial enquiry and then negotiated pricing);
- some were interested in only a small number of units; and
- from some, there was no interest at all.

One common theme was that they would not be interested in the whole package due to the geographical remoteness of each site.

From the outcome of the soft market testing it was recommended that the Council broke down the 8 sites making up Phase 3 into 7 separate contracts with a mixture of Design and Build contracts and traditional fully designed contracts, all in accordance with the Council's Contract Standing Orders. Although not the reason for taking this approach, it was noted that this would mean that each contract would be below the OJEU Thresholds and it would also reflect the varying preferences of the contractors approached through the soft market testing. The suggested contracts were as follows:

- Contract A: Springfield Site C and Centre Avenue, Epping - 8no. units using design and build.
- Contract B: Stewards Green Road, Epping - 4no. units using a traditional procurement.
- Contract C: Parklands. Coopersale - 4no. units using design and build.
- Contract D: Queens Road, North Weald - 12no. units using design and build.
- Contract E: Bluemens End, North Weald - 4no. units using design and build.
- Contract F: Centre Drive, Epping - 1no. unit using a traditional procurement.
- Contract G: London Road, Stapleford Abbots - 1no. unit using a traditional procurement.

It was noted that by having 7 separate contracts there would be additional costs associated with supervising 7 contracts instead of 1 contract. In addition, there would be additional up-front costs associated with fully designing the schemes that are to be let using a traditional procurement. These additional costs were not available at

the meeting, but would be available soon after.

It was noted that, in terms of the risks associated with adopting this approach, although there was more likelihood of something going wrong, the impact of anything going wrong would be considerably lower.

Decision:

(1) That, for Phase 3 of the Council Housebuilding Programme the Council adopts an alternative procurement strategy and breaks down the 8 sites making up Phase 3 into 7 separate contracts, with a mixture of Design and Build contracts and traditional fully-designed contracts, and tenders them in accordance with the Council's Contract Standing Orders;

(2) That the additional costs associated with the design, management and supervision of 7 separate contracts be met from the existing HRA Capital Programme budget for house-building; and

(3) That, if required a separate Portfolio Holder Decision be agreed when the costs associated with the Consultant's design, management and supervision of the 7 separate contracts were available.

Reasons for Decision:

The Cabinet Committee had already agreed a Procurement Strategy for its house-building programme, which made use of the East Thames Group EU-compliant Framework of Contractors. However, based on lessons learnt from Phase 1, and through discussions held with a number of Contractors, this report explores a number of other options.

Other Options Considered and Rejected:

To undertake a separate EU procurement exercise, specific to just the Council's House-building Programme. This would be time consuming, costly and would not guarantee interest from any other Contractors.

29. COUNCIL HOUSE-BUILDING PROGRAMME - OFFICER RESOURCES

The Director of Communities presented a report to the Cabinet Committee. He advised that the responsibility for the housebuilding programme rested with the Assistant Director (Housing Property and Development) and as a result of the Cabinet Committee's decision to extend and accelerate the Council Housebuilding Programme, from an initial 6-phase programme of 120 homes to at least a 10-phase programme of around 315 homes, with a plan to commence each phase every 3 months, there were now insufficient staffing resources to effectively manage and deliver the programme.

The Cabinet Committee noted the following current priorities for the programme:

- (a) To complete the 23 new homes under Phase 1;
- (b) To start on site with Phase 2 of the programme (51 homes at Burton Road);
- (c) To implement a Procurement Strategy for Phase 3 of the Programme (34 homes), reported earlier in the Agenda, to enable a tendering process to be undertaken and a start on site in August 2016;

- (d) To seek/obtain planning permission for all the sites in Phase 4 of the programme;
- (e) To complete the remaining feasibility studies for future phases and to seek planning permission accordingly;
- (f) To overcome and resolve the site-specific legal issues relating to each site, to enable the proposed developments to be undertaken;
- (g) To enter into a contract for the purchase of the 8 affordable rented homes at the private development in Barnfield, Roydon from the developer, and to then oversee the works, in order to enable additional expenditure of 141 capital receipts;
- (h) To source and purchase 8-10 properties from the open market to enable further expenditure of 1-4-1 receipts; and
- (i) To monitor and ensure that the required amount of 141 receipts are spent within the 3-year deadline, to ensure that no receipts or (punitive) interest is paid to the DCLG.

It was noted that the workload to date to deliver the housebuilding programme had been immense, which had been increased by the Cabinet Committee's decision to extend and accelerate the programme. Although a lot of the work had been undertaken by the Development Agent and their consultants (Pellings LLP), through the Development Agreement with the Council, the Assistant Housing Assets Manager and the Senior Housing Development Officer have had to spend significantly more than 50% of their time on the programme – leaving them with insufficient time to meet their other important responsibilities, the workload for which was also increasing.

This urgent need had recently been considered by Management Board, who were of the view that two new posts were needed to be created, as soon as possible, as follows:

- A Housing Development Manager post, reporting to the Assistant Director, with responsibility for managing the delivering of the housebuilding programme – with high-level strategic support provided by the Assistant Director. Subject to job evaluation, this was expected to be at Grade 10 - at a (mid-point) salary cost of £42,158 per annum (plus on-costs); and
- A Housing Development Officer post, reporting to the Assistant Housing Assets Manager (Special Projects), to undertake day-to-day project management of developments. Subject to job evaluation, this was expected to be at Grade 6 – at a (mid-point) salary cost of £24,577 per annum (plus on-costs).

It was noted that since these two new posts would be dedicated to the housebuilding programme, they could be funded from the HRA Capital Programme.

Whilst recognising the need for additional staffing resources, the Cabinet Committee were concerned that the Council Housebuilding Programme was now into its third year and that there was not therefore a need to take on two new permanent members of staff. However, two new members of staff on three-year fixed-term contracts was supported. The Cabinet Committee agreed that if the fixed-term

contracts did not attract the quality of candidates required, permanent members of staff could be appointed, subject to the approval of the Housing Portfolio Holder.

Decision:

(1) That two new three-year fixed-term posts of Housing Development Manager and Housing Development Officer be created as soon as possible, following job evaluation to determine appropriate grades; and

(2) That the costs of the new posts be funded from the HRA Capital Programme budget for the Council Housebuilding Programme.

Reasons for Decision:

The Council's housebuilding programme has been extended and accelerated, and the current staffing resources are insufficient.

Other Options Considered and Rejected:

To create more or less new posts.

30. COUNCIL HOUSE-BUILDING PROGRAMME - RISK REGISTER

The Assistant Director (Housing Property & Development) presented a report to the Cabinet Committee. He stated that Pellings LLP, who were the Employers Agent, appointed by the Council's Development Agent, East Thames, produced and kept up to date a project wide Risk Register associated with the Council's Housebuilding Programme.

The Assistant Director advised that as the Council's Housebuilding Programme was a major undertaking, involving significant amounts of money and risks, it was essential that the Officer Project Team and the Cabinet Committee record, monitor and mitigate those risks.

Members expressed concerns regarding the amount of risks on the register that were highlighted in red, in particular from 2013, and asked if this could be explained.

The Agent advised that the Risk Register was used as a weekly control document and site specific surveys were being included to mitigate these risks as part of the action plan. He advised that they would look at the risk scoring, which may need to be re-assessed, and would report back at the next meeting.

Decision:

(1) That the Programme-wide Risk Register for the Council House-building Programme be noted; and

(2) That the risks be re-assessed and included in the Risk Register for the next meeting.

Reasons for Decision:

The Council's Housebuilding Programme is a major undertaking, involving significant amounts of money and risks, it is essential that the Officer Project Team and the Cabinet Committee record, monitor and mitigate those risks.

Other Options Considered and Rejected:

(a) Not to have a Risk Register – but it would not be appropriate to contemplate such an option; and

(b) To request amendments to the format or content of the Programme-wide Risk Register.

31. ANY OTHER BUSINESS

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

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

That the public and press be excluded from the meeting for the items of business set out below on the grounds that they would involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the Local Government Act 1972:

<u>Agenda Item No.</u>	<u>Subject</u>	<u>Exempt Information Paragraph Number</u>
6	Acceptance of Tender	3, 5
8	Progress Report	3
14	Restricted Minutes 27 July 2015	3, 5

33. MINUTES**Resolved:**

That the restricted minutes of the meeting held on 27 July 2015 be taken as read and signed by the Chairman as a correct record.

34. COUNCIL HOUSE-BUILDING PROGRAMME - PROGRESS REPORT

The Assistant Director (Housing Property & Development) presented a report to the Cabinet Committee on the current position of Phase 1 of the Housebuilding Programme. He advised that, at the last meeting of the Cabinet Committee, Members had been made aware of some delays to Phase 1 of the Council Housebuilding Programme.

The Assistant Director stated that the Contractor, Broadway Construction Ltd, commenced works on site on 27 October 2014 with completion due on 13 November 2015. The agreed tender sum for the works was £3,245,143.62, with payments to date of £1,788,921.38 (51.62%). With fees and other pre-construction costs, the total cost of delivery was estimated to be around £3,769,170.

The contractor had not maintained the delivery programme and on 13 November 2015, a Certificate of Non-Completion was served on Broadway Construction Ltd,

which had led to Liquidated & Ascertained Damages (LAD's) at a weekly rate of around £10,200 per week being deducted from future valuations in accordance with the terms of the contract. These related to the loss of rent and the increase in fees associated with the late delivery of the new homes.

On 15 December 2015 the Council received from Broadway Construction Ltd a claim for an extension of time and loss and expense. Copies were also sent to Pellings LLP, the Employers Agent appointed by East Thames to oversee the contract on the Council's behalf. The claim centred on the delays associated with executing the contract as a result of the contractor's inability to provide a Bond; (their) unforeseen additional work associated with the foundations needed to support the new homes; delays associated with design changes required to achieve adequate refuse storage facilities at Harveyfields; difficulties in achieving Building Regulations at Site 7 to facilitate adequate fire safety measures; and the presence of a water main running through the Red Cross site which required to be diverted.

Each aspect of the claim would be considered by Pellings LLP for entitlement, with the costs associated with any entitlement being calculated in accordance with the contract. The Council had 12 weeks to consider the merits or otherwise of each aspect of the claim.

Broadway Construction Ltd had indicated they were committed to completing the works and were projecting a completion date for Harveyfields around July 2016, with other sites being completed by the end of March 2016. Progress on site and the quality of the work was being closely monitored by East Thames and Pellings LLP.

Resolved:

That the decision of the Council Housebuilding Cabinet Committee be reported in the public session of this meeting.

35. COUNCIL HOUSE-BUILDING PROGRAMME (PHASE 2) - ACCEPTANCE OF TENDER

The Assistant Director (Housing Property & Development) presented a report to the Cabinet Committee regarding the Acceptance of Tender.

The Assistant Director advised there was a separate report on the agenda that confirmed tenders were received from 5 out of 6 tenderers for the construction of 51 new affordable homes at Burton Road, Loughton. These tenders had been analysed by Pellings LLP, the Employers Agent acting on behalf of the Council's Development Agent East Thames, who had recommended that Mullalley & Co Ltd be awarded the contract for the adjusted tender sum of £9,847,179.00 based on a Design and Build contract with a contract period of 105 weeks.

Once appointed, it was proposed that Pellings LLP would enter into discussions with Mullalley & Co Ltd with a view to completing the works sooner and possibly sharing any savings in reduced preliminary costs.

Detailed financial checks had been carried out by East Thames prior to the tenders being issued. The Director of Resources had been consulted on the evaluation and results of the financial checks.

Resolved:

That the decision of the Council Housebuilding Cabinet Committee be reported in the public session of this meeting.

36. INCLUSION OF PUBLIC AND PRESS**Resolved:**

That the public and press be invited back into the meeting.

37. COUNCIL HOUSE-BUILDING PROGRAMME - PROGRESS REPORT

The Assistant Director (Housing, Property & Development) presented a report to the Cabinet Committee advising of the current progress on Marden Close and Faversham Hall, Chigwell Row and Phases 1-5 of the programme.

Marden Close and Faversham Hall

This was the first of the Council's developments to be completed in December 2015, under the housebuilding programme providing 12 new 1-bedroom flats which have now been let to applicants on the Council's Housing Register.

Phase 1 – Waltham Abbey

This had been covered earlier in the agenda.

Phase 2 – Burton Road

Planning permission was achieved in September 2015 for 51 new affordable homes at Burton Road, Loughton. Tenders were issued to 6 contractors from the East Thames' approved list. With one contractor withdrawing, 5 tenders were received and opened by the Housing Portfolio Holder on 17 November 2015 in accordance with Contract Standing Orders.

Interviews were held on 17 December 2015 with each of the two lowest tenderers to explore any qualifications as part of the evaluation process. In attendance were Pellings LLP, Council Officers as well as the Housing Portfolio Holder.

It was anticipated that the successful Contractor would take possession of the site in February 2016 with work commencing on site around June 2016 once the planning conditions were discharged and the detailed designs prepared and approved. The contract period set out in the contract was 20 months.

Phase 3 – Epping, Coopersale and North Weald

Planning permission has been achieved for eight sites making up Phase 3 of the Council's house-building programme, which will deliver 34 new affordable homes at an estimated cost of £6,757,650 inclusive of fees.

It was anticipated that work would commence on site in August 2016 and completed around 20 months later in March 2018.

Phase 4 – Loughton

The Cabinet Committee have agreed feasibility studies at 13 sites across Loughton, which will deliver 40 new affordable homes made up of a mix of bungalows, houses and flats. Pre-app discussions have taken place with Planning Officers and applications have now been registered for each of the sites. If approved, the estimated cost of delivering each of the new affordable homes making up Phase 4 would be £9,426,686..

It was anticipated that work would commence on site in April 2017 and completed around 20 months later in November 2018.

Phase 5 – Buckhurst Hill & Ongar

The Cabinet Committee have agreed feasibility studies at 10 sites across Buckhurst Hill and Ongar, which would deliver 33 new affordable homes made up of a mix of bungalows, houses and flats. Pre-app discussions have taken place with Planning Officers and applications were being drawn up by Pellings LLP for each of the sites. If approved, the estimated cost of delivering each of the new affordable homes making up Phase 5 was £6,464,028.

It was anticipated work would commence on site in October 2017 and completed around 20 months later in May 2019.

The purchase of 11 new affordable homes at Barnfield, Roydon (Section 106 Development)

The Cabinet Committee have now met on 12 occasions in total. The outcomes from each meeting have set in place the policies and strategy that have shaped the house-building programme. This year, the main Policy challenge had been around the need to accelerate the house-building programme to keep up with the rate of Council-house RTB sales, therefore avoiding returning 1-4-1 receipts to the Government. A range of contingency measures in place include:

- (a) to purchase individual vacant properties for sale on the open market;
- (b) to purchase affordable rented housing that is required to be provided by developers in accordance with Section 106 Agreements; and
- (c) That subject to planning permission, the Council buys the affordable rented housing provided by a private developer following the sale if the Council's former Nursery in Pyrles Lane.

In order to avoid returning unspent 1-4-1 receipts to the Government, the Cabinet Committee have agreed to the purchase of new affordable homes on Section 106 developments.

Negotiations have taken place with Linden Homes, who have an Option Agreement on a site at Barnfield, Roydon that has planning permission for 24 new homes at Barnfield, Roydon, of which 11 are for affordable housing. The affordable housing is for 11 new homes, of which 8 are for affordable rent and 3 are for shared ownership.

A joint bid was put to Linden Homes between the Council and B3Living, who are one of the Council's Preferred Housing Association Partners, with the Council purchasing the 8 x affordable rented homes and B3Living purchasing the 3 x shared ownership homes. The Cabinet, at its meeting on 3 December 2015, agreed a bid of £1.464m for the 8 affordable rented homes, funded from a combination of 1-4-1 receipts and the existing HRA Capital resources.

Decision:

That the Annual Progress Report on Council house-building be agreed and presented to the Cabinet.

Reasons for Decision:

The Cabinet Committee is required to monitor progress and expenditure in relation to the Council House-building Programme and report to the Cabinet on an annual basis, as set out in its Terms of Reference.

Other Options Considered and Rejected:

This report is on the progress made over the last 12-months and is for noting purposes only. There are no other options for action.

38. COUNCIL HOUSE-BUILDING PROGRAMME (PHASE 2) - ACCEPTANCE OF TENDER

The Assistant Director (Housing Property & Development) presented a report to the Cabinet Committee. He advised that following a tender exercise for Phase 2 of the Council's house-building programme at Burton Road, Loughton six contractors had been invited to tender to construct 51 new affordable homes, based on a Design and Build contract. Out of the six contractors five tenders had been received and were registered as below:

1.	United Living (South) Limited	£9,499,651
2.	Mulalley & Co Limited	£9,740,241
3.	Durkan Limited	£10,264,909
4.	Galliford Try Partnership Limited	£11,201,432
5.	Higgins Construction Plc	£11,927,356
6.	Hill Partnership Limited	Did not Tender

It had been made clear in the tender documents that the Council would not be obliged to accept the lowest tender.

Checks had been carried out by Pellings LLP on all of the tenders received, and in view of the significant price difference between the second lowest and the three other tenders, only the two lowest tenders had been analysed in detail.

The tenders submitted by United Living (South) Ltd and Mulalley & Co Ltd, as lowest and second lowest respectively, included a number of qualifications and pricing omissions, which had been discussed during post-tender interviews co-ordinated by Pellings LLP. Neither United Living Ltd nor Mullalley & Co Ltd had been prepared to lift these omissions and qualifications without a pricing review; therefore each had been asked to review these and submit a revised unqualified tender sum. These were as follows:

Tenderer	Original Tender Sum	Adjusted Tender Sum	Variation
United Living (South) Ltd	£9,499,651	£9,764,651	+£265,000
Mulalley & Co Ltd	£9,740,241	£9,847,179	+£106,989

This had resulted in the difference between the lowest and second lowest now being just £82,528 (0.84%).

United Living Ltd had provided costs as requested, albeit by including provisional sums. However they had qualified this further and included in their tender clarifications that they *“have only been able to price based on the information provided with the tender. This information was in some cases not yet complete and required further development before we are able to provide a complete / competitive price.”* This represented a financial significant risk, as the prices submitted could increase to a point where they exceeded that of the second lowest tender.

Mullalley & Co Ltd on the other hand had complied with the request to provide an unqualified tender, again through the use of provisional sums, with the exception of pricing for the treatment or removal of any contaminated ground found on the site. Based on soil surveys undertaken prior to tender where no contamination had been found, this represented a low risk according to Pellings LLP.

The pre-tender estimate was £8,125,000, which was based on Quarter 2 2015 rates without any inflationary uplift. The lowest tender as originally received was around 16% above the estimated cost and it was the view of Pellings LLP that this was due to a number of inflationary pressures affecting the construction sector.

The contract had been tendered based on a 20 month contract period (87 weeks). United Living had based their price on this contract period. However, Mullalley & Co Ltd had based their tender on a longer contract period of 24 months (105 weeks), with a completion date in March 2018, but had indicated that it may be possible to complete the works sooner. A longer contract period allowed Mullalley & Co Ltd more time to put in place the resources needed to complete the works and reduced their risk of incurring any liquidated and ascertained damages should the contract period not be met. This did however mean a loss would result to the Council of around £130,000 in rent for this extended period.

Decision:

That Mullalley & Co Ltd be awarded the contract for the construction of 51 new affordable homes at Burton Road, Loughton, which forms Phase 2 of the Council's House-building Programme, for the adjusted Tender Sum of £9,847,179.00, being the second lowest tender received.

Reasons for Decision:

The Council House-building Cabinet Committee has agreed to tender the works using the East Thames Framework Agreement, based on a Design and Build Contract. Therefore, this tender exercise satisfies that decision and has been undertaken in line with the Council's Development Strategy and the Council's Contract Standing Orders.

Other Options Considered and Rejected:

(1) To appoint United Living Ltd, being the lowest tender received in the adjusted sum of £9,764,651.00. However, there is a risk that this tender sum will increase to the point it will exceed the second lowest tender once all of the qualifications included by United Living Ltd are costed during the contract period.

(2) To appoint any of the other Contractors that submitted a tender

(3) Not to undertake the works. However, this would not deliver any new affordable homes for applicants on the Council's waiting list but would also jeopardise the Council's 1-4-1 receipts and £500,000 of HCA grant.

CHAIRMAN

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Report to Cabinet

Report reference: C-071-2015/16

Date of meeting: 3 March 2016



**Epping Forest
District Council**

Portfolio: Council Housebuilding Cabinet Committee

Subject: Annual Progress Report to Cabinet

Responsible Officer: Paul Pledger (01992 564248)

Democratic Services: Gary Woodhall (01992 564470)

Recommendations/Decisions Required:

- (1) That the contents of this Annual Progress Report on the Council Housebuilding Programme be noted.

Executive Summary:

Set out in its Terms of Reference, the Cabinet Committee is to monitor and report to the Cabinet on an annual basis progress and expenditure in relation to the Council Housebuilding Programme. This report sets out the progress made over the last 12-months.

Reasons for Proposed Decision:

The Cabinet Committee is required to monitor progress and expenditure in relation to the Council House-building Programme and report to the Cabinet on an annual basis, as set out in its Terms of Reference.

Other Options for Action:

This report is on the progress made over the last 12-months and is for noting purposes only. There are no other options for action.

Report:

1. Since its creation, the Cabinet Committee has met on 12 occasions. The outcomes from each meeting have set in place the policies and strategy that have shaped the housebuilding programme. This year, the main Policy challenge has been around the need to accelerate the house-building programme to keep up with the rate of Council-house RTB sales, therefore avoiding returning 1-4-1 receipts to the Government. A range of contingency measures in place include:

- (a) to purchase individual vacant properties for sale on the open market;
- (b) to purchase affordable rented housing that is required to be provided by developers in accordance with Section 106 Agreements; and
- (c) that subject to planning permission, the Council buys the affordable rented housing provided by a private developer following the sale of the Council's former Nursery in Pyrles Lane.

2. The Cabinet Committee has also considered 42 feasibility studies which now make up Phases 1 – 5 of the programme as well as monitored the Council's financial position and progress with the works. The key points of note for each of these are as follows:

Marden Close & Faversham Hall

3. The first of the Council's developments under the new house-building programme has seen the Council take possession of 12 new 1-bed flats in December 2015. These were all let to applicants on the Council's waiting list.

4. The scheme commenced in November 2014 at the agreed tender sum of £819,861. There were a number of unforeseen issues that gave rise to delays on site and an increase in the cost of the works. These include asbestos panels behind the fascia and soffit boards; missing lintels over windows; a large proportion of the brickwork requiring repointing due to its poor condition; the external concrete staircase to Faversham Hall was found to be unsupported; and adjustments required to the refuse and storage enclosures at Marden Close. The anticipated final account is being forecast by the Employers Agent Pellings LLP to be £914,861.00, amounting to an increase of £95,000 (11.59%). With fees and other costs, the total scheme cost is approximately £1,025,077.

Phase 1 – Waltham Abbey

5. The Contractor, Broadway Construction Ltd, commenced works on site on 27 October 2014 with completion due on 13 November 2015. The agreed tender sum for the works was £3,245,143.62, with payments to date of £1,788,921.38 (51.62%). With fees and other pre-construction costs, the total cost of delivery is estimated to be around £3,769,170.

6. The Developer has not maintained the delivery programme, and on 13 November 2015, the Certificate of Non-Completion was served on Broadway Construction Ltd, which has led to Liquidated & Ascertained Damages (LAD's) at a weekly rate of around £10,200 per week is being deducted from future valuations in accordance with the terms of the contract. These relate to the loss of rent and the increase in fees associated with the late delivery of the new homes.

7. On 15 December 2015 the Council received from Broadway Construction Ltd a claim for an extension of time and loss and expense. Copies were also sent to Pellings LLP, the Employers Agent appointed by East Thames to oversee the contract on the Council's behalf. The claim centres on the delays associated with executing the contract as a result of their inability to provide a Bond; (their) unforeseen additional work associated with the foundations needed to support the new homes; delays associated with design changes required to achieve adequate refuse storage facilities at Harveyfields; difficulties in achieving Building Regulations at Site 7 to facilitate adequate fire safety measures; and the presence of a water main running through the Red Cross site which requires diverting.

8. Once each aspect of the claim is considered by Pellings LLP for entitlement, the costs associated with any entitlement will be calculated in accordance with the contract. The Council has 12 weeks to consider the merits or otherwise of each aspect of the claim.

9. Broadway Construction Ltd have indicated they are committed to completing the works and are projecting a completion date for Harveyfields around July 2016, with other sites being completed by the end of March 2016. Progress on site and the quality of the work is being closely monitored by East Thames and Pellings LLP.

Phase 2 – Burton Road

10. Having achieved planning permission in September 2015 for 51 new affordable homes at Burton Road, Loughton, tenders were issued to 6 Contractors from the East Thames approved list. With one Contractor withdrawing, 5 tenders were received and opened by the Housing Portfolio Holder on 17 November 2015 in accordance with Contract Standing Orders.

11. Interviews were held on 17 December 2015 with each of the two lowest tenderers to explore any qualifications as part of the evaluation process. In attendance were Pellings LLP, Council Officers as well as the Housing Portfolio Holder. United Living (South) Ltd, who submitted the lowest tender, continued to qualify their tender by stating that in some cases their prices were not yet complete and required further development before they were able to provide a complete / competitive price. This represented a significant financial risk as the prices submitted may increase to a point they exceed that of the second lowest tender. Therefore, the second lowest tender submitted by Mullalley & Co Ltd in the sum of £9,847,179 was agreed.

12. It is anticipated that Mullalley & Co Ltd will take possession of the site in February 2016 with work commencing on site around June 2016 once the planning conditions are discharged and the detailed designs prepared and approved. The contract period offered by Mullalley & Co Ltd is 24 months (105 weeks).

Phase 3 – Epping, Coopersale and North Weald

13. Planning permission has been achieved for eight sites making up Phase 3 of the Council's house-building programme, which will deliver 34 new affordable homes at an estimated cost of £6,757,650 inclusive of fees. The sites and a summary of the financial modelling that makes up Phase 3 are set out in the table at appendix 1 of this report.

14. Following enquiries, there was a lack of interest from larger contractors on the East Thames Framework to undertake Phase 3 of the Council's house-building programme as a whole due to the complications and difficulties managing dispersed sites, therefore it was necessary to look at alternative procurement methods based on a soft market-testing exercise.

15. From the outcome of the soft market testing it was agreed the Council breaks down the 8 sites making up Phase 3 into 7 separate contracts with a mixture of Design and Build contracts and traditional fully designed contracts, all in accordance with the Council's Contract Standing Orders and using more local SME Contractors. This will mean each contract is significantly below the OJEU Thresholds.

16. Having 7 separate contracts will lead to additional design, administration and supervision work associated with this phase for the Development Agent, East Thames, and the Architects and Employers Agents, Pellings. In terms of fees, this equates to an additional £78,511. However, Officers have negotiated with East Thames over fees on Phase 2, and as a result, this will be offset by a reduction of fees of £49,236.

17. In terms of the risks associated with adopting this approach, there is more likelihood of something going wrong, but the impact of anything going wrong will be considerably lower.

18. It is anticipated work will commence on site in August 2016 and completed around 20 months later in March 2018.

Phase 4 – Loughton

19. The Cabinet Committee has agreed feasibility studies at 13 sites across Loughton, which will deliver 40 new affordable homes made up of a mix of bungalows, houses and flats. Pre-app discussions have taken place with Planning Officers and applications have now been registered for each of the sites, with Planning Permission already being granted for two of the sites in Chequers Road, Loughton. However, one application in Whitehills, Loughton was refused permission. If the remainder are approved, the estimated cost of delivering each of the new affordable homes making up Phase 4 is £9,426,686. The sites and a summary of the financial modelling are set out in the table at appendix 1 of this report.

20. It is anticipated work will commence on site in April 2017 and completed around 20 months later in November 2018.

Phase 5 – Buckhurst Hill & Ongar

21. The Cabinet Committee has agreed feasibility studies at 10 sites across Buckhurst Hill and Ongar, which will deliver 33 new affordable homes made up of a mix of bungalows, houses and flats. Pre-app discussions have taken place with Planning Officers and applications are being drawn up by Pellings LLP for each of the sites. If approved, the estimated cost of delivering each of the new affordable homes making up Phase 5 is £6,464,028. The sites and a summary of the financial modelling are set out in the table at appendix 1 of this report.

22. It is anticipated work will commence on site in October 2017 and completed around 20 months later in May 2019.

The Purchase of 11 New Affordable Homes at Barnfield, Roydon (Section 106 Development)

23. In order to avoid returning unspent 1-4-1 receipts to the Government, the Cabinet Committee agreed a suite of measures, as set out in paragraph 1 the report, which includes the purchase of new affordable homes on Section 106 developments.

24. Negotiations have taken place with Linden Homes, who have an Option Agreement on a site at Barnfield, Roydon that has planning permission for 24 new homes at Barnfield, Roydon, of which 11 are for affordable housing. The affordable housing is for 11 new homes, of which 8 are for affordable rent and 3 are for shared ownership.

25. A joint bid was put to Linden Homes between the Council and B3Living, who are one of the Council's Preferred Housing Association Partners, with the Council purchasing the 8 x affordable rented homes and B3Living purchasing the 3 x shared ownership homes. The Cabinet, at its meeting on 3 December 2015, agreed a bid for the 8 affordable rented homes, funded from a combination of 1-4-1 receipts and the existing HRA Capital resources.

Financial Position

26. Following regular financial monitoring, it should be noted that now, due to delays on the construction of Phase 1, delays in securing planning permission on Phase 2 and delays in completing on the Barnfield S106 development, coupled with a higher than expected rate of RTB's there will be underspend of around £2.3million in Quarter 4 of 2016/17. However, this does rely on Broadway Construction Ltd delivering the Phase 1 construction works by July 2016, which is their own projected completion date. Since there are no S106 developments in the pipeline that meet the Council's tight deadlines it will be necessary to purchase street properties to meet this underspend.

Staffing Resources

27. As a result of the Cabinet Committee's decision to extend and accelerate the Council Housebuilding Programme, and taking account of an Internal Audit Report that identified a risk and a need for additional resources to manage future stages of the programme, the Cabinet Committee agreed to the creation of two new posts of Housing Development Manager and Housing Development Officer for a three-year fixed term, funded from the HRA Capital Programme.

Resource Implications:

Estimated expenditure at Marden Close & Faversham Hall (inc fees) - £1,025,077

Estimated expenditure for Phase 1 (excl any Loss & Expense claim) - £3,769,170

Estimated expenditure for Phase 2 (inc fees) - £10,719,520

Estimated expenditure for Phase 3 (inc fees) - £6,757,650

Estimated expenditure for Phase 4 (inc fees) - £9,426,686

Estimated expenditure for Phase 5 (inc fees) - £6,464,028

Legal and Governance Implications:

It is set out in its Terms of Reference that the Cabinet Committee is to monitor progress and expenditure in relation to the Council House-building Programme and report to the Cabinet on an annual basis.

Safer, Cleaner and Greener Implications:

None

Consultation Undertaken:

- Ward Councillors have been consulted on each feasibility study that falls within their respective Ward.
- Local Residents, Town and Parish Councils and other statutory bodies have been consulted as part of the planning process where planning applications have been submitted.

Background Papers:

- Decisions of the Cabinet Committee associated with the feasibility studies for each of the sites that make up Phases 1-5 inclusive.
- Decisions of the relevant Area Planning Sub-Committee, Cabinet, District Development Management Committee or Council associated with the Planning process for each site already approved up to and including Phases 1-3 inclusive.
- Decisions of the Cabinet Committee in respect of Policies or progress monitoring for each of the phases.

Risk Management:

There is a comprehensive risk register that has been compiled and is being monitored in respect of the Council Housebuilding Programme. Each risk, where appropriate has a risk mitigation action plan.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

Within the Housing Service Strategy, it has been identified that the target groups that are affected by the Council's house building programme are people in need of:

- Affordable Housing,
- Homelessness assistance,
- Supported housing for special needs groups,
- Owners and occupiers of poor condition housing
- Council and housing association tenants.

From that, it was identified that generally, there is an under provision of suitable accommodation for nearly all target groups. This has been reaffirmed in the most recent Strategic Housing Market Assessment.

Decision making is affected by funding and other factors, such as the availability of building land suitable for particular groups e.g. the elderly or young families.

There is no evidence of unlawful discrimination in relation to the provision of affordable housing.

EFDC House Building Programme,
Financial Modelling - Proval

phase	Address	Postcode	unit mix	unit number	works	revised Dec2015	Total Scheme Costs (TSC) rev	Subsidy required	Subsidy rev required	NPV	IRR in %
ph 3	Springfield site B Epping deferred	CM16 4LA	2 x 1b2p	2	£ 265,000	£ 297,200	£ 306,643	£ 135,000	£ 135,000	£ 64,141	5.28
ph 3	Springfield site C Epping	CM16 4LA	2 x 1b2p, 2 x 2b4p	4	£ 530,000	£ 594,300	£ 685,625	£ 144,000	£ 218,000	£ 186,640	5.35
ph 3	Centre Avenue Epping	CM16 4JU	2 x 3b5p	2	£ 370,000	£ 414,900	£ 479,578	£ 106,000	£ 159,000	£ 127,331	5.34
ph 3	Centre Avenue Epping 1)	CM16 4JU	4 x 3b5p	4							
ph 3	Stewards Green Rd Epping	CM16 7DA	4 x 3b5p	4	£ 626,000	£ 702,000	£ 771,245	£ 68,000	£ 150,400	£ 248,538	5.33
ph 3	Parklands site A	CM16 7RE	2 x 1b2p, 2 x 2b4p	4	£ 500,000	£ 560,700	£ 647,607	£ 108,000	£ 179,200	£ 185,858	5.34
ph 3	Queens Road North Weald	CM16 6JE	10 x 3b5p, 2 x 2b4p	12	£ 2,650,000	£ 2,840,100	£ 3,229,448	£ 1,044,000	£ 1,260,000	£ 786,217	5.32
ph 3	Bluemans Rd North Weald	CM16 6HD	4 x	4	£ 610,000	£ 684,000	£ 795,503	£ 51,000	£ 145,000	£ 262,586	5.35
ph 3	Centre Drive	CM14 4JF	1 x 3b5p	1	£ 263,000	£ 287,000	£ 331,454	£ 148,000	£ 176,500	£ 60,365	5.33
ph 3	London Road Ongar	CM5 9PH	1 x 3b5p	1	£ 180,000	£ 201,800	£ 235,252	£ 43,500	£ 68,500	£ 67,177	5.33
						£ 4,978,400					
ph 4	Kirby Close, Loughton	IG10 3BA	4 x 2b4p	4	£ 659,700	£ 760,100	£ 880,205	£ 162,000	£ 282,000	£ 243,190	5.35
ph 4	Lower Alderton Hall Lane, Loughton	IG10 3HA	2 x 2b4p	2	£ 367,500	£ 423,400	£ 490,894	£ 126,000	£ 192,000	£ 121,803	5.35
ph 4	Bushfields, Loughton	IG10 3JR	2 x 2b4p	2	£ 402,900	£ 464,200	£ 537,111	£ 163,000	£ 237,000	£ 120,486	5.33
ph 4	Chequers Road, (Site B), Loughton 2)	IG10 3QF	5 x 2b4p	5	£ 1,185,000	£ 1,365,000	£ 1,550,451	£ 615,000	£ 815,000	£ 293,480	5.33
ph 4	Chequers Road, (Site A), Loughton	IG10 3QF	3 x 3b5p	3	£ 599,700	£ 691,000	£ 799,328	£ 190,500	£ 298,500	£ 200,958	5.33
ph 4	Ladyfields, Loughton	IG10 3RP	7 x 2b4p	7	£ 1,076,400	£ 1,240,200	£ 1,435,561	£ 210,000	£ 402,500	£ 414,351	5.33
ph 4	Whitehills Road, Loughton	IG10 1TU	3 x 3b5p	3	£ 612,000	£ 705,100	£ 815,271	£ 204,000	£ 315,000	£ 201,515	5.33
ph 4	Etheridge Road, Debden	IG10 2HY	1 x 2b4p, 2 x 3b5p	3	£ 624,300	£ 710,900	£ 821,341	£ 252,000	£ 339,000	£ 195,865	5.35
ph 4	Pyrls Lane, (Site A), Debden	IG10 2NH	2 x 2b4p	2	£ 367,500	£ 418,500	£ 485,386	£ 125,000	£ 185,000	£ 120,311	5.32
ph 4	Hillyfields, Loughton	IG10 2JT	2 x 3b5p	2	£ 330,600	£ 376,500	£ 437,829	£ 83,000	£ 138,000	£ 120,868	5.33
ph 4	Langley Meadow	IG10 2DL			£ 229,000		£ 267,659	£ 97,000		£ 65,125	5.31
ph 4	Chester Road, Loughton	IG10 2LR	3 x 2b4p	3	£ 525,900	£ 598,900	£ 693,659	£ 156,000	£ 244,500	£ 181,887	5.34
ph 4	Pyrls Lane, (Site B), Debden	IG10 2NW	3 x 3b5p	3	£ 612,000	£ 696,900	£ 805,980	£ 209,100	£ 306,000	£ 201,806	5.34
ph 4	Thatchers Close, Loughton	IG10 2JH	1 x 3b5p	1	£ 195,300	£ 222,400	£ 259,758	£ 60,000	£ 93,000	£ 67,171	5.33
						£ 7,787,800	£ 8,673,100				
ph 5	Hornbeam Close, (Site A), Buckhurst Hill	IG9 6JS	3 x 3b5p	3	£ 543,120	£ 633,300	£ 733,990	£ 127,500	£ 234,000	£ 201,796	5.34
ph 5	Hornbeam Close, (Site B), Buckhurst Hill	IG9 6JS	3 x 3b5p	3	£ 575,100	£ 670,600	£ 776,178	£ 162,000	£ 277,500	£ 203,108	5.35
ph 5	Hornbeam House, Buckhurst Hill	IG9 6JT	2 x 2b4p	2	£ 320,000	£ 373,100	£ 427,895	£ 98,000	£ 146,000	£ 107,340	5.28
ph 5	Bourne House Buckhurst Hill	IG9 6JY	2 x 3b5p	2	£ 427,500	£ 498,500	£ 576,856	£ 158,000	£ 243,000	£ 134,001	5.33
ph 5	Pentlow Way, Buckhurst Hill	IG9 6BZ	4 x 1b2p	4	£ 525,900	£ 613,200	£ 707,216	£ 252,000	£ 354,000	£ 138,387	5.33
ph 5	Loughton Way, Buckhurst Hill	IG9 6AA	4 x 3b5p	4	£ 831,900	£ 970,000	£ 1,105,130	£ 288,000	£ 440,000	£ 270,584	5.35
ph 5	Queensway, Ongar	CM5 0BP	4 x 2b4p	4	£ 833,000	£ 934,200	£ 1,062,954	£ 362,000	£ 476,000	£ 232,737	5.32
ph 5	Millfield	CM5 9RJ	1 x 1b2p	1	£ 261,000	£ 292,700	£ 332,435	£ 222,000	£ 257,000	£ 26,337	5.27
ph 5	St Peters Avenue	CM5 0BT	8 x 3b5p	8	£ 1,519,000	£ 1,703,500	£ 1,942,235	£ 424,000	£ 624,000	£ 525,214	5.32
ph 5	Vere Road, Loughton	IG10 3SX	4 x 1b2p, 6 x 2b4p	10	£ 1,330,000	£ 1,514,600	£ 1,752,302	£ 275,000	£ 495,000	£ 499,703	5.32

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Report to the Cabinet

Report reference: C-072-2015/16

Date of meeting: 3 March 2016



Portfolio: Leisure and Community Services

Subject: Epping Forest District Museum Resilience Funding

Responsible Officer: Julie Chandler (01992 564214)

Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) That the Cabinet notes the findings from the two Feasibility Studies undertaken through £55,000 funding from Arts Council England, as included within the attached, study documents;**
- (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 Cabinet notes the contributions of £10,000 each from Broxbourne Borough and Chelmsford City Council towards the proposed Resilience Fund proposal;**
- (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 the Neighbourhoods and Community Services Select Committee considers the formation of a Development Trust for Epping Forest and Lowewood Museums.**

Executive Summary:

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 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.

These studies have now been published and Cabinet Members are asked to consider the recommendations of the reports, with a view to these being progressed to the next stage, via a further funding to bid to Arts Council England (ACE) for £280,000. This amount was deemed as more favourable than a higher bid, following a meeting with ACE Resilience Fund Officers in February.

Reasons for Proposed Decision:

Officers are optimistic of securing further funding from Arts Council England, to enable the recommendations of the two feasibility studies to be realised.

Other Options for Action:

Not to proceed with a further funding submission to Arts Council England.

Report:

1. In April 2015, Officers were successful in securing £55,000 funding from Arts Council England (ACE) as part of its' Resilience Programme, to undertake two feasibility studies. The aim of the studies was to investigate opportunities for supporting resilience of the Museum, Heritage and Culture (MHC) service over the long-term and during economic austerity.

2. A tender exercise was undertaken to appoint consultants to fulfil the required work and two companies were appointed, these being the Management Centre and Barker Langham, both of which have a high level of experience in the cultural sector and significant expertise in the specific areas to be considered.

3. The Management Centre was appointed to undertake the study into the establishment of Development Trust model, and were given the brief to investigate a stand - alone 'entity' that would be able to access funding opportunities that the Council would be prohibited from. Barker Langham were successful in being awarded the contract to investigate business and income generating opportunities, across both the Council's own MHC service and Lowewood Museum, which is managed on behalf of Broxbourne Borough Council under a Service Level Agreement.

4. In addition, Winckworth Sherwood Legal Consultants were appointed to provide Legal advice in relation to the establishment of the proposed Trust entity.

5. The process for the studies involved detailed liaison with staff and the Leisure and Community Services Portfolio Holder throughout the duration of the work, to ensure that targets and objectives were kept on track. Regular progress meetings were also held with the Portfolio Holder and the Assistant Director Community Services and Safety. Draft reports were presented to the Portfolio Holder in September 2015 and further work undertaken, where required, to demonstrate examples of best practice and to consider all available options for the Council.

6. The final reports from both companies were completed before Christmas and Officers have since, spent time considering the implications and recommendations of the reports in line with the redevelopment and expansion of the district museum and in conjunction with colleagues from Arts Council England (ACE). The key recommendations were as follows:

- To review Museum entry, services, facilities and events charging policy across the two Museums;
- To develop a cross-service retail policy;
- To review the Service Level Agreement and expand partnership working with Broxbourne Borough Council;
- To apply to Arts Council England to appoint a Commercial Manager;
- To reconfigure the ground floor rooms at Lowewood Museum;
- To undertake an options appraisal for future Capital development of Lowewood Museum;
- To develop a transformational project for Lowewood Museum to position it as

- part of an Arts Quarter in the area; and
- To establish a Development Trust for Epping Forest and Lowewood Museum as a company limited by guarantee and registered charity.

7. In mid-January, Officers were advised that ACE was in a position to release a further round of Resilience funding across the UK and that this would follow a strict schedule and funding period from October 2016 to March 2018. The first application stage (Expression of Interest) for this fund was 18 February 2016 and due this timeframe, Officers have already submitted an EOI for a sum of £280,000 funding. However, should the Council be successful at this stage, we will be invited to submit a full proposal by 5 May 2016. The maximum amount available through this round of funding is £450,000 per bid and applicants are required to contribute a minimum of 10% match funding towards the total amount of their submission.

8. As the Council was only one of a few local authorities in the Eastern Region to be successful in securing Resilience Funding in the first round, Officers are optimistic for a second round bid to ACE to enable the recommendations of the reports to be fully implemented. As such, an 'Invest to Save' proposal was presented to Management Board on 3rd February, to seek the match funding required for the proposed second round bid and the finalised version is included with this report for approval by the Cabinet.

9. The amount of match funding requested through the Invest to Save bid is in fact less than 10% of the total Resilience Fund proposal of £280,000 and this is because, Officers have been successful in securing contributions from Broxbourne Borough Council and Chelmsford City Council of £10,000 each towards the match funding. Broxbourne BC agreed to commit this funding to the proposal, in relation to the work that will be undertaken for Lowewood Museum, which will include the implementation of commercial operation for general management of the Museum and funding towards the establishment of a joint Development Trust.

10. The contribution from Chelmsford City Council however, resulted from an approach by Chelmsford in early February, for Epping Forest Museum to provide advice and support in respect of a current Heritage Lottery Fund project that is being delivered at Chelmsford's main Museum. This meeting was very successful and resulted in agreement for the inclusion of Chelmsford City Council within the Resilience Fund proposal to be submitted to ACE.

11. At this meeting, The Director of Community Services from CCC, also committed to secondment of Chelmsford's Visitor Services Manager post to the Resilience project, on the basis of 50% of their work time, for up to a year. It is therefore envisaged that the post holder will work with the Commercial Manager appointed through the Resilience Funding, to develop their own skills and to support the roll out of the commercial operations plan across all three sites.

12. Originally, the intention was to submit a bid for the maximum amount of funding available (£450,000), but, following a meeting with ACE in early February, Officers were advised that the competition for Resilience Funding will be extremely high, particularly given that it is open to applications from the whole of the UK. It was therefore felt that there is likely to be more chance of success with a lower level bid, with a greater level of match funding.

13. Therefore, subject to Cabinet approval of the aforementioned recommendations and the Invest to Save proposal, and success in the first stage bidding process, Officers plan to submit a fully costed bid to the Arts Council England.

Resource Implications:

Subject to Arts Council England's acceptance of the Expression of Interest from the Council,

the Council will be invited to submit a full application for Resilience funding for £280,000, which will enable the recommendations of the feasibility studies to be actioned. The match funding contribution required from the Council will be £20,000, which will be supplemented by contributions of £10,000 each from Broxbourne and Chelmsford Councils.

Legal and Governance Implications:

If successful in securing further funding from ACE, the Council will lead and direct the work associated with implementing the study recommendations. The collaborative working with Broxbourne Borough Council in relation to the new funding will be detailed within the revised Service Level Agreement.

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

A wide range of stakeholders were consulted on the Museum re-development project and this second phase funding proposal builds upon this. Recent consultations were additionally held with Broxbourne Borough Council Chief Executive and Chief Finance Officer and Chelmsford City Council's Director of Community Services.

Background Papers:

EFDC Trading Income Generation Feasibility Study: Barker Langham
Fundraising Strategy and Action Plan: Management Centre
Development Trust Legal Report: Winckworth Sherwood

Risk Management:

Risk Management and assessment will be undertaken as part of the development of the second round funding bid, if the Council is invited to formally apply for Resilience Funding.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

The second phase Resilience Fund bid would include a specific element of work relating to increasing diversity amongst Museum employees and visitors to the Museums. It also seeks funding towards the employment of a part-time Diversity Development Officer.

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Business Case Application for "Invest to Save Funding"

Title	Arts Council England Resilience Fund Proposal for Match funding from EFDC	Saving or Income? ("X")	Saving	Income	X
Total amount required from the Invest to Save Fund	£20,000	Investment Required	Net Cashable Saving/Income	Payback Period (Years)	
Is the investment required capital or revenue?	Revenue	Month 1-12	£20,000	£10,000	Initial investment recouped after 12-18 x mths, then additional income year on year thereafter
Will the resultant savings / income be capital or revenue?	Revenue	Month 13-24		£30,000	
		Month 25-36		£45,000	
		Total	£20,000	£70,000	

The Proposal

Match Funding towards funding submission to Arts Council England (ACE)

The Council was successful in securing £55,000 from ACE Resilience Fund Programme in April 2015, to undertake two feasibility studies; i) to investigate the potential to establish a Development Trust/entity 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 funding that the Council would be prohibited from applying for, and ii) to investigate potential revenue income generating opportunities for the Museum, Heritage and Culture service following the complete redevelopment of the Museum and amalgamation of Museum Services and Community Arts. These studies have now been completed and contain a range of recommendations.

ACE recently advised officers that a second round funding opportunity is now available, with a maximum level award of £450,000. To determine whether there is likelihood of EFDC being successful in a further bid to the Resilience Fund, officers met with ACE in early February, to discuss the findings from the feasibility studies and the planned proposal of a second round bid, to support the implementation of recommendations from the studies.

Advice given by ACE, suggested that preferred bids would include match funding of above 10% towards the overall project cost, as it is expected that there will be a very high number of applications for the second round funding, which is open to applicants from across the UK. The deadline for stage one applications for this round of funding was 18th February. Hence, original plans to apply for the maximum level of funding have been revised and officers have submitted an initial Expression of Interest (EOI) for a sum of £280,000, which it is believed may be viewed more favourably. If successful at this stage, EFDC will be invited to submit a fully developed bid, which needs to be submitted by May 5th (2016).

This Invest to Save proposal therefore seeks use of £20,000 from the remaining ITS fund, to provide the match funding required by ACE, if the EOI is successful. This amount will be supplemented by contributions of £10,000 each, from Broxbourne Borough Council (BBC) towards the bid, for potential work at Lowewood Museum, and from Chelmsford City Council (CCC), towards Commercial Management and Development Trust support.

The EOI proposal that has been submitted to ACE is for a total of £280,600, which will enable the provision of a number of fixed-term contract posts, including;

- A Commercial Business Manager and Assistant;
- Audience Engagement Officer (to develop greater cultural diversity);
- Public Programming Officer, and,
- An experienced Funding Manager to work with a specialist Consultant (previously employed to undertake work for the feasibility study related to Trust Development), to establish the Development Trust/Entity.

In addition to these posts the bid includes commissioning of specific elements of work and purchase of a wide range of publicity materials and ancillary items/goods related to the recommendations. Also included, is budget allocation towards the development/enhancement of existing staff skills including operation of the museum shop, including stock ordering and control and various training programmes to enhance commercial skills.

The period of time that the funding is able to be used over is 18 months from October 2016. Therefore, it is anticipated that the Commercial Manager will be self-sustainable by this time, or, if not, will have implemented strategies to enable new income generation to be maintained after the funding period finishes. It is also anticipated that the Development Trust will be formed within the period of the funding and where possible, the Funding Manager will be expected to be self-funding. However, if this does not prove possible, it is planned to realign an existing member of staffs' time, to accommodate administration and relationship management elements of the Development Trust. It is expected that the remaining posts will have established new audiences and exhibition programmes for the medium and longer term, which will be picked up by the core staff at the Museum.

The Financial Benefit Explained

According to the income generation forecasts presented within the Trading Income Feasibility Study, it is anticipated that the Council's investment would be recouped within the first 18 x months and additional revenue income generated year on year after this.

Initial Investment	£20,000
Additional Income Years 1 & 2 combined (approx.)	£40,000 across the two sites
Subsequent Years – (approx.)	£30,000 per annum EFD Museum £15,000 per annum Lowewood Museum

It is difficult to calculate the potential income generation by the Development Trust, but it is anticipated that this would be sufficient to cover; the costs of developing new or external exhibitions for the museum; a range of additional events and activities across EF Museum and Lowewood, and the hire of a range of high profile exhibitions for temporary display.

Alignment with the Corporate Plan and/or Additional (Non-Financial) Benefits

It is anticipated that the investment of the requested funding would enable the Council to generate a higher level of revenue income over the long-term and would also assist in the opportunity to secure a higher level of income return for the management of Lowewood Museum. In addition, the work generated through the Resilience Fund would enable greater community involvement and development of volunteers of all ages to support EFD Museum and Lowewood.

Potential Obstacles to be Overcome

Officers have now secured match funding from Broxbourne Borough Council and Chelmsford City Council towards the proposal, but, success in the funding bid is critical to progression of the proposals.

Risks (Financial and Others)

The risk to the Council would be limited to the amount of investment made ie. £20,000.

Key Milestones and Target Timescales (from approval)

Milestone	Target Period from Approval Date (Months)
1. Success in passing the stage one bidding process	February/March 2016
2. Subject to above, submission of full bid to ACE	By May 5th 2016
3. Implementation of proposal	October 2016
4. Ability for the work to be sustainable	March 31 st 2018

Proposal by	Julie Chandler AD CS & S	Directorate	Communities Directorate
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Report to the Cabinet

Report reference: C-073-2015/16

Date of meeting: 3 March 2016



**Epping Forest
District Council**

Portfolio: Leader

Subject: Transformation Programme – Scope & Methodology

Responsible Officer: David Bailey (01992 564105).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations:

- (1) To agree the purpose of the transformation programme and the benefits statement;
- (2) To agree the scope and approach to managing change and the transformation methodology;
- (3) That arrangements to govern the transformation programme, including the Transformation Programme Board and Programme Management Office, be noted; and
- (4) To agree the transformation workstreams and mandate further discovery to identify opportunities for change.

Executive Summary:

The Transformation Programme was initiated through the adoption of a scoping report to Cabinet on 3 December 2015. This report sets out the purpose, drivers for change and benefits statement for the programme. It also outlines the authority's approach to the management of change, including transformation methodology and project management. The arrangements to govern business transformation are detailed, alongside the four workstreams for the programme:

- ▶ Customer experience;
- ▶ Business culture;
- ▶ Resources, accommodation and technology; and
- ▶ Major projects.

The programme will recommend investments in technology and changes to working practices that will improve customer service and deliver efficiency savings. Major recommendations brought forward through the programme will be reported with fully costed business cases for either the Cabinet or the Council to approve any investment required.

The initial programme will be co-ordinated by the Head of Transformation, with assistance from the National Management Trainee, from within existing resource budgets.

Reasons for Proposed Decision:

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

Other Options for Action:

The Cabinet could substitute other actions or suggest additional actions.

Report:

Introduction

1. Our customers rightly demand that Epping Forest District Council provides good value for money for the taxes they pay. Our residents have the second lowest Council Tax rates in Essex and the Council is committed to keeping Council Tax low. However, we are not complacent and our customers expect the services we deliver to be well-managed and modern.

2. The demographics of our residents are continuing to change, with an ageing population.

Management of Change

3. A key challenge for local authorities is to balance two parallel and co-dependent imperatives: Business as usual and business transformation. They can be encapsulated in the concept 'Run the business; change the business', which has a cyclical nature.

4. 'Business as usual' refers to the way the authority normally achieves its everyday business. 'Business transformation' refers to changing these processes, in order to respond to changes in our external environment and customer expectations. Taken together, they enable the authority to deliver its strategic aims and objectives, expressed in the Corporate Plan.

5. There are three types of change: Transactional, transitional and transformational. The approach to managing change is affected by the anticipated complexity of the change and our assessment on the predictability of the outcome. Transformational change has complex and unpredictable outcomes, where more fundamental modifications to policies, systems or structures within the authority are needed. Achieving these kinds of changes requires investment in infrastructure, new ways of thinking and working, and the development of new skills and abilities.

Change Drivers

6. There are four drivers for change, as detailed in the Corporate Plan 2015/20:

- ▶ our customers and their needs are changing;
- ▶ our customers expect modern, customer focussed services;
- ▶ our customers demand well-managed, value for money services; and
- ▶ our customers want us to reduce our costs and protect front line services.

Purpose

7. The purpose of the transformation programme is to make fundamental changes in how we deliver services (known as 'business as usual'), in order to deal successfully with our

drivers for change.

8. Business transformation is achieved through developing:

- ▶ new ways of working;
- ▶ the way we organise ourselves (known as our common operating model);
- ▶ our services; and
- ▶ the use of technology.

Benefits Statement

9. The purpose of the transformation programme is to realise the following benefits:

- ▶ recognising what customers' value about our services and placing them at the heart of everything we do;
- ▶ focussing on getting things right first time through joined up services;
- ▶ reducing red tape to simplify how we work; and
- ▶ delivery of resource savings and income generation, to keep Council Tax low.

Transformation Methodology and Project Management

10. Our methodology describes the way we will approach transformation, and consists of five stages:

- ▶ define the problem;
- ▶ discover and analyse the service;
- ▶ initiate the project with defined business case;
- ▶ design and test service prototypes; and
- ▶ transform and embed the change.

11. Managers and staff will receive training to use this transformation methodology, project management and other useful tools and techniques, including ways to save and improve our services.

12. We seek to engage all stakeholders through the stages of the transformation methodology, including our customers, staff, partners and councillors.

13. All projects will benefit from an appropriate level of project management and support as indicated by an assessment of their complexity (known as risk potential).

Workstreams

14. The management of all change within the authority is organised into workstreams, which each contain a set of transformation programmes and projects, arranged in a timeline as tranches. Existing projects from the Corporate Plan: Key Action Plan will feature in the workstreams, alongside new projects.

15. A workstream is defined as a related set of programmes and projects being undertaken across the authority, according to an agreed business case.

16. A project is defined as a temporary organisation that is created for the purpose of delivering one or more business products, according to an agreed business case.

17. Initial analysis of corporate strategies and plans has led to the identification and organisation of transformation opportunities into four workstreams (below).

<i>Workstream</i>	<i>Project examples</i>
1. Customer experience	<ul style="list-style-type: none"> ▶ One-stop customer reception ▶ One-stop customer contact centre ▶ Channel shift to self-service ▶ Light customer relationship management system ▶ Customer communications
2. Business culture	<ul style="list-style-type: none"> ▶ Common operating model ▶ Smarter working ▶ Learning and development ▶ Internal communications ▶ Project management and business planning ▶ Process improvement, new ways of working ▶ Shared services
3. Resources, accommodation and technology	<ul style="list-style-type: none"> ▶ Use of resources ▶ Office accommodation ▶ Staff car parking ▶ Technology ▶ Electronic documents and multi-function printers
4. Major projects	<ul style="list-style-type: none"> ▶ Commercial developments like the Epping Forest Shopping Park, St. John's Redevelopment Scheme and North Weald Airfield ▶ Council house building programme ▶ The Local Plan

18. Programmes and projects will be established to complete further discovery and gain detailed insight on opportunities for change. Individual business cases will be produced for formal approval to move each project to the design and prototype stage.

19. Each workstream would be supported by the Transformation Programme Office, with projects within the workstream sponsored by a member of Management Board. Workstream sponsors and project teams will be appointed by the Transformation Programme Board.

20. Transformation projects and programmes will be categorised using a prioritisation and optimisation technique. Prioritising projects is critically important in order to determine where resources should be invested. A failure to prioritise projects risks every project trying to deliver at the same time, using the same resources, which could lead to chaos and significantly increase the risk of non-delivery.

Quick Wins

21. Quick wins provide momentum and confidence to the authority that the programme is viable and worth supporting. A quick win is an improvement that:

- ▶ is visible;
- ▶ has immediate benefit; and
- ▶ can be delivered quickly after the project begins.

22. A quick win needs to be something that many stakeholders agree is a good thing. The criteria for evaluating potential quick wins are:

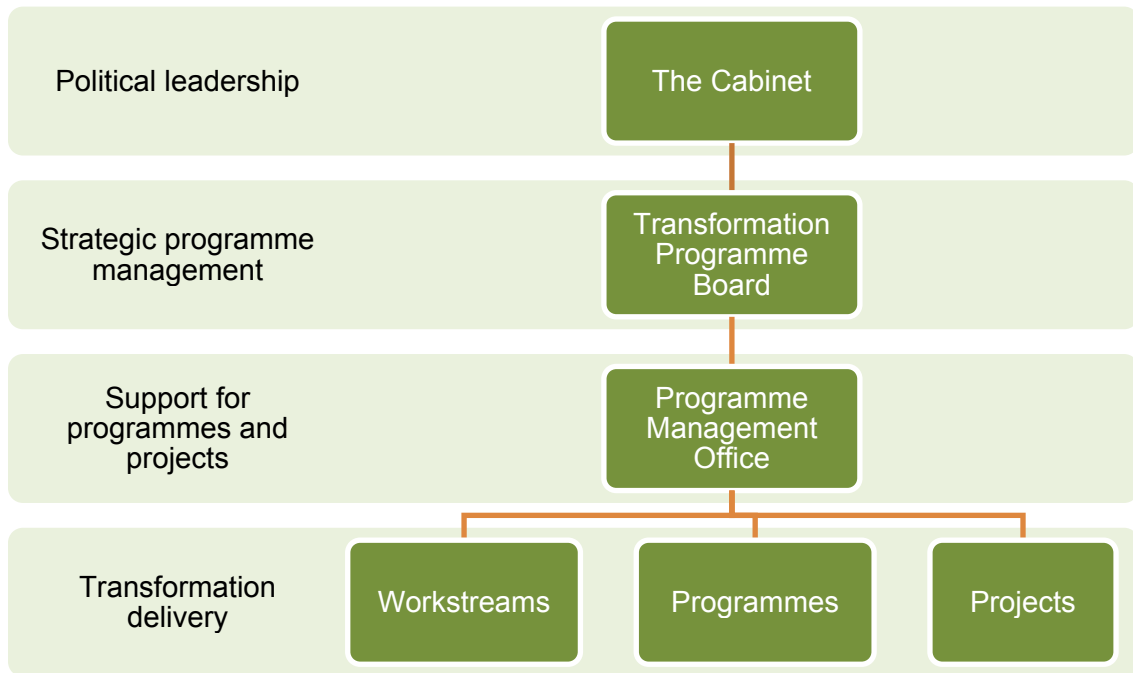
- ▶ requires minimal or no capital expenditure;
- ▶ low risk;

- ▶ known root cause and obvious solution;
- ▶ narrow and focused scope;
- ▶ stakeholders will buy-in;
- ▶ high confidence of a positive impact;
- ▶ improvements may be implemented within 60 – 90 days; and
- ▶ project or service team has authority to implement the changes.

23. Quick win initiatives that meet these criteria will be progressed by the Transformation Programme Board for implementation.

Governance

24. The model for governing the transformation programme is given below.



25. The transformation programme will be managed within the Council’s Constitution and Standing Orders. Projects and Programmes within the transformation programme will continue to report to existing Cabinet Committees and Select Committees, etc. Accountability, the information flow and key responsibilities for this governance model are given in Appendix 1.

26. **The Cabinet** has overall responsibility for the transformation programme, including adoption of workstreams and approval of programme and project business cases. The Leader is the Portfolio Holder for transformation. Consultations with individual Portfolio Holders for specific transformation projects will be undertaken in the same way as for business as usual.

27. The **Transformation Programme Board** will oversee, through highlight reports, the day-to-day strategic management of the transformation programme. This includes resolving conflicts across workstreams, chartering discovery projects and approving the progression of projects through stage gates as authorised by Project Initiation Documents (PIDs). See Appendix 1 for further details.

28. The composition of the Transformation Programme Board is given below. Members

are expected to nominate a substitute when they are unable to attend specific meetings.

<i>Role</i>	<i>Membership</i>	<i>Job title</i>
Chairman, Senior Responsible Owner	Member	Chief Executive
Senior Customer	By standing invitation	Leader of the Council
Workstream Sponsors / Responsible Owner	Member	Deputy Chief Executive, Director of Neighbourhoods Director of Communities Director of Governance Director of Resources
Transformation Programme Manager	Member	Head of Transformation
Senior Customer	As and when, by invitation	Portfolio Holder(s)

29. Terms of Reference for the Transformation Programme Board are to be prepared and will define the role of the group and the specific responsibilities of members. The Chief Executive is responsible for these Terms of Reference and for co-ordinating the group.

30. The prime purpose of the **Programme Management Office (PMO)** is to drive the transformation programme forward and deliver the outcomes and benefits. Members will provide resources and specific commitment to support the transformation programme. The PMO consists of a set of permanent and virtual members as detailed below. Members are expected to nominate a substitute when they are unable to attend specific meetings.

<i>Role</i>	<i>Membership</i>	<i>Job title</i>
Chairman, Transformation programme manager	Member	Head of Transformation
Secretariat	Member	Executive Assistant
Senior Responsible Owner	As and when	Chief Executive
Communications and stakeholder engagement	As and when	Manager, Public Relations
Commercial	As and when	Manager, Corporate Procurement
Finance; and Risk management	As and when	Assistant Director, Accountancy
People resource management	As and when	Assistant Director, Human Resources and/or Manager, Learning and Development
Tools expert	As and when	Assistant Director, ICT and Facilities Management
Governance	As and when	Assistant Director, Governance and Performance Management
House building programme	As and when	Assistant Director, Housing Property
The Local Plan programme	As and when	Assistant Director, Planning Policy and Economic Development

Reporting	As and when	Manager, Performance Improvement Unit
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31. Additional resource requirements to supplement the Programme Management Office will be sought as part of workstream, programme and project business cases, which follow the completion of the discovery stage. This is likely to include the appointment of project and programme management resource.

32. Terms of Reference for the PMO are to be prepared and will define the role of the group and the specific responsibilities of members. The Transformation Programme Board is responsible for these Terms of Reference and the Head of Transformation will be responsible for co-ordinating the group.

Risk Management Strategy

33. Making changes to the way we deliver services is not without risk. It is essential that the authority acts in a way to mitigate these hazards to have the best chance of delivering successful change. A risk management strategy is to be prepared in conjunction with the Corporate Risk Management Group and applied to transformation programmes and projects. It will cover the strategy and procedure to be followed for all risks – both threats and opportunities.

34. The Transformation Programme Board is ultimately responsible for this strategy and the Head of Transformation will be responsible for maintaining the strategy.

Quality Management Strategy

35. The Quality Management Strategy is to be prepared and applied to all workstreams, programmes and projects within the transformation programme. It will define the quality techniques and standards required and the responsibilities for achieving the required quality levels during transformation.

36. The Transformation Programme Board will approve this strategy and the Head of Transformation will be responsible for maintaining this strategy and ensuring the quality management processes and procedures are implemented.

Configuration Management Strategy

37. The Configuration Management Strategy is to be prepared and applied to the transformation programme to control and protect the programme's management products (configuration items). These include templates for Highlight Reports and Project Initiation Documents.

38. The Transformation Programme Board will approve this strategy and the Head of Transformation will be responsible for maintaining this strategy and for managing the configuration management procedure.

Communication Management Strategy

39. Communication and engagement activities are fundamental to the delivery of successful transformation. Each transformation project will benefit from a stakeholder analysis and communication plan.

40. Overall, the intention for the transformation programme is to engage with stakeholders

regularly as appropriate, including Councillors, employees, partners and customers. Regular programme updates will be available through the Corporate Intranet and public facing web sites as appropriate.

41. The Communication Management Strategy is to be prepared and applied to the transformation programme to help keep the programme's stakeholders (both internal and external) engaged throughout.

42. Stakeholders to be engaged in suggesting a title or brand name for the transformation programme, to be agreed by the Cabinet, which is:

- ▶ neat and easily understood by stakeholders;
- ▶ customer focussed;
- ▶ not subject to copyright or other protection; and
- ▶ demonstrates our positive, future-focussed direction of travel.

43. The Transformation Programme Board will approve and is ultimately responsible for the strategy. The Head of Transformation is responsible for maintaining the strategy.

Resource Implications:

At this stage it is not possible to be specific about the resources required. Epping Forest District Council continues to review its processes and procedures in order to remain efficient and effective. As such, as much of the work as possible will be within the existing resources. Additional resource requirements to supplement the Programme Management Office will be sought as part of workstream, programme and project business cases, which follow the completion of the discovery stage. This is likely to include the appointment of project and programme management resource.

Cabinet have specified that transformation projects must have sound business cases and show a reasonable payback for the authority. Significant transformational change will require radical thinking and significant investment. As the changes are not yet specified in detail, nor decisions made, the scale of investment cannot be quantified accurately. In due course, major proposals will be set out with a full business case as required by Cabinet.

The savings target for the transformation programme for 2016/17 is £100,000.

Legal and Governance Implications:

There are no legal or governance implications arising from the recommendations of this report.

Safer, Cleaner and Greener Implications:

There are no implications arising from the recommendations of this report in respect of the authority's commitment to the Climate Local Agreement, the Corporate Safer, Cleaner, Greener initiative, nor any crime and disorder issues within the district. Any such implications arising from recommendations made through the transformation programme will be dealt with in the specific reports.

Consultation Undertaken:

Initial sessions have been undertaken with the Cabinet, the Council's Leadership and Management Teams. Other authorities that have initiated transformation programmes have also been visited. It is envisaged that wide consultation will be undertaken with all relevant

stakeholders as proposals emerge from the programme.

Background Papers:

The Corporate Aims and Key Objectives 2015/20.
The Customer Contact Review Report.

Risk Management:

Customer satisfaction may be affected if expectations for service delivery are not met. The authority's capacity to continue to deliver high quality services will be tested through the change process. Staff morale and engagement with new working practices are also likely to be significant factors.

On-going communication and explanation of the benefits of transformational change will be necessary. Inevitably, some staff will find the experience of change more difficult than others.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

There are no equality implications arising from the recommendations in this report. The transformation programme will, however, inevitably recommend changes to the way the authority provides services in the future. A key principle in the redesign of services will be to focus on the customer. The provision of services in accessible ways will continue to be a prime consideration.

Appendix 1 – Accountabilities and information flow

ID	Report name	Accountability	Report recipient	Meeting and report frequency
<i>Political decisions</i>				
1	Note: Workstream reports – management dashboard and supporting papers, including benefits reviews	Chief Executive, Head of Transformation	Cabinet	Cabinet
2	Agree: Workstream mandates, initiations and closures			
3	Note: Project closures			
4	Agree: Workstream risk and issue papers for resolving conflicts across workstreams	Chief Executive, Head of Transformation	Leader	As required, key decision
5	Agree: Project initiations: <ul style="list-style-type: none"> ▪ Business case ▪ Scope ▪ Benefits ▪ Project team ▪ Project plan ▪ Budget plan ▪ Communication plan ▪ Risk log 	Chief Executive, Head of Transformation	Leader / Cabinet	As required, key decision
<i>Transformation Programme Board</i>				
6	Workstream reports – management dashboard and supporting papers, including benefits reviews	Head of Transformation, with contributions from workstream sponsors and project managers as required	Chief Executive, Transformation Programme Board	Monthly
7	Workstream risk and issue papers for resolving conflicts across workstreams, and specifying significant assurance-related risks or issues for projects	Head of Transformation, with contributions from workstream sponsors and project managers as required	Chief Executive, Transformation Programme Board	By exception
8	Workstream mandates (discovery phase), initiation (business case) and closure (post workstream assessment)	Head of Transformation, with contributions from workstream sponsor	Chief Executive, Transformation Programme Board	As required
9	Project mandates (discovery phase), initiation and closure (post project assessment): <ul style="list-style-type: none"> ▪ Business case ▪ Scope ▪ Benefits ▪ Project team ▪ Project plan ▪ Budget plan ▪ Communication plan ▪ Risk log 	Head of Transformation, with delegation to project managers	Chief Executive, Transformation Programme Board	As required

ID	Report name	Accountability	Report recipient	Meeting and report frequency
10	Note: Strategic fit with Corporate Plan and Business Plans (describing core business and changes to core business)	Directors and Assistant Directors	Portfolio Holders, via the Performance Management Unit	Annually
Programme Management Office (PMO)				
11	Escalated project risk and issue papers	Project Managers	Programme Management Office	By exception
12	Benefit reviews	Project Managers	Programme Management Office	As documented in benefits management strategy
13	Report on ideas from staff suggestion scheme	Assistant Director, Governance and Performance Management	Chief Executive	Fortnightly
14	Project mandate	Project Manager	Programme Management Office	As required
15	Project business cases (Project Initiation Document)	Project Manager	Programme Management Office	On acceptance of project mandate into approved workstream or programme
16	Highlight and exception reports	Project Manager	Programme Management Office	Highlight reports may be monthly or fortnightly on acceptance of project business case
17	End project reports	Project Manager	Programme Management Office	On agreed completion of the project
18	Post-project reports	Project sponsor or nominated officer	Programme Management Office	Defined time after project completed when benefits and original business-case investment can be assessed
19	Risks and issues	Project Manager	Programme Management Office	As required

Report to the Cabinet

Report reference: C-074-2015/16

Date of meeting: 3 March 2016



**Epping Forest
District Council**

Portfolio: Leader

Subject: Transformation Programme - Customer Experience Workstream

Responsible Officer: Simon Hill (01992 564249).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) That the recommendations made to the Council by the Customer Services Review Group (attached at Appendix 1 to this report) be accepted in principle as a starting point for the Transformation Programme - Customer Experience Workstream;
- (2) That, having considered the options, the Council move towards a centralised customer services function;
- (3) That the following steps be approved:
 - (a) take steps to proceed with the appointment of a Customer Services Manager for the Council and IT support post, submitting a further report to Cabinet on any additional resources required and options filling these positions;
 - (b) the Transformation Programme Board be asked to consider the organisational structure for the customer services function;
 - (c) the repair or replacement of the atrium windows during 2016/17 financial year with a further report to the Cabinet if additional resources are 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 seek set targets and a timescale for the further discovery and implementation stages from the Transformation Programme Board, including formal monitoring of customer visits.

Executive Summary:

In April 2015, as part of the Corporate Plan Action Plan for 2015/16 the Council set a Key Action of having:

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

The Action Plan 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 Cabinet has now received the report of the Customer Contact Review Group which is attached.

The report brings forward 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.
- (iii) Proposals for the evaluation of Customer Relationship Management (CRM) systems.

Reasons for Proposed Decision:

The Council has previously attempted to implement a more organised Customer Service centric approach to its services. The problems identified by Steria¹ stem from a study in June 2005.

The anticipated benefits of this approach would be:

- Increased accessibility to services that match 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.

The Council recognises that, with the diminishing resources available to it, a review of procedures is timely and added a review to its Key Objectives in 2015-16. This report is a start in seeking answers to improving our performance.

Other Options for Action:

The Council could choose:

- (a) Not to implement a combined reception area or centralised customer contact handling.
- (b) To continue to provide services to the public in the manner currently undertaken.
- (c) Not to bring forward the required repairs to this year.
- (d) Not to seek the implementation of a CRM system.

¹ Steria Contact Scoping Study report 9 June 2005

Report:

1. The means by which customers and partners interact with Epping Forest District Council varies enormously between sections and services. The Council has previously attempted to implement a more organised Customer Service centric approach to its services. The Council recognises that, with the diminishing resources available to it, a review of our procedures is timely and added a review to its Key Objectives in 2015-16.

2. A multi-directorate working group of Officers (CCR Group) was established and has been meeting since September 2015 to look at work which were split into three streams of work:

- Stream 1 - Centralised Reception in Civic Offices and Answering Enquiries at First Contact.
- Stream 2 – Channel Shift.
- Stream 3 – Implementation of a Contact Relationship Management System.

3. The group has produced a report which has been presented to the Management Board and Cabinet members. Greater detail on the work and how the Group came to their recommendations can be found in their report which has been published as a supplementary paper for this Cabinet agenda.

Stream 1 - Proposals for a rationalised reception service and options for handling customer contact

4. Without a strategic approach to customer contact, the use of different customer contact channels and service provision has evolved on a somewhat piecemeal basis. There are areas where these are well developed at sectional level but others where it is not. While some service areas have adapted to the changing expectations of customers and use of technology, other service areas have retained more traditional forms of contact. Telephone answering performance has improved since 2005 but there are still pockets where it is poor.

5. The Civic Offices building itself is approaching 30 years of age. No radical changes have been made to the layout of its building or reception areas in that time. Remedial repairs being carried out this year to various areas.

6. The reception areas do not meet modern accessibility standards. The main desk requires work and there are operational issues. The building has a number of different receptions for services which means that visitors use different buildings and floors to access services.

7. The report of the CCR Group gives options for the future organisation of customer contacts. In summary the report has concluded:

- (1) That good customer service exists here and needs to be replicated across the Council.
- (2) That telephone answering performance has improved considerably since 2005/6, with much lower levels of call abandonment, albeit with pockets of low performance. These may be restrained by organisational requirements.
- (3) The Council needs to understand the types and quantities of customers and the customer's journeys. Further monitoring work is required to inform future service provision.

- (4) That centralisation of the main reception has met with support and should now be subject to a full feasibility design and further report to members.
- (5) That the Council needs to decide whether it wishes to centralise its main call handling and if so, needs to appoint a suitable officer to lead this change.
- (6) That multi-skilling of customer facing officers will be required for which training will form an important element and will have an organisational impact.
- (7) A scalable response to peaks in enquiries is required in any event and further modelling of this will be informed by study.
- (8) Dealing with accommodation matters in a time sequential way will hold back implementation until at least 2018. If it is desired to implement this earlier then some Communities staff will need to be relocated.
- (9) Repairs to the atrium windows or their complete replacement are required and should be added into the building maintenance programme now.
- (10) Centralised change needs project management and IT systems support.
- (11) If the Council decides to keep its call handling separate, then consideration needs to be given to how mutual support can be given and how other services can be supported going forward.

Stream 2 - Channel Shift

8. Channel shift is the process whereby the traditional means of service delivery such as post, phone and face to face contact is replaced by electronic, remote communication. Channel shift is increasingly identified with self-service, the internet, websites and social media.

9. The CCR Working Group concludes that to achieve the full benefits of channel shift, the organisation must review the full workflow process (known as business process mapping). Rather than just bolting new forms of communication onto the 'front end' of service delivery, channel shift requires a root and branch review of workflow processes, procedures and technology to realise full organisational benefits as well as customer service.

10. It has concluded:

- (1) That the Council needs to conduct further analysis of current channels available to service areas.
- (2) That the Council should undertake Business Process Mapping to establish where changes to processes and procedures can be developed in conjunction with channel shift.
- (3) That the Council identify priority areas (ie those areas where the greatest impact can be achieved most rapidly in the most cost efficient manner).
- (4) That the Council should implement channel shift in these priority areas first.

Stream 3 - Evaluation of Customer Relationship Management (CRM) Systems

11. The previous reviews of Customer Contacts noted the lack of a Customer Relationship Management (CRM) system. At that time CRM systems were generally large complex systems with a prohibitive cost. Technology has changed over time and customer contact recording has not been centrally managed or captured.

12. If the authority is to move forward with a centralised contact centre then effective and cost effective ICT systems are essential in capturing and managing the complex nature of incoming enquiries.

13. The Working Group have concluded:

- (1) The analysis indicates that the benefits resulting from a roll out of the full CRM to all staff would be outweighed by the costs involved.
- (2) The Implementation of a CRM system is required for Customer Contact team(s) to provide a tool for day to day call logging, and a dashboard for managers to have an overview of contacts.
- (3) Implementation of CRM would be gradual, potentially as teams are incorporated in a Corporate Contact centre, for this reasons the purchase of licenses could be managed to prevent licenses being purchased until required.
- (4) Any CRM system is to be used for contact logging, not as a business system – except in areas where there is not an existing business system.
- (5) The Implementation of a Customer Contact Capture form for all other staff to use to feed into the CRM, would allow the capture the contacts efficiently without the need for cross training and licences to use the CRM system.
- (6) The Integration of Customer Facing forms into the CRM system will enable the Council to create a single view of these contacts, and to allow customers to remotely access the CRM system to log issues and follow progress.
- (7) The Consideration of Integration to business systems on a case by case basis based on level of enquiries received and the nature of the enquiry.
- (8) The internal cost in terms of staff resource would increase as the system becomes more complex with integrations, and as more users are added (overall training costs).
- (9) Integration of online portals from other systems to the CRM online portal should be prioritised over business system integration.
- (10) Managers need to consider potential uses of business intelligence (BI) that a CRM system can give, as one of the key benefits of a CRM system is BI – but only if there is a use for it.
- (11) That officer support for any implementation of a CRM or CRM (light) solution is needed within ICT.
- (12) That an evaluation of potential software should now be undertaken.
- (13) That the number of licenses for a new system is based upon the decisions on whether a centralised or decentralised call centre methodology is followed.

- (14) That each potential system integration will cost money and should be subject to formal cost/benefit analysis.

Taking Proposals Forward

14. The Management Board and Cabinet Members have had the opportunity of receiving a presentation focussing on the recommendations of the CCR and the options for change. Members have asked for a report on the next steps that could be taken if they favour the option to centralise customer contact. The view has been expressed that centralisation provides the greater opportunity to increase customer satisfaction levels and service provision across the directorates to provide consistent levels of experience and call answering.

15. The report brings forward a series of recommendations which will need to be addressed as part of the wider work on the Customer Experience workstream within the transformation programme. These are set out in Appendix 1 to this report. For greater detail please see the main CCR report.

16. There are a number of preparatory steps that the Cabinet could agree now. These are:

- Proceed with the appointment of a Customer Services Manager for the authority and an IT support post, submitting a further report to Cabinet on any additional resources required. This would include an assessment of the job description and scope, evaluation, costings and options filling these positions.
- The Transformation Programme Board be asked to consider the organisational structure for the customer services function – Where the function would sit within the organisational structure.
- The repair or replacement of the atrium windows during 2016/17 financial year with a further report to the Cabinet if additional resources are required – currently no provision exists within the programme for these works.
- To undertake a full feasibility design and costing of the main reception including its accommodation needs by October 2016 – discussion with the Councils Facilities Management team suggest this is an achievable target date.
- 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).
- To initiate discussions with public sector partners to explore the potential for sharing reception space and to accommodate this within any design. There are a number of potential partners that have been suggested by the Leadership Team which could be approached. See page 28 of the main report.
- To undertake formal monitoring of customers visits from 1 April 2016, which is essential to set a base line for visitor traffic.
- To seek set targets and a timescale for the further discovery and implementation stages from the Transformation Programme Board.

17. The Transformation Programme Board will be in position to monitor the progress of this project and provide regular reporting back to the Cabinet. Where matters require further

resources they will be subject to a further report. The Cabinet are asked to consider these steps and recommendations accordingly.

Resource Implications:

There is currently no budgetary provision for the Customer Experience Workstream. The report envisages that further reports will be made to members on the following elements:

- (1) Additions or rephrasing of the Planned Building Maintenance Budgets;
- (2) Key Officer appointments;
- (3) Capital sums that will be required for completion of the reception project; and
- (4) The CSB cost of a CRM system.

Legal and Governance Implications:

Members have before them a separate report which outlines the proposals for ensuring that the Transformation Programme is effectively monitored.

Safer, Cleaner and Greener Implications:

None at present. Safety of customers will be a factor in the forward design of the service.

Consultation Undertaken:

As part of the formulation of the report, a number of services have been consulted. Staff have also had the opportunity to comment during the process and have all received a link to the final report. Management Board and Leadership Team members have also been given the opportunity of commenting on the findings.

Background Papers:

The following documents have been used in the preparation of this report and that of the CCR Working Group:

- CSTP Programme Plan (draft) 2006-2009
- Reports to Cabinet and Council July 2006
- Task and Finish Review October 2006
- Report to Cabinet on NW Maintenance HUB
- Report on Closure of Cash Office to Cabinet
- Report of the CCR Working Group – January 2016

Risk Management:

In line with the Transformation Programme, customer satisfaction may be affected if expectations for service delivery are not met. The authority's capacity to continue to deliver high quality services will be tested through the change process. Staff morale and engagement with new working practices are also likely to be significant factors.

On-going communication and explanation of the benefits of transformational change will be necessary. Inevitably, some staff will find the experience of change more difficult than others.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

There are no equality implications arising from the recommendations in this report. The transformation programme will, however, inevitably recommend changes to the way the authority provides services in the future. A key principle in the redesign of services will be to focus on the customer.

The main reception area is not currently accessible to wheelchair users.

The provision of customer services in accessible ways will continue to be a prime consideration.

**Recommendations made to the Council by the Customer Contact Review
Working Group of Officers**

**Stream 1 - Centralised Reception in Civic Offices and Answering Enquiries at
First Contact**

- (1) Management Board and Members need to lead this project to move it forward.
- (2) That consistent visitor data recording should be undertaken by all reception areas and services routinely for a period of three months to provide a base line to inform the project.
- (3) That a decision be made to move to centralised or maintain a decentralised customer service team arrangement and then undertake the consequential recommendations.
- (4) If centralised:
 - (a) shut the switchboard and place a Customer Contact Centre (CSC) in between customers and officers to drive call traffic.
 - (b) Develop the current environmental services team as the hub of a main contact centre as a starting point.
 - (c) Appoint a Customer Services Manager to drive the process forward
 - (d) Develop a plan for the gradual movement of most enquiries to that team over time.
- (5) If decentralised:
 - (a) Formalise the processes that would allow call centres to provide mutual support.
 - (b) Deal specifically with those service areas where call answering is poor;
 - (c) Develop a programme of staff training based upon specific support needs and systems;
 - (d) A CRM is still going to be required
 - (e) Look at how the switchboard operators can be assisted during peak times.
- (6) That a single central reception has support and is required if front line customer service is to remain in Epping and reception services are to be co-located;
- (7) That the programme should not wait for an accommodation strategy during the overall transformation programme thus treating it as an exception or starting point.
- (8) That Facilities Management be requested to draw up a feasibility design based on the requirements set out in this report.
- (9) That further 'open' counter space is needed and should be taken into account in the design.
- (10) That Director of Neighbourhoods consider how recycling bag distribution can be improved so that residents do not need to attend these offices to collect bags.

Stream 2 – Channel Shift

That Channel shift is considered to be not only desirable but an inevitable consequence of evolving technology. In order to maximise the benefits of channel shift from a customer and an organisational perspective, the report proposes:

- (1) Adoption of the principle of Channel Shift to meet and reflect evolving customer service requirements.
- (2) Subject to 1 (above), to conduct further analysis of current channels available to service areas.
- (3) Business process mapping to establish where changes to processes and procedures can be developed in conjunction with channel shift.
- (4) Identification of priority areas (ie those areas where the greatest impact can be achieved most rapidly in the most cost efficient manner).
- (5) Prioritise and implement channel shift in areas identified in (4) above.

Stream 3 – Implementation of a Contact Relationship Management System

- (1) That the Council should progress an additional ICT post to support the development of the form system and related integration to allow:
 - Migration of existing current Achieve Forms to the new 'Self' portal as a precursor to any CRM implementation, and to assist channel shift (cost of £36,000 p/a for 50 seat implementation).
 - Creation of a corporate customer contact capture form again as a precursor to CRM implementation
 - Implementation of integration between the public facing systems – i.e. Self and Connect, and Self and eNgage
 - Formal evaluation of the Firmstep CRM system (Achieve Service) as a potential affordable upgrade to Achieve Forms to provide a cost effective CRM system offering most of the benefits of the more costly systems in a timely and cost effective way.
- (2) That a decision is required on the number of users who will make use of the full CRM system (based upon the decisions taken about centralised or decentralised Contact Centres)
- (3) That there should be formal evaluation of the costs/benefits involved in each potential system integration should be carried out once a decision in principle has been reached about the potential use of the Firmstep CRM system

Report to the Cabinet

Report reference: C-075-2015/16

Date of meeting: 3 March 2016



**Epping Forest
District Council**

Portfolio: Safer Greener and Transport

Subject: Loughton Broadway Parking Review

Responsible Officer: Qasim (Kim) Durrani (01992 564055).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) In accordance with the Cabinet Decision of October 2010 to proceed with the Loughton Broadway Parking Review, acknowledging that this will require a comprehensive assessment of existing and projected parking provision, including the Epping Forest Shopping Park;**
- (2) To agree to appoint the North Essex Parking Partnership to carry out a scoping exercise for the Loughton Broadway Parking Review, including implementing some small scale traffic regulations;**
- (3) That a further report be brought to Cabinet setting out the full scope of scheme and financial implications; and**
- (4) To set aside Contract Standing Order C5 (contracts exceeding £25,000 but not exceeding £50,000) to enable appointment of the North Essex Parking Partnership.**

Executive Summary:

The Council committed to implement area wide parking reviews across the district when it 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.

Cabinet has previously resolved not to consider any further area wide parking reviews until the reviews at Epping, Buckhurst Hill and Loughton Broadway are completed. The Epping and Buckhurst Hill reviews have been completed and work can now commence on the Loughton Broadway Parking Review (LBPR).

Important lessons have been learnt from the Epping and Buckhurst Hill reviews; for example carrying out an area wide review has proven to be very divisive and it has not always been possible to address the often conflicting requirements of residents, commuters, businesses and other road users. It is 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 former Sir Winston Churchill Public House, other housing developments along Burton Road and the decision of Epping Forest College to

introduce parking charges in their car park will create new pressure on the on street parking in the area. It is necessary to take a holistic view of the parking provisions and assess the impact of the aforementioned developments.

The Council has two options for delivery of LBPR, it can avail the service of Essex Highways or the North Essex Parking Partnership (NEPP). For the reasons set out later in the report it is recommended that the contract for the delivery of this scheme be awarded to NEPP.

Reasons for Proposed Decision:

To implement the last of the three parking review schemes as approved by Cabinet.

To address some urgent local parking issues. Carry out a full scoping exercise to determine the requirements of an area wide parking review.

Other Options for Action:

To not proceed with the scheme will be contrary to the previous Cabinet decision of a parking review in the Loughton Broadway area.

It is possible to carry out a small, targeted parking review and only address local parking issues; however this is not recommended because the impact of a number of large ongoing infrastructure development schemes on the on street parking provisions need to be considered.

Report:

1. The area wide parking reviews were started when an agency agreement was in place that enabled the Council to manage the highway network within the District. At the end of the agreement in 2005 a decision was made to honour the ongoing schemes (Epping and Buckhurst Hill) and revisit these soon after implementation to address any issues. In addition it was agreed that, following the completion of the Broadway Town centre Enhancement, a parking review should be carried out in the Loughton Broadway area to address outstanding parking problems.
2. The first parking reviews for Epping and Buckhurst Hill were completed in 2007. As agreed, these two areas were revisited and residents consulted again to check for any errors or if areas had been missed out. It transpired that a lot of the residents did not take part in the first public consultation and wanted to change the newly introduced parking restrictions. This resulted in a much larger scope of work than had been previously envisaged.
3. There were other complications, for example the costs of advertising increased and there were additional resource requirements for revisiting the entire area of the review. Although additional budget allocation was made available to deliver the schemes, the financial risks to the Council were considerable and therefore it was also agreed that the schemes would be implemented one after the other and in the order that reflected the most amount of work already undertaken. The order of implementation was agreed as Epping, Buckhurst Hill and then Loughton Broadway.
4. The Epping Parking Review was substantially completed in 2014. The lessons learnt from the Epping Review were used to inform the decision making on the implementation of future reviews, and in particular the need to balance the competing needs of commuters, residents, businesses, visitors, tourists and the vitality of the town centres.
5. Attempting to address the needs of all the users while undertaking a wide area

parking review is unrealistic and is likely to result in a number of users being dissatisfied. This is partly due to the absence of a universally acceptable technical solution and the lack of engagement by the majority of the users. Experience has shown that it is far easier to obtain consensus around local targeted schemes.

6. It was for this reason that a more acceptable approach, to address specific problematic areas rather than wider geographical areas, enabling any displaced parking to be better accommodated within the vicinity and limiting the wider knock on effect of any new parking restrictions, was adopted for Buckhurst Hill. This proved very successful and resulted in the introduction of: double yellow lines at junctions where inconsiderate parking was taking place or where there were perceived safety issues, resident parking zones in selected streets and that also only when the majority of the residents were in support.

7. The situation for the Loughton Broadway is different to Epping and Buckhurst Hill. The latter two areas have benefited from a town wide review in the past which included a holistic view of the on street parking provisions. LBPR has not had a town wide review; if a targeted local approach is used there is a risk that the parking problem will be shifted elsewhere within the close proximity. This could then result in a demand for a further review.

8. It is also recognised that there are some large infrastructure developments in the Loughton Broadway area; these include: the redevelopment of the Langston Road Depot to the Epping Forest Shopping Park, redevelopment of the former Sir Winston Churchill Public House and other housing developments along Burton Road. Although these developments will include parking provisions it is advisable to consider any knock on effect of these developments and the decision by the Epping Forest College to introduce parking charges in its car parks on the availability of parking in the wider review area.

9. The Council does not have the technical expertise to deliver the area wide parking review. The previous Buckhurst Hill and Epping parking reviews were delivered by procuring the services of Essex Highways. The Council now has two options: it can engage Essex Highways or the North Essex Parking Partnership (NEPP) for the delivery of the scheme. This is because both have the necessary authority, delegated to it in the case of NEPP, to make the necessary traffic orders

10. There are advantages in delivering the LBPR through NEPP. These include: lower officer charge rates than Essex Highways, greater control as the Council is a member of the Joint Committee of NEPP, ease of access to NEPP officers, informed decisions making as NEPP will be responsible for enforcing any new parking restrictions and the expertise gained by NEPP while carrying out similar wide area parking reviews elsewhere in the Partnership.

11. The Council has a legal agreement with NEPP for the provision of enforcement operations in the District and introduction of small traffic regulation scheme. The agreement does not cover large area wide schemes. The actual value of the scheme will be dependent on the nature, size and complexity of the parking restrictions, level of public consultation and associated costs. At this stage NEPP will be instructed to carry out a scoping exercise and determine the full extent of parking review scheme required. It is recognised that there are some local parking and road safety issues that could be resolved by implementing parking restrictions, NEPP will be able to address these straight away.

12. Once NEPP have completed the scoping exercise a further report will be presented to Cabinet. This will set out the estimated costs of the scheme, time line of delivery and an implementation strategy.

13. At this stage and to enable appointment of NEPP it is necessary to waive Contract Standing Order C5 (contracts exceeding £25,000 but not exceeding £50,000) to enable

appointment of the NEPP to carry out the scoping exercise and address a few targeted local parking issues.

Resource Implications:

There is a budget allocation of £190,000 in 2016/17 within the current capital programme for the delivery of the Loughton Broadway Parking Review. There is a further sum of £40,000 expected to become available as a result of Section 106 commitment of the Epping Forest Shopping Park.

NEPP have provided a schedule for the officer charge rates. The total cost of the scoping exercise will depend on the amount of work instructed by the Council. Alongside this scoping exercise NEPP will be able to introduce a few small traffic restrictions, subject to consultation with Members and residents. It is estimated that the cost of scoping exercise and any small schemes would be more than £25,000 but under £50,000.

Legal and Governance Implications:

The North Essex Parking Partnership will enforce any new parking restrictions brought about as a result of these parking reviews, as agents to the County Council.

Safer, Cleaner and Greener Implications:

Ensuring optimum utilisation of available car parking spaces on the public highway. Addressing the safety of all road users and tackling issues of inconsiderate parking on the public highway. Preventing congestion and its effects upon local air quality etc.

By considering the future impact of the proposed large infrastructural schemes the Council can better prepare for any adverse impact.

Consultation Undertaken:

Separate informal consultations were carried out in 2009. Residents of the affected area received a letter and plan showing the impact of the proposed changes in the vicinity. Larger plans were on display in the offices and local libraries. Given the length of time since the last consultation it will be necessary to consider public engagement; NEPP's advice will be sought on best practice in carrying out such like consultations.

Formal statutory consultations will be carried out once the scheme progresses to the relevant stage.

Local Ward and County Members have been consulted on the proposed approach.

NEPP have been consulted and have provided a cost estimate based on a schedule of rate.

Essex Highways have been consulted for the delivery of the parking review scheme.

Background Papers:

Previous Cabinet reports.

Risk Management:

If it was decided to not carry out a town wide review but implement targeted small scale schemes then an opportunity to address the wider displacement issues would be lost and it likely that further work would be required.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

Out of the specific group or characteristics that the Council has a legal duty to have due regard for the following are affected:

- (a) Age
- (b) Disability

The age related group could be affected if the advertisement and communication of any proposals is not affectively communicated. This will be minimised by ensuring that NEPP consider best practice.

The disability related could be affected if the new parking restrictions result in a lack of adequate provision for disabled badge holders.

Report to the Cabinet

Report reference: C-069-2015/16

Date of meeting: 3 March 2016



**Epping Forest
District Council**

Portfolio: Safer, Greener and Transport

Subject: Waltham Abbey Conservation Area Character Appraisal and Management Plan

Responsible Officer: Maria Kitts (01992 564358)

Democratic Services Officer: Gary Woodhall (01992 564470)

Recommendations/Decisions Required:

(1) To approve the adoption and publication of the Character Appraisal and Management Plan for the Waltham Abbey Conservation Area; and

(2) To approve the boundary amendment to the Waltham Abbey Conservation Area.

Executive Summary:

By law Local Planning Authorities are required to designate conservation areas and, following these designations, proposals for the preservation and enhancement of these areas. The proposals take the form of conservation area management plans and it is considered best practice to accompany these management plans with character appraisals which chart the history of an area, the reasons for its designation, and the key elements of its special interest. Character appraisals often precede management plans as they provide the knowledge and understanding required to inform the creation of a successful and meaningful management plan.

The character appraisal and management plan for the Waltham Abbey Conservation Area has been prepared following due process and is 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 will become a material consideration in the planning process and will 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 is intended to remove two areas from the Waltham Abbey Conservation Area.

Reasons for Proposed Decision:

Under the provisions of section 69 of the Planning (Listed Buildings and Conservation Areas) Act 1990, Local Planning Authorities are required to designate areas of 'special architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance'. Section 71 of the same Act states that the Local Planning Authority has a duty to 'publish proposals for the preservation and enhancement' of their conservation areas. This

takes the form of a conservation area character appraisal and management plan.

It is, therefore, a key statutory duty that this document is published.

Other Options for Action:

If the character appraisal is not published then the Council will not be fulfilling one of its statutory duties under the Planning (Listed Buildings and Conservation Areas) Act 1990. In addition, the lack of a character appraisal could make planning decisions within these areas less consistent and more difficult to defend at appeal.

Report:

1. Work commenced on the appraisal in 2014 and a draft version was the subject of a public consultation held between November 2015 and January 2016. This included a public exhibition held at Waltham Abbey Town Hall on 7 December 2015 where residents and other stakeholders could find out more about the appraisal process and how to comment on the draft version.

2. Residents, stakeholders, and interested parties were notified of the consultation period by letter, and posters and flyers were displayed in some locations within the conservation area. Hard copies of the draft appraisal were made available at the Civic Offices in Epping and several locations within Waltham Abbey town centre, in addition to its publication on the Council's website. People were encouraged to make comments either through a questionnaire (electronic or in paper form), or by email or letter.

3. All consultation responses have been taken into account and, where appropriate, have informed revisions to the appraisal. A final draft has now been produced.

4. The appraisal explores the landscape setting, historical development, archaeology, and architecture of the area in order to define the elements of special architectural and historic interest, and the general character of the area. These elements include:

- The historic layout of the town;
- The Church of the Holy Cross and St Lawrence, Market Square and the linear development of Sun Street, featuring vestiges of medieval burgage plots, provide the main focal point for the area with several smaller streets, lanes and open spaces leading from them;
- The variety of architectural styles and ages;
- The range of traditional building materials including timber framing, brick and clay tile roofs;
- Distinctive historic architectural features;
- The medieval Church of the Holy Cross and St Lawrence, the abbey ruins and grounds which form a scheduled monument;
- The large number of trees, green spaces, and streams particularly in the Abbey Gardens; and
- The range of uses and levels of activity within the conservation area.

5. Following the discussion of the special interest and character of the area, the appraisal discusses opportunities for the enhancement and future protection of the area which are set out as a management plan (for further information see pages 45-47 of Appendix 1).

6. The suitability of the conservation area boundary was reviewed as part of the

appraisal process and, as a result of this, it is intended to remove two areas from the conservation area boundary; an area to the west of Greenyard, and an area including parts of Sewardstone Road, Rue St Lawrence, and Farm Hill Road. The revision of the boundary to the west of Greenyard will see the exclusion of part of a car park and a late 20th century doctors' surgery from the conservation area. The revised boundary to the south east of the conservation area excludes the fuel station and depot along with buildings on Rue de St Lawrence as these buildings are not considered to be in keeping with the character of the rest of the area. It is also proposed to remove Thrift Hall and Thrift Cottage from the conservation area due to the position of the revised boundary, their detachment from the historic core of the town, and the strength of their existing statutory protection as listed buildings (Grade II).

Outcomes

7. If the publication of the appraisal is approved it will result in better management of the conservation area through the preservation of its special interest and character. The appraisal will be used to inform residents and developers on acceptable works within the conservation area, and those works which could cause harm to the character of the area. It will also inform decisions made by Development Control to ensure a consistent approach to the preservation and enhancement of the area.

8. Following approval, the appraisal will be published on the Council's website and a limited number of hard copies will be available from the Civic Offices in Epping, the Waltham Abbey Tourist Information Centre, and Waltham Abbey Library. Letters will be circulated to residents of the conservation area and any other interested parties notifying them that the appraisal has been published and is available to view on the Council's website. The appraisal will be reviewed after five years.

9. As per the statutory requirements set out in the Planning (Listed Buildings and Conservation Areas) Act 1990, the revision to the boundary will be publicised in the local press and the London Gazette.

Resource Implications:

Some officer time will be required to administer the printing and circulation of the documents, notification letters, and publication of statutory notices as well as any arising queries from members of the public. The Assistant Conservation Officer is a fixed term post until the end of 2017-18 and, therefore, has the capacity to deal with this workload.

Legal and Governance Implications:

The statutory powers relevant to this decision are found within sections 69 and 71 of the Planning (Listed Buildings and Conservation Areas) Act 1990.

Safer, Cleaner and Greener Implications:

Improved understanding and protection of part of the District's historic environment.

Consultation Undertaken:

Public consultation on the content of the appraisals and management plan was undertaken between November 2015 and January 2016 with all comments and suggestions taken into account and, where appropriate, incorporated into the documents. This process adheres to sections 71(2) and (3) of the Planning (Listed Buildings and Conservation Areas) Act 1990 which requires local planning authorities to allow the contents of an appraisal and

management plan to be considered by the public, and their views taken into account.

N.B...The appraisal document contains a section on 'Community Involvement' for further information (page 42 of Appendix 1).

Background Papers:

Waltham Abbey Conservation Area Character Appraisal and Management Plan (Appendix 1).

Risk Management:

No risks identified.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

Date / Name	Summary of equality analysis
01/02/2015 Maria Kitts	<ul style="list-style-type: none">- The adoption and publication of the conservation area character appraisal and management plan will provide residents, and other interested members of the public, with information on the unique elements which contribute to the character and special interest of the area in which they live. It will also be used to inform planning decisions.- The method of providing access to the document has been identified as a potential issue, although this can be overcome.- In order to ensure this document is widely accessible to all, it will be available electronically on the EFDC website and in hard copy at the Civic Offices in Epping, the Waltham Abbey Tourist Information Centre, and Waltham Abbey Library. A letter to each household within the conservation areas will notify residents of where and how they can view the document.- Furthering local understanding of the history and special interest of the conservation area should strengthen the residents' sense of place and feelings of community.

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Report to the Cabinet

Report reference: C-070-2015/16

Date of meeting: 3 March 2016



**Epping Forest
District Council**

Portfolio: Leader

Subject: Corporate Plan Key Action Plan 2015/16 – Quarter 3 Progress

Responsible Officer: Barbara Copson (01992 564042)

Democratic Services: Gary Woodhall (01992 564470)

Recommendations/Decisions required:

(1) That the Cabinet reviews the position in relation to the achievement of the Council's key objectives for 2015/16 at the end of Quarter 3.

Executive Summary:

The Corporate Plan is 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 are supported by Key Objectives, which provide a clear statement of the Council's overall intentions for these five years.

The Key Objectives are delivered by an annual action plan, with each year building upon the progress against the achievement of the Key Objectives for previous years. The annual action plans contain a range of actions designed to achieve specific outcomes and are working documents and therefore are subject to change and development to ensure the actions remain relevant and appropriate, and to identify opportunities to secure further progress or improvement. Since the Action Plan 2015/16 was agreed by Cabinet in March 2015, five (5) additional actions have been identified as appropriate to progress the Key Objectives during 2015/16, and these were therefore added to the action plan from quarter 2.

Progress in relation to individual actions and deliverables is reviewed by the Cabinet and the Overview and Scrutiny Committee on a quarterly and outturn basis.

Reasons for Proposed Decision:

It is important that relevant performance management processes are in place to review progress against the key objectives, to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of slippage or under-performance. This report presents progress against the Key Action Plan for 2015/16 at the end of the third quarter (31 December 2015).

Other Options for Action:

No other options are appropriate in this respect. Failure to monitor and review performance against the key objectives and to consider corrective action where necessary, could have negative implications for the Council's reputation, and might mean that opportunities for improvement were lost. The Council has previously agreed arrangements for the review of progress against the key objectives.

Report:

1. The Corporate Plan 2015-2020 is the Council's highest level strategic document. It sets the strategic direction for the authority for the five year lifetime of the Plan. It focuses on a number of key areas that the Council needs to focus on during that time and helps to prioritize resources to provide quality services and value for money. These key areas are known as the Corporate Aims and are supported by a set of Key Objectives which represent the Council's high-level initiatives and over-arching goals to achieve the Corporate Aims. The Key Objectives are in turn, delivered via an annual Key Action Plan.

2. The Key Action Plan 2015/16 is populated with actions or deliverables designed to secure progress against each of the Key Objectives during 2015/16. During the subsequent years in the lifetime of the Key Objectives, annual action plans will be developed which build on progress achieved during preceding years.

3. The annual action plans are working documents and are therefore subject to change and development to ensure that the actions remain relevant and appropriate, and to identify opportunities to secure further progress or improvement. Since Cabinet agreed the action plan in March 2015, five (5) additional actions have been identified as appropriate to progress the Key Objectives during 2015/16, and these were therefore added to the action plan from quarter 2.

4. Progress against the Key Action Plan is reviewed on a quarterly basis to ensure the timely identification and implementation of appropriate further initiatives or corrective action where necessary. A schedule detailing Quarter 3 progress against the fifty-five (55) individual actions of the 2015/16 Key Action Plan, is attached as Appendix 1 to this report. In reporting progress, the following 'status' indicators have been applied to the individual actions:

- (a) **Achieved** - specific actions have been completed or in-year targets achieved;
- (b) **On-Target** - it is anticipated that specific actions will be completed or in-year targets achieved;
- (c) **Under Control** - specific actions have not been completed or achieved in accordance with in-year targets, although completion/achievement is likely to be secured by revised target date or year-end;
- (d) **Behind Schedule** - specific actions have not been completed or achieved in accordance with quarterly or other in-year targets, and completion/achievement may not be secured by year-end; and
- (e) **Pending** - specific actions were not completed or achieved in accordance with in-year targets.

5. At the end of Quarter 3:

- 49 (89%) of the individual actions have been achieved or are on target to be achieved by the target date or a revised target date by the end of the year;
- 5 (9%) of the individual actions are behind schedule and may not be completed by the end of the year; and
- 1 (2%) of the individual actions are currently on hold as a result of external circumstances.

6. The Cabinet is requested to review progress against the Key Action Plan for 2015/16 at the end of Quarter 3. This report was also considered by the Overview and Scrutiny Committee at its meeting on 23 February 2016.

Resource Implications:

Resource requirements for actions to achieve specific key objectives for 2015/16 will have been identified by the responsible service director and reflected in the budget for the year.

Legal and Governance Implications:

There are no legal or governance implications arising from the recommendations of this report. Relevant implications arising from actions to achieve specific key objectives for 2015/16 will have been identified by the responsible service director.

Safer, Cleaner, Greener Implications:

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the corporate Safer, Cleaner, Greener initiative, or any crime and disorder issues within the district. Relevant implications arising from actions to achieve specific key objectives for 2015/16 will have been identified by the responsible service director.

Consultation Undertaken:

Progress against actions to achieve specific key objectives for 2015/16 as set out in this report, has been submitted by each responsible service director/chief officer direct to the 'Ten' performance management system. Current progress in respect of each of the key objectives for 2015/16 has been reviewed by Management Board (27 January 2016) and the Overview and Scrutiny Committee (23 February 2016).

Background Papers:

Quarter 3 progress submissions for the key objectives for 2015/16 and relevant supporting documentation is held by responsible service directors.

Risk Management:

There are no risk management issues arising from the recommendations of this report. Relevant issues arising from actions to achieve specific key objectives for 2015/16 will have been identified by the responsible service director.

Due Regard Record

SUBJECT: Corporate Plan Key Objectives 2015/16 – Quarter 3

REPORT TO: Cabinet (3 March 2016)

Date/Officer	Summary of equality analysis
<p>3 February 2016</p> <p>B Copson</p>	<p>The Council remains subject to a duty imposed by the Local Government Act 1999, to secure continuous improvement in the way in which its functions and services are exercised. An overriding aim of the key objectives is to improve outcomes and circumstances for all sections of the community.</p> <p>The annual identification of actions to take forward the key objectives provides an opportunity to focus attention on how areas for improvement will be addressed, opportunities exploited and better outcomes delivered over the coming year.</p> <p>There are no equality implications arising from the specific recommendations of this report. Relevant implications arising from individual actions in the 2015/16 Key Action Plan to achieve the key objectives, will be identified by the responsible service director.</p>

(i) (a) Ensure the Medium Term Financial strategy meets the Council's financial requirements

Action	Lead Directorates	Target Date	Status	Progress
1) - Deliver identified savings	Management Board	31-Mar-16	On Target	<p>Q1 (2015/16) Savings are on track at the end of Q1. Quarterly financial reporting of cumulative savings will be presented to Management Board to monitor progress. Most of the savings identified involved restructuring actions that have already been implemented in Q1.</p> <p>Q2 (2015/16) Savings plan remains on track and within budget in Q2.</p> <p>Q3 (2015/16) Savings plan remains on track and within budget in Q3.</p>
2) - Progress savings identified	Management Board	31-Mar-16	On Target	<p>Q1 (2015/16) The 2016/17 budget process will follow a similar cycle to last year. The Director of Resources has already produced a financial issues paper and an outline MTFs to kick the process off. Savings targets will be considered at a Leadership Team meeting in the autumn.</p> <p>Q2 (2015/16) Preparations on track. New Head of Transformation recruited to assist with transformational change.</p> <p>Q3 (2015/16) Scoping paper for Transformation Project approved by Cabinet. Project Initiation Document in preparation and Transformation methodology being discussed. Financial Settlement notified in December and financial issues paper will be discussed with Cabinet in January.</p>
3) - Develop business cases	Management Board	30-Sep-15	Under Control	<p>Q1 (2015/16) Several ideas have come forward and these are now being worked up into business cases.</p> <p>Q2 (2015/16) Business cases for Grass Cutting Equipment, LED Lighting, Rental Loans and Self-Serve Cash Kiosks have been put forward. All will generate operational savings.</p> <p>Q3 (2015/16) Business cases approved and implementation under way.</p>
4) - Commence the budget cycle	Resources	31-Jul-15	Achieved	<p>(Q1 2015/16) A meeting of the Finance Cabinet Committee has been arranged for 20 July and the agenda will include the Financial Issues Paper.</p>



				(Q2 & Q3 2015/16) The Finance Cabinet Committee met as scheduled to commence the budget cycle with the Financial Issues Paper.
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(i) (b) Review and develop the Council's own assets and landholdings for appropriate uses, in order to maximise revenue streams and capital receipts and deliver key projects

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Action	Lead Directorates	Target Date	Status	Progress
1) Complete phase 1 of the Council Housebuildings	Communities	31-Dec-15	Behind Schedule	<p>(Q1 2015/16) The contractor has commenced construction works. However, the development has been delayed, mainly due to the time it took for the contractor to put a performance bond in place. There are also on-going discussions with the contractor about responsibility for some additional costs, all of which are due to be considered by the Council Housebuilding Cabinet Committee on 27th July 2015.</p> <p>(Q2 2015/16) Having regard to legal advice, the Council Housebuilding Cabinet Committee agreed that no additional costs should be paid to the contractor and that, if the works go beyond the date of Practical Completion without good reason, Liquidated and Ascertained Damages (LASDs - allowed for in the contract) should be applied to compensate the Council for the loss of expected rent from the new properties. Progress with the works continues to be slow and behind programme. Practical Completion is in November 2015, when a Certificate of Non-Completion will be issued in accordance with the contract provisions - following which it is considered inevitable that LADs will be applied.</p> <p>(Q3 2015/16) Progress with the works continues to be slow and behind programme. A Certificate of Non-Completion was issued to the Contractor in November 2015, and Liquidated and Ascertained Damages have been deducted from contract payments since that time. A formal claim for an extension of time has been received from the contractor, which is currently being assessed by the Council's Development Agent and their consultants.</p>
2) Complete the major refurbishment	Communities	30-Sep-15	Achieved	<p>(Q1 2015/16) The refurbishment/conversion scheme is due for completion in October 2015</p> <p>(Q2 2015/16) The works have been completed.</p>

scheme at Marden Close					
3) Secure planning permission and commence Phase 2 of the Council Housebuilding Programme	Communities	31-Aug-15		Under Control	<p>(Q1 2015/16) Following refusal by the Area Plans Sub-Committee of planning permission to provide 52 new affordable homes, a revised planning application for 51 new affordable homes has been submitted and is awaiting determination by the District Development Management Committee.</p> <p>(Q2 2015/16) Full Council granted planning permission in September 2015. Tenders have been invited and tender returns are awaited.</p> <p>(Q3 2015/16) Tenders are due to be considered at the Council Housebuilding Cabinet Committee on 19th January 2016, with a view to works commencing end February / beginning of March 2016.</p>
4) Negotiate and complete the St John's redevelopment Scheme at Epping	Neighbourhoods	30-Sep-15		Behind Schedule	<p>(Q1 2015/16) The Diocese has agreed to relax the Covenant on Lindsay House and the terms of disposal to Essex County Council have been agreed. The legal documentation regarding the purchase and subsequent sale of the St John's Road Site to 'Frontier Developments', is largely complete. Awaiting final agreement by the County Council's Cabinet in early September 2015. Legal advice has been sought regarding State Aid. A potential alternative site for a new Housing Repairs Centre, to which the facilities at the Epping Depot at the St Johns Rd site (together with the Housing Assets staff currently based at the Civic Offices, Epping) could relocate is under consideration.</p> <p>(Q2 2015/16) A clarification was sought by the Secretary of State which has delayed the receipt of State Aid approval. An update on the project was given to the Asset Management Cabinet Committee in October. The outstanding issue in relation to the purchase of Essex County Council's interest is in relation to an overage agreement protecting the County, in the event that a higher volume scheme is developed. The District Council are seeking to implement steps to ensure any scheme is mixed-use and in accordance with the agreed Design and Development Brief. A report on the potential relocation of the Housing Repairs Service to a site in North Weald, is due to be considered by the Cabinet in November 2015.</p> <p>(Q3 2015/16) Secretary of State Approval of State Aid Application was received in November. Negotiation still yet to conclude with respect to the overage agreement required by Essex County Council to protect their interests in the event that a higher value scheme is ultimately developed and/or the developer stands to make excess profit.</p>

<p>5) Work in partnership with Moat Housing to commence the development of the Council garage site</p>	<p>Communities</p>	<p>31-Mar-16</p>		<p>Behind Schedule</p>	<p>(Q1 2015/16) The Director of Communities is working with Moat Housing on the arrangements for the proposed development, including the design (on which ward members will be consulted). EFDC's Legal Services are also close to completing the first draft of the required lease.</p> <p>(Q2 2015/16) Following the announcement as part of the Chancellor's Summer Budget (now included within the Welfare Reform and Work Bill) that all social landlords must reduce their rents by 1% per annum for the next 4 years, Moat has had to revise its financial appraisal for the development. This has resulted in a position where the Council was due to receive a capital receipt of £425,000 transferring the land to Moat for the development, to Moat now being unable to provide a capital receipt if all the properties continue to be provided at affordable rents as originally proposed. Officers are currently considering the implications of this; one option is that the Council considers undertaking the development itself. In the meantime, progress with the development has been delayed.</p> <p>(Q3 2015/16) It is intended to submit a report to the Asset Management and Economic Development Cabinet Committee on a proposal to add the site to the Council Housebuilding Cabinet Committee, once discussions with the developer on parking arrangements for the private development on the site of the former Sir Winston Churchill PH have been considered.</p>
<p>6) Seek to vacate the Council's Hemnall Street Offices, Epping in order to redevelop/let the premises.</p>	<p>Management Board Communities</p>	<p>31-Mar-16</p>		<p>Under Control</p>	<p>(Q1 2015/16) Awaiting space to become available at both the Civic Offices, Epping and the Epping Forest Museum, Waltham Abbey (when the extension/refurbishment is completed in Jan/Feb 2016)</p> <p>(Q2 2015/16) It is planned that a report will be presented to the Cabinet in November 2015, proposing a Council-owned site where a new Repairs and Maintenance Hub could be constructed - to which both the Housing Repairs Service (currently based at the Epping Depot) and the Housing Assets Team (currently based at the Civic Offices, Epping) could be co-located. Not only would this achieve a number of operational objectives, it would also enable the Epping Depot to be vacated (allowing the redevelopment of the St. Johns area of Epping to proceed) and office accommodation on the ground floor of the Civic Offices to be freed-up (in accordance with the Council's planned Accommodation Strategy).</p> <p>(Q3 2015/16) At its meeting in December 2015, Cabinet agreed in principle to build a new Repairs and Maintenance Hub, to which the Housing Assets Team based at the Civic Offices</p>

				will relocate, and the design is being progressed by the Council's consultants. In the meantime, Community Arts staff based at Hemnall Street have relocated to the expanded and refurbished Epping Forest Museum, freeing-up some office space at Hemnall Street.
7) Review all licence arrangements at North Weald Airfield	Neighbourhoods	30-Apr-15	Under Control	<p>(Q1 2015/16) As a result of the marketing exercise undertaken by Savills, three expressions of interest have been obtained from potential Development Partners to increase aviation activity and revenue. Interviews are being held in late August, with the intention of reporting to the Asset Management Cabinet Committee in October 2015.</p> <p>(Q2 2015/16) The Asset Management Cabinet Committee received a presentation from the Council's consultants, Savills, on the three proposals received as a result of the soft marketing exercise undertaken to identify a potential aviation partner. From the presentation, a clearer indication was received from Members on the key considerations that they would like taken on board in any further procurement exercise. This will be reported to a future Cabinet.</p> <p>(Q3 2015/16) As the soft market testing did not constitute a formal procurement process, a concessionary contract in accordance with OJEU is to be tendered to the wider aviation market. Advertising due to take place in March 2016.</p>
7) (a) Appoint an experienced development partner	Neighbourhoods	31-Oct-15	Under Control	<p>New action from Q2:</p> <p>(Q2 2015/16) Following the presentation of the three proposals received as a result of the soft market testing exercise to the Asset Management Committee in October, a further report will be made to Cabinet in January 2016, recommending next steps to undertake a more formal procurement exercise.</p> <p>(Q3 2015/16) As above in 7).</p>
8) Progress the Epping Forest Shopping Park Scheme	Neighbourhoods	31-Mar-16	Under Control	<p>(Q1 2015/16) The Council has acquired the interest of its previous Development Partner 'Polofind Ltd'. Project Team now working directly to EFDC. Main contract being let in accordance with OEJU Regulations. Highways Contract due to be tendered by end of August 2015 with practical construction work due to commence February 2016. Anchor Tenants largely secured. Still aspiration to open for the Christmas Trading Period in 2016.</p>

				<p>(Q2 2015/16) The contract for the S278 Highways Works is due to be let at the end of October 2015, with the main construction contract under OJEU procurement regulations following shortly afterwards. A special Cabinet is to be held on the 11 January 2016 to appoint the successful tenderer for the main construction contract. It is hoped to have pre-let contracts in place with anchor retail tenants by the end of the year, in advance of the construction contract being awarded.</p> <p>(Q3 2015/16) The Contract for the S278 Highways Work will be considered by Cabinet in January 2016. Unfortunately no tenders were received for the construction of the main retail park. It is intended to re-advertise under the "restricted" OJEU process in January 2016. Progress continues to be made in securing anchor tenants. The timescale for the Shopping Park opening will need to be revised due to the delays, now likely to be Easter 2017.</p>
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(i) (c) Achieve savings and increase income through potential shared services with other organisations

Action	Lead Directorates	Target Date	Status	Progress
1) Work with 5 neighbouring councils to renew the contract and service arrangements for the Shared Housing Register Management Service	Communities	31-Jan-16	Achieved	<p>(Q1 2015/16) Following a detailed EU Competitive Dialogue process, the Herts & Essex Housing Options Consortium (HEHOC) has selected the existing provider, LHS, on the basis of price and quality, to provide the service under a new contract. The Housing Portfolio Holder has formally agreed to award the Council's contract to LHS and the legal contract documentation is currently being prepared for signature.</p> <p>(Q2 2015/16) Procurement and legal work continues to finalise the arrangements, in accordance with the original timetable.</p> <p>(Q3 2015/16) The new contract with LHS has been completed under seal, with effect from 4th January 2016.</p>
2) Approach neighbouring authorities to carry	Governance	31-Jan-16	On Target	<p>(Q1 2015/16) Continue to partner with architects in respect plan checking work taking place in other authorities and we are adding partners to our list which is bringing in more work and income. Weston Homes continue to be our biggest partner.</p>

<p>out checking and vetting of Building Control plans through partnership working.</p>					<p>(Q2 2015/16) This process is continuing and the list has been added to during the second quarter. Building Control income is on an upward trend.</p> <p>(Q3 2015/16) We continue to add to the list and income continues to remain above increased budget target.</p>
<p>3) Review the shared opportunities with the Public Law Partnership</p>	<p>Governance</p>	<p>31-Mar-16</p>		<p>On Target</p>	<p>(Q1 2015/16) Ongoing – staff attend quarterly meetings with the PLP and special interest groups. Use of shared library and reduced costs for training are explored and utilised.. Monitoring Officer investigations are both conducted by EFDC or on our behalf through the PLP.</p> <p>(Q2 2015/16) We continue to respond to requests from other Councils. A review of partnerships is underway by Internal Audit and the Legal section is participating with this in connection with the PLP in particular.</p> <p>(Q3 2015/16) We continue to benefit from online libraries and precedents. Audit completed and awarded Substantial Assurance.</p>
<p>4) Explore the possibility of sharing an integrated HR/Payroll IT system with other authorities.</p>	<p>Resources</p>	<p>30-Sep-15</p>		<p>Behind Schedule</p>	<p>(Q1 2015/16) Work is progressing with Braintree and Colchester and a common specification has been agreed for a new system.</p> <p>(Q2 2015/16) Procurement has been delayed by legal issues at one of the partner authorities. We are working to resolve these issues and still hope to proceed with a joint procurement.</p> <p>(Q3 2015/16) The first set of tenders was not acceptable so it has been necessary to re-tender the joint procurement.</p>
<p>5) Explore providing payroll services to other authorities.</p>	<p>Resources</p>	<p>31-Mar-16</p>		<p>Under Control</p>	<p>(Q1 2015/16) This was intended to follow on from the implementation of the new system. However, one authority in Essex is having difficulties and initial discussions have been held with them to provide support.</p> <p>(Q2 & Q3 2015/16) The other authority mentioned at Q1 decided to pursue other options. We will respond positively to any approaches but will not actively seek opportunities until the</p>

					new system has been implemented.
6) Explore providing an audio typing service to other authorities.	Resources	31-Mar-16		Under Control	(Q1 2015/16) An approach had been received from Harlow but it was not possible to reach any agreement. Opportunities will now be explored with other authorities. (Q2 & Q3 2015/16) No fresh opportunities have arisen.
7) Identify additional Council services that may benefit from a shared provision with other organisations (either provided by the Council or others)	Management Board	31-Mar-16		On Target	(Q1 2015/16) Not due yet - some early conversations about potential opportunities identified have taken place. (Q2 2015/16) Not due yet - some early conversations about potential opportunities identified have taken place. (Q3 2015/16) Director of Governance has made some good progress in joint audit services with Harlow and Broxbourne. Meeting scheduled with Brentwood in January 2016 to consider potential opportunities.
7) (a) Undertake a review of NEPP Off Street Parking arrangements	Management Board	31-Mar-16		On Target	New action from Q2: (Q2 2015/16) The Council has commissioned a review of off street parking which will be reported to Cabinet in December 2015. (Q3 2015/16) The results of the review of off street parking recommended that the Council would achieve better value for money if it was to withdraw from NEPP and seek an alternative provider. Cabinet to formally consider on the 11 January 2016.

(ii) (a) Produce a Local Plan that meets the needs of the communities whilst minimising the impact on the District's Green Belt

Action	Lead Directorates	Target Date	Status	Progress
1) Update the Council's Housing Strategy, following production of the Preferred Options for the Local Plan.	Communities	31-Dec-15	Pending	(Q1 2015/16) Awaiting production of the Local Plan Preferred Options. (Q2 2015/16) As Q1. (Q3 2015/16) As Q2. In the meantime, a new Housing Strategy Key Action Plan has been approved for the forthcoming year (2016).
2) Complete the gathering of information to form the evidence on which key decisions will be taken as part of the Local Plan.	Neighbourhoods	30-Apr-15	Behind Schedule	(Q1 2015/16) Local Development Scheme agreed by Cabinet in June. Preferred Options targeted for Autumn 2016. Cabinet to consider Green Belt Review Stage 1 in September 2015 with Stage 2 to be completed by the end of the year. (Q2 2015/16) Green Belt Review Stage 1 considered by Cabinet in September 2015. Consultants have been engaged to undertake Stage II which is targeted to be completed by the end of the year. (Q3 2015/16) Green Belt Review Stage 1 is now complete. Work has commenced on Stage 2 due to complete March 2016. Urban capacity study commissioned and scheduled to present outcomes to Members in February 2016.
3) Agree on objectively assessed Housing and Employment Need for the Local Plan Period.	Neighbourhoods	30-Apr-15	Under Control	(Q1 2015/16) The Strategic Housing Market Area Assessment is due to be considered by the Duty to Co-operate Board on the 22 September 2015. A series of workshops are planned before the Council seeks to formally submit the Objectively Assessed Housing and Employment Need conclusions, into the Local Plan Evidence Base, at its Cabinet Meeting in October 2015. (Q2 2015/16) The Cabinet has accepted the Strategic Housing Market Area Assessment into the evidence base for the Local Plan. This study identified an Objectively Assessed Housing Need of 11,300 for the plan period. Work is ongoing with partner authorities, under the duty to co-operate, to work towards the housing target. A series of Member Workshops are being held in the Autumn on various policy considerations.

					Q3 (2015/16) Member Workshops have been successfully run and well attended by both District and Town/Parish Members. Duty to Co-operate Board and Officer Working Group continuing to work effectively.
4) Agree a Draft Local Plan and undertake the appropriate sustainability appraisal.	Neighbourhoods	30-Jun-15		Under Control	(Q1 2015/16) The sustainability appraisal work has commenced and due to completion in the early Autumn. Cabinet has agreed to the initial CIL Assessment. (Q2 2015/16) Sustainability appraisal work has now been completed. Work on CIL is ongoing. (Q3 2015/16) As per Q1 and Q2.
4) (a) Undertake Phase 1 of a comprehensive Green Belt Review	Neighbourhoods	31-Jul-15		Achieved	New action from Q2: (Q2 2015/16) Phase 1 of the Green Belt Review was reported to the Cabinet in September 2015. Consultation commissioned for Phase II to be completed in January 2016. (Q3 2015/16) Sustainability appraisal work completed and demonstrated the potential for CIL. CIL levels yet to be determined.
5) Undertake the Preferred Options Consultations.	Neighbourhoods	30-Sep-15		Under Control	(Q1 2015/16) Preferred Options Consultation was according to the current LDS programmed to take place in July to September 2016. Extended consultation on the 1st Phase of the Green Belt Review is likely delay this phase of the Local Plan. Preferred Options Consultation now likely to start 10 weeks of consultation in early September 2016. (Q2 2015/16) As per Q1. (Q3 2015/16) As per Q1 & Q2.
6) Submit the Final Local Plan to the Planning Inspectorate for Examination.	Neighbourhoods	30-Nov-15		Under Control	(Q1 2015/16) Final Plan to be submitted to Planning Inspectorate in October 2017 with a potential Examination in Public in early 2018, dependent on Planning Inspector availability, with adoption in September 2018 if found sound. (Q2 2015/16) As per Q1.

				(Q3 2015/16) As per Q1 and Q2.
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(ii) (b) Increase opportunities for sustainable economic development within the District in order to increase local employment opportunities for residents

Action	Lead Directorates	Target Date	Status	Progress
1) Consider the practicalities of revising procurement arrangements to encourage/require contractors to employ local residents for Council contracts.	Resources	31-Dec-15	Under Control	<p>(Q1 2015/16) An updated Procurement Strategy was approved by the Finance Cabinet on 19 March 2015. Revisions to procurement arrangements will be considered when implementing the strategy.</p> <p>(Q2 2015/16) A working party is undertaking a significant updating of Contract Standing Orders. Currently the requirements relating to local businesses are contained in CSO 1.</p> <p>(Q3 2015/16) Revised procurement rules are scheduled to go to the Constitution Working Party in late January.</p>
2) Incorporate the findings of the Economic Development Study into the Local Plan Evidence base with a view to determining future Employment Need.	Neighbourhoods	30-Apr-15	Achieved	<p>(Q1 2015/16) The future employment needs of the District have been assessed as part of the work undertaken to develop the Strategic Housing Market Area Assessment which also addresses employment. Due to be considered by Cabinet in October 2015.</p> <p>(Q2 2015/16) Cabinet adopted the employment needs of the District as part of the SHMAA report considered in October 2015.</p> <p>(Q3 2015/16) As per Q2.</p>
3) After consultation on Preferred Options to allocate Employment land	Neighbourhoods	30-Nov-15	Under Control	<p>(Q1 2015/16) Employment policies and site allocations will be made after consideration as part of the Preferred Options exercise. Scheduled for Autumn 2016. Council to consider Publication Plan in March 2017.</p> <p>(Q2 2015/16) As per Q1.</p>

within the Council's Local Plan.					(Q3 2015/16) As per Q1 and Q2.
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	31-May-15		Under Control	<p>(Q1 2015/16) Work is ongoing with respect to the development of the Economic Development Plan. A key decision which will be central to the plan, is the employment requirements identified through the SHMA. The Plan is now anticipated in December 2015.</p> <p>(Q2 2015/16) The employment needs have now been identified, with the Economic Development Plan now anticipated in January 2016.</p> <p>(Q3 2015/16) Economic Development Plan due for completion in March 2016.</p>
5) Continue to support the work of Local Business Partnerships to support the local economy and generate additional local employment opportunities.	Neighbourhoods	(not specified)		Under Control	<p>(Q1 2015/16) Work is ongoing to support Local Business Partnerships through attendance at Town Centre Partnerships, the publication of Business Briefings and organisation of networking events. The work in relation to Superfast Broadband will be of significant benefit to businesses in rural areas.</p> <p>(Q2 2015/16) The Rural Challenge Broadband Scheme has been awarded to Gigaclear whose roll out is due to commence at the beginning of November 2015. This will provide a significant improvement to broadband speed for rural businesses as well as residents.</p> <p>(Q3 2015/16) Work continues with partners to promote economic development in the District. Initial meeting of local Economic Development Board held.</p>
5) (a) To be proactively involved in the delivery of the Essex Superfast Broadband Project	Neighbourhoods	31-Mar-16		On Target	<p>New action from Q2:</p> <p>(Q2 2015/16) Essex Rural Broadband Project is rolling out in November 2015.</p> <p>(Q3 2015/16) First customers for the Gigaclear Rural Challenge rollout are anticipated to be connected to Superfast Broadband by Christmas 2015.</p>

6 Continue with the Council's apprenticeship scheme for the district's young people, providing sustainable employment opportunities.	Resources	30-Sep-15		Achieved	<p>(Q1 2015/16) A new cohort will be recruited during 2015. The council is in discussion with partners to see if it is possible to expand the apprenticeship scheme.</p> <p>(Q2 & Q3 2015/16) A new cohort has now been recruited, with two of the posts being part funded from the Community Fund established by our partnered housing associations.</p>
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(ii) (c) Deliver the Leisure and Cultural Strategy to maximise participation and value for money in the provision of Leisure and Cultural services

Action	Lead Directorates	Target Date		Status	Progress
1) Complete the extension and major refurbishment of the Epping Forest District Museum, Waltham Abbey and open to the public.	Communities	31-Dec-15		Under Control	<p>(Q1 2015/16) Good progress continues to be made, with an estimated completion date for works in October 2015, to be followed by the 3/4 month fit-out period prior to opening in Jan/Feb 2016.</p> <p>(Q2 2015/16) Good progress continues to be made and officers continue to be impressed with the contractor and architects, as well as the quality of the works. However, due to delays with the installation of the new lift and other unforeseen complications, the contract completion date is now 23.12.15. The Public Opening is now planned for March 2016. Most of the associated costs of the delay can be covered by the contract contingencies, but the associated increase in fees is likely to result in a small overspend on the final out-turn.</p> <p>(Q3 2015/16) Practical Completion was achieved on 22nd December 2015. Snagging works are currently being undertaken. Fitting-out has now commenced and the Museum staff are now in the process of transferring exhibits back to the Museum. The Public Opening is scheduled for 19th March 2016, with a Key Stakeholders Event planned for 17th March 2016.</p>
2) Work in partnership with Waltham Abbey	Communities Neighbourhoods	31-Mar-16		On Target	(Q1 2015/16) Initial discussions continue to be held at officer level between EFDC, WATC, Essex CC and NHS England on potential community/leisure development opportunities for the locality around Hillhouse. Initial costings have been produced by Essex CC's consultants

Town Council to investigate the feasibility of developing a new leisure/community hub at Hillhouse, Waltham Abbey.				<p>(funded by Essex CC) to inform the discussions. The intention is to come forward with a report to Cabinet in the Autumn proposing, and seeking funding for, the joint appointment of consultants to formulate a Masterplan, on which local residents can be consulted, prior to consideration/adoption by the Cabinet.</p> <p>(Q2 2015/16) Good progress continues to be made by EFDC, Essex CC and NHS England on the initial plans for the provision of a proposed leisure/community hub for the area. Essex CC has agreed to fund the appointment of Masterplanning Consultants to formulate a Draft Masterplan for the area on what could be provided, on which a public consultation exercise would be undertaken. Fee submissions from suitably-experienced consultants are currently awaited. A report will be brought forward to Cabinet on the proposals in due course, prior to the proposed Public Consultation Exercise.</p> <p>(Q3 2015/16) JTP Consultants have been appointed to undertake the Masterplanning Exercise, and the required sub-consultants are in the process of being sourced and appointed. Cabinet has agreed that EFDC's contribution for the exercise should be funded from the Local Plan Budget. The Project Group has agreed that a Community Consultation Event should be held as part of the development of the Master Plan.</p>
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	30-Apr-15	Achieved	<p>(Q1 2015/16) RTP Consultants appointed. Officer Working Groups and Portfolio Holder Advisory Group established. Work is advanced on Initial Business Case to be considered by Portfolio Holder Advisory Group in September and Cabinet in October. The report to Cabinet will be recommending the Contract Strategy to include Contract length, packaging and options for refurbishment and/or new build.</p> <p>(Q2 2015/16) The Cabinet formally accepted the Business Case and Procurement Strategy for the new Leisure Management Contract at their October meeting. The OJEU advert is due to be placed in the last week of October. VEET notice has been issued clarifying the intention to extend the current contract by up to 1 year. Contract Documents being prepared to include the Descriptive Document and Draft Contract for bidders' interested in responding to the pre-qualification questionnaire and engaging with the competitive dialogue process.</p>
3) (a) Business case for procurement and contract packaging	Neighbourhoods	30-Sep-15	Achieved	<p>New action from Q2:</p> <p>(Q2 2015/16) Business Case and Procurement Strategy agreed by Cabinet on the 8 October 2015.</p>

options for the new leisure Management Contract				
4) In accordance with the recommendations of the Leisure and Culture Strategy, jointly pursue the provision of a new Secondary School on the Ongar Campus site	Neighbourhoods	31-May-15	Under Control	<p>(Q1 2015/16) Since formal adoption by Full Council in December 2014, work is ongoing to deliver the key objectives of the Strategy through the Leisure Management Procurement process and Neighbourhood and Communities Business Plans.</p> <p>(Q2 2015/16) The new Ongar Academy successfully opened for the first intake of pupils in September. Currently operating out of temporary accommodation leased to the Academy at the rear of the Leisure Centre. Pre-application discussions have commenced on the new permanent school.</p> <p>(Q3 2015/16) Pre-application discussions on-going. Full Planning Application for new school anticipated in Spring 2016.</p>
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	31-Mar-16	On Target	<p>(Q1 2015/16) As per ii) (c) 2).</p> <p>(Q2 2015/16) Principle of re-provision on the Hillhouse site endorsed by Members as part of the agreement of the Leisure Management Business Case and Procurement Strategy.</p> <p>(Q3 2015/16) Five contractors have been invited post PQQ to submit proposals for the first stage of competitive dialogue for the new Leisure Management Contract. The ability of contractors to design, build and manage any new Leisure Centre at Hillhouse will be evaluated.</p>

(iii) (a) Making the Council easy to contact in the way our customers want to contact us and where possible meeting their needs on first contact

Action	Lead Directorates	Target Date	Status	Progress
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	30-Jun-15	Achieved	<p>(Q1 2015/16) Cabinet has approved the appointment of an additional part-time member of staff, funded by the HRA for an initial 2-year pilot period - and recruitment is underway. Once appointed, the opening hours of the Council Office at the Limes Centre will be increased into weekday afternoons.</p> <p>(Q2 2015/16) There was a very poor response to the recruitment exercise for the additional part-time member of staff (mainly, it is thought, due to the temporary nature of the post during the Pilot period), resulting in the Housing Service being unable to make an appointment. In the meantime, discussions continue on the best way of increasing the range of Council and non-Council services that can be provided from the Council Office.</p> <p>(Q3 2015/16) The Office Opening Hours were extended into weekday afternoons from 4th January 2016.</p>
2) Introduce web-based and smartphone applications to enable Council tenants to report repairs on-line.	Communities	31-May-15	Under Control	<p>(Q1 2015/16) A new smartphone App has been produced and is now available for Council tenants to use to easily report repairs, using a "diagnostic tool" - as part of the Communities Directorate's approach to encourage channel shift. This was also identified and agreed as one of the "Key Deliverables" for the Repairs Management Contract with Mears. Work is also progressing on the development of a similar web-based facility for tenants to report repairs as well.</p> <p>(Q2 2015/16) As Q1.</p> <p>(Q3 2015/16) As Q2.</p>
3) Establish a multi-disciplinary officer group to undertake	Management Board	31-Mar-16	On Target	<p>(Q1 2015/16) The scope of the project has been agreed by Management Board and the multi-disciplinary officer group will hold its initial meeting in September.</p>

a review and report on proposals for improving customer contact with the Council.					<p>(Q2 2015/16) The review is progressing and updates have been provided to Management Board and to Joint Cabinet / Management Board. The Leadership Team has been consulted and an update provided to employees at an All Staff Briefing.</p> <p>(Q3 2015/16) A report will be considered at Joint Cabinet / Management Board on 27 January 2016.</p>
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(iii) (b) Use technology to make the Council work more effectively and provide enhanced services to the customers and make services and information more accessible

Action	Lead Directorates	Target Date		Status	Progress
1) Introduce more flexible methods for customers to pay for Council services.	Resources	31-Dec-15		Under Control	<p>(Q1 2015/16) This work is ongoing and the most recent example is the support given to the Neighbourhoods Directorate to facilitate the payment of parking charges by debit and credit cards.</p> <p>(Q2 & Q3 2015/16) The work in this area continues and will be combined with the work streams on customer contact and transformation.</p>
2) Introduce an on-line facility for customers to easily view and research objects held by the Epping Forest District Museum.	Communities	31-Mar-16		On Target	<p>(Q1 2015/16) Work is progressing well.</p> <p>(Q2 2015/16) The focus of the Museum Heritage and Culture Team is on fitting-out and preparing the Epping Forest Museum for public opening in March 2016. However, in the background, work continues to progress on the plans to introduce an on-line facility.</p> <p>(Q3 2015/16) As Q2.</p>
3) Scan old Development Control & Building Control files and	Governance	31-Mar-16		On Target	<p>(Q1 2015/16) Microfiche scanning project using supervised apprentice staff is well underway. Historic planning application information continues to be scanned so that more information is available to the public and businesses on the Website. Selected Building Control documents are being scanned to enable remote working. In both cases, quality checking is taking place</p>

microfiche and increase the number of planning records available on the Council's website.					<p>before secure destruction of hard documents.</p> <p>(Q2 2015/16) Scanning is continuing and checks are being made to ensure quality is maintained. However this is a considerable task and is essential to support flexible working.</p> <p>(Q3 2015/16) Scanning continues. The team has been resourced to continue the work which includes supporting the trial of remote working using appropriate portable devices. Monthly meetings scheduled between relevant Portfolio Holders and Governance and ICT officers.</p>
4) Investigate and, if possible, implement the returns of Local Land Charges Searches by email.	Governance	31-Mar-16		On Target	<p>(Q1 2015/16) Electronic solutions to viewing LLC Register on public access computers, emailing searches to solicitors and receiving email searches with card payments are largely dependent on ICT input – although this is ongoing and LLC are liaising with ICT, this is progressing slowly and proving difficult to solve.</p> <p>(Q2 2015/16) Discussion with the respective Portfolio Holders has taken place with a view to resolving this outstanding issue.</p> <p>(Q3 2015/16) A meeting involving Northgate and EFDC ICT staff has taken place and they are working together to resolve issues. Monthly meetings scheduled between relevant Portfolio Holders and Governance and ICT officers.</p>
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	30-Apr-16		Achieved	<p>(Q1 2015/16) Funding of £40,000 has been secured to progress electronic records within Legal Services. Liaising with ICT, Information@Work Aspect has been identified as a possible solution for electronic records management – a scanning machine has been obtained and dedicated staff employed from 10 August 2015 to start scanning Legal Records beginning with the Contracts Register.</p> <p>(Q2 2015/16) The dedicated staff resource has started this process and considerable progress has been made.</p> <p>(Q3 2015/16) The more recent contracts have now been scanned and contracts will continue to be scanned as they come in.</p>
6) Identify, during audits, any manual documentation or process that can be	Governance	31-Mar-16		On Target	<p>(Q1 2015/16) Internal Audit continues to identify efficiencies during their audit work. Recently Internal Audit has been working with IT on a new gifts and hospitality form, and looking at the sickness absence form as part of the Personal Data Working Group.</p>

<p>improved by conversion to electronic form.</p>					<p>(Q2 2015/16) Amendments have been made to electronic documentation relating to sickness absence and the Monthly Certificate of Service. The Personal Data Working Group continue to explore EFDC wide resolutions using electronic processes.</p> <p>(Q3 2015/16) Ongoing. Continuing to advise officers on project and working party groups as to good practice.</p>
<p>7) Continue the implementation of the Council's ICT Strategy, with the completion of key projects</p>	<p>Resources</p>	<p>31-Mar-16</p>		<p>On Target</p>	<p>(Q1 2015/16) The implementation of the ICT Strategy is continuing. Many different options have been evaluated for mobile working and solutions are in place in several areas of the Council.</p> <p>(Q2 2015/16) Work continues on the various projects within the overall strategy. An update report and request for capital funding in 2016/17 has been drafted for Cabinet in October.</p> <p>(Q3 2015/16) In October Cabinet noted the update on key projects and approved the proposed bid for funding for 2016/17 to facilitate the implementation of the ICT Strategy.</p>
<p>8) Complete a review of accommodation and make recommendations on utilisation of space and flexible methods of working.</p>	<p>Management Board</p>	<p>30-Sep-15</p>		<p>Under Control</p>	<p>(Q1 2015/16) Visit to Leadership Team by Colchester's Director of Operations to explain how flexible working has progressed there. Subsequent workshop with leadership team to identify how each directorate at Epping might approach this. Job description for transformation director role drafted and recruitment process started.</p> <p>Q2 (2015/16) Head of Transformation recruited. David Bailey will join the Council in November. Customer contact project has commenced to review contact centres and recommend the best methods of engaging / transacting with our customers.</p> <p>Q3 (2015/16) Head of Transformation in place and conducting research around potential workstreams and projects. Project Initiation Document discussed at Management Board. Cabinet decision to agree scope of Transformation Project. Customer Contact project has progressed well. Report anticipated, expected in Q4.</p>

(iii) (c) Understanding the effects of an ageing population within the district and working with partners to provide for these needs

Action	Lead Directorate	Target Date	Status	Progress
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	31-Mar-16	On Target	<p>(Q1 2015/16) The final scope of the study, which will be led by the Asst. Director (Community Services and Safety) has almost been finalised. A multi-directorate officer project team has been formed to oversee and progress the project, which has already met a few times. The Council's National Graduate Trainee will be seconded to work on the project, under the supervision of the Lead AD, for 6 months from September 2015.</p> <p>(Q2 2015/16) The Council's National Graduate Trainee has just been seconded to the Communities Directorate (from October 2015), under the supervision of the Asst. Director (Community Services and Safety) and is undertaking preparatory work and interviews for the project.</p> <p>(Q3 2015/16) The project is nearing completion, and has included research, resident consultation and officer consultation across the Council's Directorates. It is envisaged that the outcome of the study will be reported to members during Q4.</p>
2) Review the provision and delivery of community and cultural services to older people	Communities	31-Mar-16	On Target	<p>(Q1 2015/16) This is being reviewed as part of the wider Ageing Population Project, with the current provision and delivery under initial review.</p> <p>(Q2 2015/16) As Q1.</p> <p>(Q3 2015/16) As Q2.</p>
3) Undertake a review of the Council's sheltered and designated accommodation for older people	Communities	31-Mar-16	On Target	<p>(Q1 2015/16) Two separate workstreams have been identified and established, each being managed through officer project teams. Workstream 1 is considering the streamlining and modernisation of the Scheme Management Service and is being led by the Asst. Director (Housing Operations) - with a view to an outcome report being considered in detail by the Housing Select Committee in November 2015, with resultant recommendations being made to Cabinet. Workstream 2 is considering the longer-term rationalisation and improvement of existing sheltered/grouped housing scheme sites and is being led by the Director of Communities - with a view to a proposed strategy being produced and presented to the</p>

				<p>Housing Select Committee in 2016 for initial consideration.</p> <p>(Q2 2015/16) WORKSTREAM 1 - In view of the lack of demand from older people, and the continuing high need/demand for general needs accommodation, it is planned to report to the Housing Portfolio Holder in October 2015 on a proposal to "de-designate" all remaining flats on housing estates that are currently designated for occupation by older people and for future vacancies in such properties to be let to general needs housing applicants. The wider options and proposals for streamlining and modernisation the Scheme Management Service is taking longer to plan. It is currently planned to report to a meeting of the Housing Select Committee on the issues, options and plans in the early part of 2016. WORKSTREAM 2 - The Officer Project Team has met on a number of occasions. A formal assessment of demand/'lettability' of each sheltered housing scheme, based on data and experience, is currently being undertaken. The need for options appraisals for each sheltered housing scheme has been identified, with a number of factors also identified to be taken into account when considering the future of each of each site. The current thinking of the Project Team is to develop a strategy with two key phases: Phase 1 – comprising detailed consideration for the potential redevelopment of identified sites (likely to be 2 or 3 sites); Phase 2 – Keeping under periodic review the 'lettability' and demand for other identified schemes, compared to the demand for general needs housing in those areas. The Project Team is also formulating an "EFDC Sheltered Housing Accommodation Standard" for all the sheltered housing schemes that would be retained under the eventual strategy.</p> <p>(Q3 2015/16) In October 2015, the Housing Portfolio Holder agreed to "de-designate" all remaining flats on housing estates that are currently designated for occupation by older people and for future vacancies in such properties to be let to general needs housing applicants. The wider options and proposals for streamlining and modernising the Scheme Management Service are under consideration, but it has been identified that the project is more complex than originally anticipated. The Officer Project Team for Workstream 2 has continued to meet and the direction of the Project is the same as reported at Q2. A formal assessment of demand/'lettability' of each sheltered housing scheme has now been completed and an "EFDC Sheltered Housing Accommodation Standard" for all the sheltered housing schemes has now been formulated.</p>
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Report to the Cabinet

Report reference: C-076-2015/16

Date of meeting: 3 March 2016



**Epping Forest
District Council**

Portfolio: Safer, Greener and Transport

Subject: Invest to Save Funding Bid - Provision of the Off Street Parking Arrangements in the District

Responsible Officer: Qasim (kim) Durrani (01992 564055).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) To consider the attached Invest to Save Funding bid for the costs associated with the procurement process for the management of the Council off street car parks; and**
- (2) That a further report be brought to Cabinet setting out the Procurement Strategy, potential savings and set up costs and timeline for the delivery of off street parking operations outside of NEPP.**

Executive Summary:

Cabinet approved to give the notice to withdraw from the off street element of the North Essex Parking Partnership (NEPP) at its meeting on 11 January 2016. This notice has to be served by 31 March 2016 and will allow the Council to operate the off street car parking operation from 1 April 2017.

When making this decision Cabinet considered the scoping report by Road Traffic Act Associates (RTAA) which concluded that there are clear financial advantages for the Council to extract from the off street parking element of NEPP.

Cabinet also recognised that the Council does not have 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. It also agreed to set aside Contract Standing Orders to enable the appointment of RTAA to assist the Council with the procurement process.

This report seeks funding for the appointment of RTAA from the Invest to Save budget.

Reasons for Proposed Decision:

To ensure the Council has expert professional advice when it procures a service provider for the off street car parking enforcement, cash collection and administration services.

Other Options for Action:

To not seek external expert advice would mean that the Council will not be able to prepare a

modern and fit for purpose technical tender specification.

Report:

1. The off street operation consist of: enforcement in the 18 Council car parks, receipt of electronic payments, cash collection from the 41 pay and display machines including counting and banking, administration of appeals and challenges to Penalty Charge Notice (PCNs) and first line maintenance of pay and display machines.

2. RTA Associates have been commissioned to carry out a scoping study to assess alternative options for delivery of off street operations. Their findings were very clear that there are distinct financial advantages for the Council to provide the off street parking outside of NEPP.

3. RTAA carried out soft market testing and used their industry contacts to arrive at the likely cost estimates. Although the costs cannot be confirmed until a formal procurement exercise has been carried out the range of savings are from £30,000 for an in-house operation to £100,000 for a fully outsourced operation.

4. The procurement of services for the enforcement, cash collection and administration of challenges is a complex one and will be carried out over a number of months. The Council does not have the relevant professional expertise to prepare technical specifications for an outsourced operation. Cabinet has previously agreed that an Invest to Save bid will be considered for the appointment of suitable consultancy to assist with the procurement process.

5. Cabinet has previously agreed that on the basis that the knowledge acquired by RTAA while carrying out the scoping study gives them a valuable insight into the Councils car parking operations and this can be used to prepare technical specifications for an outsourced operation. On this basis Cabinet agreed to set aside Contract Standing Orders to enable the appointment of RTAA.

Resource Implications:

£15,000 has previously been approved under the Invest to Save Fund for the work carried out by RTA Associates. Out of this a sum of £10,000 remains available. A further funding bid of £15,000 is sought to appoint RTAA to provide advice during the procurement process.

Legal and Governance Implications:

The terms of the Joint Committee Agreement of 2011 enable the Council to serve a notice to withdraw, provided it is co-terminus with the end of a financial year.

Safer, Cleaner and Greener Implications:

If the car parks are not serviced properly, adequate enforcement actions is not undertaken and pay and display machines are not kept in a good state of repair then the Council is at risk of loss of income.

Consultation Undertaken:

RTA Associates have provided a schedule of rates for the various activities required during the procurement process. The intention is to avail their services for the individual items from the schedule of rates.

NEPP have been made aware of the decision.

Background Papers:

Previous Cabinet reports, The Joint Committee Agreement 2011.

Risk Management:

There is a financial risk to the Council if, once it has served the withdrawal notice, it is unable to secure a cost effective solution for the provision of all or one of the elements of the off street operation. However this risk is manageable as the fall back option of the service being provided by in house staff of the Council remains viable, albeit it does not offer the same level of financial savings as the estimated out sources solutions.

There is a reputational risk to be considered if the Council is unable to prepare a sufficiently technical tender specification, due to lack of expertise, and not attract any interest from the market.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

Appropriate provision is made for parking bays for people with disabilities in the Council's off-street car parks. Free parking is provided for vehicles displaying a disabled badge.

Business Case Application for “Invest to Save Funding”

Title	To approve additional funding for the appointment of RTA Associates Ltd to provide specialist advice during the procurement process for the management of off street car parks across the District	Saving or Income ? ("X")	Saving X	Income
Total amount required from the Invest to Save Fund	£15,000		Investment Required	Net Cashable Saving/Income
Is the investment required capital or revenue?	Revenue			
Will the resultant savings / income be capital or revenue ?	Revenue	Month 1-12 (1 April 2017)	£15,000	Estimated between £30,000 & £100,000
		Total	£15,000	
				Payback Period (Years)
				Within the 2017/18 financial year

The Proposal

Background:

The Council previously allocated a sum of £15,000 from the Invest to Save Fund for the review of the options for enforcement and cash collection in Council car parks. This enabled the appointment of RTA Associated Ltd to carry out an options appraisal which showed that the Council can have significant advantage in withdrawing from the off street element of the North Essex Parking Partnership (NEPP). Cabinet having considered the options agreed to give notice of withdrawal to NEPP and to procure for suppliers for the future provision of the service. The notice has to be served before the end of the current financial year and NEPP will cease to operate the off street operations on 31 March 2017.

Having agreed to withdraw the off street enforcement and cash collection operations from NEPP the Council now needs to have a suitable alternative arrangement in place. The preference is to have an outsourced supplier for enforcement and cash collection operations. Whereas a separate and independent in-house back office arrangement is required to deal with challenges against Penalty Charge Notices (PCN).

The Cabinet report recognised that in house expertise does not exist to carry out a procurement exercise for the appointment of a suitable partner from the private sector and that the services of a specialist consultant would be required to advise officers. Cabinet agreed to set aside Contract Standing Orders to enable continued appointment of RTA Associates in providing this specialist advice.

There is current budget allocation of circa £10,000 and it is estimated that an additional £15,000 from the Invest to Save Fund will be required.

While carrying out the scoping exercise RTA Associates have acquired significant knowledge about the off street parking operations of the Council. By agreeing to continue to use the services of RTA Cabinet recognised that the knowledge gained by them would be useful in preparing technical specifications for the outsourced operation.

The Financial Benefit Explained

The current cost of service provided by NEPP, consists of: provision of off street parking enforcement (inc transport etc), the notice processing service, cash collection counting and banking, enforcement agency (Bailiffs) and first and second line maintenance is £277,000.

The review undertaken by RTAA indicates that the level of savings to the Council could be in the range of £30,000 to £100,000.

Alignment with the Corporate Plan and/or Additional (Non-Financial) Benefits

The indications and results of soft market testing by RTAA are that significant financial savings can be achieved.

Potential Obstacles to be Overcome

Delay in the procurement process or the inability to attract larger operators.

Risks (Financial and Others)

There is a risk that the procurement exercise does not result in the Council securing a cost effective alternative to NEPP. The fall back position, to provide the service directly in-house, would result in a lower level of saving.

If this Invest to Save bid is not approved then specialist knowledge will not be available and the technical specifications may fail to attract the right type of parking enforcement operator.

Key Milestones and Target Timescales (from approval)

Milestone	Target Period from Approval Date (Months)
1) Instruct RTAA	March 2016
2) Commence European Procurement process	April 2016

Proposal by	Derek MacNab	Directorate	Neighbourhoods
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Report to the Cabinet

Report reference: C-077-2015/16

Date of meeting: 3 March 2016



**Epping Forest
District Council**

Portfolio: Finance

Subject: Epping Forest Shopping Park – Option to Tax

Responsible Officer: John Bell (01992 564387).

Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

(1) To “Opt to Tax” the Epping Forest Shopping Park.

Executive Summary:

The Council currently enjoys the protection of Section 33 of the VAT Act 1994 whereby it can 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 is less than 5% of the total VAT incurred by the Council in any given financial year.

It is intended that once built, the Council will lease out the commercial units in the Shopping Park. In principle, this will be an exempt supply for VAT purposes. This will mean that the VAT on directly attributable costs will need to be included in the Council’s partial exemption calculation.

With the construction of the shopping park, the Council will have large amounts of VAT on costs relating to an exempt supply which will push it over the current 5% partial exemption de-minimis limit.

An option to tax will convert the exempt supply to a taxable supply. This will mean that the Council must charge VAT on the income it receives from the leases over the commercial units and as such, the VAT on costs relating to the Shopping Park will not need to be included in the Council’s partial exemption calculation.

If an option to tax is not put in place by the end of the financial year the Council may not be able to recover approximately £7million of VAT.

Reasons for Proposed Decision:

To enable the Director of Resources to “Opt to Tax” the Shopping Park site after gaining relevant advice from VAT advisors thus ensuring the Council can reclaim all of the VAT incurred on the development.

Other Options for Action:

Do not “Opt to Tax” and do 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). The

potential cost would exceed £7million.

Report:

1. As many of the services provided by the Council are statutory functions and funded by local taxation and Government grants they are generally non-business in nature and as such VAT is normally not recoverable. Section 33 of the VAT Act 1994 allows Councils to recover VAT on their non-business activities as well as their exempt supplies up to a de-minimis limit of 5%, the position of the Council currently stands at around 4% per annum.

2. Construction costs on commercial properties are generally subject to VAT at the standard rate and incidental costs such as architects; surveyors and consultants fees will also be Standard Rated at 20%, by opting to tax this land the Council can reclaim this VAT with no impact on its partial exemption position.

3. As charges for "Interest in Land", such as leases, are exempt from VAT the Council would be unable to recover any of the VAT incurred on any of its costs of developing the site. By opting to tax the land we can then charge VAT on leases without it affecting our partial exemption limits. The draft Heads of Terms currently being negotiated with the various retailers have been prepared on the basis that VAT will be charged to the tenants.

4. The Council is committed to the construction of the Epping Forest Shopping Park after purchasing the share of the land from Polofind Ltd. This has incurred a large amount of VAT as Polofind Ltd had "Opted to Tax" their share of the land. If the Council does not carry out the same exercise, for this year only we would have to repay all of the VAT on costs relating to exempt supplies that has currently been recovered in this financial year, which has been estimated at £7million.

Resource Implications:

If the Council decides not to take up the option to tax then for this year only we would have to repay all VAT on costs relating to exempt supplies that has been reclaimed to date, £7million, and be unable to recover any other VAT incurred for the remainder of this financial year, that relates to exempt supplies.

Legal and Governance Implications:

Section 33 VAT Act 1994.

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

PWC Accountants, the Councils VAT advisors.

Background Papers:

None.

Risk Management:

By opting to tax the shopping park the Council will minimise the risk of suffering a financial loss due to irrecoverable VAT.

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **unlawful discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

There are no equality implications arising from the recommendations in this report.

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