



CABINET
Monday, 11th January, 2016

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

Council Chamber, Civic Offices, High Street, Epping
on **Monday, 11th January, 2016**
at **7.00 pm** .

Glen Chipp
Chief Executive

Democratic Services
Officer

Gary Woodhall The Directorate of Governance
Tel: 01992 564470 Email:
democraticservices@eppingforestdc.gov.uk

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. 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.

5. 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.

6. 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.

7. EPPING FOREST SHOPPING PARK PROGRESS REPORT (Pages 5 - 10)

(Asset Management & Economic Development Portfolio Holder) To consider the attached report (C-061-2015/16).

8. ALTERNATIVE OPTIONS FOR THE PROVISION OF THE OFF STREET PARKING ARRANGEMENTS IN THE DISTRICT (Pages 11 - 34)

(Safer, Greener & Transport Portfolio Holder) To consider the attached report (C-062-2015/16).

9. PLANNING APPEAL COMPENSATION BUDGET (Pages 35 - 38)

(Governance & Development Management Portfolio Holder) To consider the attached report (C-059-2015/16).

10. TRAINEE PLANNING OFFICERS AND TRAINEE CONTAMINATED LAND OFFICER - DEVELOPMENT MANAGEMENT (Pages 39 - 44)

(Governance & Development Management Portfolio Holder) To consider the attached report (C-060-2015/16).

11. PURCHASE OF AERIAL CAMERA SYSTEM (Pages 45 - 50)

(Governance & Development Management Portfolio Holder) To consider the attached report (C-063-2015/16).

12. 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.

13. EXCLUSION OF PUBLIC AND PRESSExclusion

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.

Report to Cabinet

Report reference: C-061-2015/16
Date of meeting: 11 January 2016



**Epping Forest
District Council**

Portfolio: Asset Management & Economic Development
Subject: Epping Forest Shopping Park Progress Report
Responsible Officer: Chris Pasterfield (01992 564124).
Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations:

- (1) That the tender of £2,070,029 from Walker Construction (UK) Ltd to carry out the Section 278 road works in Chigwell Lane relating to Epping Forest Shopping Park be agreed, subject to revisions required by Essex County Highways regarding Thames Water required works;
- (2) To retain the balance of the current capital allocation of £2,250,000 i.e. £179,970 as a contingency to meet the costs of any variations as a result of the Thames Water requirements;
- (3) To authorise the Director of Neighbourhoods, in liaison with the Asset Management and Economic Development Portfolio Holder, to agree any variation subject to it being within the current capital budget for this element of the project; and
- (4) To note that the revised target opening date for the Shopping Park is Easter 2017 (April 16th Easter Sunday).

Executive Summary:

This report updates the Cabinet on progress on the shopping park project as discussed at previous meetings. It also recommends the award of the Section 278 Highways contract to Walker construction.

Due to the combination of delays relating to the tendering of the main construction contract and delays in obtaining agreed Heads of Terms with some anchor shop tenants, it is now not considered viable to have the shopping park completed with sufficient tenants to open for trade for Christmas 2016. Therefore Easter 2017 is the recommended target date for the Shopping Park's launch.

Reasons for Proposed Decision:

To comply with the Cabinet's previous request to monitor the development of the Council's property assets and in particular report on progress relating to the development of the Epping Forest Shopping Park.

Other Options:

To not accept the tender from Walker Construction (UK) Ltd, which would delay the highway works being carried out and risk further delay to the opening of the shopping park and consequent revenue loss.

Report:

Section 278 Works

1. Tenders were received by 28th October 2015 for the Section 278 Highways works. Following analysis by the project team members and scoring in accordance with previously agreed parameters, it was resolved that Walker Construction (UK) Ltd had submitted the most advantageous bid. Although the only other Tender received from Henderson and Taylor, was lower in terms of price £1,993,974, the combined Quality/Price Evaluation, leads to the recommendation of Walker Construction as the best option for the Council.
2. An interview by the project team with Walker Construction was carried out on 18 November to discuss their tender and to ensure that all aspects were understood. This included three officers from Essex Highways. One of the officers from ECC was the Senior Clerk of Works, but unfortunately no one from the New Roads & Street Act Department (NRSWA) was able to attend. The meeting discussed the constraints to the work regarding working times, the contractors programme and proposed working method. At this time Walkers did not know that they had won the tender subject to this meeting, which did not reveal any major anomalies.
3. Following this initial discussion another meeting was arranged for Thursday 26 November with the contractor and ECC Highways. It was then revealed that following internal discussions after the 18 November meeting that ECC did not want traffic management arrangements, using temporary traffic lights, to restrict the flow of traffic in Chigwell Lane, even at off peak times. Again no one from the NRSWA was available to attend, but eventually their Development Management Manager confirmed that the people attending would be fully briefed to discuss traffic management.
4. It is very disappointing that ECC Highways raised these very restrictive constraints so late in the day particularly as EFDC's consultants had contacted them on numerous occasions regarding their requirements. Prior to documents being issued for tender they were asked to clarify their requirements, so that they could be included in the tender documents for the contractor to price and devise a suitable working strategy, but they declined. They said that they preferred to speak to each contractor individually who was tendering. They also failed to do this as no contractor was able to make contact with them.
5. The restriction to not allow Traffic Management by temporary traffic signals at any time mainly relates to work required by Thames Water, to enlarge a foul water drain, located in the road carriageway. It is difficult to imagine how ECC thought this could be achieved without digging the road up which would mean restricting traffic flow. The contractor's proposal was to do the work in 50metre sections.
6. As an alternative methodology, the Council's highways consultant, JMP Consulting, has produced a design locating a new larger foul drain in the grass verge. This is currently being examined to ensure it is feasible and satisfactory to all parties. If accepted, this will have the benefit of only minimal work in the carriageway to provide connections. A verbal update will be provided at the meeting.

Tendering of EFSP Main Shopping Park Building Contract

7. The tender for the main building was developed by the Council's consultant's team, to ensure that all information was readily available for potential contractors to download from the internet. The procedure was overseen by the Council's solicitors, DAC Beachcroft, as the estimated value was in the region of £10million and would therefore come under European procurement regulations – OJEU for a single stage tender. This process was approved by Cabinet at the meeting on 11 June 2015.

8. The documents were uploaded to a site managed by DAC Beachcroft and were available to be viewed from 12 October 2015. By 6 November there had been 14 registrations to the site and 9 parties had downloaded documents, although two were from bike storage companies only looking to provide a small part of the contract which would be non-compliant with the tender. One contractor also asked for an extension of time to tender. This was refused as there were no other such requests from contractors.

9. Consultants received enquiries from some contractors who had registered, and on this basis, it was hoped to have at least 3 companies submit tenders by the closing date of Monday 23 November. Unfortunately these did not transpire and no bids were received.

10. There are a number of reasons why this may have happened. The current market for building contracts is good so contractors have quite full order books. In addition it may have been because the OJEU single stage process is unattractive to contractors as preparing a bid is costly and they might be competing with any number of other bidders, the tender period was short due to programme considerations at the time, the project programme was potentially too challenging or contractors were not monitoring the Construction web site closely enough, so were not aware in time that a tender opportunity was in the offing.

11. A meeting was held on Monday 7 December of the core project team to discuss the re-tendering of the contract taking into account previous experience and the greater certainty over the project programme and likely opening date for trading to the public of the shopping park. This concluded that a two stage restricted procurement process would be likely to attract more interest by reducing developer risk and as such, Pre-Qualification Questionnaires and Invitation to Tender document, will be issued in mid January 2016.

12. The result of these delays to the main construction contract procurement will mean that practical completion will not be achieved for a Christmas 2016 opening. Revised date of Easter 2017 now anticipated.

EFSP Marketing Report

13. The Asset Management & Economic Development Cabinet Committee received a Part II report on progress on marketing the site. Interest is high, however, some key anchor tenants will not achieve their Board sign offs until February 2016.

Oakwood Hill Depot

14. The building contract with T J Evers is now into its fifth month and foundations and the steel frame are both 100% complete.

15. A temporary access from Oakwood Hill road has been formed due to restrictions by Essex County Council on works over the Christmas period. Both UK Power Networks and BT diversion works relating to the new access have been completed.

16. Construction priority now is to complete cladding and roofing to make the buildings

weather proof to allow internal works to continue in the event of severe weather conditions later in the year.

17. On this basis with a target completion date of April 2015, Langston Road should be vacated in time to allow the Shopping Park to be developed.

Resource Implications:

The budget for the Section 278 works estimated at £2.25million had already been approved at the 11th June 2015 Cabinet meeting. The main construction contract has been estimated at £10,000,000 for which provision has also been made in the Capital Programme. The revised Thames Drainage Works may incur additional costs, however, they may conversely result in a saving, as work in grass verges is less costly than in the highway.

Legal and Governance Implications:

External Legal and Procurement advice is being received.

The draft Section 278 Agreement is nearing completion. A verbal update will be provided.

Safer, Cleaner and Greener Implications:

The Shopping Park will comply with energy efficiency standards.

Consultation Undertaken:

Essex County Council Highways

Background Papers:

Marketing Report and Project Management Consultant's Reports to Asset Management Committee.

Risk Management

A risk management schedule is being maintained for the project.

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 due regard must be paid to this information when considering the subject of this report.

The Shopping Park will be fully accessible for people with disabilities.

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Report to the Cabinet

Report reference: C-062-2015/16
Date of meeting: 11 January 2016



**Epping Forest
District Council**

Portfolio: Safer, Greener and Transport

Subject: Alternative Options for the 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 outcome of the attached scoping study by RTA Associates Limited into the alternative provisions for the delivery of off street parking arrangements which concludes that the Council will have a clear financial benefit by extracting from the North Essex Parking Partnership (NEPP) for the off street element of the agreement;
- (2) That subject to agreement with the conclusion of the scoping study to agree to serve the notice on NEPP for the Council to withdraw the off street parking element from the Joint Committee, that the notice be served before 31 March 2016, enabling the commencement of the new service by 1 April 2017;
- (3) To give delegated authority to the Portfolio Holder for Safer Greener and Transport, to agree the formal notice to NEPP, in consultation with the Directors of Neighbourhoods and Governance;
- (4) To agree 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;
- (5) That the Portfolio Holder Advisory Group already established for the review the impact of the parking strategy be asked to consider the options for the future provision of off street parking arrangements; and
- (6) Waive Contract Standing Orders C4 (contracts exceeding £25,000 but not exceeding £50,000) and C11 (Contract selection) to appoint RTA Associates to provide specialist advice in preparing the tender specifications and consultancy support during the procurement process

Executive Summary:

The North Essex Parking Partnership (NEPP) was created in 2011 as a consequence of the decision of Essex County Council (ECC) to terminate the agency agreement for the delivery of the Decriminalised Parking Enforcement. The Council joined NEPP in 2012 at the end of the then enforcement contract with Vinci Parks Limited. The delivery of on street parking operations has been delegated to NEPP by ECC and all six member local authorities and

ECC manage the Committee that oversees this. Joining the management arrangements for the off street operations, however, are voluntary and only five of the authorities have chosen to be part of this arrangement. In 2012, before making the decision to join the off street element of NEPP, the Council asked Vinci Parks to quote for the delivery of the off street parking enforcement and cash collections before making the decision to join NEPP.

RTA Associates were recently commissioned to carry out a scoping study to establish if the Council is getting value for money from NEPP, in respect of off street operations only, give advice on alternative delivery options.

The advice from RTA Associates is that there is a clear advantage in the Council providing the off street parking enforcement, cash collection and administrative functions either directly in house, fully outsourced or a combination of both.

If the Council was minded to leave NEPP then under the terms of the Joint Committee Agreement of 2011 a notice has to be served at least twelve months, to be co-terminus with the end of the financial year, on the Lead Authority. By giving a notice before 31 March 2016 the Council can commence the new arrangements from 1 April 2017.

Reasons for Proposed Decision:

To ensure the Council is getting value for money for the off street car parking enforcement, cash collection and administration services.

Other Options for Action:

To ignore the outcomes of the scoping study and not consider alternative options for the delivery of the off street parking operations. The outcome of the RTA Associates study is very clear in that there are other delivery options available to the Council which can ensure a cost effective off street service.

Report:

1. At the time of joining NEPP in October 2012 the Council sought estimates for the provision of the off street service from Vinci Parks and NEPP. At the time NEPP's offer was more attractive and resulted in an overall CSB saving of £68,990. Vinci Parks were unable to provide the benefit of the economies of scale of carrying out a joint on and off street parking enforcement operation.
2. The main elements of 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.
3. The Joint Committee of NEPP oversees the operations of the off street parking operation and has overall responsibility for the financial matters. The Committee consists of Executive Cabinet Members from: Colchester Borough Council, Braintree District Council, Harlow District Council, Uttlesford District Council and Epping Forest District Council. The Lead Authority, Colchester Borough Council, is responsible for hosting NEPP.
4. RTA Associates have been commissioned to carry out a scoping study to assess options for delivery of off street parking and advise if alternative delivery models are available. The report is attached as Appendix. The findings are very encouraging and RTA Associates are very clear that there are distinct financial advantages for the Council to provide the off street parking outside of NEPP.

5. RTA considered provision of all three main elements of off street parking: enforcement, administration of appeals against Penalty Charge Notices (PCN) and cash collection. Each of these could be provided either directly by the Council or through a private contractor. The table below sets out the options:

	Enforcement	Administration	Cash Collection	Estimated cost	Estimated saving
Provider	NEPP	NEPP	NEPP	£ 277,700	£ -
Option 1	In house	In house	Contractor	£ 245,990	£ 31,708
Option 2	Contractor	In house	Contractor	£ 174,373	£ 103,324
Option 3	In house	Contractor	Contractor	£ 235,500	£ 42,200
Option 4	Contractor	Contractor	Contractor	£ 163,896	£ 113,805

6. There are pros and cons of delivery of each of the above option. Whereas the savings are not significant if the Council were to provide all the three elements directly itself however this options provides the maximum control to the Council. Alternatively outsourcing all three elements offers the most savings. The most savings arise in the enforcement operations. If the decision was taken to leave NEPP then the options for service delivery would need to be investigated further including the upfront costs.

7. The table below sets out the current costs for provision as well as estimated future costs for each of the three main elements:

	NEPP	EFDC in house	Contractor
Enforcement	£170,200	£180,711	£ 109,094
Administration	£ 54,850	£ 39,429	£ 28,952
Cash collection	£ 52,650	Not costed	£ 25,850

8. As it can be seen from the table in para 7 there is a wide variance in the estimated costs. RTAA have carried out soft market testing and used their industry contacts to arrive at these estimates. The costs cannot be confirmed until a formal procurement exercise has been carried out.

9. There are other factors to consider. The Council currently has a cash collection contract for collections from: the Civic Offices in Epping, the Broadway Housing Office, Norway House, North Weald, Hemnall Street Office in Epping, Fleet Operations Workshop in Langston Road Depot and the Museum in Waltham Abbey. This contract is managed by the Directorate of Resources and is due to be retendered in 2016. It could be possible for the Council to benefit from the economies of scale if cash collection from the Council Car Parks could be added to this contract. This is currently being explored and if a decision is made to leave NEPP then cash collections from car parks can be included in this tender.

10. The terms of the legal agreement require that the notice to withdraw has to be served before the end of the preceding financial year in which it is to take effect. This means the Council has until 31 March 2016 to serve the notice of termination to be able to commence the new arrangement on 1 April 2017.

11. It is therefore proposed that the final decision to give notice of withdrawal should be served before 31 March 2016. In order to expedite the preparation of the final notice and to avoid any time delay it is recommended that the Portfolio Holder be authorised to agree the final wording of the notice in consultation with the Directors of Neighbourhoods and

Governance

12. 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. It is recommended that a further report be brought to the Cabinet setting out in further detail the options available, procurement strategy, costs and associated time line for implementation. It is also recommended to avail the services of the existing Portfolio Holder Advisory Group set up to review the car parking strategy to provide support and guidance in taking this project forward.

13. RTA Associates were appointed to carry out the scoping study and this work is now complete. They have carried out an extensive analysis of the Councils off street car parking requirements in order to carry out a soft market test. The knowledge they have acquired in 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. It is proposed that in order to use the knowledge already gained by RTA their services be extended to provide expertise in preparing technical specifications for undertaking a procurement exercise. The Councils Contract Standing Orders require that up to three quotations should be sought for any works above £25,000. The Standing Orders also require that any contractor who has previously given advice to the Council on a contract should not be awarded the contract. In this instance an exception is sought, on the grounds stated earlier in the report, and waiver of Contract Standing Order C4 and C11 is recommended.

Resource Implications:

RTA Associates have advised that the Council will achieve significant savings if it were to leave NEPP. The estimated range of savings, based on soft market testing, is £ 31,708 per year for an in-house service to £ 113,805 for a fully outsourced service. The level of savings may be lower once the initial set up costs are finalised, further analysis will be carried out if a decision is made to leave NEPP.

The delivery of financial savings as a result of withdrawal from NEPP cannot be confirmed until a formal procurement exercise is carried out. If the procurement exercise does not result in a net saving to the Council then, having given the notice to leave NEPP, the only option would be to run the service in-house.

It is currently estimated that an in-house service will result in yearly revenue saving of £ 31,708. However once the in-house delivery option is evaluated further and on costs and associated overheads fully assessed it should be possible to, estimate with a degree of confidence, the level of savings.

Funding for the work carried out by RTA Associates has been sought via the Invest to Save Fund. The work carried out so far is within budget. Any additional work by RTA Associates will be subject to an agreed fixed price quotation, detailed costs will be presented at the next Cabinet report as per recommendation (4).

Legal and Governance Implications:

There are TUPE implications for any NEPP staff engaged in providing the enforcement and cash collection operations.

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 carried out soft market testing to assess the alternative options for the service delivery.

NEPP and G4S will be consulted once the Cabinet decision is taken.

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 were to seek the provision of the administrative functions by means of a third party provider. For example when a motorist rings to challenge a Penalty Charge Notice they prefer to speak with a Council member of staff and not, sometimes remote, third party provider. Having said that private providers have made significant improvements in the way customer complaints are handled and service delivery standards can be specified to ensure the customers get the best service.

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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.

Epping Forest District Council

SCOPING STUDY for DELIVERY
of
OFF STREET PARKING ENFORCEMENT

MAIN REPORT

November 2015

November 2015
Final Report

Prepared by:

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- Appendix A: - B Base business case**
- Appendix B: - B1 business case**
- Appendix C: - B2 business case**
- Appendix D: - B3 business case.**

SCOPING STUDY for DELIVERY of OFF STREET PARKING ENFORCEMENT

1. INTRODUCTION

- 1.1. RTA Associates Ltd. has been commissioned by Epping Forest District Council (EFDC) to undertake a scoping study to determine the options available for the delivery of off street parking enforcement across the District on Council owned car parks under the Civil Parking Enforcement powers. RTA Associates provided the consultancy support in deriving the initial decriminalised parking enforcement business case, surveying and mapping the Traffic Regulation Orders and assisting in the procurement of the enforcement contractor for DPE.
- 1.2. This scoping study will help inform the most cost effective and efficient delivery of the service.
- 1.3. The study is to provide a business case for an in house provision of enforcement and administration for the off street parking services.
- 1.4. For clarity this report covers only off street council owned car parks and two Sainsbury's car parks managed by the Council.

2. THE BRIEF

The objectives of the scoping study are to:

- Provide an alternative business plan showing estimated costs of an in house service delivery of the off street parking functions under CPE.
- Provide guidance on whether EFDC are receiving value for money from the NEPP under the current arrangements.
- Undertake a soft market testing exercise to obtain financial details for the administration and the enforcement under CPE and for cash collection, counting and banking.
- EFDC recently installed 41 new pay and display machines across the 18 car parks and these are covered under a separate warranty with the supplier and as a consequence this report does not cover costs of machine maintenance.
- Under the current agreement NEPP provides the following services for an annual fee of £277,700 (2015/2016):-
 - a. Cash Collection
 - b. Back office Processing
 - c. Adjudication service levy
 - d. Season ticket scheme
 - e. Management and supervision
 - f. Off street car park technical staffing
 - g. Enforcement
 - h. Recharges within NEPP.

3. EXECUTIVE SUMMARY

- 3.1 The results of the soft market tests show that there are distinct financial advantages in taking the CPE and cash collection functions back in house.

- 3.2 The most financially economical way of providing the services is shown to be the engagement of Contractors in all aspects.
- 3.3 The current service provision does not give best value for money to EFDC.
- 3.4 The report recommends that EFDC consider withdrawal from the NEPP partnership arrangement for the provision of all the off street functions currently provided by NEPP to EFDC.

4. BACKGROUND

- 4.1. EFDC are currently part of the North Essex Parking Partnership (NEPP) and all current enforcement and administration services for Civil Parking Enforcement (CPE) are provided by the partnership. This is a partnership of 6 District Councils and Essex County Council led by Colchester Council. This includes all overheads and fixed costs including management, transport, accommodation, hardware, software and equipment needed to undertake the CPE functions. The breakdown of costs within the annual payments has been provided by NEPP and compared to within this report.
- 4.2. Additional services are also provided through NEPP for cash collection, counting and banking and pay and display machine maintenance.
- 4.3. EFDC pay an annual sum to the NEPP to provide the services for CPE and the additional services in the District.
- 4.4. The current service arrangement with NEPP is in a year on year deficit.
- 4.5. EFDC joined the partnership in 2012 when their existing contract with their external service supplier expired. EFDC has since concluded that a locally managed service provision gives more flexibility, is more in keeping with EFDC work practices and can focus on the main issues of delivery of the parking service.
- 4.6. If EFDC were to terminate their arrangement with NEPP they would have to give notice of such termination by 31st March 2016 for a transfer of services to be formalised by 1st April 2017.
- 4.7. The CPE business case compiled for this report covers as a minimum
 - Civil Parking Enforcement in the EFDC off street car parks and 2 Sainsbury's car parks.
 - Notice Processing covering the administration functions needed to manage the issue of Penalty Charge Notices.
 - The engagement of Enforcement Agencies (Bailiffs) and a measure of their expected income and expenditure to EFDC.
 - All the equipment necessary for the administration office and the on site operatives.
 - Accommodation provision.
 - Transport for the on site operatives functions.
 - Management of staff and the contracts where the option so requires..

The following functions have also been considered within this report.

- Cash collection, counting and banking
- Machine maintenance

- 4.8. Tendring District Council (TDC) situation already have a similar arrangement with NEPP to that being investigated within this report for EFDC for off street parking and also the informal enforcement of the School Keep Clear (SKC) markings on street.
- 4.9. TDC only enforce the SKCs using in house staff under a joint committee agreement with NEPP if NEPP are not able to respond to any issues raised. TDC are also enforcing drop kerbs on a reactive trial basis only if NEPP are not in the area. The PCNs issued on street go on to the NEPP software directly and NEPP keep the revenue.

5. DETAIL

- 5.1. The study primarily covers the provision of the enforcement and administration services for CPE and car park cash collection by utilising known relevant contacts in the industry.
- 5.2. NEPP provides the following services for an annual fee of £277,700 (2015/2016):-
- | | |
|---|----------|
| i. Cash Collection, (5,928 collections) | £50,950 |
| j. Back office Processing staff costs | £32,000 |
| k. Adjudication service levy | £4,400 |
| l. Season ticket scheme | £1,700 |
| m. Management and supervision | £6,500 |
| n. Off street car park technical staffing | £41,000 |
| o. Enforcement | £122,700 |
| p. Recharges within NEPP. | £18,450 |
- 5.3. The MiPermit transaction charge is covered by NEPP.
- 5.4. A base business case has been developed for the provision of an in house CPE service against which the market rates can be tested.
- 5.5. The income from PCNs has not been used to offset expenditure in any business case this report as it is incidental to the costs of the service provision.
- 5.6. A separate cost exercise has been compiled for the cash collection, counting and banking using £886,000 per year income and 3850 machine visits.
- 5.7. Pay and display machine maintenance and support costs are not included in this report as they are already covered by EFDC separate to the NEPP agreement.
- 5.8. Enforcement and transport costs. 6 suppliers were approached for responses. 2 priced responses were received from contractors. 1 contractor did not respond and 3 would not give a price. The 2 responses from main contractors are in enough detail for comparisons to an in house service provision to be made.
- 5.9. Administration. 8 suppliers were approached for responses. 7 priced responses were received. 2 from Local Authorities, 2 from CPE IT system software suppliers and 2 from CPE contractors. A good set of responses and they are in enough detail for comparisons to an in house service provision to be made.
- 5.10. Cash Collection: 12 suppliers were approached for responses. 4 priced responses were received. 2 from specialist cash carriers and 2 from CPE contractors. The details given are sufficient to build a business case for cash collection counting and banking to compare to the NEPP payments. It is to be

recognised that three of the costs quoted were of a very similar nature giving credence to the figures used in this report.

- 5.11. It is not possible to identify or state the names of the responders within this report due to confidentiality agreements and this can not be made public as the information is commercially sensitive.

6. OPTIONS

6.1. Options for service delivery have been analysed from the above responses and this report outlines the relative cost effectiveness of each approach.

6.2. The following options have been investigated to provide a uniform and consistent approach to parking enforcement and administration so that direct costs comparisons can be made.

Enforcement:-

- i) A fully in house service. (within the base model)
- ii) A service provided by a neighbouring authority under agreement (the authority to be outside of the NEPP agreement). After several attempts no local authority gave a response to pricing this element of the service so this has not been included.
- iii) Procure a specialist CPE enforcement contractor. Of the two responses received the lowest priced figures have been used as a variation on the base business case to show the direct impact of outsourcing this element of the service and keeping the administration in house. For the CEO and Senior CEO, the hourly costs are covered in the Contractors prices including uniforms, training, annual leave, sick leave etc but excluding on site hard ware such as hand held terminals and printers. The costs provided for transport are per month and are all inclusive rates. The Contractor would be responsible for covering absences and for providing the deployed hours required under the contract.
 - TUPE would apply in all cases where employees of NEPP jobs are under threat.
 - The number of deployed hours has been used as the comparison as this is the only constant in all business cases.
 - Enforcement over 6 days has been used for the deployed hours. It makes no difference to the business case if these hours are spread over 7 days. The financial predictions are on total deployed hours not days enforced.

Notice Processing:-

- i) A fully in house service with new IT system required. New stationery will also be necessary and workflow set up. (Within the base model)
- ii) A service provided by a neighbouring authority under agreement (the authority to be outside of the NEPP agreement, including IT). 2 Local Authority responses gave a levy per PCN entered on to the system. Both would process on behalf of EFDC off site with minimal input from EFDC. Service level agreements would be entered in to under a section 101 agreement where it is non profit making.
- iii) Procure a 3rd party service delivery. 2 IT system software suppliers and 1 main CPE contractor responded and all gave a levy per PCN.

The responses varied in terms of coverage of set up costs and service delivery.

- For the processing all costs except debt registration at TEC (currently £7 per debt) and the TPT charge of currently £0.70 per PCN issued would be covered by the service provider and if external would be based on a per PCN issued levy with a guaranteed minimum number of PCNs to be paid for irrespective of actual numbers issued.

The IT software required for the notice processing is included in the levy per PCN. There may be some set up costs associated with data migration and web link developments. 1 provider offered to waive all such costs and their levy was the second cheapest quoted. The cheapest levy would not quote on set up costs due to the time they said it would take to derive them for this exercise so they have been ignored for the purpose of this exercise. Should they eventually give a full response then the administration costs could be reduced further than shown in this report.

The IT software can be provided through several options and EFDC can

- a) buy the software system outright and pay support and maintenance costs in perpetuity.
 - b) lease the IT with licences, support and maintenance included in the lease
 - c) have a remotely hosted IT system and pay for the hosting and upgrades.
 - d) Have an off site processing service provider who covers all the above costs.
- Data migration would need to be priced up in all cases but it has been offered free of charge by 1 supplier.
 - There would be a DVLA sign up fee of £850 for all providers on top of the above costs.
 - There will be some internal IT configuration costs for all options.

Cash collection, counting and banking:-

- The current service is provided by NEPP within the funding EFDC pay annually to the partnership.
- The usual method of pricing for cash collection, counting and banking has been put to the market with a variety of options returned.
- The main pricing mechanism is to have a price per box emptied and additional rates per £100 or notes or coins counted and banked.
- Of the responses received, 2 gave an all inclusive rate per box based on 3850 visits per year, £886,000 income. One of these stipulated that EFDC would need to engage a local coin centre directly to allow cash collections to be deposited by the collection teams. The pay and display income from the 2 Sainsbury's car parks was unknown at the time of soft market testing, as extra to the £886,000 and the costs have been increased pro rata where extra prices for counting and banking have been given. The numbers of boxes to be emptied was already included in the figures.

- 2 responses gave a price per box and then additional costs for counting and banking. One was so expensive at more than three times the others it has not been considered further and the remaining submissions have all been converted to be an all inclusive rate for emptying a box for the purpose of ease of comparison in this report.

Additional information to the options on the three service deliveries required in this report described above:

- Enforcement agencies (Bailiffs) would need to be engaged but these would be on zero cost to EFDC and therefore do not change the business cases.
- Accommodation would be the responsibility of the 3rd party contractor for all externalised services. Internal EFDC costs have been assumed to be covered already with a nominal £5,000 per annum allowed.
- Management of both the internal and external options has been included in the business cases.
- The costs of procuring external service providers have not been covered as it is assumed this will be from central recharge or use of current staff.

7. ANALYSIS OF OPTIONS

The options have been assessed using the base business case and the results are tabulated below and discussed further.

Table 1

OPTION	ENFORCEMENT	ADMINISTRATION	CASH COLLECTION
Current	NEPP	NEPP	NEPP
BASE	In House at EFDC	In House at EFDC	Contractor
B1	External provider	In House at EFDC	Contractor
B2	In House at EFDC	External provider	Contractor
B3	External provider	External provider	Contractor

Table 2

Soft Market Testing Business Models.

Annual operational expenditure excluding set up costs at year 1.

OPTION	ENFORCEMENT	ADMINISTRATION	CASH COLLECTION	TOTAL
NEPP Current	£277,700	included	included	£277,700
BASE	£180,711	£39,429	£25,850	£245,992
B1	£109,094	£39,432	£25,850	£174,376
B2	£180,711	£28,939	£25,850	£235,500
B3	£109,094	£28,952	£25,850	£163,895

Table 3

Overall net cumulative costs over 5 years including set up costs.
All options other than NEPP include for 3% inflation.

OPTION	ENF	ADMIN	CASH COLLECTION	Set up costs	TOTAL Deficit
NEPP Current	£1,388,500	included	included	included	£1,388,500
BASE	£959,420	£209,333	£129,250	£82,002	£1,380,004
B1	£579,193	£209,351	£129,250	£67,053	£984,487
B2	£959,420	£153,641	£129,250	£71,203	£1,313,514
B3	£579,193	£153,709	£129,250	£56,255	£918,407

- 7.1. The current annual costs of the service to EFDC are in the region of £277,700 covering the above 3 elements of CPE enforcement and administration and cash collection. A breakdown of these costs is stated previously in this report.
- 7.2. The figures above do not include income from pay and display or PCNs to give a full cost model for the operation of the parking service provision.
- 7.3. Income from the 16 EFDC pay and display car parks is retained by EFDC.
- 7.4. Income from the 2 Sainsbury's pay and display car parks is retained by Sainsbury's.
- 7.5. PCN income from the 16 EFDC pay and display car parks and the two Sainsbury's car parks at Loughton and Ongar is retained by EFDC to go towards the cost of enforcement and cash collection, counting and banking.
- 7.6. PCN income from any of the on street operation is retained by NEPP.
- 7.7. Pay and display income in EFDC car parks is £886,000 per annum.
- 7.8. Pay and display income in Sainsbury's car parks is £341,000 per annum.
- 7.9. Using the August 2015 figures for PCN issue there will be on average 5200 PCNs issued. Allowing for a slight increase in car park usage in the summer period, the number of PCNs used in the business case is 5219.
- 7.10. Of the 2 responses received on the enforcement costs the lowest figures quoted have been used in the above business cases.
- 7.11. Of the 5 responses received on the administration costs the lowest figures quoted have been used in the above business cases.
- 7.12. On average there are 3850 machine visits per annum to remove cash for banking and this figure has been quoted on within the soft market testing.

8. CONCLUSIONS

- 8.1. The above comparisons show that there are distinct financial advantages in taking the CPE and cash collection functions back in house.
- 8.2. The most financially economical way of providing the services in house is shown to be the engagement of Contractors in all aspects.
- 8.3. The current service provision does not give best value for money to EFDC.

- 8.4. If the services are to be provided by EFDC internally then the overall 5 year costs is less than that of the NEPP service provision including set up costs by £8,500. Operationally, excluding set up costs, the EFDC model shows an annual average reduction in costs of £17,800 over the NEPP service even allowing for inflation.
- 8.5. Using the best rates obtained from the market and basing the CPE enforcement functions on the equivalent of 3 CEOS and 1 senior CEO providing 112.50 deployed hours per week, the enforcement costs over 5 years are £959,420 including transport for an EFDC provision and £579,193 using the same parameters for a contractor to provide the service.
- 8.6. Using the best rates obtained from the market and basing the CPE administration functions on 5218 PCNs the overall 5 year costs are estimated at £209,336 including all hardware and software for an EFDC provision and £153,641 using the same parameters for a contractor to provide the service.
- 8.7. In addition to the above costs the market test gave an annual figure of £25,850 for cash collection, counting and banking based on the 3850 estimated collections.
- 8.8. Set up costs vary depending on the option chosen and table 3 above gives the overall position after 5 years.
- 8.9. Table 2 shows the potential first year savings against the current NEPP service provision to be in the region of £107,000.
- 8.10. Making all the services external and taking all the worst case prices together the costs are still below that of the NEPP service by £30,700 per annum.

9. RECOMMENDATIONS.

- 9.1. The report recommends that EFDC consider withdrawal from the NEPP partnership arrangement for the provision of all the off street functions currently provided by NEPP to EFDC.
- 9.2. That EFDC consider the provision of the enforcement service by externalising the service.
- 9.3. That EFDC also go to the market to procure a notice processing service provider.
- 9.4. A further recommendation is that the cash collection, counting and banking service is put to the open market for competitive bids to be received.

End of Report

APPENDICES

- Appendix A: - B Base business case**
- Appendix B: - B1 business case**
- Appendix C: - B2 business case**
- Appendix D: - B3 business case.**

CLIENT: EPPING FOREST DISTRICT COUNCIL

VERSION: BASE MODEL

Off street enforcement and administration with In House service provision

MODEL OPTIONS SELECTED:

CEO TIME ALLOCATION:

If the CEOs have duties which reduce the effective time they will spend enforcing the parking regulations, this will be reflected by a proportional split being entered for the Other Duties (Enforcement Duties will adjust automatically).
 Actions: Enter required percentages under On-Street and/or Off-Street

Non-Parking Enforcement Duties		Parking Enforcement	
	Options:	Selected Option	Balance
On-Street	0 - 100%	0%	100%
Off-Street	0 - 100%	0%	100%

ON-STREET PAY & DISPLAY CHARGING:

The model has three possible options which can be selected as follows: -
 Current Select for no-change to the current status on implementation of CPE
 New P&D-1 Includes the income and expenses derived from schedule "P&D-1"
 New P&D- 1&2 Includes the income and expenses derived from schedule "P&D-1" and schedule "P&D-2".
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option	Option Number
Current	Current	1
New P&D-1	Refresh PCN Tables after Changing Selection	
New P&D-1&2		

OFF-STREET CAR PARK CHARGING

The model has three possible options which can be selected as follows: -
 Current Select for no change to tarrifs or transaction volumes
 Option 1 Considers revised tarrifs, transaction volumes and distributions of transaction by tarrif.
 Option 2 Considers same changes as Option 1 but for alternative tarrif structure.
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option
Current	Current
Option 1	
Option 2	

OFF-STREET CAR PARK TRANSACTION VOLUMES INCREASE

This is the estimated increase in transaction volumes experienced in Off-Street Car Parks post CPE.
 Apply percentage volume increase to "Current" Income
 Actions: Select the required option to apply or not apply the percentage change to "Current Income"; then Enter required percentage volume increase under "Selected Option"

Options:	Selected Option
Yes or No	Yes
0 - 100%	0%

OFF-STREET CAR PARK CHARGING IN FREE CAR PARKS

Selecting the "Yes" Option will include an estimated volume of transactions from Free Car Parks to be included in the calculation of "Off-Street Car Park Charging". It will also modify the Enforcement required now these Car Parks are charged for.
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option
Yes	No
No	

CURRENT VAT RATE

The model will use this rate for all calculations involving VAT e.g. Net income from parking tariffs or ECN Charges
 Actions: Enter current VAT rate under "VAT Rate"

Range	VAT Rate
0 - 100%	20.0%

SUMMARY

TMA 2004 - FINANCIAL MODEL FOR IMPLEMENTATION OF OFF STREET ONLY

MODEL VERSION:	Base
MODEL DATE:	25-Nov-15

CLIENT: EPPING FOREST DISTRICT COUNCIL

VERSION: BASE MODEL

Off street enforcement and administration with In House service provision

SUMMARY OF MARGINAL INCOME & EXPENDITURE

START-UP =	Enter 1 - 3 1 MONTHS	SCH REF	START-UP PERIOD (months)	START-UP CAPITAL	START-UP EXPENSES	FIRST 12 MTHS	SECOND 12 MTHS	THIRD 12 MTHS	FOURTH 12 MTHS	FIFTH 12 MTHS
<u>INCOME</u>	PCNs ISSUED				0	5,218	5,218	5,218	5,218	5,218
	PCN PAYMENTS	1			£0	£108,112	£132,278	£132,278	£132,278	£132,278
	CLAMP & REMOVAL PAYMENTS				£0	£0	£0	£0	£0	£0
	PERMIT PAYMENTS	2			£0	£0	£0	£0	£0	£0
	CAR PARK RECEIPTS	3			£0	£0	£0	£0	£0	£0
	ON STREET CHARGING	3			£0	£0	£0	£0	£0	£0
	NET C. COURT PROCEEDS	4			£0	£2,658	£10,633	£10,633	£10,633	£10,633
	TOTAL PAYMENTS				£0	£110,770	£142,911	£142,911	£142,911	£142,911
<u>EXPENSES:</u>				Annual Inflation rate:		3.0%	3.0%	3.0%	3.0%	3.0%
	OPERATIONAL MANAGEMENT	5	1	£12,175	£3,047	£26,359	£27,149	£27,964	£28,803	£29,667
	ON-STREET ENFORCEMENT	6	1	£0	£0	£0	£0	£0	£0	£0
	OFF-STREET ENFORCEMENT	7	1	£18,508	£18,992	£154,352	£158,983	£163,752	£168,665	£173,725
	CLAMP & REMOVAL CONTROL		1	£0	£0	£0	£0	£0	£0	£0
	TICKET & PERMITS PROCESSING	8	1	£19,245	£10,036	£39,429	£40,612	£41,830	£43,085	£44,377
	PAY & DISPLAY	9	1	£0	£0	£0	£0	£0	£0	£0
	TOTAL EXPENSES			£49,928	£32,074	£220,140	£226,744	£233,546	£240,553	£247,769
ANNUAL NET SURPLUS OR (DEFICIT)				(£49,928)	(£32,074)	(£109,370)	(£83,833)	(£90,635)	(£97,642)	(£104,858)
CUMULATIVE NET SURPLUS OR (DEFICIT) EXCLUDING CAPITAL					(£32,074)	(£141,444)	(£225,277)	(£315,912)	(£413,554)	(£518,412)
CUMULATIVE NET SURPLUS OR (DEFICIT) INCLUDING CAPITAL					(£82,002)	(£191,372)	(£275,205)	(£365,840)	(£463,482)	(£568,340)
NPV INTEREST RATE	6%									
YEAR END NPVs (EXCLUDING CAPITAL)					(£135,253)	(£209,864)	(£285,963)	(£363,305)	(£441,661)	
NPV INTEREST RATE	6%									
YEAR END NPVs (INCLUDING CAPITAL)					(£185,181)	(£259,792)	(£335,891)	(£413,233)	(£491,589)	

- Notes:-
- 1 NPV - Calculation assumes that the Start Up Cost is a negative cash flow at the start of year 1 and that each years cash flow thereafter is received at the end of the year.
 - 2 SCH REF - Reference to the detailed working schedules attached.
 - 3 Start up costs include capital costs, one-off costs incurred before commencement, and percentage of first year expenses calculated from number of months selected in Start-up Period.

CLIENT: EPPING FOREST DISTRICT COUNCIL

VERSION: B1

Off street enforcement external and administration in House service provision

MODEL OPTIONS SELECTED:

CEO TIME ALLOCATION:

If the CEOs have duties which reduce the effective time they will spend enforcing the parking regulations, this will be reflected by a proportional split being entered for the Other Duties (Enforcement Duties will adjust automatically).
 Actions: Enter required percentages under On-Street and/or Off-Street

Non-Parking Enforcement Duties		Parking Enforcement	
	Options:	Selected Option	Balance
On-Street	0 - 100%	0%	100%
Off-Street	0 - 100%	0%	100%

ON-STREET PAY & DISPLAY CHARGING:

The model has three possible options which can be selected as follows: -
 Current Select for no-change to the current status on implementation of CPE
 New P&D-1 Includes the income and expenses derived from schedule "P&D-1"
 New P&D- 1&2 Includes the income and expenses derived from schedule "P&D-1" and schedule "P&D-2".
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option	Option Number
Current	Current	1
New P&D-1	Refresh PCN Tables after Changing Selection	
New P&D-1&2		

OFF-STREET CAR PARK CHARGING

The model has three possible options which can be selected as follows: -
 Current Select for no change to tarrifs or transaction volumes
 Option 1 Considers revised tarrifs, transaction volumes and distributions of transaction by tarrif.
 Option 2 Considers same changes as Option 1 but for alternative tarrif structure.
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option
Current	Current
Option 1	
Option 2	

OFF-STREET CAR PARK TRANSACTION VOLUMES INCREASE

This is the estimated increase in transaction volumes experienced in Off-Street Car Parks post CPE.
 Apply percentage volume increase to "Current" Income
 Actions: Select the required option to apply or not apply the percentage change to "Current Income"; then Enter required percentage volume increase under "Selected Option"

Options:	Selected Option
Yes or No	Yes
0 - 100%	0%

OFF-STREET CAR PARK CHARGING IN FREE CAR PARKS

Selecting the "Yes" Option will include an estimated volume of transactions from Free Car Parks to be included in the calculation of "Off-Street Car Park Charging". It will also modify the Enforcement required now these Car Parks are charged for.
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option
Yes	No
No	

CURRENT VAT RATE

The model will use this rate for all calculations involving VAT e.g. Net income from parking tariffs or ECN Charges
 Actions: Enter current VAT rate under "VAT Rate"

Range	VAT Rate
0 - 100%	20.0%

SUMMARY

TMA 2004 - FINANCIAL MODEL OF IMPLEMENTATION OF OFF STREET ONLY

MODEL VERSION:	B1
MODEL DATE:	02-Nov-15

CLIENT: EPPING FOREST DISTRICT COUNCIL

VERSION: B1

Off street enforcement external and administration in House service provision

SUMMARY OF MARGINAL INCOME & EXPENDITURE

START-UP =	Enter 1 - 3 1 MONTHS	SCH REF	START-UP PERIOD (months)	START-UP CAPITAL	START-UP EXPENSES	FIRST 12 MTHS	SECOND 12 MTHS	THIRD 12 MTHS	FOURTH 12 MTHS	FIFTH 12 MTHS
<u>INCOME</u>	PCNs ISSUED				0	5,222	5,222	5,222	5,222	5,222
	PCN PAYMENTS	1			£0	£108,193	£132,377	£132,377	£132,377	£132,377
	CLAMP & REMOVAL PAYMENTS				£0	£0	£0	£0	£0	£0
	PERMIT PAYMENTS	2			£0	£0	£0	£0	£0	£0
	CAR PARK RECEIPTS	3			£0	£0	£0	£0	£0	£0
	ON STREET CHARGING	3			£0	£0	£0	£0	£0	£0
	NET C. COURT PROCEEDS	4			£0	£2,660	£10,641	£10,641	£10,641	£10,641
	TOTAL PAYMENTS				£0	£110,853	£143,018	£143,018	£143,018	£143,018
<u>EXPENSES:</u>				Annual Inflation rate:		3.0%	3.0%	3.0%	3.0%	3.0%
	OPERATIONAL MANAGEMENT	5	1	£12,175	£3,047	£26,359	£27,149	£27,964	£28,803	£29,667
	ON-STREET ENFORCEMENT	6	1	£0	£0	£0	£0	£0	£0	£0
	OFF-STREET ENFORCEMENT	7	1	£14,156	£8,395	£82,735	£85,217	£87,774	£90,407	£93,119
	CLAMP & REMOVAL CONTROL		1	£0	£0	£0	£0	£0	£0	£0
	TICKET & PERMITS PROCESSING	8	1	£19,245	£10,036	£39,432	£40,615	£41,834	£43,089	£44,381
	PAY & DISPLAY	9	1	£0	£0	£0	£0	£0	£0	£0
	TOTAL EXPENSES			£45,576	£21,477	£148,526	£152,982	£157,571	£162,298	£167,167
ANNUAL NET SURPLUS OR (DEFICIT)				(£45,576)	(£21,477)	(£37,673)	(£9,964)	(£14,553)	(£19,280)	(£24,149)
CUMULATIVE NET SURPLUS OR (DEFICIT) EXCLUDING CAPITAL					(£21,477)	(£59,150)	(£69,114)	(£83,667)	(£102,948)	(£127,097)
CUMULATIVE NET SURPLUS OR (DEFICIT) INCLUDING CAPITAL					(£67,053)	(£104,726)	(£114,690)	(£129,243)	(£148,524)	(£172,673)
NPV INTEREST RATE	6%									
YEAR END NPVs (EXCLUDING CAPITAL)					(£57,018)	(£65,885)	(£78,105)	(£93,377)	(£111,422)	
NPV INTEREST RATE	6%									
YEAR END NPVs (INCLUDING CAPITAL)					(£102,594)	(£111,461)	(£123,681)	(£138,953)	(£156,998)	

Notes:-

- 1 NPV - Calculation assumes that the Start Up Cost is a negative cash flow at the start of year 1 and that each years cash flow thereafter is received at the end of the year.
- 2 SCH REF - Reference to the detailed working schedules attached.
- 3 Start up costs include capital costs, one-off costs incurred before commencement, and percentage of first year expenses calculated from number of months selected in Start-up Period.

CLIENT: EPPING FOREST DISTRICT COUNCIL

VERSION: B2

Off street enforcement In House with External administration service provision

MODEL OPTIONS SELECTED:

CEO TIME ALLOCATION:

If the CEOs have duties which reduce the effective time they will spend enforcing the parking regulations, this will be reflected by a proportional split being entered for the Other Duties (Enforcement Duties will adjust automatically).
 Actions: Enter required percentages under On-Street and/or Off-Street

Non-Parking Enforcement Duties		Parking Enforcement	
	Options:	Selected Option	Balance
On-Street	0 - 100%	0%	100%
Off-Street	0 - 100%	0%	100%

ON-STREET PAY & DISPLAY CHARGING:

The model has three possible options which can be selected as follows: -
 Current Select for no-change to the current status on implementation of CPE
 New P&D-1 Includes the income and expenses derived from schedule "P&D-1"
 New P&D- 1&2 Includes the income and expenses derived from schedule "P&D-1" and schedule "P&D-2".
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option	Option Number
Current	Current	1
New P&D-1	Refresh PCN Tables after Changing Selection	
New P&D-1&2		

OFF-STREET CAR PARK CHARGING

The model has three possible options which can be selected as follows: -
 Current Select for no change to tarrifs or transaction volumes
 Option 1 Considers revised tarrifs, transaction volumes and distributions of transaction by tarrif.
 Option 2 Considers same changes as Option 1 but for alternative tarrif structure.
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option
Current	Current
Option 1	
Option 2	

OFF-STREET CAR PARK TRANSACTION VOLUMES INCREASE

This is the estimated increase in transaction volumes experienced in Off-Street Car Parks post CPE.
 Apply percentage volume increase to "Current" Income
 Actions: Select the required option to apply or not apply the percentage change to "Current Income"; then Enter required percentage volume increase under "Selected Option"

Options:	Selected Option
Yes or No	Yes
0 - 100%	0%

OFF-STREET CAR PARK CHARGING IN FREE CAR PARKS

Selecting the "Yes" Option will include an estimated volume of transactions from Free Car Parks to be included in the calculation of "Off-Street Car Park Charging". It will also modify the Enforcement required now these Car Parks are charged for.
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option
Yes	No
No	

CURRENT VAT RATE

The model will use this rate for all calculations involving VAT e.g. Net income from parking tariffs or ECN Charges
 Actions: Enter current VAT rate under "VAT Rate"

Range	VAT Rate
0 - 100%	20.0%

SUMMARY

TMA 2004 - FINANCIAL MODEL OF IMPLEMENTATION OF OFF STREET ONLY

MODEL VERSION:	B2
MODEL DATE:	02-Nov-15

CLIENT: EPPING FOREST DISTRICT COUNCILVERSION: B2

Off street enforcement In House with External administration service provision

SUMMARY OF MARGINAL INCOME & EXPENDITURE

START-UP =	Enter 1 - 3 1 MONTHS	SCH REF	START-UP PERIOD (months)	START-UP CAPITAL	START-UP EXPENSES	FIRST 12 MTHS	SECOND 12 MTHS	THIRD 12 MTHS	FOURTH 12 MTHS	FIFTH 12 MTHS
<u>INCOME</u>	PCNs ISSUED				0	5,218	5,218	5,218	5,218	5,218
	PCN PAYMENTS	1			£0	£108,112	£132,278	£132,278	£132,278	£132,278
	CLAMP & REMOVAL PAYMENTS				£0	£0	£0	£0	£0	£0
	PERMIT PAYMENTS	2			£0	£0	£0	£0	£0	£0
	CAR PARK RECEIPTS	3			£0	£0	£0	£0	£0	£0
	ON STREET CHARGING	3			£0	£0	£0	£0	£0	£0
	NET C. COURT PROCEEDS	4			£0	£2,658	£10,633	£10,633	£10,633	£10,633
	TOTAL PAYMENTS				£0	£110,770	£142,911	£142,911	£142,911	£142,911
<u>EXPENSES:</u>				Annual Inflation rate:			3.0%	3.0%	3.0%	3.0%
	OPERATIONAL MANAGEMENT	5	1	£12,175	£3,047	£26,359	£27,149	£27,964	£28,803	£29,667
	ON-STREET ENFORCEMENT	6	1	£0	£0	£0	£0	£0	£0	£0
	OFF-STREET ENFORCEMENT	7	1	£18,508	£18,992	£154,352	£158,983	£163,752	£168,665	£173,725
	CLAMP & REMOVAL CONTROL		1	£0	£0	£0	£0	£0	£0	£0
	TICKET & PERMITS PROCESSING	8	1	£5,350	£13,132	£28,939	£29,807	£30,701	£31,622	£32,571
	PAY & DISPLAY	9	1	£0	£0	£0	£0	£0	£0	£0
	TOTAL EXPENSES			£36,033	£35,170	£209,650	£215,940	£222,418	£229,090	£235,963
ANNUAL NET SURPLUS OR (DEFICIT)				(£36,033)	(£35,170)	(£98,880)	(£73,029)	(£79,507)	(£86,179)	(£93,052)
CUMULATIVE NET SURPLUS OR (DEFICIT) EXCLUDING CAPITAL					(£35,170)	(£134,050)	(£207,079)	(£286,585)	(£372,765)	(£465,817)
CUMULATIVE NET SURPLUS OR (DEFICIT) INCLUDING CAPITAL					(£71,203)	(£170,083)	(£243,112)	(£322,618)	(£408,798)	(£501,850)
NPV INTEREST RATE	6%									
YEAR END NPVs (EXCLUDING CAPITAL)					(£128,453)	(£193,448)	(£260,204)	(£328,466)	(£398,000)	
NPV INTEREST RATE	6%									
YEAR END NPVs (INCLUDING CAPITAL)					(£164,486)	(£229,481)	(£296,237)	(£364,499)	(£434,033)	

Notes:-

- 1 NPV - Calculation assumes that the Start Up Cost is a negative cash flow at the start of year 1 and that each years cash flow thereafter is received at the end of the year.
- 2 SCH REF - Reference to the detailed working schedules attached.
- 3 Start up costs include capital costs, one-off costs incurred before commencement, and percentage of first year expenses calculated from number of months selected in Start-up Period.

CLIENT: EPPING FOREST DISTRICT COUNCIL

VERSION: B3

Off street enforcement external and administration all external service provision

MODEL OPTIONS SELECTED:

CEO TIME ALLOCATION:

If the CEOs have duties which reduce the effective time they will spend enforcing the parking regulations, this will be reflected by a proportional split being entered for the Other Duties (Enforcement Duties will adjust automatically).
 Actions: Enter required percentages under On-Street and/or Off-Street

Non-Parking Enforcement Duties		Parking Enforcement	
	Options:	Selected Option	Balance
On-Street	0 - 100%	0%	100%
Off-Street	0 - 100%	0%	100%

ON-STREET PAY & DISPLAY CHARGING:

The model has three possible options which can be selected as follows: -
 Current Select for no-change to the current status on implementation of CPE
 New P&D-1 Includes the income and expenses derived from schedule "P&D-1"
 New P&D- 1&2 Includes the income and expenses derived from schedule "P&D-1" and schedule "P&D-2".
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option	Option Number
Current	Current	1
New P&D-1	Refresh PCN Tables after Changing Selection	
New P&D-1&2		

OFF-STREET CAR PARK CHARGING

The model has three possible options which can be selected as follows: -
 Current Select for no change to tarrifs or transaction volumes
 Option 1 Considers revised tarrifs, transaction volumes and distributions of transaction by tarrif.
 Option 2 Considers same changes as Option 1 but for alternative tarrif structure.
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option
Current	Current
Option 1	
Option 2	

OFF-STREET CAR PARK TRANSACTION VOLUMES INCREASE

This is the estimated increase in transaction volumes experienced in Off-Street Car Parks post CPE.
 Apply percentage volume increase to "Current" Income
 Actions: Select the required option to apply or not apply the percentage change to "Current Income"; then Enter required percentage volume increase under "Selected Option"

Options:	Selected Option
Yes or No	Yes
0 - 100%	0%

OFF-STREET CAR PARK CHARGING IN FREE CAR PARKS

Selecting the "Yes" Option will include an estimated volume of transactions from Free Car Parks to be included in the calculation of "Off-Street Car Park Charging". It will also modify the Enforcement required now these Car Parks are charged for.
 Actions: Select one "Option" and copy over "Selected Option" to revise model

Options:	Selected Option
Yes	No
No	

CURRENT VAT RATE

The model will use this rate for all calculations involving VAT e.g. Net income from parking tariffs or ECN Charges
 Actions: Enter current VAT rate under "VAT Rate"

Range	VAT Rate
0 - 100%	20.0%

SUMMARY

TMA 2004 - FINANCIAL MODEL OF IMPLEMENTATION OF OFF STREET ONLY

MODEL VERSION:	B3
MODEL DATE:	25-Nov-15

CLIENT: EPPING FOREST DISTRICT COUNCILVERSION: **B3**

Off street enforcement external and administration all external service provision

SUMMARY OF MARGINAL INCOME & EXPENDITURE

START-UP =	Enter 1 - 3 1 MONTHS	SCH REF	START-UP PERIOD (months)	START-UP CAPITAL	START-UP EXPENSES	FIRST 12 MTHS	SECOND 12 MTHS	THIRD 12 MTHS	FOURTH 12 MTHS	FIFTH 12 MTHS
<u>INCOME</u>	PCNs ISSUED				0	5,221	5,221	5,221	5,221	5,221
	PCN PAYMENTS	1			£0	£108,172	£132,352	£132,352	£132,352	£132,352
	CLAMP & REMOVAL PAYMENTS				£0	£0	£0	£0	£0	£0
	PERMIT PAYMENTS	2			£0	£0	£0	£0	£0	£0
	CAR PARK RECEIPTS	3			£0	£0	£0	£0	£0	£0
	ON STREET CHARGING	3			£0	£0	£0	£0	£0	£0
	NET C. COURT PROCEEDS	4			£0	£2,660	£10,639	£10,639	£10,639	£10,639
	TOTAL PAYMENTS				£0	£110,832	£142,990	£142,990	£142,990	£142,990
<u>EXPENSES:</u>				Annual Inflation rate:		3.0%	3.0%	3.0%	3.0%	3.0%
	OPERATIONAL MANAGEMENT	5	1	£12,175	£3,047	£26,359	£27,149	£27,964	£28,803	£29,667
	ON-STREET ENFORCEMENT	6	1	£0	£0	£0	£0	£0	£0	£0
	OFF-STREET ENFORCEMENT	7	1	£14,156	£8,395	£82,735	£85,217	£87,774	£90,407	£93,119
	CLAMP & REMOVAL CONTROL		1	£0	£0	£0	£0	£0	£0	£0
	TICKET & PERMITS PROCESSING	8	1	£5,350	£13,133	£28,952	£29,820	£30,715	£31,636	£32,585
	PAY & DISPLAY	9	1	£0	£0	£0	£0	£0	£0	£0
	TOTAL EXPENSES			£31,681	£24,574	£138,045	£142,187	£146,452	£150,846	£155,371
ANNUAL NET SURPLUS OR (DEFICIT)				(£31,681)	(£24,574)	(£27,214)	£804	(£3,462)	(£7,856)	(£12,381)
CUMULATIVE NET SURPLUS OR (DEFICIT) EXCLUDING CAPITAL					(£24,574)	(£51,787)	(£50,984)	(£54,446)	(£62,301)	(£74,682)
CUMULATIVE NET SURPLUS OR (DEFICIT) INCLUDING CAPITAL					(£56,255)	(£83,468)	(£82,665)	(£86,127)	(£93,982)	(£106,363)
NPV INTEREST RATE	6%									
YEAR END NPVs (EXCLUDING CAPITAL)					(£50,247)	(£49,532)	(£52,438)	(£58,661)	(£67,913)	
NPV INTEREST RATE	6%									
YEAR END NPVs (INCLUDING CAPITAL)					(£81,928)	(£81,213)	(£84,119)	(£90,342)	(£99,594)	

Notes:-

- 1 NPV - Calculation assumes that the Start Up Cost is a negative cash flow at the start of year 1 and that each years cash flow thereafter is received at the end of the year.
- 2 SCH REF - Reference to the detailed working schedules attached.
- 3 Start up costs include capital costs, one-off costs incurred before commencement, and percentage of first year expenses calculated from number of months selected in Start-up Period.

Report to the Cabinet

Report reference: C-059-2015/16
Date of meeting: 11 January 2016



**Epping Forest
District Council**

Portfolio: Governance and Development Management
Subject: Planning Appeal Compensation Budget
Responsible Officer: Nigel Richardson (01992 564110).
Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) That a District Development Fund Growth Bid in the sum of £90,000 (split as £45,000 for 2016/17 and £45,000 for 2017/18) be made for the Planning Compensations budget in respect of Planning Appeals in the Development Control budget; and**
- (2) That any underspend be carried forward into successive years until it is spent.**

Executive Summary:

Up to 2008, a supplementary DDF was sought each time appeal costs were awarded against the Council. Instead of agreeing to pay out using this same procedure, because of one particularly costly case in 2008, Council instead approved a contingency budget of £100,000 be allocated to the Development Control Appeal budget. In 2012, Cabinet a budget of £90,000. Subsequently, where a cost claim has been awarded against the Council, it has been paid out from this.

However, there is only £12,700 remaining as at December 2015, following a recent cost award of almost £23,000 for one appeal case in Loughton at Former Public Car Park, Church Hill (EPF/1412/14 – Development of ground floor retail and 6 apartments above). Whilst costs awarded against the Council in respect of planning and enforcement appeals is uncommon, a subsequent costs on appeals is currently unlikely to have sufficient budget fund. Therefore the planning compensations budget for Development Control requires further funding. Whilst the contingency budget amount has usually lasted about 3 years, the advice discussions with the Assistant Director – Accountancy, is that the £90,000 be split over 2 years, but any underspend be carried forward to successive years.

Reasons for Proposed Decision:

Although the Council can challenge the amount of costs awarded it is difficult to challenge the Planning Inspectorate's decision to award them. Once an amount is agreed it must be paid or it can be enforced as a debt.

Other Options for Action:

Rather than a contingency budget, a DDF growth bid could be sought every time an award of costs against the Council is successful, as per pre-2008. However, this caused delay as it required approval through Cabinet and Council and the threat of further costs from the

chasing appellant's planning consultancy.

Report:

1. In the case of planning application and enforcement appeals, as stated in the National Planning Practice Guidance on Award of Costs, costs may be awarded against the Council if the appeal inspector from the Planning Inspectorate considers that the Council have acted unreasonably in our decision making and caused another party, usually the appellant's consultant, unnecessary expense.

2. As part of a 6 monthly appeal performance report to Area Plans Sub-Committees, an analysis of any cost awards are also reported. Officers do succeed in defending most cases when sought by the appellant, and successful ones against the Council have tended to be few in frequency.

3. However, these are gradually becoming more frequent, for a number of reasons. The first is that a cost claim can now be made in the case of written representation type appeals, which is the most common method of appeal, and secondly, the Planning Inspector can award costs even if other parties have not applied for them. Finally, since March 2012 with the publication of the National Planning Policy Framework that sets out the Government's planning policies and how they are expected to be applied, more weight is being given to evidence based planning decision making and the need for an up to date Local Plan, which otherwise can result in costs.

4. There is currently about £12,700 left from the initial £90,000 budget that was approved at Cabinet on 22 October 2012. Whilst officers do try to put up a robust defence against any cost claim, there is still the risk that there will be an award of cost in favour of the appellant to be paid by the Council. The withdrawal of an enforcement notice can also be prone to a cost award, as can even dismissed appeals where a reason for refusal has not been substantiated or judged by the Planning Inspector to be reasonable.

5. The initial £90,000 is close to being used up after 3 years and authority is therefore sought for a further injection of funds into the appeal compensation budget, which if not used up as budgeted for 2 years, can be carried over into the following financial years. It is hoped that this will also last for at least 3 years.

Resource Implications:

That a Growth Bid of £90,000 be approved to costs awarded against the Council for future appeals.

Legal and Governance Implications:

The Town and Country Planning Act 1990 as amended and regulations.
National Planning Practice Guidance on Award of Costs
National Planning Policy Framework

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

Finance (Peter Maddock)
Management Board 16th December 2015

Background Papers:

None

Risk Management:

There is a risk that if a cost payment is not made or agreed, then the appellant can refer the case to a costs judge of the Supreme Court for a separate decision, which could result in further costs.

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 subject of this report does not impact on the Equality Act 2010

Report to the Cabinet

Report reference: C-060-2014/15
Date of meeting: 11 January 2016



Portfolio: Governance and Development Management
Subject: Trainee Planning Officers & Trainee Contaminated Land Officer -
Development Management
Responsible Officer: Nigel Richardson (01992 564110).
Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) That authority be granted to create two trainee Planning Officers and a trainee Contaminated Land Officer for a duration of two years at a total cost of £144,690; and
- (2) That the funding for these posts of £144,690 be provided from the District Development Fund, sourced as direct result of the additional planning income received (over budget) for 2015/16.

Executive Summary:

Development Management intends to address workforce improvement in the 2016/17 Business Plan with the implementation of succession planning by 'growing' our own talent as a key element of this. As at April 2015, 37% of employees within the Governance Directorate were aged 55 and over and there is a need to ensure that there is in place plans to address the risks of key professional staff either retiring or moving to other authorities. It is proposed to support the development of our Workforce Plan by recommending the funding and appointment of three important traineeship posts - a Trainee Contaminated Land Officer and two Trainee Planning Officers to address identified skills gaps within Development Management.

Reasons for Proposed Decision:

There is a general difficulty in recruiting and retaining Planning Officers and other specialists within Development Management across Essex and the East of England, such that we are taking part in a project to help address the planning skills shortage across the region. This recruitment difficulty is now being experienced in this Council and has become more pronounced due to the increase in planning applications and competition from the private planning sector, who are recruiting with more competitive job opportunities and salaries. This is supported by a recent advertising process in national and local media for a Senior Planning Officer which elicited one response and the need to further advertise in other publications at an additional financial cost to the service.

Other Options for Action:

To do nothing may result in the Development Management being subject to vulnerability and weakness in key areas of planning and contaminated land.

Report:

Trainee Contaminated Land Officer

1. The establishment of a Trainee Contaminated Land Officer has been identified as a key appointment to aid business continuity for Development Management's Contaminated Land responsibilities, workload of which has increased and is causing delays to the advice given on planning applications and the clearing of details submitted to discharge related conditions on planning applications.

2. The reason is that planning applications have increased by over 20% in 2015/16 accompanied by increases in work in three other areas that have had a direct impact on the Senior Contaminated Land Officers workload;

- Changes to Permitted development rights for the use of agricultural buildings;
- Pre-application enquiries; and
- A general increase in commercial applications most of which are on brownfield sites that have contaminated land implications.

3. Furthermore, as the Senior Contaminated Land Officer is over 60 years of age, there is a need to establish a succession plan to ensure continuity of service provision. The budgeted cost for this will be year one at Grade 4 and year two at Grade 5 and will be £48,230. On completion of the two year period it is the intention that the post holder will be assimilated into the Contaminated Land Section within Development Management at Grade 5 or higher.

Trainee Planning Officers

4. In respect of creating two new trainee posts, in April 2013, a Trainee Planner was appointed and during the two year period of appointment made good progress in obtaining a Masters in Town Planning from Southbank University in London. As a result of this traineeship, the post holder was successfully appointed as a Planning Officer. Due to the success of this it is recommended that this is repeated for two trainee planning officers.

5. This forms an important part of the policy of staff retention and succession planning. It is recommended that the two trainee planner posts for the period August 2016 to August 2018 are created at a cost of £96,460. During this period the post holders will be expected to gain a two year part time Masters degree in Town Planning. On gaining the University qualification the post holder will be tied to the council for a further two years and funding for this will be arranged either by assimilation into a planning officer post or the post holder will be offered a post equivalent or higher than Grade 5.

6. Within Development Management we currently have two fixed term administrative staff members who both joined to gain work experience in planning. One is due to complete their Geography Degree and the other is completing a Masters Degree qualification in Planning, with both due for completion in the summer of 2016. Both are suitable for appointment as Trainee Planners with the added benefit that we would be required to fund only one staff member to attend the twelve months masters' degree course.

Funding

7. The case for funding these three posts stems from the increase in planning applications in recent years. This includes a significant increase in Development Control income which was £298 000 over their original budget in 2014/15. Indications are that the current 2015/16 year will be just as successful as the previous year and as at 9 December 2015 Development Control had already matched their full year's income budget commitment.

8. Planning pre-application advice income before 2013/14 was around £10,000 and the income from this in 2014/15 was £105 000 with indications that Pre-Application Income will be 10% higher than 2015/16. Overall the income for Development Control in 2014/15 was £400 000 over budget. This comprises the increase in both planning/building control applications and additional revenue received as a result of providing income generating pre-application advice.

9. The funding requirement detailed below will be provided by DDF funding, directly linked to the increase in planning income over budget for 2015/16.

DETAIL	GRADE	SCP	FTE	COST
Trainee Contaminated Land Officer (Two years)	4/5	16 & 21	1.00	£48 230
Trainee Planning Officer (Two years)	4/5	16 & 21	2.00	£96 460
NET STAFF RESOURCE COSTS				£144 690

10. In summary, the three new fixed term trainee posts can be sourced from the budget surplus of planning income. The appointment of three important traineeship posts - a Trainee Contaminated Land Officer and two Trainee Planning Officers, will address identified skills gaps within Development Management and add resources to cope with the high work level created by pre-application and planning application submissions.

Resource Implications:

The cost of £144 690 is proposed to be financed from DDF funding, sourced as direct result of the additional planning income received (over budget) for 2015/16

Legal and Governance Implications:

The legal & governance implications have been taken into account by integrating this with actions as part of the Business Plan 2015/16 and 2016/17.

Safer, Cleaner and Greener Implications:

The creation of the Trainee Contaminated Land Officer will assist in the organised development of brownfield sites and two Trainee Planners will assist in professional planning support across Development Management. The three posts will provide significant indirect assistance in protecting the green and rural character of the district as part of the sustainable and carbon friendly policies of the Local Plan.

Consultation Undertaken:

Finance (PM)
 Management Board 16th December 2015

Background Papers:

None

Risk Management:

The following risks are recorded in the Governance Business Plan 2015/16 (updated June 2015) Appendix Six and Seven and are linked to the creation of two trainee posts to improve Development Management performance.

Risk One and Two

- Not meeting Development Management Performance Targets
- Inability or failure to provide current and ongoing planning records/applications on corporate website

Risk Eleven

Loss of expertise and detailed local knowledge – Contaminated Land

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 appointment of two trainee Planning Officers and a trainee Contaminated Land Officer will indirectly support all vulnerable groups within the community who are usually be reliant on the provision of accurate planning information via iPlan which may be compromised due to a combination of the current increase in planning applications and resultant shortage of specialist support from both planning and contaminated land sections.

In addition these appointments will also support the provision of timely advice particularly in supporting community aspirations for greenbelt protection and regulated brownfields development which in turn will result in better service delivery for all protected groups within the community and add value to the EFDC Local Plan.

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Report to the Cabinet

Report reference: C-063-2015/16
Date of meeting: 11 January 2016



**Epping Forest
District Council**

Portfolio: Governance
Subject: Purchase of Aerial Camera System
Responsible Officer: Jerry Godden (01992 564498).
Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

(1) That the Council purchases under the 'invest to save scheme' two aerial camera systems and associated training for £5000 to enable the Council to carry out its own aerial photographic surveys for a number of different sections across all four Directorates.

Executive Summary:

The purchase of a Council owned and operated aerial camera systems would enable the Council to carry out its own aerial and oblique surveys of sites, with subsequent cost saving from having to buy bespoke commercial photographs and videos, and would enable the use a flexible and responsive system to carry out these surveys at short notice and to a bespoke option to suit the user. The users would include Planning, Planning Enforcement, Trees & Landscape, Private Sector Housing, Housing Repairs, Emergency Planning, Council Tax, and the Engineering, Drainage and Water Team. It is envisaged that more sections will find uses for the systems as they come into operation.

There is also the option to use the system to generate an income stream for the Council in the sale of air time to other authorities and agencies.

This report is before Cabinet to authorise the purchase of the equipment and training for a cost of £5000. The systems would be purchased and operated by the GIS Section.

Reasons for Proposed Decision:

An opportunity to purchase aerial camera systems has arisen and it is considered that such a purchase would save the Council money and result in a more efficient way of working for all Directorates.

Other Options for Action:

Continue using commercially available aerial photography. This has a significant associated cost and is inflexible in its response to the needs of the end user department.

Report:

1. The Council has previously looked at purchasing a fixed wing Unmanned Aerial Vehicle (UAV) in 2013 but it was decided at Management Board level that the time was not right for such a purchase.
2. The technology has moved on since then and the Council can now buy 2 helicopter type UAVs with the appropriate software and training for £5000 which is less than the price for the proposed 2013 fixed wing UAV purchase.
3. These UAVs would have a wide range of uses as laid out below, and EFDC would be following a number of other Local Authorities and Public Sector bodies who have used or purchased UAVs such as North Norfolk for river surveys, Barnsley for town centre redevelopment and Walsall Housing Group for building surveys.
4. The system would be a [DJI Phantom 3](#) which can be fitted with various camera and software options as required by the purchaser. The technical requirements would be dealt with by the GIS section who would hold and operate the systems for the benefit of the end user sections. The system is 590mm across and about 500mm high. It has a range of 2KM and can be fitted with various camera options with high resolution cameras. It flies at low levels, is electrically powered, and its low noise level footprint is a feature of its use. It does not need a qualified pilot to operate as it takes off and lands by itself.
5. Whilst the UAV does not currently require Civil Aviation Authority (CAA) Licensing, we would apply for a Permission for Aerial Work (PFAW) license in a belt and braces approach. However the operating staff would receive CAA approved training and qualifications.



6. The cost is £1500 per UAV and £2000 for software and training. The Council's Public Liability Insurance would cover its operation.
7. This cost would be borne from the corporate budget as it meets the criteria for an upfront investment which will produce longer term savings and all Directorates would have

access to the system.

8. Flying into controlled airspace (i.e. Stansted and local aerodromes) will be possible with prior arrangement.

9. Various sections across all Directorates have a requirement for this type of equipment. Some of these are laid out below but this is not an exhaustive list and it is considered that other uses will be discovered once the UAVs are in operation and become a familiar and useful tool.

10. Planning would use them for surveys of the District and of specific sites for Development Control and Trees and Landscaping. An example of its use would be for the Planning Enforcement Section. The UAV would allow a flexible, quick and responsive system that has the benefit of height, speed and reach. It would allow the section to produce accurate aerial photos of sites being investigated in almost "real time" and allow comparison with historic records. At the moment the section can only use legacy photos which usually do not show the works which have been carried out. To be able to show what changes have occurred and when would be a valuable tool in the fight against environmental crime as both evidence and a negotiation tool, as it would be a record of fact not open to significant interpretation. It would also allow surveys to be carried out on sites which are difficult to enter or have serious officer safety implications; this would ensure speedier investigations and service of the relevant notices.

11. Housing and Housing Repairs would use the system for a number of surveys including the carrying out initial surveys of land that might potentially be used for building Council houses. They would also be able to do surveys of roofs and guttering without the need for expensive and time consuming personal surveys involving scaffolding.

12. Private Sector Housing would be able to use them for checking site licence conditions on park home sites as it is proposed that an annual check will be carried out on all our permanent residential sites over the district to ensure compliance with the Council's site licence conditions. The equipment would not remove the requirement for an officer to carry out their own on-site inspection but it would be extremely useful in highlighting spacing contraventions between homes and also identifying general deficiencies on the site.

13. Housing would also use the system to assist with the investigation of complaints. It would also be very useful in helping substantiate complaints from residents of park home sites, for example, regarding inadequate car parking provision. In the past, this has been investigated by officers monitoring the park home site (two officers required, as it is a no lone visit) at different times of the day and days of the week. The UAVs could be used to give an accurate snap shot of the numbers and position of cars to establish the extent of any capacity issue.

14. Some neighbouring Councils are having to deal with an issue of 'beds in sheds' where property owners are erecting shed like structures in their back gardens and offering them out for rent, illegally. If this became a problem on our District, the UAV would be a useful tool in investigating and identifying gardens of concern. Similarly the equipment would be useful for Investigating complaints about non-residential structures (such as garden sheds and commercial storage buildings) being used illegally for residential purposes.

15. It is a Government requirement that a survey is carried out on all the gypsy sites over the District on two prescribed days in January and July each year. This currently takes two officers a whole day to complete. The UAVs could be used to survey some, or all, of the sites on those specified days, thereby reducing the officer time and the potential risk to officer safety.

16. Communities would be able to use the system for Land Drainage purposes, including near real time flooding surveys. Good quality images may help identify illegal waste transfer sites, large scale hidden illegal waste deposits and previously unidentified unauthorised caravan encampments.

17. Council Tax have a requirement for identifying new building and other buildings in residential use – this system would allow a quick and easy solution for identifying these properties.

18. As all photography taken will be ours to sell or share, we could possibly maximise income by selling on this service to, for example, Harlow District Council. There may also be opportunities to explore shared use and potential revenue generation in respect of other public bodies. This could be explored once our own uses were identified, regulated and had become embedded in order to deal with any initial issues.

19. We could also share this information with all Parish/Town Councils arranging a "log in" for them to access up to date aerial photography for their uses as statutory bodies.

Privacy Issues

20. The UAV system is designed to fly at an unobtrusive height to minimise noise and disturbance. The use of aerial platforms to take photographs is legal and there are a number of companies who take regular surveys of the whole of the UK for commercial and private sale, from which the Council currently buys its aerial photos. It is also the case that under Sections 196A-B and 324 of the Town and Country Planning Act 1990 (as amended) the Local Authority has the right to undertake surveys which would include aerial surveys. The system is also not sufficiently sophisticated for faces to be recognisable.

21. It is considered that the images captured by the system are similar albeit of a higher resolution, to those which we buy commercially or can be seen on the internet through sites such as Google Street view and Bing aerial photographs. We have purchased commercial aerial photographs of this district for over 50 years and this new system allows the Council flexibility in taking images without the associated commercial costs of buying images on an ad hoc basis. The only difference between us buying or using commercial images and having a system to take our own is that having our own system will be a much more flexible and cost effective way of taking images for the multiplicity of uses required by the Council.

22. Public Relations are aware of this proposal and have highlighted media issues around privacy concerns and an agreed policy for the use of the UAV and the captured images will need to be agreed.

23. The Legal Section have advised that for enforcement investigations then the Regulation of Investigative Powers Act (RIPA) would need to be looked at on a case by case basis to see if any advice/approval by the Council's Director of Governance as the designated Senior Responsible Officer or the authorising officers for that legislation would be required if a case required a covert investigation. For overt investigations this would not be an issue – although the protocols for any use of the equipment would be followed in any event. The Councils RIPA policy would also need to be updated to take account of the new system but this would be best done in conjunction with the inspection of our RIPA practices and policy by Sir David Clarke, Assistant Surveillance Commissioner, on 5 February 2016. However, there is no legal impediment to the purchase and use of such a system.

Conclusion

24. This is an excellent opportunity for the Council to acquire a cost effective system to enable more efficient working practices across the Council with a significant cost saving on various functions that we already carry out. The Council will need a policy document for its employment but this will not be difficult to compose and should not be regarded as an obstacle to this proposal. Indeed as innovative uses are developed and agreed the policy document will undoubtedly develop further.

Resource Implications:

£5000, split between a capital sum of £3500 for purchase of the system and £1500 for training courses and software from within the invest to save budget.

Legal and Governance Implications:

Town & Country Planning Acts
Housing Acts
Environment Acts
Caravan Sites and Control of Development Act 1960
RIPA Act
Police and Criminal Evidence Act

Safer, Cleaner and Greener Implications:

The purchase of the systems would allow a reduction in officer repeat journeys to sites, reducing traffic congestion and fuel consumption. The UAVs are powered by electric motors so are non-polluting.

Consultation Undertaken:

Management Board

Background Papers:

Nil

Risk Management:

Apart from the impact on Budgets, the decision impacts on the Council reputation in terms of good decision making and ensuring the efficient and cost effective use of modern technology is properly explained.

Risk of technical or mechanical failure – minimised by research into purchasing robust UAV and giving /updating training of operatives.

Inappropriate use of UAV – minimised by existing policy and procedures for covert surveillance in line with the Regulation of Investigatory Powers Act and internal operating procedures.

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.

Potentially all residents within the Epping Forest District boundary and people working within the district. The main effect will be the capture of electronic photographic and video data which will need to comply with Data protection regulations and RIPA. It is not foreseen that any unlawful discrimination will result from this purchase as it is not designed for individual identification. In relation to sites where access is difficult or complainants are genuinely intimidated this may assist in gathering information without unduly distressing them. This system will improve the service the Council is able to give to all those within the District and will enable quick and fair decision making.