

Report to the Finance and Performance Management Cabinet Committee



**Epping Forest
District Council**

Report Reference: FPM-016-2015/16

Date of meeting: 12 November 2015

Portfolio: Finance

Subject: Invest to Save Proposals

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Recommendations/Decisions Required:

- 1. To recommend to Cabinet the proposal to invest in rental loans for homeless applicants; and**
- 2. To note the progress on the other proposals previously reported to this Committee.**

Executive Summary:

In setting the budget for 2015/16 Council decided that, as the balance on the General Fund Reserve exceeded the minimum requirement and further savings were required, £0.5 million should be transferred from the General Fund Reserve into an Invest to Save earmarked reserve. It was intended that this earmarked reserve would be used to finance schemes that would reduce the Continuing Services Budget (CSB) in future years.

The September meeting of this Committee received two proposals that were recommended on to Cabinet, which endorsed them. An additional business case is now being presented together with an update. It is appropriate at this stage to seek Member approval for the proposals and give Members the opportunity to put forward additional or alternative proposals.

Reasons for Proposed Decisions:

To seek Member approval for an Invest to Save proposal before it is implemented.

Other Options for Action:

Members may decide not to support the proposal and suggest additional or alternative uses for the Invest to Save Fund.

Report:

- 1. The Medium Term Financial Strategy (MTFS) approved by Council in February 2015 included CSB reductions of £1,089,000 for the revised 2014/15 estimates and £573,000 for 2015/16. Despite these significant savings it was anticipated that further reductions would be required of £250,000 in 2016/17 and £400,000 in 2017/18. The MTFS also predicted that at the end of 2018/19 the balance on the General Fund Reserve would still comfortably exceed the minimum requirement set by Members. Given the adequacy of reserves and the need for savings, it was felt that the establishment of an Invest to Save Fund may help generate some new and creative ideas to deliver services differently or generate income.**

2. In September this Committee considered business cases for a tractor and grass cutting equipment, for £30,000, and for LED lighting in the Council's car parks, for £100,000. Both the proposals were supported and recommended on to Cabinet, which adopted the proposals on 8 October.
3. The next business case for the Committee to consider is funding to for rental loans for homeless applicants, see Appendix 1. This proposal covers three years of funding and a payback period of approximately nine months is anticipated for each year. Homelessness is an increasing and expensive problem, the provision of these loans will help minimise the use of the far more costly option of bed and breakfast accommodation.
4. At the September meeting the Committee was informed that a business case to extend the use of cash kiosks would be presented direct to Cabinet, as this project requires other Cabinet decisions to proceed in addition to the allocation of Invest to Save funding. This agenda will be published before Cabinet meets on 5 November so an oral update will be provided on the Cabinet's consideration of this proposal.
5. The possibility of Invest to Save funding for a master planning exercise to evaluate possible redevelopments at the Hill House site in Waltham Abbey was also mentioned previously. This is now being funded through a different mechanism with support from the other partners involved in the scheme, although a contribution of £20,000 may be required from the Invest to save fund. Discussions are continuing with partners and a bid document should be completed in time for circulation at this meeting.
6. Members have previously indicated a lack of satisfaction with the services provided by the North Essex Parking Partnership (NEPP). Whilst the Council has no choice over on street parking it would be possible to take the service for off street parking back in house. It is anticipated that this could generate savings but initial funding of £15,000 would be required to engage an external specialist to develop the business case. Following in principle support for this proposal in September a bid is now being constructed similar to the one attached as an appendix with anticipated costs and benefits. It is anticipated that the bid will be available for circulation at this meeting.
7. In addition to the proposal set out above Members may have other ideas and so additional or alternative proposals are invited. If outline suggestions are made officers can evaluate and further develop any appropriate proposals.

Resource Implications:

The Invest to Save Fund contains £500,000 and the proposals suggested so far can be contained within that amount. Depending on if the proposal is supported, future reductions in CSB should arise.

Legal and Governance Implications:

None.

Safer, Cleaner, Greener Implications:

None.

Consultation Undertaken:

None.

Background Papers:

None.

Impact Assessments:

Risk Management

The risks for the proposal are set out on the attached appendix.

Due Regard Record

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

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

Date / Name	Summary of equality analysis
28/10/15 Director of Resources	There are no equality implications arising from the specific recommendations of this report. Relevant implications arising from individual proposals or actions to achieve net savings will be identified and considered by the responsible Director.