

Supplementary Committee Agenda



**Epping Forest
District Council**

Cabinet Wednesday, 15th April, 2020

Place: Council Chamber, Civic Offices, High Street, Epping

Time: 7.00 pm

Democratic Services: A. Hendry (Democratic Services)
Tel: (01992) 564246
Email: democraticservices@eppingforestdc.gov.uk

18. ANY OTHER BUSINESS

Section 100B(4)(b) of the Local Government Act 1972, together with paragraphs 6 and 24 of the Council Procedure Rules contained in the Constitution requires 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.

18.a DEVELOPMENT OPPORTUNITY - ST JOHN THE BAPTIST CHURCH, EPPING (Pages 293 - 304)

(Leader of Council) To consider the attached report (C-042-2019/20).

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Report to the Cabinet

Report reference: C-042-2019/20

Date of meeting: 15 April 2020



**Epping Forest
District Council**

Portfolio: Leader of Council

Subject: St John the Baptist Church, Epping – Development Opportunity

Responsible Officer: Deborah Fenton (01992 564221).

Democratic Services: Adrian Hendry (01992 564246).

Recommendations/Decisions Required:

(1) Cabinet are asked to approved progression to carry out a full feasibility study on a joint project with St John the Baptist Church, in order to provide a community hall and accommodation for key workers.

Executive Summary:

The Council has been approached by representatives of St John the Baptist Church to enquire as to whether there would be any appetite to undertake a joint project to develop a community hall and accommodation. The Church are keen to ringfence any residential accommodation for key workers. Furthermore, the community hall will be utilized by the Church and other local groups. The full details are subject to negotiation however, a brief report has been prepared by our consultant (Metaplan). This indicates that subject to a mix of affordable and shared ownership housing, the project would provide a healthy return for the Council over the period of the Business Plan. In addition, a much-needed community resource would be created.

Reasons for Proposed Decision:

The development of affordable housing supports the overall aspirations of the Councils Corporate Plan – Stronger Plan, Stronger Communities.

The opportunity to partner with St John the Baptist Church provides both financial and community partnership benefits for the Council.

Other Options for Action:

Not to progress to full feasibility in which case the Church would contract with a private developer.

Report:

Historical Context

1. St John the Baptist Church was granted Outline Planning consent in 2015 to construct a two-story community building to the side of the historic church building. The cost of

undertaking the project was found not to be feasible. In early January 2020 the Council was approached by the Church to discuss the appetite for engaging in a joint project to provide both a community facility and residential accommodation.

Desk top feasibility

2. Metaplan were asked to provide a desk top feasibility study. The scope included a financial analysis around the different types of affordable housing to ascertain whether the project would be viable for the Council in terms of Internal rate of return over 30 years.

3. The table below highlights the viability of affordable housing and for the purpose of the report, accommodation for sale has also been included. The affordable housing both rented and shared ownership assumes grant of 30%. This would be either from Homes England or Right to Buy Receipts. The most sensible approach given the potential viability would be to provide a mix of affordable rented and shared ownership. This would provide an internal rate of return of 2.04% for the affordable rented and 5.59% for the shared ownership. This is modelled over 30 years. The blended percentage would make the scheme financially viable for the Council.

VIABILITY	1 BF SALE	2 BF SALE	1 BF LHA	2 BF LHA	1 BF INT	2 BF INT	1 BF SO	2 BF SO
Units	9	7	9	7	9	7	9	7
Unit Value	310,000	450,000					310,000	450,000
Sales	2,790,000	3,150,000					976,500	1,102,500
Costs	-2,303,970	-2,324,490	-2,262,120	-2,277,240	-2,262,120	-2,277,240	-2,292,416	-2,307,739
Grant (30%)			605,925	609,975	605,925	609,975	605,925	609,975
Profit/Loan(-)	486,030	825,510	-1,656,195	-1,667,265	-1,656,195	-1,667,265	-709,991	-595,264
NPV of rent			1,346,849	1,351,150	1,844,310	1,852,756	931,088	1,051,228
Surplus/Deficit(-)			-309,346	-316,115	188,115	185,491	221,097	455,964
IRR			2.04%	2.03%	4.31%	4.29%	5.59%	8.25%

Asset and Land Ownership

4. Initial discussions have been undertaken with the Church with regards to asset and land ownership, an option in order to protect the Capital the Council would be committing would be to build out the scheme and then have a 49-year lease on the residential units. This would protect the units from the Right to Buy whilst allowing the Church to remain as the Freeholder. The Council would retain the rights to buy back any shared ownership properties thus maintaining the scheme for key workers.

Resource Implications:

The resource implications for the full feasibility will be funded from the Capital House building Budget. A full cost viability report will be provided as part of the feasibility study.

Legal and Governance Implications:

Any professional consultancy services will be procured in line with the Council procurement rules.

Safer, Cleaner and Greener Implications:

The desk top study assumes nil parking which fits with our declaration of a climate emergency.

Consultation Undertaken:

Initially consultation has been undertaken with the Portfolio holder.

Background Papers:

NA

Risk Management:

There is a risk that after undertaking full feasibility, the scheme would not be viable. This would lead to abortive costs.

Equality Analysis:

The Equality Act 2010 requires that the Public Sector Equality Duty is actively applied in decision-making. This means that the equality information provided to accompany this report is essential reading for all members involved in the consideration of this report. The equality information is provided as an Appendix to this report.

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Equality Impact Assessment

1. Under s.149 of the Equality Act 2010, when making decisions, Epping District Council must have regard to the Public Sector Equality Duty, ie have due regard to:
 - eliminating unlawful discrimination, harassment and victimisation, and other conduct prohibited by the Act,
 - advancing equality of opportunity between people who share a protected characteristic and those who do not,
 - fostering good relations between people who share a protected characteristic and those who do not, including tackling prejudice and promoting understanding.
2. The characteristics protected by the Equality Act are:
 - age
 - disability
 - gender
 - gender reassignment
 - marriage/civil partnership
 - pregnancy/maternity
 - race
 - religion/belief
 - sexual orientation.
3. In addition to the above protected characteristics you should consider the cross-cutting elements of the proposed policy, namely the social, economic and environmental impact (including rurality) as part of this assessment. These cross-cutting elements are not a characteristic protected by law but are regarded as good practice to include.
4. The Equality Impact Assessment (EqIA) document should be used as a tool to test and analyse the nature and impact of either what we do or are planning to do in the future. It can be used flexibly for reviewing existing arrangements but in particular should enable identification where further consultation, engagement and data is required.
5. Use the questions in this document to record your findings. This should include the nature and extent of the impact on those likely to be affected by the proposed policy or change.
6. Where this EqIA relates to a continuing project, it must be reviewed and updated at each stage of the decision.
7. All **Cabinet, Council, and Portfolio Holder reports must be accompanied by an EqIA**. An EqIA should also be completed/reviewed at key stages of projects.
8. To assist you in completing this report, please ensure you read the guidance notes in the Equality Analysis Toolkit and refer to the following Factsheets:
 - Factsheet 1: Equality Profile of the Epping Forest District
 - Factsheet 2: Sources of information about equality protected characteristics
 - Factsheet 3: Glossary of equality related terms
 - Factsheet 4: Common misunderstandings about the Equality Duty
 - Factsheet 5: Frequently asked questions
 - Factsheet 6: Reporting equality analysis to a committee or other decision making body

Section 1: Identifying details

Your function, service area and team: **Housing Development**

If you are submitting this EqlA on behalf of another function, service area or team, specify the originating function, service area or team: **NA**

Title of policy or decision: **Progress to full feasibility, St John the Baptist Church, Epping**

Officer completing the EqlA: **Deborah Fenton** Tel: **01992 564221** Email: **dfenton@eppingforestdc.gov.uk**

Date of completing the assessment: 6/4/2020

Section 2: Policy to be analysed

2.1	Is this a new policy (or decision) or a change to an existing policy, practice or project? No
2.2	Describe the main aims, objectives and purpose of the policy (or decision): N/A What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? N/A
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none">• service users• employees• the wider community or groups of people, particularly where there are areas of known inequalities? No Will the policy or decision influence how organisations operate? No
2.4	Will the policy or decision involve substantial changes in resources? No – budgets are already approved for the housebuilding programme
2.5	Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes? No

Section 3: Evidence/data about the user population and consultation¹

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	What does the information tell you about those groups identified? That the only significant impact will be the reduction in the number of local key workers on the Council House waiting list.
3.2	Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision? Consultation has been undertaken with Members and the Housing Portfolio Holder
3.3	If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary: N/A

Section 4: Impact of policy or decision

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	Neutral – the paper is for information only and will not impact on any groups	L
Disability	As above	L
Gender	As above	L
Gender reassignment	As above	L
Marriage/civil partnership	As above	L
Pregnancy/maternity	As above	L
Race	As above	L
Religion/belief	As above	L
Sexual orientation	As above	L

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqlA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No X	
		Yes <input type="checkbox"/>	If ' YES ', use the action plan at Section 6 to describe the adverse impacts and what mitigating actions you could put in place.

Section 6: Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
None	N/A	N/A/De

Section 7: Sign off

**I confirm that this initial analysis has been completed appropriately.
(A typed signature is sufficient.)**

Signature of Head of Service: Deborah Fenton

Date:6/4/2020

Signature of person completing the EqIA: Deborah Fenton

Date: 6/4/2020

Advice

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqIA you undertake to the director responsible for the service area. Retain a copy of this EqIA for your records. If this EqIA relates to a continuing project, ensure this document is kept under review and updated, eg after a consultation has been undertaken.

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