

Supplementary Committee Agenda



**Epping Forest
District Council**

Cabinet Monday, 19th July, 2010

Place: Council Chamber
Civic Offices, High Street, Epping

Time: 7.00 pm

Democratic Services: Gary Woodhall (The Office of the Chief Executive)
Tel: 01992 564470
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8.a REDUCTION OF HEATING CHARGES - NINEFIELDS, WALTHAM ABBEY (Pages 3 - 8)

(Housing Portfolio Holder) To consider the attached additional report (C-018-2009/10).

9. FINANCE & PERFORMANCE MANAGEMENT CABINET COMMITTEE - 14 JUNE 2010 (Pages 9 - 16)

(Finance & Economic Development Portfolio Holder) To consider the minutes from the recent meeting of the Finance & Performance Management Cabinet Committee held on 14 June 2010 and the recommendations therein.

10. LOCAL DEVELOPMENT FRAMEWORK CABINET COMMITTEE - 17 JUNE 2010 (Pages 17 - 22)

(Leader of the Council) To consider the minutes from the recent meeting of the Local Development Framework Cabinet Committee held on 17 June 2010 and the recommendations therein.

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Report to the Cabinet

Report reference: C-018-2010/11

Date of meeting: 19 July 2010



**Epping Forest
District Council**

Portfolio: Housing

Subject: Reduction of Heating Charges - Ninefields, Waltham Abbey

Responsible Officer: Sandy Lindsay (01992 564035)

Democratic Services Officer: Gary Woodhall (01992 564470)

Recommendations/Decisions Required:

(1) That the heating charge in respect of 216 one-bedroom properties at Ninefields, Waltham Abbey be reduced from £22.19 per week for 2010/11 to the amount charged in 2009/10 of £16.69 per week until new, individual boilers can be installed; and,

(2) That the Council be requested to approve a supplementary estimate of £57,000 to fund the cost of the reduction in 2010/11.

Executive Summary:

The heating systems in many of the Council-owned blocks of flats on the Ninefields Estate still date from the 1960's and have now become costly to run. As a result, in 2010/11 the Council has had to make a £22.19 per week heating charge to tenants and leaseholders just to cover costs, a charge that is clearly disproportionate for a one-bedroom flat.

The Council is undertaking a programme of work to replace the boilers in the 216 affected properties but this work will not be fully completed until 2011/12. Until each occupier has their new system installed they will have to continue to pay these high charges. It is considered that it would be reasonable to reduce the charge to £16.69 a week, the amount paid by tenants and leaseholders in 2009/10, until they each have their own boiler installed. The cost of making this reduction is estimated as being £57,000.

Officers have tried to find this funding from potential shortfalls in existing budgets but at this relatively early point in the financial year, this has not been possible. Members are being asked, therefore, to agree that a request for a supplementary estimate of £57,000 be made to Council.

Reasons for Proposed Decision:

The current heating charge of £22.19 per week, per property, is disproportionate and excessive in comparison to heating charges for similar sized, and even larger properties. The Council will shortly be starting a programme of work to replace the boilers in all of the 216 properties affected, but it will not be possible to complete this work until 2011/12. In order to compensate tenants and leaseholders for having had to pay these high costs since April 2010, it is proposed to reduce the charge to the amount charged in 2009/10 of £16.69 per week until such time as each resident has a new heating system installed.

Other Options for Action:

The option not to reduce the charges has been discounted as it is inappropriate to charge £22.19 per week for a one bedroom property.

The option to reduce the charges by an alternative amount has also been discounted as it is considered more appropriate to reduce the charge to the same level as last year, rather than setting an arbitrary reduction.

Report:

1. Some of the blocks of flats on the Ninefields Estate in Waltham Abbey have communal gas heating systems that were installed when the buildings were first constructed around 1965. The heating systems in the individual flats are supplied from centrally-located, communal boilers that serve each block of four properties. As you would expect from a heating system of this age, the boilers, radiators and supply pipe work are nearing the end of their lifespan and have become uneconomical to maintain and costly to use. In addition to this, the residents of the individual flats are not able to control their own heating systems, and therefore their own heating costs, as these are controlled centrally from the boiler.

2. Tenants pay the heating charge with their fortnightly rent. Leaseholders are recharged an estimated monthly amount and then the actual costs are calculated at the end of each year. Occupants are notified of the charges for the forthcoming year by letter at the start of each financial year. These are calculated from the previous year's costs adjusted by any overpayment or shortfall that may have arisen. In respect of the 216 one bedroom properties at Ninefields, Waltham Abbey, there was a shortfall estimated at £63,000 in 2009/10 which had to be included in this year's charges. As a result, the weekly charge for 2010/11 was set at £22.19, an increase of £5.50 per week over the previous year.

3. When the notification letters were sent out there were numerous enquiries and complaints, both from residents and Members, about the level of the heating charge. As a result of this, and as already planned, the Council undertook a feasibility study into a number of options for future provision and this included a consultation with all the tenants and leaseholders concerned to determine their preferences. 52% of the residents completed and returned the consultation questionnaire before the deadline.

4. Four options were consulted on and the results were as follows:

Type of System	Heating and Hot Water	Percentage of residents in favour
Option 1 Power flush the system and upgrade the heating controls	To include both	3%
Option 2 Convert the existing system to put control into each property	To include both	3%
Option 3 Installation of individual	To include both	82%

Option 4 Replacement of the existing heating communal system	To include both	12%
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5. The results from consultation exercise suggested that the residents were strongly in favour of having their own heating system, allowing them to control their own heating and, therefore, costs. This would have the added benefit that the Council would no longer need to collect the heating charge.

6. Although the residents are aware that the Council has acted promptly to try and resolve these issues and that they will benefit from the new arrangements, the financial benefits will not be immediate for all the tenants and leaseholders. Those tenants and leaseholders who are not included at the start of the programme will not be able to control their own heating system, and therefore benefit from the lower costs, until possibly the start of the next financial year. Tenants will still have to pay £22.19 per week and leaseholders their share of the actual account at year end. Therefore, it seems inappropriate to expect them to pay for an uneconomical system, compared to average heating costs for a one bedroom property.

7. As a short term measure and as a gesture of goodwill, it would seem reasonable to reduce the costs for this financial year and the start of next financial year, where appropriate, up to the time that the individual boilers are up and running.

8. A timetable has been drawn up for the installation of the individual boilers in each of the blocks. However, there has been a delay to the original timescale due to the fact that each property in the different blocks has to have a meter fitted first. Until everyone in the same block has been fitted with this meter, therefore, the installation of the individual boilers cannot take place in accordance with the original timetable. It is proving extremely difficult to get access to all the properties at the same time. The timing for fitting the meters in the various blocks will determine when the individual boilers are installed and this may not necessarily be the order of the provisional timetable. Therefore, as it is difficult to estimate which properties will benefit from the installation of the new boilers first, the estimated cost of the loss of income as a result of reducing the charges from April 2010 can only be based on the original timetable at this point in time.

9. Based on the original timetable the estimated cost to reduce the charge from £22.19 to £16.69 per week for each property from the start of the current financial year until the new systems are running is estimated at £57,000 over the period of implementation in 2010/11 and early 2011/12. If the costs are reduced, the tenant and leaseholders' accounts can be credited, backdated to the start of the financial year. This will apply to 175 tenants and 41 leaseholders making a total of 216 properties.

10. Consideration has been given to whether the reduction in charge could be funded from an underspend on other budgets. However, as it is still relatively early in the current financial year, this has not been possible. For this reason Members are asked to agree that a request be made to the Council for a supplementary estimate of £57,000 to fund the reduction, which would be funded from HRA balances. Once the work is underway it will be apparent whether there will be further slippage that might result in £57,000 being an insufficient amount to fund the shortfall. Should this be the case, an adjustment will be made in budget setting for 2011/12 accordingly.

Resource Implications:

An estimated loss of income totalling £57,000 is anticipated.

Legal and Governance Implications:

Housing Act 1985 and Commonhold and Leasehold Reform Act 2002

Safer, Cleaner and Greener Implications:

Installation of new boilers will be more energy efficient and produce less CO₂.

Consultation Undertaken:

All 216 residents were consulted and 52% responded within the deadline set.

All Ward Members for the blocks affected were consulted on this report, and their views were as follows:

Cllr Wyatt expressed a concern that the gas company might start reading the new individual meters as soon as they are installed. As, for some flats, this might be before all of the flats in the block have been 'converted', there might then be the risk that some occupiers might be charged for their supply as indicated by their own meter and also receive an apportioned charge as indicated by the communal meter.

Officers have assured Cllr Wyatt that this will not happen as heating charges will be removed from tenants and leaseholders accounts as soon as their own boiler has been installed.

Background Papers:

Letters from residents.

Impact Assessments:

Risk Management

Risk of not being able to collect the costs on the individual residents' ability to pay.

There is a risk of adverse publicity, since the costs are very high, albeit based on gas consumption measured at the meter.

Equality and Diversity

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties; reveal any potentially adverse equality implications? Yes

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? No

What equality implications were identified through the Equality Impact Assessment process?

An equality issue has been identified as not all tenants and leaseholders in the 216 properties affected will benefit immediately from the replacement programme. Those tenants and leaseholders who are not included at the start of the programme will not benefit from the economic benefits of being able to control their own heating system until later this year, or the start of next year. The proposal that all the residents in the properties affected should benefit from the reduced heating charge from the beginning of the current financial year, 2010/11, will compensate for this inequality.

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?

In order to be fair to everyone it would seem appropriate to reduce the charges for this financial year to the same level as last financial year. Those tenants and leaseholders who remain on the communal system the longest will benefit more from the reduction in costs than those tenants and leaseholders who are at the start of the replacement programme.

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EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Finance and Performance Management Cabinet Committee **Date:** 14 June 2010

Place: Committee Room 1, Civic Offices, High Street, Epping **Time:** 6.35 - 7.30 pm

Members Present: C Whitbread (Chairman), R Bassett, Mrs D Collins, D Stallan and Ms S Stavrou

Other Councillors: B Rolfe

Apologies: Mrs P Smith

Officers Present: D Macnab (Deputy Chief Executive), R Palmer (Director of Finance and ICT), P Maddock (Assistant Director (Accountancy)), E Higgins (Insurance & Risk Officer) and G J Woodhall (Democratic Services Officer)

1. DECLARATIONS OF INTEREST

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

2. MINUTES

RESOLVED:

That the minutes of the meeting held on 18 May 2010 be taken as read and signed by the Chairman as a correct record.

3. ANY OTHER BUSINESS

It was noted that there was no other urgent business for consideration by the Cabinet Committee.

4. KEY PERFORMANCE INDICATORS - OUTTURN FOR 2009/10 & ADOPTION FOR 2010/11

The Deputy Chief Executive presented a report upon the outturn for 2009/10 of the Council's Key Performance Indicators, and the adoption of a new set of indicators for 2010/11.

The Deputy Chief Executive reported that a range of 58 Key Performance Indicators had been adopted for 2009/10, and had been comprised of a mixture of statutory National Indicators, Local Performance Indicators and other local Indicators deriving

from the Local Area Agreement for Essex. An objective had been set for at least 80% of the Indicator set to achieve target performance by the end of the year. Performance reports for each Indicator had been considered by the Finance & Performance Management Scrutiny Panel at its meeting on 10 June 2010. The outturn for the Key Performance Indicators in 2009/10 was reported as:

(i)	31 achieved their target performance	53.4%
(ii)	20 did not achieve their target performance	34.5%
(iii)	4 could not be reported	6.9%
(iv)	1 was not required to be measured	1.7%
(v)	1 was not subject to a performance target	1.7%
(vi)	1 was not reported	1.7%

Of the 20 Indicators that did not meet their target, eight were within 5% of their target. If the seven Indicators that could not be reported were excluded, then 60.8% of Indicators for 2009/10 achieved their target.

The Deputy Chief Executive advised the Cabinet Committee that the draft set of Indicators for 2010/11 had been reviewed as requested, to ensure that they were focused on both the Council's and local communities' key priorities. To this end, a mapping exercise had been undertaken to show the relevance of each indicator to the Council's medium term aims for the period 2010-14, the Council's Key Objectives for 2010/11, and the priorities identified in the Sustainable Community Strategy. The Government had also announced the deletion of four National Indicators, with effect from 1 April 2010, however it had been proposed to retain NI14 (reducing avoidable contact) following a review of its data collection methodology. In addition, the Scrutiny Panel had recommended the deletion of a further eight Indicators from the set to give a reduced number of 47 Indicators for 2010/11, and had also proposed that the Corporate Improvement Target should be set at 70% for 2010/11.

The Portfolio Holder for Performance Management added that 30 Indicators had been identified for regular review by both the relevant Portfolio Holders and the Scrutiny Panel. The 70% Corporate Improvement Target proposed by the Scrutiny Panel was sensible, which would hopefully lead to improvement being demonstrated across the whole range of Indicators. It was noted that the requirement to report upon a suite of National Indicators had been highlighted to the Government as "red tape" that could be usefully deleted to improve the efficiency of Local Government in the recent Government consultation.

RESOLVED:

- (1) That, in relation to the Key Performance Indicators adopted for the year, the Council's overall outturn performance for 2009/10 be noted; and
- (2) That proposals for the adoption of Key Performance Indicators for 2010/11 as recommended by the Finance & Performance Management Scrutiny Panel, including the setting of a 70% corporate improvement target for the year, be agreed.

5. PROVISIONAL REVENUE OUTTURN 2009/10

The Assistant Director (Accountancy) presented a report upon the provisional Revenue outturn for 2009/10.

The Assistant Director reported that expenditure within the Continuing Services Budget (CSB) was £568,000 below the original estimate and £701,000 lower than the revised estimate. The salary budget had been underspent by £731,000 with approximately two-thirds applicable to the General Fund and one-third applicable to the Housing Revenue Account (HRA). Other significant savings had been £64,000 for plant maintenance, gas and electricity at the Civic Offices, £40,000 within the Corporate Improvement budget, £34,000 within the Performance Management Unit and £24,000 within ICT Maintenance budgets.

The Assistant Director advised that the District Development Fund (DDF) had shown a saving of £919,000 for the year, against the revised estimate of £294,000 of expenditure. There were requests for carry forwards totalling £523,000 so the net underspend on the DDF was £690,000. It was emphasised that there was regular slippage and carry forward for DDF items, as these were one-off projects. The Council had received a VAT refund of £1,158million into the DDF, when only £375,000 had been expected, relating to Leisure income received between 1990 and 1994. The Council had also received higher than expected income from both MOT's at Langston Road and Local Land Charges. A further £115,000 of expenditure for the Local Development Framework had been carried forward into 2010/11.

For the HRA, the Cabinet Committee was informed that an expected revised deficit of £25,000 had become a surplus of £8,000 for 2009/10. A number of budgets saw underspends, and the subsidy payable to the Government had reduced by £1.442million in comparison to the original estimate, although this was partly offset by a £309,000 loss of rental income. Capital Expenditure Charged to Revenue was increased by £620,000 to avoid the HRA accumulating excessive balances, but the balance as at 31 March 2010 was still in excess of £6million – well above the £3-4million target range in the HRA five-year forecast.

The Cabinet Committee expressed concern at some of the large balances, as these could become a target for future Government cuts in grants and subsidies, and felt that further savings needed to be found within the CSB to maintain the Council's current sound financial position.

RESOLVED:

- (1) That the Revenue outturns for the General Fund & Housing Revenue Accounts for 2009/10 be noted; and
- (2) That the carry forward of £523,000 of District Development Fund Expenditure from 2009/10 into 2010/11 be noted.

6. PROVISIONAL CAPITAL OUTTURN 2009/10

The Assistant Director (Accountancy) presented a report detailing the Council's Capital Programme for 2009/10 in terms of expenditure and financing, and comparing the actual outturn figures with the revised estimates agreed by the Cabinet on 1 February 2010.

The Assistant Director reported that the General Fund capital outturn for 2009/10 was £4.945million, which represented an underspend of £1.118million on the revised budget. This represented a saving of £69,000, an overspend of £6,000 and slippage of £1.055million. The Housing Revenue Account (HRA) capital outturn for 2009/10 was £8.277million, which represented an overspend of £134,000 on the revised estimate and comprised slippage of £660,000 and expenditure brought forward in the sum of £794,000.

The Assistant Director advised that with regard to capital receipts, income from Council house sales and sales of other assets were slightly higher than expected during 2009/10. Overall, the use of capital receipts was lower than expected, mainly due to the reduced expenditure for General Fund schemes, and the balance of unused capital receipts was slightly above £21million as of 31 March 2010. The Revenue Contributions to Capital Outlay were higher than expected to prevent the HRA balance from exceeding the level required to enable the capitalisation of pension deficits. This resulted in the balance on the Major Repairs Reserve being higher than anticipated at £5.73million as of 31 March 2010.

RECOMMENDED:

- (1) That the provisional outturn report for 2009/10 be noted;
- (2) That the over and underspends on certain capital schemes in 2009/10, as identified within the report, be retrospectively approved;
- (3) That the carry forward of unspent capital estimates relating to schemes upon which slippage had occurred be approved; and
- (4) That the funding of the capital programme in 2009/10 be retrospectively approved.

Reasons for Decision:

The requested funding approvals were intended to make the best use of the resources available to finance the Council's Capital Programme.

According to current predictions, the suggested Revenue Contributions to Capital Outlay was affordable within the HRA.

Other Options Considered and Rejected:

To partly finance HRA capital expenditure from the use of usable capital receipts, however any use of capital receipts for HRA purposes would reduce the capital resources available for the General Fund.

7. RISK MANAGEMENT - UPDATED CORPORATE RISK REGISTER

The Senior Finance Officer (Risk & Insurance) presented a report regarding the updated Risk Register for consideration.

The Senior Finance Officer reminded the Cabinet Committee that it had requested a new risk to be added to the register concerning possible disruption to services during the London Olympics in 2012. Both the Risk Management Group and Corporate Governance Group in May had considered the new risk and the existing Risk Register. It was proposed to include the new risk and score it as B3 (High Likelihood,

Marginal Impact), which placed it above the risk tolerance line; consequently, an action plan had been produced and included within the Register.

The Senior Finance Officer added that recent announcements from the new Government would impact upon a number of the risks within the Register, primarily the risks related to the East of England Plan, site provision for Gypsies and Travellers, and a possible reduction in Government Grant. The relevant risks would be updated in due course when more information became available, and presented to the Cabinet Committee for agreement.

The Cabinet Committee were concerned that the risk relating to the Reduction in Government Grant was currently scored as B2 (High Likelihood, Critical Impact). The Director of Finance & ICT stated that the rating would be reviewed when further information was forthcoming from the Government, however the Cabinet Committee felt that the likelihood was now 'Very High' rather than 'High'.

The Leader of the Council queried the two risks involving the Cabinet on the Register, and felt that they should now be removed. The Director of Finance & ICT reassured the Cabinet Committee that these particular risks had been added when the membership of the Cabinet was shared pro-rata amongst the different political groupings, and that the ratings had been reduced following the gaining of a Council majority by one particular group. The Cabinet Committee felt that these particular risks should now be removed from the Register.

The Director of Finance & ICT advised that the risk relating to the East of England Plan – Housing built without Infrastructure should retain its current rating of B1 (High Likelihood, Catastrophic Impact) until the new Government made clear its future intentions. It was agreed to remove the risk relating to the Gershon Rule Changes as it was now obsolete. It was acknowledged that there was a tendency for the Risk Management Group to consider new risks and focus on those risks above the tolerance line, rather than review and delete those risks no longer applicable to the Council. It was agreed that all Risks on the Register would be considered at the Group's next meeting, with proposed changes to be considered by the Cabinet Committee at its next meeting.

RECOMMENDED:

- (1) That the likelihood for the risk relating to the Reduction in Government Grant be updated from 'High' to 'Very High';
- (2) That a new risk relating to the 2012 London Olympics and possible service disruption be added to the Risk Register and scored as B3 (High Likelihood, Marginal Impact);
- (3) That the risks relating to Compliance with Regulations and Public Comments at Member Level which may Commit the Council to Policies or Actions be removed from the Register;
- (4) That the risk relating to Gershon Rule Changes be removed from the Register;
- (5) That all existing risks on the Register be considered by the Risk Management Group for relevance and recommendations made to the next scheduled meeting of the Cabinet Committee;

(6) That the current tolerance line on the risk matrix be considered satisfactory and not be amended; and

(7) That, incorporating the above agreed changes, the amended Corporate Risk Register be approved.

Reasons for Decision:

It was essential that the Corporate Risk Register was regularly reviewed and kept relevant to the threats faced by the Council.

Other Options Considered and Rejected:

To score the risks differently or to consider alternative actions if necessary.

8. SUNDRY DEBTS PERFORMANCE MONITORING

The Senior Finance Officer (Risk & Insurance) presented a report upon the performance of the Sundry Debt function in 2009/10, following the availability of figures.

The Senior Finance Officer reported that a comparison of the Aged Debt Analysis between 2008/09 and 2009/10 indicated that, whilst there had been an increase in the overall debt due to new debts issued close to the end of the financial year as the proportion of debts less than 30 days old had increased from 39% to 52%, in monetary terms the value of outstanding debts more than 60 days old had reduced by £272,371. The Sundry Debt Performance Indicators had also indicated that the value of debts collected within 42 days and 60 days had also improved during 2009/10, which was encouraging given the downturn in the national economy. Sundry Debt data for three sample weeks in 2009 was being tabulated for a benchmarking exercise being undertaken by the Chartered Institute of Public Finance & Accountancy (CIPFA), and a further report comparing the Council's performance with other local authorities would be considered by the Cabinet Committee when the results of the CIPFA exercise had been published.

The Director of Finance & ICT reminded the Cabinet Committee that the latest review of the Sundry Debt Policy had been approved by the Cabinet at its meeting on 19 April 2010, and that the Council had debts where small on-going payment schemes had been agreed, hence some debts more than five years old had not been written off. There was no one particular reason for the debts less than 30 days old to have increased by almost £450,000 in comparison with 2008/09, but the value of debts written off had increased during 2009/10 due to the clearance of a number of old housing debts during the year.

RESOLVED:

That the performance of the Council's Sundry Debt function during 2009/10 be noted.

9. MEDIUM TERM FINANCIAL STRATEGY - EFFECT OF RECENT GOVERNMENT ANNOUNCEMENTS

The Director of Finance & ICT presented a report upon the effects of the post election announcements by the new Government on the Council's Medium Term

Financial Strategy.

The Director reported that the Medium Term Financial Strategy had been constructed upon the assumption that Council Tax revenues would rise by 2.5% each year. However, the new Government had decreed that Council Tax increases would not be permitted during 2011/12 and 2012/13. A reduction in grants to local authorities of £1.165 billion had also been announced; exactly which grants would be cut was being discussed with the Local Government Association. This would have an effect upon the Council, but not directly as it was not in receipt of any Community Cohesion grants. Further announcements were expected both as part of the Emergency Budget on 22 June 2010, and the scheduled Comprehensive Spending Review. The Medium Term Financial Strategy had included a 10% reduction in Formula Grant, but it was now felt that a 15% reduction should be planned for.

The Director stated that another key decision would be the proposed reform of the Housing Revenue Account. The Council had already responded to the Consultation rejecting the voluntary offer from the Government, but it had been noted that the Council's Housing Revenue Account had contained a number of non-housing assets. The possibility of transferring these assets to the General Fund was being investigated and a full report would be submitted to a subsequent Cabinet meeting.

In summary, the Director advised that the Council was in a better financial position than had been anticipated, but further savings would be required. It was now forecast that the following additional revenue budget savings would be required over the next three years:

- (i) £200,000 in 2011/12;
- (ii) £385,000 in 2012/13; and
- (iii) £261,000 in 2013/14.

The Director added that it could be possible to offset some of the savings via the possible transfer of non-housing assets to the General Fund, but this would also have a resultant effect upon the Housing Revenue Account. It was highlighted that the scenario presented was but one of a range of possibilities, and that a revised Medium Term Financial Strategy would be prepared as part of the Financial Issues Paper scheduled for the next meeting of the Cabinet Committee in September 2010.

The Deputy Chief Executive commented that a meeting had taken place with the Unions regarding redundancy and redeployment strategies, in an effort to engage in constructive consultation with the staff. It was also highlighted that a 1.5% pay increase had been planned for, but with the current negotiations stalled, this could provide a possible saving of £200,000.

The Cabinet Committee felt careful consideration was required of where the extra savings would be made, both to protect frontline services and the Council's staff. It was acknowledged that a bar on recruitment would not be wholly effective as certain posts would have to be categorised as replaceable, although a more general list of staff categories would be helpful.

RESOLVED:

- (1) That the effect on the Medium Term Financial Strategy of the following be noted:

- (a) the revenue and capital outturns for 2009/10;
- (b) recent announcements by the new Government; and
- (c) anticipated future announcements by the new Government.

CHAIRMAN

EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Local Development Framework Cabinet Committee **Date:** 17 June 2010

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 7.45 pm

Members Present: Mrs D Collins (Chairman), R Bassett, B Rolfe, Mrs M Sartin, Ms S Stavrou and Mrs L Wagland

Other Councillors: Mrs C Pond, D Stallan and C Whitbread

Apologies: -

Officers Present: I White (Forward Planning Manager), A Wintle (Principal Planning Officer) and G J Woodhall (Democratic Services Officer)

8. DECLARATIONS OF INTEREST

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

9. MINUTES

RESOLVED:

That the minutes of the meeting held on 27 May 2010 be taken as read and signed by the Chairman as a correct record.

10. TERMS OF REFERENCE

The Cabinet Committee noted its Terms of Reference, as agreed by the Council on 17 February 2009 (minute 113a refers).

11. ANY OTHER BUSINESS

The Cabinet Committee noted that its next meeting, scheduled for 28 June 2010, had been cancelled.

12. ABOLITION OF REGIONAL STRATEGIES

The Cabinet Committee received a verbal update about future Planning Policy under the new coalition Government from the Principal Planning Officer.

It was stated that significant changes were planned to the local planning system, as outlined in both the pre-election Conservative Policy Paper and the post-election Coalition Government manifesto. The new Communities & Local Government Minister had already taken action on some of the pre-election pledges and more announcements were expected in the coming weeks.

- (a) Amendments to PPS3 (Housing) had already been implemented, with the removal for new development to achieve a minimum density and also gardens from the definition of "previously developed (brownfield) land".
- (b) A letter from the new Minister dated 27 May 2010 had stated the intention to abolish Regional Spatial Strategies as soon as possible, although the Strategy was still currently a legal part of the Development Plan for the District.
- (c) A new smaller set of national policy statements would be approved for the preparation of Local Development Frameworks, and would incorporate a presumption in favour of sustainable development as well as robust protection of the Green Belt, Sites of Special Scientific Interest and other environmental assets.
- (d) Housing figures to be determined locally, based upon a local assessment of need.
- (e) The proposed Community Infrastructure Levy would not be implemented.

The Principal Planning Officer added that there had been no suggestion of the Local Development Framework system being abolished, although they were expected to be completed within a, so far unspecified, time frame. The Decentralisation & Localism Bill would be introduced to devolve greater powers to Councils and neighbourhoods, and would give local communities greater control over housing and planning decisions.

The Cabinet Committee was informed that clarification would be sought from the new Junior Minister as to whether glasshouses would be included in the definition of agricultural buildings and thus designated as previously developed (brownfield) land. It was also intended to submit a report to the Council on 27 July 2010 assuming a reply from the new Minister to the Council's request to remove the Direction regarding the provision of Gypsy & Traveller pitches was received and permitted this action to be taken. It was felt that the removal of the Direction would be welcome news for affected residents within the District.

RESOLVED:

That the verbal update upon future Planning Policy under the new coalition Government be noted.

13. STRATEGIC HOUSING MARKET ASSESSMENT - FINAL REPORT

The Principal Planning Officer presented the final report upon the Strategic Housing Market Assessment.

The Principal Planning Officer stated that the Strategic Housing Market Assessment (SHMA) was required by Planning Policy Statement 3: Housing to inform the preparation of housing policies in the Core Strategy and other parts of the Local Development Framework. The SHMA had been carried out across the following six local authority areas: Epping Forest, Harlow, East Herts and Uttlesford District

Councils; and Brentwood and Broxbourne Borough Councils. It used data on house prices, housing demand, migration patterns and travel-to-work patterns to determine the Housing Market Areas that existed across the sub-region.

The Principal Planning Officer added that the SHMA had considered the need for a variety of housing types across the sub-region, including affordable housing, the impacts of migration, households in unsuitable accommodation, the housing needs of older people and Black & Minority Ethnic groups. The key finding of the SHMA in relation to affordable housing had been that there was an overall need for 70% of all new housing in the Epping Forest District to be affordable (of which 63% should be social rented and 37% intermediate housing), with the predominant need being for two or three bedroomed properties. Further work was currently being completed to test the viability of the provision of more affordable housing in the District.

The Cabinet Committee commented that if 70% of all new developments were to be affordable housing then not only would this change the character of established areas but also make additional demands on the existing infrastructure. The Council might have to consider commencing a house-building programme again, but this would require a change in the law by the Government. It was also felt that the 'green strips' within the District should also be protected to avoid large areas of the District becoming urbanised.

The Principal Planning Officer commented that although the need for 70% of all development to be affordable housing had been identified for the District, it was probably not economically viable to adopt this as a blanket policy target. The further research being undertaken would identify what proportion of affordable housing would be viable. The new Government was encouraging the idea of localism, so local residents would have greater control than hitherto over the development of affordable housing. The District was 94% rural and there had been minimal changes in the size of the Green Belt since the establishment of the District Council in 1974. Figures would be provided to Members to clarify the claim within the report that there was a net migration from the District.

RESOLVED:

- (1) That the findings of the completed "Strategic Housing Market Assessment" report be noted;
- (2) That the Strategic Market Housing Assessment report be added to the Evidence Base to support the preparation of the Local Development Framework, although it had been based upon and influenced by policies and targets which might not be applicable in the future and might necessitate a review of the report in due course; and
- (3) That further continuing research to establish the viability of the provision of affordable housing within the District be noted.

Reasons for Decision:

The SHMA was an important part of the evidence base to underpin the preparation of the Core Strategy. This new evidence would help in the achievement of corporate objectives for increasing the provision of affordable housing in the District, and would also guide strategies in relation to other types of housing provision.

Other Options Considered and Rejected:

To not undertake the Assessment, however without such a study any housing policies in the Local Development Framework could be unsound.

14. SPATIAL OPTIONS FOR THE HARLOW AREA - SCOTT WILSON REPORT

The Principal Planning Officer presented the completed Scott Wilson report upon Generating and Appraising Spatial Options for the Harlow Area.

The Principal Planning Officer reported that Scott Wilson was appointed in January 2009 to identify the spatial options that existed around Harlow to deliver the growth envisaged by the East of England Plan. This work was now complete, and a suggested spatial approach had been identified. This suggested that, over the period to 2031, development around Harlow should be distributed as follows; 10,000 dwellings to the north, 7,300 to the east, and 1,000 dwellings each to the west and south. Criteria were suggested for the required review of Green Belt boundaries, particularly to the north of Harlow, to deliver the growth. A "Plan-Monitor-Manage" framework had been suggested to enable a coordinated approach to be taken across the three District Councils.

The Principal Planning Officer added that whilst the new coalition Government had made clear its intention to abolish Regional Strategies, this had not yet happened. Therefore, the East of England Plan was still part of the Development Plan for Epping Forest District at the current time, and the evidence provided by this study was still relevant. It was intended to keep the situation under review, and report back to the Cabinet Committee when the position became clearer.

The Cabinet Committee felt that the targets could be subject to significant change or complete removal due to the proposed abolition of Regional Strategies, and that a caveat should be added to indicate that the study could be reviewed when the current policies were replaced. It was also felt that this caveat should be appended to all documents added to the Evidence Base in future. The Officers reiterated that the study would still be a useful analysis tool, even after the abolition of the Regional Spatial Strategies. The Leader of the Council reported that the demise of the Harlow Renaissance group was imminent, but it had been a very useful forum; the Council was attempting to arrange a meeting with both Harlow and East Herts District Councils.

RESOLVED:

- (1) That the findings of the completed Generating and Appraising Spatial Options for the Harlow Area report be noted; and
- (2) That the report be added to the Evidence Base to support the preparation of the Local Development Framework, although it had been based upon and influenced by policies and targets which might not be applicable in the future and might necessitate a review of the report in due course.

Reasons for Decision:

Policy HA1 of the East of England Plan required that this study be completed. The Local Development Framework for Epping Forest District had to be prepared in accordance with the Regional Spatial Strategy (RSS), and this study would now be a

key piece of the Evidence Base to take into account when preparing policies to deliver the requirements of the Regional Strategy.

Other Options Considered and Rejected:

At present, there were no reasonable alternative options.

CHAIRMAN

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