

Supplementary Committee Agenda



**Epping Forest
District Council**

Cabinet Monday, 1st September, 2008

Place: Civic Offices, High Street, Epping
Room: Council Chamber
Time: 7.00 pm
Democratic Services: Gary Woodhall (The Office of the Chief Executive)
Email: gwoodhall@eppingforestdc.gov.uk Tel:01992 564470

8.a FREE SWIMMING FOR THE OVER-60S AND UNDER-16S (PAGES 3 - 8)

(Leisure and Young People Portfolio Holder) To consider the attached report (C-040-2008/09).

9. NORTH WEALD AIRFIELD STRATEGY CABINET COMMITTEE - 28 JULY 2008 (Pages 9 - 14)

(Chairman of the North Weald Airfield Strategy Cabinet Committee) To consider the minutes of the meeting held on 28 July 2008 and the recommendations therein (C-038-2008/09).

10. FINANCE & PERFORMANCE MANAGEMENT CABINET COMMITTEE - 12 AUGUST 2008 (Pages 15 - 20)

(Chairman of the Finance & Performance Management Cabinet Committee) To consider the minutes of the meeting held on 12 August 2008 and the recommendations therein (C-039-2008/09).

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Report to the Cabinet

Report reference: C-040-2008/09
Date of meeting: 1 September 2008



**Epping Forest
District Council**

Portfolio: Leisure and Young People

Subject: Free swimming for the over 60s and under 16s

Responsible Officer: John Gilbert (01992-564062)
Laura MacNeill (01992-564223)

Democratic Services Officer: Gary Woodhall (01992-564470)

Recommendations/Decisions Required:

(1) To consider whether to participate in the Department of Culture, Media and Sport's initiative to provide free swimming to those over the age of 60 and the appropriate funding arrangements between the Council and Sports & Leisure Management Ltd (SLM); and

(2) Subject to recommendation (1) to inform the Department of Culture, Media and Sport that the Council is interested in the provision of free swimming to those under the age of 16 subject to an assessment of the grant available and financial risk to the Council

Executive Summary:

The Government is seeking to promote free swimming for those who are over 60 or under 16 years of age. The Government is making funding available for the financial years 2009/10 and 2010/11, split into separate tranches for the over 60s and the under 16s. The funding for the over 60s for this Council is £38,950 ring fenced for this initiative. The funding for the under 16s will only be notified once the level of interest has been determined and will only be available if the funding for the over 60s is accepted. The Council is required to notify the Department of Culture, Media and Sport by 15 September 2008 of:

- (a) its intention to provide free swimming for the over 60s; and
- (b) its interest in providing the same for the under 16s.

There are three pools within the District, which are managed on the Council's behalf by SLM. Officers have discussed the financial consequences of this initiative with SLM who have provided some indicative details of income foregone, which would suggest that the costs could be covered by the grant being offered. The situation with the under 16s is more complex and because of current participation levels, there are concerns that the potential level of grant will not be adequate to meet the income foregone.

The provision of free swimming to these age groups will assist the Council to make a contribution in respect of national performance indicators:

- (a) NI8 - Adult participation in sport;

- (b) NI55 - Reduction of obesity in reception year children;
- (c) NI56 - Reduction of obesity in year 6 children;
- (d) NI110 - Young people's participation in positive activities; and
- (e) NI137 - Healthy life expectancy at age 65.

This is a key decision.

Reasons for Proposed Decision:

If participation is agreed to be able to respond to the Government by the deadline set of 15 September 2008

Other Options for Action:

Since the two initiative are linked, the only options are:

- (i) to reject both initiatives (i.e. free swimming for both the over 60s and under 16s); or
- (ii) to agree to free swimming for the over 60s but reject the initiative for the under 16s before knowing the level of financial support which will be available.

Report:

1. In mid July the Secretary of State for Culture, Media and Sport (DCMS) announced Government's intention to make money available to local authorities to facilitate the provision of free swimming to those over the age of 60 or under the age of 16. This initiative is part of the Government's plans to boost health and fitness and to ensure a lasting sporting legacy from the London 2012 Olympic and Paralympic games. The funding package forms part of a much wider Government initiative on health and fitness.

2. The initiative requires that local authorities commit themselves to the provision of free public swimming for its residents over the age of 60 in return for ring fenced funding, in this Council's case, of £38,950 for each of the years 2009/10 and 2010/11. In respect of those under the age of 16, Councils are only required at this stage to express an interest, with the final funding available being notified at a later date. There is no commitment at this time. We have to inform the DCMS of the Council's intention by 15 September 2008.

3. There are three public swimming pools within the District (Waltham Abbey, Loughton and Ongar) all of which are operated on the Council's behalf by SLM. The free swimming only applies to existing "public sessions" where the public can simply pay to swim. Sessions for swimming training etc are not affected. The Council does have some free (or reduced cost) swimming already, through half price concessions for those over 60, certain centre memberships which include free swimming as part of a package and/or through "New Horizons" where swimming is available at a reduced rate for those over the age of 50.

4. Officers have been in discussion with SLM to determine the potential financial effects of entering into this initiative. Full details are set out in the resource paragraphs below, but in respect of free swimming for those over the age of 60 the ring fenced grant being made available falls with the range of potential income foregone. There can be no absolute certainty over income foregone due to the effects of:

- (a) existing membership packages and concessions;

- (b) creating demand from new users who are not currently swimming; and
- (c) cross border participation (i.e. users of our facilities from outside of the District).

With respect to (c) the current guidance provides no information on how this should be approached, since potential income foregone would be reduced if, for example, the scheme were limited to residents of the District only.

5. Given the clear direction being given by Government in respect of this initiative, it is very likely that residents will have an expectation that the Council will make available free swimming for the over 60s from April next year. In a preliminary response from SLM, they have indicated a wish to participate in the initiative and have suggested two ways in which this could be achieved:

- (a) through the Council passing over the totality of the grant with SLM accepting the risk of this being insufficient; or
- (b) through a payment process where the Council meets SLM's identified and audited costs of income foregone.

In both instances there will need to be extensive monitoring since the conditions attached to the grant enable the Government to seek a wide range of data to support the grant being provided. This will require a formal legal agreement to ensure that these conditions can be met with SLM accepting responsibility for meeting Government requirements, including repayment of and carry forward of moneys if required.

6. However, despite this probable expectation, there are concerns that the Government is not targeting available moneys in the best possible way. As stated above, the over 60s already have access to subsidised swimming and it is difficult to determine whether this initiative will actually encourage more swimmers to start swimming or simply provide additional free swimming to those who are already active. Therefore, in some respects it would have been desirable to allow local authorities to exercise a degree of discretion as to where to target the grant. If it were possible to focus on the lower age groups it would probably have had a greater long-term benefit in terms of encouraging regular participation and combating childhood obesity.

7. The grant in relation to the under 16s is only available to authorities who commit to the over 60s package. Whilst the funding for the under 16 component of this initiative is not yet known, given that at this stage there is no commitment, should the over 60s package be accepted there seems no reason not to express an interest to Government. The Council will then be notified of the grant to be made available by 30 September 2008 and it has then to make its decision by 30 October 2008.

Resource Implications:

Based upon 2007/08 participation records (23,350 users) the potential costs for the over 60s are as follows:

Year	Estimated cost	Govt. grant	Potential shortfall
2009/10	£46,317	£38,950	£7,367
2010/11	£48,355	£38,950	£9,405

As set out in paragraph 5 above, SLM have indicated a willingness to bear the risk of this potential loss.

The potential income loss in respect of the under 16s is more significant, there being around 51,330 swims in 2007/08, resulting in:

Year	Estimated cost	Govt. grant	Potential shortfall
2009/10	£83,242	Unknown	Unknown
2010/11	£86,908	Unknown	Unknown

Although the Government's national allocation for the under 16s is significantly larger than for the over 60s, it cannot be assumed that it will be sufficient to cover these levels of potential costs.

In the event that usage is lower than the projections set out above, and the full grant is not utilised in any one year, it will be possible to carry forward up to 25% of unused grant to the following year, including 2011/12 when the grant may have ceased.

At this stage Government are not indicating what will happen from 2012 onwards, when the two years of funding ceases. In the event that funding did not continue the Council would be faced with either meeting the continued costs of the initiatives either directly or through contractual negotiations or bring the free swimming to an end. The latter would clearly have public relation implications.

Legal and Governance Implications:

The Council does not have to commit to either scheme. However, if it does commit then the authority must account for the expenditure of the grant monies in the full annual accounts by means of a note to the accounts that would be available for inspection by the Secretary of State. The Council will need to provide to the Secretary of State a report setting out progress on the participation in the free swimming programme and any other such information that is required to monitor the projects.

There is some concern around the Secretary of State's ability to require an authority to return the grant if they supply incomplete or inaccurate information. The Secretary of State can ask for any information he considers relevant. This may include some information that SLM or we do not at present collect. There is a note that the scheme will have to be measured but no mention as to what indicators will be used

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

SLM – see information in report.

Other authorities who use as SLM as their provider – information to be provided at the meeting if received.

Background Papers:

DCMS letter to Chief Executive dated 29 July 2008.

Addendum letter to Chief Executive.

Impact Assessments:

There are potential reputational impacts depending on decisions made on this issue. There have been customers already asking about free swimming in the community and because of

the way the scheme has been publicised by the Government there is widespread knowledge and expectation.

Similarly, if the scheme has to cease at the cessation of funding, the Council's reputation could be brought into disrepute.

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EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: North Weald Airfield Strategy **Date:** 28 July 2008
Cabinet Committee

Place: Committee Room 1, Civic Offices, **Time:** 6.05 - 7.45 pm
High Street, Epping

Members Present: Mrs A Grigg (Chairman), M Cohen, Mrs D Collins, Mrs M Sartin and D Stallan

Other Councillors: None

Apologies: C Whitbread

Officers Present: D Macnab (Deputy Chief Executive), J Gilbert (Director of Environment and Street Scene), I White (Forward Planning Manager) and G J Woodhall (Democratic Services Officer)

1. MINUTES

RESOLVED:

That the minutes of the meeting held on 31 July 2007 be taken as read and signed by the Chairman as a correct record.

2. DECLARATIONS OF INTEREST

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

3. TERMS OF REFERENCE

The Cabinet Committee noted its Terms of Reference.

4. ANY OTHER BUSINESS

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

5. NORTH WEALD AIRFIELD PLANNING CONTEXT

The Forward Planning Manager presented a report regarding the possible implications for the Airfield of the housing and employment targets set by the East of England Plan. The Cabinet Committee were reminded that the adopted East of England Plan had set a minimum target of 3,500 new homes for the District by 2021, with the Council encouraged to make greater provision. The District's figure had been theoretically reduced to approximately 500 through the subtraction of the number of houses built since 2001, the Plan's nominal start date. In addition, the Plan had stipulated that a group of seven authorities, collectively referred to as the 'Rest of

Essex', had to make provision for 56,000 new jobs in total during the same period. A review had already begun to roll the Plan forward to 2031, with the Government indicating that they wanted annual housebuilding rates to increase significantly in the period 2021 to 2031.

The Forward Planning Manager stated that in making provision for an additional 500 houses within the District before 2021, it was possible that capacity could be found within the existing settlements. However, in order to address perceived housing needs up to 2031, the identification of further potential sites would be required with a possible review of green belt boundaries. All the towns and the larger villages within the District would be included in the assessment, including North Weald and the Airfield. It was possible that some potential for small-scale residential and commercial development in North Weald and the Airfield would be identified. However, in the context of the East of England Plan and the achievement of sustainable development, North Weald and the Airfield did not appear to be suitable locations for major development in the period up to 2031.

The Leader of the Council added that East Herts District Council was not prepared to engage in dialogue with the Council and Harlow District Council until the forthcoming judicial review of the East of England Plan, initiated by Hertfordshire County Council, was complete. The judicial decision was expected in either September or October this year, and therefore discussions concerning the proposed expansion of Harlow to the north, including East Herts District Council, were on hold. The Forward Planning Manager remarked that the East of England Plan did not specify the types of jobs to be created, and that aviation related jobs would be acceptable.

RESOLVED:

That, as a result of the need to identify potential sites for housing and employment for the adopted East of England Plan, the possible implications for North Weald Airfield be noted.

6. NORTH WEALD AIRFIELD - FUTURE OPTIONS

The Deputy Chief Executive presented a report concerning the possible future options for North Weald Airfield based upon a previous study produced ten years ago. The Cabinet Committee was reminded that this report had been published by Property and Valuation Consultants Drivers Jones with a brief to review the potential options for North Weald Airfield. After a thorough examination of the alternatives, including transport and infrastructure studies, the following six potential options were identified:

- (i) do nothing/incremental development;
- (ii) disposal of airfield;
- (iii) develop airfield for aviation and other commercial uses;
- (iv) consolidate aviation use and develop other uses;
- (v) close airfield and develop mixed site use; and
- (vi) develop airfield with the adjoining land.

The Deputy Chief Executive added that the study had been subject to a public consultation and a new popular option had emerged, promoted by the existing airfield

tenants, namely Business Aviation development. Due to the development of the East of England Plan, the Council did not proceed with any of the options identified by either Drivers Jones or the public consultation, however following the publication of the East of England Plan, there was now an opportunity to review the long-term future of the airfield. The Cabinet Committee were reminded that the Council currently did not have the necessary expertise or capacity to undertake such a review, and that consultants would be required for which no budgetary provision had been made. It was highlighted that any additional resources agreed would actually need to be allocated from the District Development Fund (DDF), not the Continuing Services Budget as stated in the report.

The Chairman agreed that a strategic plan was required for the Airfield, however her preference was for incremental development. As a ward member for North Weald Bassett, the Chairman also stated that residents had consistently supported aviation use in the past and had been keener on further aviation use than major housing developments. The Chairman felt that residents might resent any further large-scale developments at the Airfield by the Council and as such would not support further business or major housing developments at the Airfield.

The Leader of the Council maintained that the Council needed a plan for the future development of the Airfield that examined all the possible future options, otherwise there was a risk that its future use would be determined by the Government rather than local people. This plan should examine the feasibility of general employment, aviation and housing developments at the Airfield, although the Leader acknowledged that the Airfield's proximity to Stansted could preclude certain commercial aviation uses.

The Housing Portfolio Holder, also a ward member for North Weald Bassett, reminded the Cabinet Committee that the Council originally purchased the Airfield for leisure purposes and that the lack of a strategic plan for the Airfield had almost led to it being designated as a major housing development site by the East of England Plan. The Portfolio Holder felt that a plan was required to show that the Council supported aviation use for the Airfield alongside other development, and therefore would support further aviation use for the Airfield with possible incremental development. Only such housing development should be permitted as would retain aviation use at the Airfield. The Portfolio Holder reiterated that the residents of North Weald had always supported the position expressed during the previous consultation over the past ten years.

The Corporate Support & ICT Services Portfolio Holder expressed the opinion that the Council should commission the production of a broader based report that examined all the options for development at North Weald Airfield, including increased aviation use plus housing and commercial developments.

The Deputy Chief Executive advised the Cabinet Committee that there had been no significant increase in aircraft movements over the last ten years at the Airfield, whilst the Director of Environment & Street Scene added that major housing development would probably not be permitted so close to a working airfield for health and safety reasons. The Cabinet Committee was advised of the potential of further aviation led developments such as aircraft maintenance, with any other business development ancillary to the current aviation uses at the Airfield.

RECOMMENDED:

- (1) That, in order to proceed with further strategic feasibility work, a scoping report and brief be developed to examine the intensification of aviation use with

business or other uses as required to make it economically viable, and expressions of interest be sought from suitably qualified consultants to undertake the work; and

(2) That, in order to cover the costs of undertaking any such study, a suitable District Development Fund supplementary estimate be recommended to the Council for approval.

7. EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

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

<u>Agenda Item No.</u>	<u>Subject</u>	<u>Exempt Information Paragraph Number</u>
8	North Weald Airfield – Extensions of Existing Leases and Licences.	3
9	North Weald Airfield – Contact with Interested Parties/Developers.	3
11	North Weald Airfield – Terms of Leases and Licences.	3

8. NORTH WEALD AIRFIELD - EXTENSIONS OF EXISTING LEASES AND LICENCES

The Deputy Chief Executive presented a report concerning the extension of existing leases and licences at North Weald Airfield. The Cabinet Committee were advised that the majority of the leases without security of tenure on renewal were due to expire in 2010. The tenants were now generally aware that the Airfield had not been included in the East of England Plan as a site for potential major development and were concerned that they had no legal right to remain on the airfield after 2010. In addition, some of the tenants wished to carry out some developments or improvements to their sites, and were actively seeking lease extensions which would enable them to obtain a return on their investment. Thus, it was felt that there was a need in the short-term to grant a number of new leases with break clauses as appropriate pending any longer term plans that the Council might implement for the Airfield.

RECOMMENDED:

That, for those tenants with leases without security of tenure on renewal at North Weald Airfield which are largely due to terminate in 2010, new ten-year leases be offered with five years guaranteed, annual landlord break clauses only thereafter, and such a lease to ensure no future guaranteed tenure under the relevant Landlord and Tenants Act.

9. NORTH WEALD AIRFIELD - CONTACT WITH INTERESTED PARTIES/DEVELOPERS

The Deputy Chief Executive presented a report relating to the unsolicited contact made by interested parties and developers for North Weald Airfield and tabled a list of such approaches made since February 2000. The Cabinet Committee was informed that, following the publication of the East of England Plan, the Council had received further unsolicited approaches, predominantly from companies in the Business Aviation industry, expressing an interest in the future development or management of North Weald Airfield. These inquiries had been handled in the manner agreed by the North Weald Airfield Working Party and Policy and Coordinating Committee in 2000, namely that the details had been recorded by the Director of Planning & Economic Development and that the interested parties were advised that it was premature to enter into detailed discussions regarding possible proposals. Details of individual inquiries were available from the Estates section, and the Cabinet Committee were asked to reaffirm the current approach until such time as a decision had been made regarding the long-term future of the Airfield.

RECOMMENDED:

That, with respect to contact with interested parties and developers, the Council's current policy be continued until such time as it may be amended to reflect changed circumstances.

10. NORTH WEALD AIRFIELD - TERMS OF LEASES AND LICENCES

The Cabinet Committee noted the terms of the existing leases and licences currently in operation at North Weald Airfield.

CHAIRMAN

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EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee:	Finance and Performance Management Cabinet Committee	Date:	Tuesday, 12 August 2008
Place:	Council Chamber, Civic Offices, High Street, Epping	Time:	6.30 - 8.35 pm
Members Present:	C Whitbread (Chairman), M Cohen, Mrs D Collins, Mrs A Grigg, Mrs M Sartin and D Stallan		
Other Councillors:	K Angold-Stephens, Mrs R Brookes, D Dodeja, Mrs A Haigh, D Jacobs, R Morgan, J Philip, B Rolfe, B Sandler, Mrs L Wagland, Mrs J H Whitehouse, J M Whitehouse and D Wixley		
Apologies:	None		
Officers Present:	P Haywood (Chief Executive), J Gilbert (Director of Environment and Street Scene), A Hall (Director of Housing), S Tautz (Performance Improvement Manager), J Boreham (Assistant Public Relations and Information Officer), G J Woodhall (Democratic Services Officer) and S Mitchell (PR Website Editor)		
Also in attendance	L Clampin (External Auditor)		

9. WEBCASTING INTRODUCTION

The Chairman made a short address to remind all present that the meeting would be broadcast on the Internet, and that the Council had adopted a protocol for the webcasting of its meetings.

10. MINUTES

RESOLVED:

That the minutes of the meeting held on 16 June 2008 be taken as read and signed by the Chairman as a correct record.

11. DECLARATIONS OF INTEREST

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

12. ANY OTHER BUSINESS

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

13. VALUE FOR MONEY (VFM) REVIEW - JULY 2008

The Cabinet Committee received a presentation regarding the Value for Money review that had been undertaken by the Use of Resources Working Party. The first

part of the presentation was given by the Chairman of the Use of Resources Working Party, the Director of Housing, and examined the Council's current position on Value for Money. The second part of the presentation was given by the Chief Executive and outlined the Council's future approach to Value for Money. The Cabinet Committee was reminded that the review had been undertaken following the assertion by the Audit Commission that the Council was a high cost authority.

In the first part of the presentation, the Cabinet Committee was appraised of the factors contributing to the Council's relatively high costs. It was reported that the Council had a number of artificial costs that were not experienced by other Councils, as well as a number of explainable reasons for the Council's relatively high costs. The artificial costs cited included: Parish Precepts, as more parishes within the District led to higher costs; the existence of the District Development Fund to finance projects that enhanced the District; and the use by the Audit Commission of estimated expenditure when producing their figures, despite the Council's underspend for last year being approximately £1million. The explainable reasons cited included: the relatively low level of the Council's fees and charges, which had a beneficial effect upon residents; the District's geography, which included a large rural area; the District's location on the edge of London, which made it a higher cost area; and the fact that the Council had completed its job evaluation exercise, with resultant higher salary costs due to pay protection. The review had also highlighted that not all local authorities had allocated their costs in full, which would also distort the rankings issued by the Audit Commission.

The Director of Housing informed the Cabinet Committee that the Council's performance had been analysed, as this was also a component in determining Value for Money. It was found that performance at Service level was mixed, although it was generally improving but not at the same rate as the best performing Councils. Concerns had been raised in respect of the cost data used by the Audit Commission. The Audit Commission also used net costs for its judgements, thus a high gross cost could be masked by equally high charges. There was also a significant concern regarding the quality and accuracy of the data used by the Audit Commission, which had been revealed when the Council had checked some of the figures of its comparator authorities. The level of errors found was such that it had casted doubt over the validity of the data used and the resultant comparisons, and the Council intended to recommend to the Audit Commission that it should audit the data relied upon, just as it would audit the outturn for performance indicators.

In conclusion, the Director of Housing stated that it appeared, on the basis of the Audit Commission's methodology, the Council's net costs based on estimates rather than actual expenditure were higher than comparable local authorities. Some costs were artificially high, but if the artificial costs were excluded then the Council had the potential to attain top quartile status. It was intended to send a copy of the review to the Audit Commission, as well as highlight the Council's concerns about the accuracy and reliability of the data utilised with the recommendation that cost data should be audited.

The Chief Executive reminded the Cabinet Committee that the report was a genuine attempt to understand the Council's costs, but had not provided sufficient evidence to justify the Audit Commission's judgement that the Council was a high cost authority as it had given an awareness of the factors that had caused the Council to have reservations about the Audit Commission's data and conclusions. The Parish precepts was an issue that complicated the comparison process, although it was felt that the District Council could provide the Parish-level services for less cost due to economies of scale.

It was suggested that as there were so many flaws with the cost data provided by other Councils, the argument regarding value for money should be made on the basis of the level of Council Tax levied by each authority. It was highlighted that the Council could legitimately compare its performance with previous years, and that such a comparison would illustrate that the Council's costs were decreasing. The Leader of the Council felt that the Audit Commission's approach ignored certain issues and potentially penalised 'good' authorities. The Leader acknowledged that the Council's performance could improve further but still felt that the Audit Commission's comparisons were not reasonable. The Council's low Council Tax rises had been partly due to the availability of other funding, which had also helped the Council to keep its fees and charges at a relatively low level for the benefit of residents.

The second part of the presentation, given by the Chief Executive, concentrated upon the Council's future approach to Value for Money. In order to improve Value for Money, the Council could either reduce its costs, improve its performance, or do both. The final option to both reduce its costs and improve its performance would be the ideal for the Council, but the Cabinet Committee was warned that this may not be possible. In considering whether the Council was under any pressure to reduce its costs, it was concluded that there was no need or reason to reduce expenditure on services as: the Council Tax was very low and envisaged to remain low for the foreseeable future; the Council was in a very healthy financial position; and the Council did not have a funding problem. However, a need had been identified to improve the performance of the Council. Therefore, the conclusion had been that in order to improve the Council's Value for Money position, service costs should be reduced if possible but with no need to reduce overall expenditure, and performance should be further improved with any savings re-invested to improve performance.

The Chief Executive added that the Council was not relying on its high investment balances to either fund the Continuing Services Budget or the low Council Tax rises, as any income generated was allocated to the District Development Fund to finance stand-alone projects. The Council had sufficient reserves to continue its policy of not raising the Council Tax higher than the rate of increase in the Retail Price Index for the next three years. The Chairman thanked the officers for their detailed presentation, which had showed that the Council was in a good financial position due to the prudent measures that it had implemented in recent years. The Chairman agreed that in the short-term the Council should raise its concerns with the Audit Commission, whilst in the long-term it should develop a detailed Value for Money Strategy based upon the control of costs and improvements in overall performance.

RECOMMENDED:

- (1) That the Value for Money review undertaken by the Use of Resources Working Party be noted;
- (2) That the findings of the review be highlighted to the Audit Commission when they undertake an assessment of the Council's Value for Money as part of the Use of Resources assessment in September 2008;
- (3) That the Audit Commission's attention be also drawn to:
 - (a) the Council's serious concerns about the accuracy and reliability of the data used in the Audit Commission's comparisons;
 - (b) the fact that not all local authorities had allocated their costs in full; and

(c) the review's recommendation that submitted cost data be audited by the Audit Commission in a similar fashion to performance data; and

(4) That a detailed Value for Money Strategy be developed, focusing upon the following elements:

(a) seeking further efficiency gains;

(b) reducing service costs where practicable but acknowledging there was no imperative need to reduce overall expenditure on services; and

(c) re-investing savings, in a targeted fashion, to further improve performance.

14. USE OF RESOURCES ASSESSMENT 2007/08 - SELF-ASSESSMENT SUBMISSIONS AND VALUE FOR MONEY REVIEW

The Finance & Performance Management Portfolio Holder presented a report concerning the self-assessment submissions in respect of the Council's Use of Resources Assessment for 2007/08. The Portfolio Holder reminded the Cabinet Committee that, as part of the overall Use of Resources assessment process, the Council could complete a Value for Money self-assessment. Although not mandatory, it was considered a useful exercise as it would highlight areas of improvement. In addition, it was also considered beneficial for the Council to complete a Use of Resources self-assessment for 2007/08, based around five Key Lines of Enquiry, even though it was not a mandatory requirement. Both self-assessments for 2007/08 were required to be submitted to the Council's external auditors by September 2008, for subsequent on-site validation shortly after. Consequently, it was proposed to recommend both self-assessment submissions to the Cabinet for adoption at its meeting due to be held on 1 September 2008. Authority for the Chief Executive to amend the self-assessments following their adoption by the Cabinet but prior to their submission to the external auditors in order to incorporate any belated details was also requested.

It was queried as to whether the Capital Strategy could be regarded as fully funded when there was no mention of the Loughton High Road Town Centre Enhancement Scheme, the Portfolio Holder replied that the current priority was the Town Centre Enhancement scheme at Loughton Broadway but that the Capital Strategy would be reviewed on an annual basis. The Cabinet Committee were informed that the replacement of the Asset Register software had been at the recommendation of the Audit Commission. Following careful consideration, the Cabinet Committee duly recommended both self-assessment submissions for adoption.

RECOMMENDED:

(1) That the draft self-assessment submission for the 2007/08 Use of Resources assessment be adopted;

(2) That the draft Value for Money self-assessment submission for the Use of Resources assessment for 2007/08 be adopted; and

(3) That, subsequent to their adoption by the Cabinet prior to their submission to the Council's external auditors, the Chief Executive be authorised to amend the draft self-assessments to incorporate any additional details in relation to the Council's performance as necessary.

CHAIRMAN

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