

Committee Agenda



**Epping Forest
District Council**

Finance and Performance Management Cabinet Committee Thursday, 23rd January, 2020

You are invited to attend the next meeting of **Finance and Performance Management Cabinet Committee**, which will be held at:

**Council Chamber - Civic Offices
on Thursday, 23rd January, 2020
at 7.00 pm .**

**Georgina Blakemore
Chief Executive**

**Democratic Services
Officer**

R. Perrin Tel: (01992) 564532
Email: democraticservices@eppingforestdc.gov.uk

Members:

Councillors S Stavrou (Chairman), J Philip, C Whitbread, H Whitbread and S Kane

SUBSTITUTE NOMINATION DEADLINE 18:00

WEBCASTING/FILMING NOTICE

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed. The meeting may also be otherwise filmed by third parties with the Chairman's permission.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with the Council's published policy.

Therefore by entering the Chamber and using the lower public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for web casting and/or training purposes. If members of the public do not wish to have their image captured they should sit in the upper council chamber public gallery area or otherwise indicate to the Chairman before the start of the meeting.

If you have any queries regarding this, please contact the Public Relations Manager on 01992 564039.

1. WEBCASTING INTRODUCTION

- (a) This meeting is to be webcast;
- (b) Members are reminded of the need to activate their microphones before speaking; and
- (c) the Chairman will read the following announcement:

“I would like to remind everyone present that this meeting will be broadcast live to the Internet and will be capable of subsequent repeated viewing, with copies of the recording being made available for those that request it.

By being present at this meeting, it is likely that the recording cameras will capture your image and this will result in your image becoming part of the broadcast.

You should be aware that this may infringe your human and data protection rights. If you have any concerns then please speak to the Webcasting Officer.

Please could I also remind Members to activate their microphones before speaking.”

2. APOLOGIES FOR ABSENCE

3. SUBSTITUTE MEMBERS

(Director of Governance) To report the appointment of any substitute members for the meeting.

4. DECLARATIONS OF INTEREST

(Director of Governance) To declare interests in any item on this agenda.

5. MINUTES (Pages 5 - 8)

To confirm the minutes of the last meeting of the Committee held on 17 November 2019.

6. FINANCE STRATEGY (Pages 9 - 46)

To consider the attached report.

7. CORPORATE PLAN - PERFORMANCE EXCEPTION REPORT QUARTER 3 2019/20 (Pages 47 - 52)

To consider the attached report.

8. INTERIM COUNCIL & COMMUNITY PLAN 2020 (Pages 53 - 58)

To consider the attached report.

9. RISK MANAGEMENT - CORPORATE RISK REGISTER (Pages 59 - 102)

To consider the attached report.

10. ANY OTHER BUSINESS

Section 100B(4)(b) of the Local Government Act 1972, 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.

11. EXCLUSION OF PUBLIC AND PRESS

Exclusion: To consider whether, under Section 100(A)(4) of the Local Government Act 1972, the public and press should be excluded from the meeting for the items of business set out below on grounds that they will involve the likely disclosure of exempt information as defined in the following paragraph(s) of Part 1 of Schedule 12A of the Act (as amended) or are confidential under Section 100(A)(2):

Agenda Item No	Subject	Exempt Information Paragraph Number
Nil	Nil	Nil

The Local Government (Access to Information) (Variation) Order 2006, which came into effect on 1 March 2006, requires the Council to consider whether maintaining the exemption listed above outweighs the potential public interest in disclosing the information. Any member who considers that this test should be applied to any currently exempted matter on this agenda should contact the proper officer at least 24 hours prior to the meeting.

Background Papers: Article 17 - Access to Information, Procedure Rules of the Constitution define background papers as being documents relating to the subject matter of the report which in the Proper Officer's opinion:

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) have been relied on to a material extent in preparing the report and does not include published works or those which disclose exempt or confidential information and in respect of executive reports, the advice of any political advisor.

The Council will make available for public inspection for four years after the date of the meeting one copy of each of the documents on the list of background papers.

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EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee:	Finance and Performance Management Cabinet Committee	Date:	Thursday, 14 November 2019
Place:	Council Chamber - Civic Offices	Time:	7.00 - 7.15 pm
Members Present:	Councillors S Stavrou (Chairman), J Philip, C Whitbread, S Kane and A Lion		
Apologies:	H Whitbread		
Officers Present:	N Dawe (Interim Strategic Director & Chief Financial Officer), S Kits (Social Media and Customer Services Officer), V Messenger (Democratic Services Officer) and R Perrin (Democratic Services Officer)		

21. **Webcasting Introduction**

The Chairman reminded everyone present that the meeting would be broadcast live to the Internet and that the Council had adopted a protocol for the webcasting of its meetings.

22. **Substitute Members**

The Committee noted that Councillor A Lion would substitute for Councillor H Whitbread for the duration of this meeting.

23. **Declarations of Interest**

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

24. **Minutes**

RESOLVED:

That the minutes from the meeting held on 26 September 2019 were read and signed as a correct record by the Chairman.

25. **Financial Report Six Months to the end of September 2019**

The Strategic Director, N Dawe reported that in revenue terms, the Authority currently had a £3 million underspend with a forecast year-end position of break-even.

The following points were noted;

- The charge variances for car parking income was below target following the previous years increase and a report had been submitted to Cabinet on 6 January 2020.
- The underspend of £343,000 related to a number of issues including 60 vacancies that were being held to off-set 40 at risk staff under the staff restructuring, which would be completed by the end of December 2019.
- Two thirds of saving programmes had been achieved and action was now required to deliver the outstanding schemes or to find alternatives scheme by the end November 2019.

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- The housing scheme delay had been the main reason for the underspend and a report would be submitted to Cabinet 6 January 2020.
- The Directorates required no further action although the Housing and Business Services variances required monitoring.
- There were no actions required for long-term assets and liabilities, current assets and liabilities and reserves.

The Committee commented that the report was very easy to read and understand.

RESOLVED:

- (1) The Committee noted the new format of summary financial report; and
- (2) The Committee noted the six month financial report to the end of September 2019.

26. Corporate Plan Action Plan Year 2 Performance Report

The Strategic Director, N Dawe presented the report for quarter 2 performance in relation to the Key Performance Indicators & Work Programmes within the Corporate Plan.

The exceptions report provided the Committee with the relevant key updates as follows;

Stronger Communities

- Increased Customer Satisfaction – The annual target and progress was being made within Customer Services as the Customer Promise and service standards had been introduced.
- Improved Customer First Contact – The annual target was hoped to be achieved by the end of the year as more services moved into the contact centre. This would enable more calls being resolved at first point of contact.

The Customer Services Portfolio Holder advised that the contact centre was in the process of taking on more service areas, to ensure a first contact resolution for customers. There would also be an external satisfaction survey completed every six months to monitor the service going forward.

Stronger Place

- Local Plan Programme – Progress had been slower than expected and relied on external factors.
- St John's Road Programme – The programme remained on track however the change in date of the Cabinet meeting from the 11 December 2019 to 6 January 2020 had occurred due to the General Election on 12 December 2019.
- Increase in Recycling/Reduction in household waste - Targets were exceeded in relation to increased recycling and the reduction in household waste.

Stronger Council

- People Strategy Programme – It was in the final stages although some areas had received a further consultation period up until December 2019.

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- Accommodation Strategy Programme – Further details on the refurbishment designs were required which would be addressed following the Cabinet decision on 29 October 2019.

The Committee asked that the figures within the corporate objective 6. Provide Culture & Leisure be consistent with the first table so that members could compare the Quarter Values and Target with regards to the status of the direct debt figures and casual swimmers.

RESOLVED:

That the Committee noted the Quarter 2 performance in relation to the Key Performance Indicators & Work Programmes within the Corporate Plan.

27. Any Other Business

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

CHAIRMAN

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Report to the Finance Performance Management Cabinet Committee



**Epping Forest
District Council**

Report reference: FPM-008-2019/20

Date of meeting: 23 January 2020

Portfolio: Business Services

Subject: Finance Strategy including:

- A. Medium-Term Financial Strategy**
- B. Budget 2020/21**
- C. Prudential Indicators**
- D. Council Tax Increase**

Responsible Officer: Nick Dawe (07939449512).

Democratic Services: Rebecca Perrin (01992 564532).

Recommendations/Decisions Required:

In relation to papers A, B, C and D:

In general

- 1. To note that the Financial Strategy of the Authority has been further developed and consists of four linked papers. The papers and figures are subject to final review because of Government announcements and final due diligence.**
- 2. To note that the papers allow for controlled changes as a result of receiving later and better information, i.e. they allow for this level of final change before presentation of the Financial Strategy to the Full Council in February adjustments with a cumulative net impact of £500,000 can be made on the direction of the Leader in consultation with the Portfolio Holder for Finance and the Section 151 Officer and reported back to the Cabinet.**
- 3. To note that any adjustments to the papers with a value more than £500,000 are brought back to the Cabinet.**

Paper A, Medium Term Financial Strategy

- 1. To note the prudent estimates in the Medium Term Financial Strategy, particularly in respect of inflation of cost and charges and fees and the aim to maintain the financial strength of the Authority as evidenced by reserve balances that are broadly maintained throughout the period.**
- 2. To note the increase in the importance of the income from Qualis in respect of the medium term financial strategy and the budget and to understand the implications of this change and reliance on sustainable income**

from this source.

Paper B, Budget 2020/21

1. To note the 2020/21 budget in outline and note the approach to cost and income inflation at 3.0%, noting that rents will rise per the national formula at 2.7% and car parking income will not rise at all pending the outcome of the review.
2. To note the 2020/21 budget in outline and confirm the list of developments for which funding will be released on implementation and how they are prioritised and grouped.
3. To note the general and HRA capital spend of £26,171,528 in total with the House Building Programme and the Accommodation Strategy being the largest project planned.
4. To note the loans to Qualis that with total up to £160m in 2020/21 as set out in the report, the reliance on Qualis income and the prudent abatement of these estimates in the first year of operation.
5. To note the 2020/21 budget in outline and confirm that the overall funding adjustments for District Development Fund and savings and contingency are as set out, i.e. a net draw from DDF of £1,774,906 (£2m forecast last year), £500,000 of savings, the formation of a contingency fund assumed spent of £1,095,540

Paper C, Prudential Indicators

1. To note the intent of keeping the financial strength of the Authority at current levels.
2. To note the impact of taking loans and onwardly granting loans to Qualis with a margin of profit for the Authority.
3. To note the general risk price approach to the loans granted to Qualis.
4. To note that the full set of prudential indicators along with the treasury strategy will be taken to the Full Council in February.

Paper D, Council Tax Increase

1. To note the council tax increase of 1.5% (half the predicted inflation rate) for 2020/21 and that this is below the prevailing rate of inflation and the impacts on council tax base.
- 2.
3. To note that in 2021/22 the options to cease or reduce council tax rates exists (though the Government expectation on what should be raised from council tax should be noted).

Reason for decision:

To ensure strategies are linked, robust and challenged.

Options considered and rejected:

A variety of options and priorities were considered during the budget setting process.

The papers form a set that shows how the Medium-Term Financial Strategy of the Authority, the Budget for 2020/21, the Prudential Indicators and the proposed Council Tax Increase are linked and are formed around the aim of delivering a sustainable growth strategy and acting prudently throughout the planning period.

Consultation undertaken:

Non, but informal consultation with the public and businesses should take place in January.

Resource implications:

As set-out in the reports.

Legal and Governance Implications:

To set a legal Budget in February 2020

Safer, Cleaner, Greener Implications:

Certain developments identified and priorities, see appendix B.1.

Background Papers:

None

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E. 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: **Finance**

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: **Budget and Medium Term Financial Strategy**

Officer completing the EqlA: Tel: **07939449512** Email: **ndawe@eppingforestdc.gov.uk**

Date of completing the assessment: **18th October 2019**

Section 2: Policy to be analysed

2.1	<p>Is this a new policy (or decision) or a change to an existing policy, practice or project? It is purposefully a briefing and indication of preference paper. Full approval of the budget is not until February 2020</p>
2.2	<p>Describe the main aims, objectives and purpose of the policy (or decision):</p> <p>To set a legal budget</p> <p>What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?</p> <p>Improved effectiveness and efficiency all services, to set fiscal and financial targets</p>
2.3	<p>Does or will the policy or decision affect:</p> <ul style="list-style-type: none">• service users• employees• the wider community or groups of people, particularly where there are areas of known inequalities? <p>All the above but individual decisions will be subject to a more detailed EIA when decisions are made.</p> <p>Will the policy or decision influence how organisations operate?</p> <p>Potentially</p>
2.4	<p>Will the policy or decision involve substantial changes in resources?</p> <p>Potentially</p>
2.5	<p>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?</p> <p>This policy is all encompassing</p>

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? Decision point not yet reached, impact data not yet gathered.
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? Decision point not yet reached, consultation not yet launched.
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: Will follow

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 pending decision which may confirm neutrality or improvement	L
Disability	Neutral pending decision which may confirm neutrality or improvement	L
Gender	Neutral pending decision which may confirm neutrality or improvement	L
Gender reassignment	Neutral pending decision which may confirm neutrality or improvement	L
Marriage/civil partnership	Neutral pending decision which may confirm neutrality or improvement	L
Pregnancy/maternity	Neutral pending decision which may confirm neutrality or improvement	L
Race	Neutral pending decision which may confirm neutrality or improvement	L
Religion/belief	Neutral pending decision which may confirm neutrality or improvement	L
Sexual orientation	Neutral pending decision which may confirm neutrality or improvement	L

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqIA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input type="checkbox"/>	Not yet determined whether a positive or negative impact will result
		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.

Section 7: Sign off

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

Signature of Head of Service: N Dawe

Date: 18th October 2019

Signature of person completing the EqIA: N Dawe

Date: 18th October 2019**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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A. Medium term Financial Strategy (MTFS)

1. Executive Summary

The main aims of the financial strategy are to support the priorities of the Authority through self-sufficiency and autonomy through sustainable growth.

In most respects the financial plan for the next five years takes a prudent approach to cost and income change and neither increases nor depletes reserves.

The most significant change in this MTFS is the forecast growing income stream from Qualis, a wholly owned group of companies. The income from Qualis is designed to grow to be significant and to ensure sustainability, certain, allowing a new fiscal approach to evolve.

The MTFS ensures that the Authority continues to take a prudent approach to financial challenges and opportunities with borrowing and reserve balances being very prudent (when compared to other authorities).

2. General Economic Outlook

The general economic outlook for the next five-years is marked by a slow recovery from the economic recession of 2008 and increased protectionism in terms of the working of the world economy.

The key impacts of this outlook on the Authority are:

- That general economic growth will remain low, unless there is a specific, political, economic or fiscal stimulus to this growth. An assumption of 1% per annum is assumed.
- That pay and non-pay inflationary pressures will remain low, at 2.5% per annum but due to increased economic uncertainty in 2020/21 the inflation rate is likely to be 3.0%.
- That the cost of money will remain low despite the recent increase in Public Works Loan-Fund Board (PWLFB) rates. The strategy is pegged to current PWLG rates, although available funds from other sources may be marginally cheaper.

The MTFS is modelled on the assumptions indicated above.

3. Local Economic Outlook

The local economic outlook is more fully described in the Local Development Plan (LDP) and is not repeated here, other than to note, sustainable housing and business growth has been assumed through the planning period. The good position of the Authority, its rural outlook and its proximity to London and its rail and road links should be noted, and their association with growth.

- That the current discussion with Natural England around air quality and the forest may delay and retard the sustainable housing and business growth predicted with consequence on business rate growth and council tax base growth.

- That the actions of the Authority could stimulate local housing and business growth in future years.
- The MTFS is modelled on the assumptions indicated above.

The MTFS is purposefully linked to the assumptions within the LDP, other than in 2020/21 the current trend in council tax base growth and the current trend in business rate growth for 2020/21 has been used till the position with Natural England has been resolved.

The MTFS reflects the direct and indirect implications of the Authority being more active in the local economy through its wholly owned company, Qualis.

4. Costs of Services

The impact on the cost of services mainly arises from inflation and growth and increases in efficiency and effectiveness.

4.1 Inflation

The assumption around inflation is that it will broadly remain at low and predicted levels of around 2.5% with increased general economic uncertainty meaning that in 2020/21 inflation will run at 3.0%.

It is also assumed that the underlying drivers for pay and non-pay will move closely together at 3.0% for 2020/21 and 2.5% for the years after that. It is appreciated that scarcity and demand may influence defined groups of staff and/or items of consumption and this variability will need to be accommodated with the plan.

This accommodation sees the same overall headline figures used for pay and non-pay headings but in practice for each year in question a proportion of inflation is applied to each budget line and amount is assumed spent but is deployed to individual staff and non-staff pressure points as required.

It is also recognised that certain economic drivers may impact items that do not move with either the Consumer Price Index (CPI) or the Retail Price Index (RPI). An example of this is the price of recycled material which has dropped significantly, and this would impact on the cost of our waste collection contract.

Individual contracts that are significant in size and/or several years in duration have specific inflation adjustment, normally linked to the CPI or RPI index. The only such contracts that are taken of account of in the MTFS are the Leisure Services and Waste Collection contracts.

4.2 Growth

Growth is assumed at the steady and sustainable rate of no less than 1% for the following five years as is set out in the LDP and verified by recent trends in housing and business growth.

Growth has both an overall effect on the Authority's services and specific impacts, e.g. waste collection, demand for social housing. There are services that will not be directly impacted by growth but will need to become more efficient to deal with this pressure, e.g. corporate services.

In formulating individual budget adjustments, note is taken of evidenced demand pressures and contract requirements.

4.3 Efficiency, Effectiveness and Economy

Improvements in technology and the approach to simple and reliable processes should ensure a year on year improvement in the efficiency of services with no negative impact on service quality.

Commonly in the public sector, efficiency improvements are set at around the 3% level, especially if financial performance is not already at the upper quartile.

It is recognised that improvements in efficiency where the benefit totally stays in the service to meet inflation and growth costs for example, work better than efficiency savings where significant amounts of money are removed and redeployed.

It is intended that in 2020/21 financial benchmarks with similar authorities are established and a move (if necessary) towards upper quartile financial performance for services is planned. At this point specific efficiency savings targets by service can be set.

For the MTFS an efficiency target of 0.50% has been set per annum for all services. This target can include income generation schemes and 0.25% as a minimum need to be generated by staff savings.

5. Income

Most of the income raised by the Authority comes from local sources and the last payment of central grant support from Government came in 2018/19. It should be noted that the Government do determine, currently, the system, rules and limits that apply to; council tax increases, business rates, housing rentals and other specified fees.

5.1 Housing Rents

Housing rents increase by a set formula based on CPI with the option of raising rents by a further 1%. The Budget and the MTFS assume that rents will rise solely with CPI and the option to raise them by a further 1%. In 2020/21 the increase is 2.7% and in the years after that 2.5%.

5.2 Parking Charges

There is no increase in parking charges assumed for 2020/21 pending the outcome of the Car Parking Review. For subsequent years, car parking charges are expected to rise in line with inflation.

5.3 Other Fees and Charges

Other fees and charges are expected to rise in line with inflation, i.e. 3.0% in 2020/21 and 2.5% in the years that follow.

It should be noted that it is several year's since service fees for rental properties have been fully calculated. It is intended to calculate these fees in 2020/21 and for now the MTFS assumes that the review of these charges is neutral.

5.4 Business Rates

The mechanism for business rates is determined by Government. For the sake of the MTFS model the approach is considered consistent throughout the period with rates increasing in line with target inflation, i.e. just 2.0%.

It should be noted however that the Government have indicated that the Business rate system may be subject to review in a year's time, essentially to reflect pressures on the high street that arise from on-line retailing. It is probable that any change to business rates to benefit companies will result in reduced revenues to the Authority but that these reduced revenues will be made up from other Government sources.

Caution should also be expressed that a review of business rates may have an overall neutral impact but may be further redistributive in moving resource from affluent areas to those requiring a further economic stimulus.

5.5 Business Rates Growth Incentive

The mechanism is designed to reward Authorities who enable and support business growth. The mechanism however only gives the Authority a proportion of the benefit of this growth. Although it is possible for the mechanism to be reviewed and changed, it is likely that an incentive will remain to stimulate business growth in view of its importance to the UK economy.

5.6 Other Grants and Sources of Income

The Authority bids for and receives a variety of small grants and benefits occasionally from bids to funds and foundations such as the National Lottery Fund. For the purpose of this MTFS these income sources are expected to stay the same but increased attention to non-Governmental income sources is intended.

5.7 Council Tax Base

The Authority benefits from a year on year growth in the council tax base because of new dwellings and/or the division of existing dwellings. The rate of increase in council tax base is also a result of prior year council tax increases.

The MTFS assumes that council tax base increases as in previous years but that this growth may be accentuated by the cessation of the Natural England concerns about growth and the impact of Qualis.

5.8 Council Tax Increase

The broad assumption in the plan is that council tax increases will rise with inflation. In 2020/21 the council tax increase is pegged at half the forecast inflation increase at 1.5%.

In future years council tax increase may not be required as alternative sources of income from Qualis increase and are sustained. This approach may be signalled in next year's MTFS when the success of Qualis can be more fully gauged.

5.9 Qualis

The Qualis group of companies were set-up in October 2019. The group currently consists of; a holding company, a development company, a company to manage privately rented property and a company to deliver support services, (in the first instance housing maintenance).

The authority is forecast to make a return on its initial and subsequent investment in the Qualis group of companies by;

- Benefiting on the interest margin of working capital loans provided to Qualis.
- Benefiting on the interest margin of asset purchase loans provided to Qualis.

- Benefiting on the interest margin of construction finance loans provided to Qualis.
- Profit on the provision of corporate services and rented space to Qualis.
- Return by means of dividend, on Qualis activities, e.g. development sales, private residential lets and maintenance services.

Although some risk is associated with this investment, most loans are secured against assets and constructed buildings. In addition, the Authority will have open book working with Qualis as well as exercising normal shareholder control over the Qualis Group.

Income from Qualis is forecast from 2020/21 and within a decade it is possible that income from this source may reach council tax income levels. For the next three years, to allow Qualis to establish itself and for development income to flow, EDFC are only assuming 50% of the predicted benefit will flow to the Authority to be prudent.

6. Reserves

The Authority's approach to using and replenishing reserves is not intended to change for this MTFS period. The current policy is to keep usable reserves of 25% in respect of the General Fund that could be used to meet the running costs of services for 3 months. This would mean that usable reserves of £5.3m will need to be retained. The current balance on reserves is £6.7m.

The Authority will also maintain its approach to using recurrent funding underwrite its Continuous Service Budgets and non-recurrent income to fund ad hoc or time defined projects through the District Development Fund.

The current useable reserve balances are as follows:

GF Reserve	£6,697k
HRA Reserve	£2,316k
Earmarked Reserves	£19,092k
Capital Reserve	£9,781k
MRR	£9,125k
Capital Grants (applied)	£687k
TOTAL	£45,931k

7. Loans

The Authority has a strong balance sheet and wishes to keep this though in the future, to success and development of Qualis by means of taking loans and granting them at a premium to Qualis.

Loans given will be heavily secured and risk priced, which will also eliminate concerns around Qualis receiving “state aid”.

It is envisaged that over a three-year period the loan exposure to Qualis will be as follows:

- £3m working capital loan, duration 5 years, risk priced interest rate of three times Public Sector Works Loans Fund Board rate.
- £30m of market asset purchase loan, duration 30 years, risk priced interest rate of two times Public Sector Works Loans Fund Board rate.
- £110m of market asset purchase from EFDC and construction loans, duration 30 years, risk priced interest rate of two times Public Sector Works Loans Fund Board rate.

8. Risk and Sensitivity Analysis

The MTFS has been the subject to an overall consideration of risk and sensitivity and is considered both robust and realistic. A summary of the risks and how they are managed is shown below:

Risk	Management Action
Increased inflation pressures	Initially met from a 1% contingency set aside. Slowing down agreed developments. After that temporarily covered by reserves whilst additional efficiency savings confirmed.
Increased demand pressures	Initially met from a 1% contingency set aside. Slowing down agreed developments. After that temporarily covered by reserves whilst additional efficiency savings confirmed.
Shortfall in efficiency savings	Ensure initial plan is an over-plan, identifying savings for two years. Bring forward following years schemes and cover with contingency and general reserves as necessary.
Major changes in Government business rates or council tax approach	Unlikely without a year’s notice and initially covered by reserves whilst a new MTDS is produced and appropriate charge and tax rates set.
Delays in Qualis delivering real additional income	Qualis earnings for year one and two are set at prudent levels and are more certain because of the nature of activities undertaken.

9. Other Key Financial Issues

The other major issue that the MTFS needs to accommodate is the appropriate legislative and evidenced separation between Housing Resource Account (HRA) items and general account (GA) items.

The separation is ensured by an appropriate review of all accounting classifications and recharges once a year before the final Budget is formulated. This approach is subject to review and audit.

10. Overall MTFS Model

	2020/21	2021/22	2022/23	2023/24	2024/25
	£0	£0	£0	£0	£0
Income					
Rents, fees and charges	85,554	87,693	89,885	92,132	94,436
Business rates	14,468	14,757	15,053	15,354	15,661
Business rate growth incentive	0	0	0	0	0
Council tax	12,203	12,546	12,779	13,018	13,247
Other grants and income sources*	2,789	2,845	2,901	2,959	3,019
Return to reserves of undrawn DDF	-2,000	0	0	0	0
From and (too) reserves	-2,785	-601	-1,119	-1,625	-2,104
Total Income	110,229	117,240	119,499	121,838	124,259
Spend					
General and HRA	107,754	113,412	117,410	119,708	122,087
Developments less Qualis contribution	-1,094	2,000	2,000	2,000	2,000
Increase in Debt Servicing Costs	677	694	711	729	747
Contingency to be used, inflation and general and Qualis start up optimism bias assessment	2,892	1,134	622	599	575
Total Spend	110,229	117,240	119,499	121,838	124,259
Variance	0	0	0	0	0

B. Budget 2020/21

1. Executive Summary

The following paper is the third document taken to Cabinet to assist the Administration in forming the budget for 2020/21 and understanding the opportunities and risk in regard to forming the budget.

It is not a decision paper but seeks a further Cabinet steer on both the general assumptions that drive the budget in Section 2 and the specific development proposals set-out in Section 3.

The paper has been put together following consideration of various options to raise council tax. of council tax. This paper is written around raising council tax by 1.5%, half the predicted rate of inflation. Much of this paper is as previously considered but the information has been retained for completeness.

2. General Assumptions for Existing Budgets

A standard and formulaic approach has so far been taken in respect of reviewing existing budgets. This formulaic approach has been supported with a full costing of the proposed management and staff structure.

The basic approach taken is as follows:

That inflation pressures on pay and non-pay items are offset by proportionally similar increases in income, charges and rentals.

That cost pressures in individual budgets are funded by reallocating underspent budgets.

The result of this approach is to leave the use of District Development Funds, Efficiency Savings and Council Tax Increases free to fund developments and other investments.

2.1.1 Pay

The basic assumption on pay inflation is that it will rise by up to 3% in-line with Office of National Statistics estimates of inflation next year.

It is intended that 2% of this increase is provided to individual budget lines and that (up to) 1% is assumed spent but is held as a contingency to address issues such as market forces increases (for some) above inflation.

2.1.2 Non-Pay

The basic assumption on non-pay inflation is that it will rise by up to 3% in-line with Office of National Statistics estimates of inflation next year.

It is intended that 2% of this increase is provided to individual budget lines and that (up to) 1% is assumed spent but is held as a contingency to address issues such as market forces increases (for some) above inflation.

Specific calculations will be undertaken for the waste and leisure contracts and of course certain specific headings will attract no inflation at all, e.g. depreciation.

2.1.3 Income, Charges and Rents

The basic assumption on income, charges and rent is that it will rise by up to 3% in-line with Office of National Statistics estimates of inflation next year.

It should be noted that there are two significant exceptions to this rule:

- There is no rise in car parking income until the review is completes.
- Housing rents have been increased by 2.7%per the national formula.

All the increase will be assumed as being received.

Specific calculations will be undertaken for certain rental streams and there are some charges that are set by central government.

2.1.4 Pensions

The basic assumption on pensions is that it will rise by up to 3% in-line with Office of National Statistics estimates of inflation next year. In practice the employment overhead of employers NI and employers' pension has risen from 28%to 29%.

An actuarial review of pensions is currently taking place and further cost implications may result as a result of this review

3. Development by Theme

The developments have been reviewed and expanded to show carry forward District Development Fund and Capital items from previous years. The aim is to show in one place all the priority developments that the Authority intends to deliver.

The list has therefore been renumbered and supporting documents for individual documents are available on request.

The development list also includes the contributions expected from Qualis in the form of recharges and loan interest profit to the Authority.

The development list is also grouped in themes to reflect the inter connectivity between proposals. Further details of the proposals are contained within the appendices at B.1.

A thematic consideration of the developments is shown below:

3.1.1 A

Theme	Stronger Place
Brief Description	Qualis Group
Development Proposal References	1, 2a-2e, 3
Issue to consider	Authority should profit from arrangement and use dividend to correctly and appropriately convert sale

	<p>receipts and social housing build and maintenance activities to generally useable profit.</p> <p>Need to ensure that there is a prudent approach to the payback of loans and the payment across of dividends. Implications to Authority balance sheet and liquidity also need to be understood.</p>
Revenue Impact in 2020/21	£3.9m income (abated by 50%)
Capital Impact in 2020/21	£0.2m
Loan granted 2020/21	£160m (but likely to be phased over three years)

3.1.2 B

Theme	Stronger Place
Brief Description	Strategic planning for sustainable growth over next ten years, Local Development Plan and North Weald Master Plan and early investment in North Weald
Development Proposal References	4, 5, 6, 7
Issue to consider	Charged to DDF as strategic and non-recurring. Clear and implementable plans that Devco for instance, can refer to. Need to ensure plans are delivered and approved as early as possible in 2020/21
Revenue Impact in 2020/21	£0.4m
Capital Impact in 2020/21	£0.2m
Loan granted 2020/21	NA

3.1.3 C

Theme	Stronger Council
Brief Description	More effective and efficient services to residents and customers arising from flexible working, IT and appropriate buildings and partnerships
Development Proposal References	8, 9, 10, 11, 12, 13, 14, 15 16
Issue to consider	Ensure proposals deliver operational and performance benefits and reduce cost. Set proposals against alternative options. Ensure opportunity cost of seconding staff to project are fully understood. Includes accommodation strategy.
Revenue Impact in 2020/21	£0.4m
Capital Impact in 2020/21	£8.3m
Loan granted 2020/21	NA

3.1.4 D

Theme	Stronger Council
Brief Description	Improvements to Housing effectiveness and efficiency through new IT and practices.
Development Proposal References	17
Issue to consider	Ensure that current budgets off-set costs as much as possible and that increased effectiveness is delivered. Note that system upgrades in future will be funded on an annual basis as a charge rather than through a capital investment
Revenue Impact in 2020/21	£0.1m
Capital Impact in 2020/21	NA
Loan granted 2020/21	NA

3.1.5 E

Theme	Stronger Council
Brief Description	Improvement in revenue and benefits and other customer systems encouraging a shift to self-serve and automatic serve.
Development Proposal References	18, 19, 20, 21
Issue to consider	Ensure that current budgets off-set costs as much as possible and that increased effectiveness is delivered. Note that system upgrades in future will be funded on an annual basis as a charge rather than through a capital investment
Revenue Impact in 2020/21	£0.1m
Capital Impact in 2020/21	NA
Loan granted 2020/21	NA

3.1.6 F

Theme	Stronger Communities
Brief Description	Long-term commitment to neighbourhood policing replacing DDF funding and allowing for an increase of one officer
Development Proposal References	22
Issue to consider	Return on investment, community cohesion and DDF funding runs out after 2021/22
Revenue Impact in 2020/21	£0.2m, originally funded by DDF
Capital Impact in 2020/21	NA
Loan granted 2020/21	NA

3.1.7 G

Theme	Stronger Communities and Stronger Place
Brief Description	Various initiatives to improve services to tenants and ambience and safety of estates including council house building programme. To be funded from HRA.
Development Proposal References	23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50
Issue to consider	A value improvement that can be set off against circa 3% rental rise and generally improves place and value of council house assets
Revenue Impact in 2020/21	£0.6m HRA
Capital Impact in 2020/21	£14.8m HRA Capital
Loan granted 2020/21	NA

3.1.8 H

Theme	Stronger Place
Brief Description	Several schemes to improve planning performance and improve delivery, funded from planning performance agreement income
Development Proposal References	51, 52, 53, 54, 55, 56, 57, 58, 59.
Issue to consider	Need to ensure that planning performance income not only finds these initiatives but other planning initiatives as £94,000 credit is currently shown.
Revenue Impact in 2020/21	£0.1m income as incentive payments exceed cost of proposals
Capital Impact in 2020/21	NA
Loan granted 2020/21	NA

3.1.9 I

Theme	Stronger Communities and Stronger Place
Brief Description	A variety of initiatives to improve security and vouch resources to attract National Lottery funding for museum and cultural developments
Development Proposal References	60, 61, 62, 63, 64, 65, 66
Issue to consider	Match funding provided to museum initiative
Revenue Impact in 2020/21	£0.1m
Capital Impact in 2020/21	£0.9m
Loan granted 2020/21	NA

3.1.10 J

Theme	Stronger Place
Brief Description	A variety of initiatives to improve local highways and street scenes including a review of car parks
Development Proposal References	67, 68, 69, 70
Issue to consider	Initiatives also include transfer of resources from Essex CC and increased obligations to parishes. Governance around business and service arrangements needs to be finalised
Revenue Impact in 2020/21	£0.1m
Capital Impact in 2020/21	£0.1m
Loan granted 2020/21	NA

3.1.11 K

Theme	Stronger Place
Brief Description	A variety of initiatives to improve technical services such as water quality monitoring, trade waste and bridge review and possible replacement and car parking.
Development Proposal References	71, 72, 73, 74, 75, 76, 77, 78, 79, 80
Issue to consider	Ensuring value for money of services provided.
Revenue Impact in 2020/21	£0.2m
Capital Impact in 2020/21	£0.7m
Loan granted 2020/21	NA

3.1.12 L

Theme	Stronger Place
Brief Description	Ongar Leisure Centre future (in the context of St Johns and imminent need for major investment)
Development Proposal References	81
Issue to consider	Impact of proposal on other leisure centre investments or proposed investments
Revenue Impact in 2020/21	£50,000
Capital Impact in 2020/21	Up to £8m in future years
Loan granted 2020/21	NA

3.1.13 M

Theme	Stronger Place
Brief Description	Replacement of fleet improving environmental impact and delivering financial efficiency
Development Proposal References	82, 83, 84, 96
Issue to consider	Rental versus lease of fleet, vehicle acquisition and provision potentially being a Servco function
Revenue Impact in 2020/21	£m negligible net impact
Capital Impact in 2020/21	£0.8m
Loan granted 2020/21	NA

3.1.14 N (new)

Theme	Climate Emergency
Brief Description	New strategic initiatives with the addition of smaller schemes delivered by existing services
Development Proposal References	85, 86, 87, 88, 89, 90, 91, 92
Issue to consider	Need to measure impact on environment over time.
Revenue Impact in 2020/21	£0.3m
Capital Impact in 2020/21	£0.1m
Loan granted 2020/21	NA

3.1.15 O (new)

Theme	Stronger Council
Brief Description	Update gazetteer
Development Proposal References	93
Issue to consider	NA
Revenue Impact in 2020/21	£ negligible
Capital Impact in 2020/21	£ negligible
Loan granted 2020/21	NA

3.1.16 P (new)

Theme	Stronger Council
Brief Description	Basic IT upgrades
Development Proposal References	94, 95
Issue to consider	NA
Revenue Impact in 2020/21	NA
Capital Impact in 2020/21	£ negligible
Loan granted 2020/21	NA

4. Funding of Developments

4.1.1 District Development Fund

The District Development Fund has historically been used for non-recurring investments and to pump prime other major changes. It is only envisaged that the continuation and completion of the Local Development Plan will be a call against the DDF resources. As a result, the transfer of resources to top up the DDF is also limited.

4.1.2 Efficiency Savings

The vast majority of services together with the budget that support them, is only adjusted for inflation. In-line with good business practice, it is proposed that the effectiveness and efficiency of services should get better as a result of a programme of continuous improvement and attainment of an upper quartile position in terms of performance and cost-effective delivery.

It is relatively common to set this efficiency target at 3%, however due to the recent review of establishments and delivery of savings this year, it is suggested that a Directorate wide savings target of 0.25% is set.

4.1.3 Council Tax Increases

Locally raised taxes support approximately 25% of the total spend of the Authority. An annual increase in Council tax of 2.5% was included in last year's medium-term financial strategy.

In view of the scarcity and importance of the Council tax increase two options have been prepared that will fund all the high priority developments in total.

An increase in council tax of 1.5% has been assumed.

Council tax increases need not only to be considered in terms of the delivery of extra funding but also in terms of setting the council tax base for future years, the current comparative level of tax, the priority given to developments which any increase funds and issues of affordability and the value of services delivered to the local community.

In addition, the Authority holds a non-recurring amount of £500,000 less £50,000 as a non-recurrent ex-gratia payment from HMRC. To date this has not been assumed as being available in the budget and is nominally associated with environmental and other similar works at the North Weal Airfield site.

5. Summary Budget Options

The detail of the development options is set out previously and in the individual submissions shown at Appendix B.1. Although it is appreciated that not all proposals may be accepted and that savings requirements and council tax increases may vary, the following two budget proposals have been illustrated:

It should be noted that the cost of borrowing and depreciation impacts have been modelled but require validation.

The granting of an extra £145m of loans, mainly secured against land and property assets will result in the balance sheet of this Authority continuing to be considered as strong.

The Authority will continue to be prudent and the following should be noted:

- That the benefits of Qualis have been abated by 50%
- That a contingency has been set aside to fund additional inflationary and/or demand pressures.
- Funding supporting developments and income from developments will be assumed spent but contained in a reserve. This reflects recruitment lead in times and encourages early implementation of developments and drawdown of funds.

5.1.1 Summary

Value of revenue developments (net)	-1,093,991
Funded by	
New DDF (including confirmation of use from previous years that equated to £2m)	1,774,906
Replenishment of DDF Reserve (no net new call or further need of replenishment)	0
Loan Impact New Capital	-677,188
Savings Programme	500,000
Abatement of Qualis benefits by 50% (if not needed benefit will go to DDF)	-1,796,169
Council Tax Base Growth	65,000
New Homes Bonus Change	0
Business Rates Growth	0
Other Changes in Grants	0
Contingency (assumed spent)	-1,095,540
Council Tax Increase	135,000
Total	-1,093,991
Will also deliver capital schemes with a value of	£26,171,528
Will also allow new loans to be issues with a value of up to	£145,000,000

Appendix B.1 : Development Summary as at 18/12/2019

Ordered by Theme

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New Ref	General or Housing	DDF	Theme	Theme Group	Executive Area	Service	Item	Revenue			Capital		Loan			Notes	
								2020/21 Revenue Cost Change	2020/21 Revenue Cost Change	2021/22 Revenue Cost Change	Recurring CSB, Non-recurring DDF or other source	20/21 Capital Cost	21/22 Capital Cost	Item Previously Capital	2019/20 Loan		20/21 Loan
1	General		Stronger Place	A	Qualis	Qualis	Argus Scheme costing System				8,000						
2a	General		Stronger Place	A	Qualis	Qualis	Working Capital		-600,000	0					20,000,000		
2b	General		Stronger Place	A	Qualis	Qualis	Asset Purchase Market Rent Hand Through		-600,000	0					30,000,000		
2c	General		Stronger Place	A	Qualis	Qualis	EDFC Land and Development		-2,200,000	0					110,000,000		
2d	General		Stronger Place	A	Qualis	Qualis	Dividend		0	0							
2e	General		Stronger Place	A	Qualis	Qualis	Recharges		-192,338	0							
3	Housing		Stronger Council	A	Qualis	ICT006	Procurement & Implementation of new Repairs/Maintenance system		199,000	-134,000	Yes £65000 recurrent		179,000				ICT006
4	General	DDF	Stronger Place	B	Commercial and Regulatory	North Weald	North Weald Masterplan Exercise		140,000	-140,000							
5	General	DDF	Stronger Place	B	Commercial and Regulatory	North Weald	North Weald Preparations Phase 1		2,500	5,000	No	100,000	200,000				
6	General		Aviation Safety	B	North Weald Airfield		NW meteorological station equipment					44,000					
7	General	DDF	Stronger Place	B	Planning		Strategic Planning		240,000	-240,000	No						£40k c/f from existing 19/20 budget
8	Mixed	DDF	Stronger Council	C	Accommodation Strategy	ICT	Accommodation Strategy Project Management Option 2 Evaluation		80,000	-80,000	Non-recurrent			Yes			No proposal form
9	Mixed		Stronger Council	C	Accommodation Strategy		Accommodation Strategy Works		179,000			7,160,000					
10	Mixed		Stronger Council	C	Business Services	ICT	ICT Infrastructure to support Flexible Working strategy		5,000		Yes	229,000	15,000				ICT002-Required 19/20
11	Mixed		Stronger Council	C	Business Services	ICT	Resilience Phase 1			250,000	Non-recurrent		50,000				ICT003
12	Mixed		Stronger Council	C	Business Services	ICT	Increased Storage					60,000					ICT004
13	General		Stronger Council	C	Business Services	ICT	ICT Infrastructure to support Accommodation Strategy		38,000		Recurrent	678,000					ICT001
14	General		Stronger Council	C	Business Services	ICT	ICT training and knowledge		50,000		No						ICT007-Required 19/20
15	General		Stronger Council	C	Contract and Technical	Car Parking	Staff Travel Plan		15,000	20,000	Non-recurrent	50,000		Yes			Electrical charging, park and share, modal shift
16	General		Stronger Council	C	Accommodation Strategy	Facilities	Accommodation Project - Separation works					150,000					
17	Housing		Stronger Council	D	Housing	ICT	Maintenance of Existing Northgate System (already budgeted for)		50,000	50,000	No			Yes			
18	General	DDF	Stronger Communities	E	Customer	Customer Services	Data Insight Homelessness Prevention		18,500	-18,500				Yes			Yr1 cost includes £25k implementation. £12k pa on-going. Reduction in FTE.
19	General	DDF	Stronger Communities	E	Customer	Customer Services	Customer notification solution		25,000	-7,000	Yes, £18,000 a year			Yes			Yr1 cost includes £7k implementation. £18k pa on-going. Reduction in FTE.
20	General		Stronger Communities	E	Customer	Customer Services	Printing for Revenues and Benefits		14,000		Recurrent						
21	General	DDF	Stronger Communities	E	Customer	Customer Services	Firmstep Form & Portal Development		25,000	-13,000	Yes, £12,000 a year						
22	General		Stronger Communities	F	Community & Partnership	Neighbourhood Police	Continuation of project recurrently and expansion from 3 to 4 WTE in 2021/22		215,000	287,000	Yes, £287,000 for four officers, (currently 3) a year						DDF PREVIOUSLY AGREED FOR 20/21
23	Housing	DDF	Stronger Communities	G	Housing	Sheltered Housing	Sheltered Housing Review		40,000	-40,000							
24	Housing	DDF	Stronger Communities	G	Housing	Tenants	STAR review		20,000	-20,000							
25	Housing		Stronger Communities	G	Housing	Estates	Traffic Regulation Orders					50,000					
26	Housing		Stronger Council	G	Housing	ICT005	Procurement of new housing system and asset Mgmt solution		389,619	105,000	Yes £121000 recurrent	572,000	30,000				ICT005 Ohms licence paid on ICT code-Required July 20
27	Housing		Stronger Communities	G	Housing	CCTV	CCTV schemes ratified by Cabinet					25,000	15,000				
28	Housing		Stronger Council	G	Housing		Info @ Work upgrade					20,000					
29	Housing		Stronger Place	G	Housing	Tenants	Window cleaning system		2,000			20,000					Revenue cost equal depreciation
30	Housing		Stronger Place	G	Housing	Tenants	Estate improvement programme		7,000			70,000					Revenue cost equal depreciation
31	Housing		Stronger Communities	G	Housing & Property	HRA	HRA Capital Programme					9,124,000	9,124,000	Yes			Separate maintenance schedule. See supporting workbook -
32	Housing		Stronger Communities	G	Housing & Property	HRA	HRA Capital Housebuilding Programme (Current)					4,346,200	13,963,500	Yes			
33	General		Stronger Communities	G	Housing & Property		Pyramid Building Roof & Gutter					12,250					
34	General		Stronger Communities	G	Housing & Property		Active Planned Maintenance					17,000					
35	General		Stronger Communities	G	Housing & Property		63 The Broadway shop front					25,000					
36	General		Stronger Communities	G	Housing & Property		Ongar Public Toilets refurb						18,000				
37	General		Stronger Communities	G	Housing & Property		Trend Building Services					165,000					
38	General		Stronger Communities	G	Housing & Property		Civic main building roofing					28,000					
39	General		Stronger Communities	G	Housing & Property		Invest Property Works					203,000					
40	General		Stronger Communities	G	Housing & Property		Roof Covering Limes Ave Shops					5,000					
41	General		Stronger Communities	G	Housing & Property		Lower Queens Road Roofing					9,000					
42	General		Stronger Communities	G	Housing & Property		Coopersale Shops Roofing					25,000	25,000	25,000			
43	General		Stronger Communities	G	Housing & Property		Shops HRA/GF Contingency					14,500					
44	General		Stronger Communities	G	Housing & Property		Hennall Street offices					9,000					
45	General		Stronger Communities	G	Housing & Property		Invest Property Works					31,100					
46	General		Stronger Communities	G	Housing & Property		Security					55,000					
47	General		Stronger Communities	G	Housing & Property		Building Maintenance - Non HRA		123,000								DDF PREVIOUSLY AGREED FOR 20/21
48	General		Stronger Communities	G	Housing & Property		Homelessness		34,000								DDF PREVIOUSLY AGREED FOR 20/21
49	General		Stronger Communities	G	Housing & Property		Community Housing		22,000								DDF PREVIOUSLY AGREED FOR 20/21
50	General		Stronger Communities	G	North Weald Airfield		Facilities					45,000					
51	General		Stronger Place	H	Planning		Strategic Planning		7,000		3 year requirement						It would be preferable to secure this for a period of years i.e. 3 rather than a single year to enable us to consider an agreement with a provider such as RCE (as currently) to deliver this support
52	General	DDF	Stronger Place	H	Planning		Strategic Planning		-272,000								
53	General		Stronger Place	H	Planning		Development Management		45,000								
54	General		Stronger Place	H	Planning		External Consultant - Ecology		45,000		Two years only						For 2020/21: £45K for DM Service Change Programme, and for 2021/22: £45K for implementation of new IT system
55	General		Stronger Place	H	Planning		MHCLG - Planning Enforcement Fund		-40,000		Non-recurrent						Make Bid for Public Practice or service share through Place Services
56	General	DDF	Stronger Place	H	Planning		Development Management		22,000	-22,000	Non-recurrent						Barrister and specialist external planner
57	General	DDF	Stronger Place	H	Planning		Development Management		40,000	-40,000							Continued use of agency planners and legal support
58	General	DDF	Stronger Place	H	Planning		Strategic Planning		45,000	-25,000	Yes						
59	General	DDF	Stronger Place	H	Planning		Strategic Planning		14,000	-11,000							
60	General		Stronger Communities	I	Community & Partnership		Community Resilience										Nil net effect, continuation of existing programme in future years
61	General		Stronger Communities	I	Community & Partnership		Community, Culture & Wellbeing		23,000	208,000	Non-recurrent	300,000					Co-funded by Lottery and Essex CC
62	General		Stronger Communities	I	Community & Partnership		CCTV					215,000	100,000				
63	General		Stronger Communities	I	Community & Partnership		Community, Culture & Wellbeing		24,200								Email C.Hammond 25/11/19
64	General		Stronger Communities	I	Community & Partnership		Community, Culture & Wellbeing		9,750								Email C.Hammond 25/11/19
65	General		Economic Development	I	Community & Partnership		Community, Culture & Wellbeing		27,000								DDF PREVIOUSLY AGREED FOR 20/21
66	General		Stronger Place	I	Community & Partnership		Digital Innovation					350,000					
67	General	DDF	Stronger Place	J	Contract and Technical		Car Parking		20,000	-20,000	Non-recurrent			Yes			
68	General		Stronger Place	J	Contract and Technical		Highways		0		Yes						Parish and Town Councils pay for switching on street lights. To be determined
69	General		Stronger Place	J	Contract and Technical		Highways		20,000		Recurrent	40,000		Yes			Funding transfer from Essex CC, funding certain only annually, may require capital
70	General		Stronger Place	J	Contract and Technical		Highways		2,500			100,000		Yes			
71	General		Stronger Communities	K	Contract & Technical		Car parking					60,000					
72	General		Stronger Communities	K	Contract & Technical		Car Parking					266,000					
73	General		Stronger Communities	K	Contract & Technical		Environmental		50,000								
74	General	DDF	Stronger Place	K	Contract and Technical		Car Parking		15,000	-15,000	Non-recurrent	133,000		Yes			
75	General	DDF	Stronger Place	K	Contract and Technical		Waste Management		20,000	-20,000	Non-recurrent	40,000		Yes			purchase of containers and software, cost to be recovered
76	General	DDF	Stronger Place	K	Contract and Technical		Car Parking		40,000	-40,000	No						Feasibility studies for Automatic Number Plate Recognition in car parks and
77	General		Stronger Place	K	Contract and Technical		Water		10,000		Recurrent for 3 years						
78	General	DDF	Stronger Place	K	Contract and Technical		Contamination		75,000	-75,000	Non-recurrent						
79	General		Stronger Communities	K	Contract and Technical		Leisure					49,800	-49,800				ICT001
80	General		Stronger Communities	K	Contract & Technical		Car parking					186,000					
81	General		Stronger Place	L	Contract and Technical		Leisure		36,000	50,000	275,000		11,000,000	Yes			options appraisal fees, capital costs range from £1mill to £8mill
82	General		Stronger Place	M	Contract and Technical		Fleet				Assumed recurrent	680,000	380,000	Yes			Net capital costs shown no depreciation additional impact assumed
83	General		Stronger Place	M													

86	General		Climate Emergency	N	Contract and Technical	New post - Sustainable Travel Officer		62,000		Two years only	50,000								
87	General	DDF	Climate Emergency	N	Contract and Technical	Roding Valley Development	Environmental improvement works	50,000	-50,000	No									
88	General	DDF	Climate Emergency	N	Contract and Technical	Roding Valley Development	Erosion control minor works	5,000	-5,000	Yes									
89	General	DDF	Climate Emergency	N	Contract and Technical	Open Spaces	Parks improvements	20,000	-20,000	No									
90	General	DDF	Climate Emergency	N	Contract and Technical	Street Cleansing	Community clean up	23,000	-23,000	Yes									
91	General		Climate Emergency	N	Planning		Climate Emergency												
92	General		Climate Emergency	N	Contracts and Technical	Waste	Roll Forward of Recycling Interest Costs	32,000											
93	General		Stronger Place	O	Customer	ICT	Assure/Elections Gazetteer/migrate Confirm/GPS tech refresh	5,000			30,000								
94	General		Stronger Council	P	Business Services	ICT	Firewall additions				15,000	-15,000							
95	General		Stronger Council	P	Business Services	ICT	E Financials Upgrade or Lower Cost New System (e.g. SAGE)					35,000							
96			Stronger Place	M	Contract and Technical	Grounds Maintenance	Grounds maintenance				30,000	30,000							
			Additional Amount Sort		Per Year			51,000	-1,093,991	113,500		26,171,528	34,978,300	25,000	0	160,000,000	0		

WIP	Option A																		
WIP		New DDF				1,774,906	0												
WIP		Replenishment of DDF				0	0												
WIP		Loan Impact of New Capital				-677,188	-905,064												
WIP		Savings Programme of 0.25%				500,000	500,000												
WIP		Assume Qualis Benefits in First Year at 50%				-1,796,169	0												
WIP		Council Tax Base Growth				65,000	65,000												
WIP		New Home Bonus Change				0	0												
WIP		Business Rate Growth EFDC Share				0	0												
WIP		Other Grants Change				0	0												
WIP		Contingency (1% of Turnover)				-1,095,540	0												
WIP		Council Tax Increase to Balance				135,000	453,564												
WIP		Total Recourses				-1,093,991	113,500												
WIP		Equivalent to Council Tax Change of				1.50%	5.04%												

By Theme	A	-	3,393,338	-	134,000		187,000	-	-	-	160,000,000	-
	B	-	382,500	-	375,000		144,000	200,000	-	-	-	-
	C	15,000	372,000	170,000		8,327,000	65,000	-	-	-	-	-
	D	-	50,000	50,000		-	-	-	-	-	-	-
	E	-	82,500	38,500		-	-	-	-	-	-	-
	F	-	215,000	287,000		-	-	-	-	-	-	-
	G	-	637,619	45,000		14,816,450	23,230,100	25,000	-	-	-	-
	H	-	94,000	98,000		-	-	-	-	-	-	-
	I	-	83,950	208,000		865,000	100,000	-	-	-	-	-
	J	-	42,500	20,000		140,000	-	-	-	-	-	-
	K	-	210,000	150,000		734,800	49,800	-	-	-	-	-
	L	36,000	50,000	275,000		-	11,000,000	-	-	-	-	-
	M	-	5,000	5,000		800,000	413,000	-	-	-	-	-
	N	-	257,278	101,000		112,278	-	-	-	-	-	-
	O	-	5,000	-		30,000	-	-	-	-	-	-
	P	-	-	-		15,000	20,000	-	-	-	-	-
		51,000	-1,093,991	113,500		26,171,528	34,978,300	25,000	-	-	160,000,000	-

C. Prudential Indicators

1. Introduction

The Local Government Act 2003 requires the Council to have regard to the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow.

The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out indicators that must be set and monitored each year.

The Authority uses Arlingclose to provide professional advice on treasury, loan and investment matters.

Whereas historically, the treasury strategy and prudential indicators were associated with financing the capital programme, from 2020/21 much of the delivery of the capital programme will be given to Qualis and much of the borrowing will be to onward loan Qualis the money for what otherwise would be direct capital investment.

The authority's loans to Qualis will be secured in the main against land and buildings and appropriately risk priced.

The strength of the authority's finances will be maintained and of course be managed over time.

2. Indicators

The key indicators that will be used in the full Treasury and Prudential Indicator Strategy, that will pass to Full Council in February will include the following:

Heading	Expected value in 2020/21 £m	Notes
Capital expenditure general and HRA	£26m	Of which £13m is HRA core house building and £8m is associated with general accommodation strategy.

Capital receipts	0	None expected but transfer of assets by means of sales possible to Qualis.
Loans to Qualis working capital	£5m	Risk priced at three-time PWLB rate.
Loans to Qualis land purchases	£30m	Of which £20m spent in 2019/20. Risk priced at two-time PWLB rate.
Loans to Qualis EFDC land and development	£85m in 2020/21 and £15m the year after.	Risk priced at two-time PWLB rate.
Grants	Negligible	To be confirmed
Reserves	Being reviewed	Possible use of DDF and HRA reserves particularly as in the latter case, some catch-up with home s provision is planned.
Revenue (depreciation)	£15m	Will remain on or around this figure during the planning period
Borrowing	£110m	Significantly increases to fund Qualis loans, but loans are broadly secured and authority benefits on the margin of granting them. Biggest risk is working capital amount which is suitably risk priced.

From the above analysis the following indicators will be produced for the coming five years:

Estimates of Capital Financing Requirement. The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium-term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial

years. This is a key indicator of prudence.

Operational Boundary for External Debt. The operational boundary is based on the Council's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Council's debt.

Authorised Limit for External Debt. The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Ratio of Financing Costs to Net Revenue Stream. This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Adoption of the CIPFA Treasury Management Code. The Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2011 Edition in April 2002. It fully complies with the Codes recommendations.

Annual Minimum Revenue Provision Statement 2018/19

Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Council to have regard to the Department for Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2012.

The broad aim of the CLG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

D. Council Tax Setting

1. Introduction

The Cabinet must recommend a Council Tax Rate to the Council in February. The Cabinet is aware that general inflation trends are running at around 3.0% but are also aware of the burden of council tax on individual households and that currently discounts more than £6m are granted.

Cabinet are also aware that new income sources from Qualis will commence in 2020/21 and part of the benefit of this would allow council tax rises to be pegged at half the inflation rate, i.e. 1.5%.

The Authority is awaiting precept information from parishes, the county council and other county-wide bodies. These precepts will be included in the final budget figures presented to Council in February.

2. Intended Authority Council Tax

The intended council tax rates are tabled below. The rates relate to this Authority only and other precepts will be added when known.

Council Tax Band	Number of predicted properties 2020/21	Rate in 2019/20	Proposed Rate in 2020/21	Notes
		£	£	Assumes increase of 1.5%
A	1033.1	101.64	103.17	
B	3229.7	118.58	120.36	
C	9272.0	132.32	137.56	
C	12884.9	152.46	154.75	
E	11281.3	186.34	189.14	
F	9408.8	220.22	223.53	
G	9598.6	254.10	257.92	
H	2221.5	304.92	309.50	

3. Discounts

The number and level of discounts that are forecast to be applied are as follows:

Discount	Forecast Number	% Discount
Student in full term education	146	100% if property is wholly occupied by students
Disabled individual	376	Varies
Second home	397	5% discount
Empty home	112	100% premium
Single Person Discount	17,134	25%
Hardship/LCTSS	6,231	Equates to a £6m discount

Report to Finance and Performance Management Cabinet Committee



**Epping Forest
District Council**

Report reference: FPM-009-2019/20

Date of meeting: 23 January 2020

Portfolio: Leader of the Council

Subject: Corporate Plan Action Plan Year 2 Performance Report

Officer contact for further information: Julie Chandler (01992 564214)

Democratic Services Officer: Rebecca Perrin (01992 564532)

Recommendations/Decisions Required:

That the Committee reviews Q3 performance in relation to the Key Performance Indicators & Work Programmes within the Corporate Plan.

Report:

1. The Corporate Plan Action Plan provides a mechanism for reporting to Members on the Council's Key Performance Indicators (KPIs) and key Programmes of work and highlights the Councils overall performance against agreed Corporate Objectives.
2. The Year 2 Action Plan (covering 2019/20) represents the second reporting cycle for EFDC's Corporate Plan (2018-23). Performance Measures for Year 2 have been streamlined to enable improved focus on how Corporate Objectives are being met.
3. The Q3 Action Plan Performance information is attached at Appendix 1.

Resource Implications:

Resource requirements for actions to achieve specific objectives or benefits within the plan will be identified by the responsible Service Director and reflected in the respective budget.

Legal and Governance Implications:

There are no legal or governance implications arising from the recommendations of this report. However, any implications arising from actions to achieve specific objectives or benefits will be identified by the responsible Service Director.

Safer, Cleaner and Greener Implications:

There are no implications arising from the recommendations of this report in respect of the Council's commitment to the Climate Local Agreement, the Safer, Cleaner and Greener initiative, or any crime and disorder issues with the district. Relevant implications arising from actions to achieve specific objectives or benefits will be identified by the responsible Service Director.

Consultation Undertaken:

Leadership Team

Overview & Scrutiny Committee

Finance & Performance Management Cabinet Committee

Background Papers:

Corporate Plan Action Plan Year 2 Performance Report & FPMCC-002a Appendix 1 - Corp
Plan Action Plan Year 2 Report v2

Epping Forest District Council Corporate Plan 2018-23

Epping Forest District Council Corporate Plan Progress Reports (Q1-Q4 2018/19)

Risk Management:

There are no risk management issues arising from the recommendations of this report. Relevant issues arising from actions to achieve specific objectives or benefits will be identified by the responsible service director during business planning and communicated to the Corporate Risk Management Group.

Corporate Plan Quarterly Reporting – Exceptions Report (Amber & Red RAG Ratings/ Items of note)

Stronger Communities – People live longer, healthier & independent lives. Adults and children supported in times of need. People and communities achieve their potential

Key performance Indicator Work programme	Target	Actual	Corrective Action (if required)	Comments	Lead Officer
Increased Customer Satisfaction <i>The measure for this KPI is taken from GOVmetric responses from customers on telephone calls taken through the Corporate and revenues Contact centre, emails and website</i>	Q3 80%	83%		This KPI is back on track and is the highest recorded satisfaction in 2019/20.	Rob Pavey
Improved Customer first contact <i>The purpose of the corporate Contact centre is to resolve customer enquiries at the first point of contact</i>	Q3 45%	40.17%	The 45% target is an annual target which is hoped to be achieved by the end of the financial year as more services move into the team.	This is an improvement of 4.56% on the last quarter	Rob Pavey

Stronger Place – delivering effective core services that people want. A district with planned development. An Environment where new and exciting businesses thrive.

To deliver the Council housebuilding programme <i>Building or acquiring new affordable properties in the District</i>	Q3	Red	<p>Phase 2 – Main Contractor is being pressed for resolution with UKPS as handover date is awaited for remaining 6 units.</p> <p>Phase 4 – First 5 sites start on site in Spring 2020 following completion of contract and site possession. Site completion anticipated 52 weeks from possession.</p>	<p>Phase 2 – Burton Road, Loughton. All complete and handed over with the exception of 6 remaining units in Churchill Court due to a gas connection issue. Awaiting confirmation but completion is currently anticipated January 2020.</p> <p>Phase 3 - the final development making up Phase 3 at Queens Road, North Weald remains on target to be completed by August 2020.</p> <p>Phase 4 - Tenders for the first 5 sites have been received and are awaiting approval by the CHBCC 19TH December 2019. Chequers Road (A), Bushfields, Chester Road, Queensway and Millfield.</p>	
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Local Plan Programme	Q3. Amber	The Council wrote to the Inspector on 11 October 2019 setting out the further work to be undertaken to support an updated Habitats Regulation Assessment. This sets out a timetable for the completion of the updated Habitat Regulation Assessment (HRA) and Sustainability Appraisal of the proposed Main Modifications to the Plan which is scheduled to be completed by mid-May 2020 with consultation on the Main Modifications from mid June 2020.	The Council has recently provided an update on progress to the Inspector and a final methodology for the HRA is expected to be established in early 2020 to enable the Council to undertake the transport modelling and then air quality modelling of various alternative scenarios in accordance with the methodology discussed with Natural England.	Nigel Richardson
St. John's Road Programme	Q3. Amber	The report was submitted to Cabinet meeting of the 6 th January 2020.	The programme still remains on track however due to the date of the Cabinet being changed from the 11 th December 2019 in response to the General Election,	Jim Nolan

People Strategy Programme - a range of projects to improve the design and development of the Council's workforce	Q2. Amber	The RAG rating indicates amber due to the fact that a number of the actions have been started but not finalised. The actions will be finalised in Q4.	Service Manager recruitment finished. 82% of Team Manager roles appointed, 4 are on hold, 2 are at interview stage, 1 is being advertised - Amber <ul style="list-style-type: none"> • Development Programmes – Service and Team Manager training continues to be delivered - Green • Pilot recruitment module will start in Quarter 4 – Amber • Recruitment Policy – new Project Plan developed to start in Q1 2020/21 – Amber • Mental Health First Aiders – Health and Safety Officer trained. Recruit and train staff moved to Q4. Amber • Workplace Health Champions – completed Green 	Paula Maginnis
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			<ul style="list-style-type: none"> • Job Families agreed with the Trade Unions. Training to take place in Q4 - Amber • Apprentices have passed probation - Green • Wellbeing action plan completed – Green 	
Accommodation Strategy Programme	Q2. Amber	ICT Infrastructure to be prioritised.	<ul style="list-style-type: none"> • Further work on refurbishment designs including internal creating a more open plan, agile, collaborative working space has now been completed and was submitted for Listed Plannign Consent on 11th November. Decision expected by end of January latest • Decant Strategy to minimise risk to operational BAU has been completed and will commence January through to May but has dependencies of IT and HR. - Amber • Full ICT survey to establish requirements for the refurbishment of the Civic Offices – outstanding - Amber • Initial discussions with interested partners (Library, CAB, NHS) to occupy some elements of the building - on target 	Sacha Jevans

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Report to the Finance Performance Management Cabinet Committee



**Epping Forest
District Council**

Report reference: FPM-010-2019/20

Date of meeting: 23 January 2020

Portfolio: Community & Partnerships

Subject: Interim Council & Community Plan 2020

Responsible Officer: Julie Chandler (01992 564214).

Democratic Services: Rebecca Perrin (01992 564532).

Recommendations/Decisions Required:

To consider the Interim Council and Community Plan for 2020 and update on achievements related to the previous Corporate Plan over the period 2018 to 2019.

Report:

1. As a start to the Council's Transformation programme in 2018, a five-year Corporate Plan 2018-2023 was developed which set out the Council's aspirations under the themes of Stronger Council, Stronger Communities and Stronger Place.
2. However, since this plan was introduced the Council has moved forward significantly in terms of planned development and aspirations for the future, including the establishment of its new Qualis companies, to enable long-term financial sustainability to be achieved, the adoption of a range of new commercial opportunities for the district and the drive to improve service delivery and accessibility through digitisation.
3. In light of this, an interim plan has been developed which provides a forward view over 2020, to enable a period of complete review of the Council's services and functions for the future and an opportunity for the Council to dynamically engage with its' residents and partners, with a view to developing a longer-term 'inclusive' strategy for the Council and its' communities through to 2030.
4. The interim plan also provides an overview of the achievements of the Council against its key aims and objectives stated in the 2018-2023 Corporate Plan, which identifies a 100% success rate in delivery.
5. Stronger Council Committee is asked to consider the Interim Council and Community Plan prior to submission to Cabinet Committee.

Reason for decision:

The Council's Corporate Plan 2018 – 2023 requires a complete review to accommodate new developments and aspirations of the Council.

Options considered and rejected:

None

Consultation undertaken: Consultation across all Council Directorates. The Interim Plan seeks to enable a period of wider consultation with residents and partners.

Resource implications: None.

Legal and Governance Implications: N/A

Safer, Cleaner, Greener Implications: N/A

Background Papers: Previous Corporate Plan 2018-2023.

Epping Forest District - Council and Community Plan

“Together making Epping Forest a great place to live, work, study and do business”

To deliver our vision we are focussing on three outcomes: **Stronger Council, Stronger Communities & Stronger Place**....Over 2020 We will.....

STRONGER COUNCIL

- **Ensure we have the right staff, equipped with the right skills to deliver our ambitious change and modernisation programme**, through the completion of our ‘people strategy’
- **Deliver new technology as an enabler to achieve effectiveness and efficiency** through the delivery of our Digital First Strategy
- **Deliver modern and efficient working environments in partnership with other local public services** through delivery of our ‘accommodation review’
- **Maximise the return to local taxpayers on the assets of the council; minimise the need for Council Tax rises, and enhance our ability to trade and grow our offer** through the development of our new Qualis companies and approaches
- **Evolve the councils culture driving through the Councils values and focus on Trust, One Team, Performance, Innovation and Customer** into all our work through organisation development and customer service strategy
- **Continuously Improve the capabilities of the Council** through implementation of Local Government Association Peer Review recommendations and improving Council processes

The impact of this work will contribute towards the strategic critical success factors:

Production of our internal People and Digital First strategies; driving down operational costs year on year through income generated, and reducing expenditure

STRONGER COMMUNITIES

- **Transform our services to residents** through the use of the latest technology, 3rd party partnerships and approaches by delivering our new Customer Service Strategy and Digital First strategy
- **Ensure all residents have the opportunity to lead healthy and fulfilling lives** by delivering the objectives of the joint Health and Wellbeing Strategy and working with our colleagues in the NHS
- **Support the provision of improved health services** through the relocation of Princess Alexandra Hospital enabling the building of a new Hospital in Epping Forest on junction 7a of the M11
- **Sustain our investment in safe communities, through the maintenance and expansion of our community safety hub** and council funded police officers
- **Tackle social isolation and help people live independently for longer** through investment in our sheltered housing stock, digital infrastructure, support initiatives and Community Champions programme
- **Enhance wellbeing and social cohesion across all ages** by providing opportunities for residents to enjoy local heritage, cultural and leisure activity in the district
- **Improve our services through better customer engagement and understanding** by investing in market research, customer satisfaction baselining and focus groups

The impact of this work will contribute towards the strategic critical success factors:

The continued reduction of Domestic Burglary (within the top 3 in Essex); yearly targets for reducing avoidable admissions to social care facilities; residents’ views on quality of life in the district and customer satisfaction in services, progress towards achieving carbon neutrality in council business by 2030

STRONGER PLACE

- **Develop shared prosperity through growing our local economy** by implementing the districts economic plan ‘Nurturing growth’
- **Future proof our district through enhanced digital infrastructure investment** by delivering the priorities of the Digital Innovation Zone Strategy
- **Keep the district moving sustainably and enable our residents to access new opportunities for employment** through an integrated cross border transport Plan with our partners
- **Expand the provision of new housing and increase job opportunities for district residents** at the key development sites including St John’s Road, Epping, Roundhills, Waltham Abbey and North Weald.
- **Support the growth of our partnering districts and increase job opportunities** by achieving agreement on the Local Plan and implementing its core policies and actions including housing development at Latton Priory as part of Harlow Gilston Garden Town
- **Reduce our carbon footprint across the district and within our council** by working to reduce emissions, offsetting pollution by increasing tree planting including through new housing developments and community initiatives.

The impact of this work will contribute towards the strategic critical success factors:

Progress contribution on the delivery of 12,000 new homes and 10,800 new jobs by 2025, phased Tree Planting targets on Public and Private Land, ensuring the District is always in the top three places in Essex for digital connectivity and delivering our new leisure facilities in Epping and Housing developments across the District.

What we said we would do in 2018/19.....

What we have done.....

STRONGER COUNCIL

- Implement year two of our Customer Service programme to ensure we have improved, cost effective and faster services for customers.
- Review the structure of the Council's Cabinet and committees, to increase the efficiency of decision making
- Implement year two of the People Strategy to upskill and train our staff to improve flexibility to meet the evolving needs of our customers
- Implement year one of our Technology Strategy programme (2018-2023) to ensure technology supports the Council to serve our customers
- Implement year two of the Service Accommodation review by relocating services to enable the sale of land and commence work on the civic office refurbishment to reduce our operating costs

- We're launching a new customer strategy fixing the basics, putting ourselves in customer shoes and embracing new technology to deliver the service our customers need from us
- We've implemented our new Scrutiny Committee Structure and have improved our quarterly performance and reporting
- We've re-structured across the Council and have appointed new managers to drive improved performance, as well as training and developing our teams to meet customer needs
- We now have a new structure for scrutiny of Council decisions is now in place, with improved reporting and challenge.
- We are rolling out our technology strategy and resolving high priority issues, such as improving our flexible working and using Office 365.
- We will now be retaining our Council in Epping and by redeveloping the Civic Offices, half of the site will be available for redevelopment Our
- Apprenticeship has seen many successes with 13 young people securing permanent employment with the Council

STRONGER COMMUNITIES

- Ensure all year 6 children at primary schools receive the 'Milife' emotional, mental, health and well-being 'Startwell' programme
- Provide our 'Active Living' initiative for people who are inactive or who have underlying health issues across four areas of the district
- Sign-up local take away food businesses to promote healthy choices, in partnership with Essex County Council
- Deliver Dementia Friends training to communities
- Enhance our Leisure Facilities throughout the district through our leisure contractor, Places for People
- Deliver new, bespoke safeguarding training to our staff across the Council

- We have delivered MiLife across all year groups in every primary school (age 5-11) in the Epping Forest district.
- Over 250 people have taken part in our Active Living programme already
- We have 16 businesses signed up to the TUCK IN pledge to promote healthy choices in partnership with Essex Council.
- We have delivered 16 Dementia Friends training sessions and have 114 Dementia Friends officially registered in the district.
- We have designed a tailored safeguarding Training package for our staff and it has been delivered to over 150 people

STRONGER PLACE

- Provide 6 homelessness pods that will provide an alternative to accommodating single vulnerable homeless people in expensive bed and breakfast accommodation
- Open a brand-new leisure centre in Waltham Abbey offering a range of high quality sports and physical activities
- Open the extension to Loughton leisure centre
- Commence work on our key redevelopment site, St John's Road, Epping, which will stimulate economic growth, expand the range of services and facilities available and encourage local investment
- Improve levels of digital connectivity and engagement to deliver services through our digital innovation programme and establish a digital innovation zone covering West Essex and Eastern Hertfordshire

- Our 6 new Housing Pods are providing excellent temporary homes for homeless people and reducing our costs of B&B
- Our new leisure centre in Ninefield's Waltham Abbey is attracting over 600 people to exercise each day
- Our new gym facilities at Loughton leisure centre are attracting nearly 500 people per Day
- The St John's Rd development will now form part of the portfolio of sites transferred to the Councils development company Qualis.
- We are leading a Digital Innovation Zone on behalf of West Essex and East Herts and have secured £24m funding towards Superfast Broadband for local Residents

- Continue with the Council's apprenticeship scheme offering structured work placements to young people from the district and assisting them in finding suitable employment

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Report to the Finance Performance Management Cabinet Committee



Report reference: *FPM-011-2019/20*
Date of meeting: *23 January 2020*

**Epping Forest
District Council**

Portfolio: Commercial & Regulatory
Subject: Risk Management – Corporate Risk Register
Responsible Officer: Edward Higgins (01992 564606).
Democratic Services: Rebecca Perrin (01992 564532).

Recommendations/Decisions Required:

- (1) To note the updated Corporate Risk Register and agree the updates as set out in the report;
 - (2) To agree the new wording and score for Risk 1, Local Plan;
 - (3) To agree the removal of Risk 2, Strategic Sites;
 - (4) To agree the updated existing control and key date for Risk 5, Economic Development;
 - (5) To agree the updated effectiveness of control and key date for Risk 7, Business Continuity;
 - (6) To agree the updated effectiveness of control, required further management action and risk owner for Risk 10, Housing Capital Finance;
 - (7) To agree the inclusion of new risk 14, Delay in issuing Planning Permission;
 - (8) To agree the inclusion of new risk 15, Climate Emergency;
 - (9) To agree the inclusion of new risk 16, Accommodation Project;
 - (10) To note the intention of using the updated risk register format for future Corporate and Service Risk Registers;
 - (11) To note that future reporting of the Corporate Risk register will be made to Audit & Governance Committee;
- (3) To agree that the updated Corporate Risk Register be recommended to Cabinet for approval.

Executive Summary:

The Corporate Risk Register was considered by the Risk Management Group on 8 January 2020. The review has resulted in amendments to five risks, removal of one risk and three new risks have been added.

Reasons for Proposed Decision:

It is essential that the Corporate Risk Register is regularly reviewed and kept up to date.

Other Options for Action:

Members may suggest new risks for inclusion or changes such as the scoring to existing risks.

Report:

1. The Corporate Risk Register was reviewed by the Risk Management Group on 8 January 2020, amendments have been incorporated into the register (Appendix 1).
2. Risk 1 Local Plan – During the last review of the Corporate Risk Register by this Committee on 26 September 2019, Members asked for the elements relating to delays in issuing Planning Permission to be shown in a separate risk. This has been done and the resulting new risk is presented as Risk 14. The Risk Management Group scored the remaining Local Plan risk B1 High Likelihood/Major Impact, a reduction from the previous A1 score. This decision was made as the Local Plan had been through the hearing phase and work is ongoing to undertake the Inspector's advice.
3. Risk 2 Strategic Sites – As the majority of sites listed within the Strategic Sites risk have either been completed or are to be transferred to Qualis, it was felt that the risk should be removed.
4. Risk 5 Economic Development – The existing risk control has been updated to advise on completion of consultation with stakeholders. As a result of the consultation a report will be presented to Cabinet in February 2020 seeking approval for the development of an Action Plan and related resource requirements. The key date is now the Cabinet meeting date, 6 February 2020.
5. Risk 7 Business Continuity – The effectiveness of control has been updated to advise that the Business Continuity plans are largely completed. These plans will be reviewed and will help develop a test exercise, which is planned for February 2020. The updated key date is now 19 February 2020.
6. Risk 10 Housing Capital Finance – The effectiveness of control has been updated to advise that a consultant has been engaged to utilise receipts before the deadline of the financial year end. The required further management action now advises of monthly meetings to monitor cash flow. The risk owner has changed to Deborah Fenton (Service Manager Housing Management and Home Ownership).
7. New Risk 14 Delays in issuing Planning Permission – As advised in paragraph 2, a new risk has been developed for the specific delays in issuing Planning Permission caused by objections relating to the impact of development on air quality within the Epping Forest Special Area of Conservation. The risk has been scored A1 Very High Likelihood/Major Impact as the consequences of the risk includes loss of New Homes Bonus and restricted Business Rates tax base growth.
8. New Risk 15 Climate Emergency – Audit and Governance Committee asked for a risk to be developed to capture the risk following the Council's declaration of a climate emergency and an aim to become carbon neutral by 2030. The Risk has been scored B2 High Likelihood/Moderate Impact.

9. New Risk 16 Accommodation Project (Appendix 2) – The Accommodation Project risk details at length the individual elements of the project, with each element being given an individual risk score. The risk is presented in a new format which will be applied to all Corporate and Service Risks.
10. The new format has several advantages over the current.
- Details both gross (before controls are applied) and net risk (after controls have been applied) so the direction of travel for each risk is more transparent, and allows better analysis that risk mitigations are working as intended
 - Colour coded so attention can be focussed on the highest scoring risks
 - Allows for better articulation of risk (using 'if then' format)
11. This will be the final Corporate Risk Register to be reported to Finance & Performance Management Cabinet Committee. Future reports will be made to Audit & Governance Committee, this is to bring the Council's reporting in line with CIPFA guidance for effective Audit Committees. This revision has been agreed by the Chairs of both Committees and will be proposed to the Constitution Working Group who next meet 12 March 2020.
12. Members are now asked to consider the attached updated Corporate Risk Register and whether the risks listed are scored appropriately and whether there are any additional risks that should be included.

Resource Implications:

No additional Resource requirements

Legal and Governance Implications:

The Corporate Risk Register is an important part of the Council's overall governance arrangements and that is why this Committee considers it on a regular basis.

Safer, Cleaner and Greener Implications:

None

Consultation Undertaken:

The Risk Management Group and Leadership Team were involved in the process.

Background Papers:

None

Risk Management:

If the Corporate Risk Register was not regularly reviewed and updated a risk that threatened the achievement of corporate objectives might either not be managed or be managed inappropriately. In addition, new or emerging risks are not considering which could threaten achievement of the Council's corporate objectives.

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 the report.

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: Insurance & Risk Management Officer, Accountancy, Resources

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

Title of policy or decision: Risk Management – Corporate Risk Register

Officer completing the EqlA: Tel: 01992 564606 Email: ehiggins@eppingforestdc.gov.uk

Date of completing the assessment: 09/01/2020

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): To ensure the Corporate Risk Register is regularly reviewed and updated. What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? To ensure the Council achieves the corporate objectives.
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none">• service users - No• employees - No• 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
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? The decision ensures that the Council remains aware of the Corporate Risks and associated mitigation.

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? No groups have been identified as being affected by the decision to update the Corporate Risk Register.
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? No
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: The purpose of the report is to update the Corporate Risk Register, consultation of individual groups will not be required.

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 decision will not impact	L
Disability	Neutral – The decision will not impact	L
Gender	Neutral – The decision will not impact	L
Gender reassignment	Neutral – The decision will not impact	L
Marriage/civil partnership	Neutral – The decision will not impact	L
Pregnancy/maternity	Neutral – The decision will not impact	L
Race	Neutral – The decision will not impact	L
Religion/belief	Neutral – The decision will not impact	L
Sexual orientation	Neutral – The decision will not impact	L

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqIA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input checked="" type="checkbox"/>	
		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.

Section 7: Sign off

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

Signature of Head of Service:

Date:

Signature of person completing the EqIA:

Date:

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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Epping Forest District Council Corporate Risk Register

Date: 23/01/2020

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1. Introduction

A strategic risk management 'refresh' exercise was conducted on 15th May 2013 with assistance from Zurich Risk Engineering. This exercise was an opportunity for the Management Board to refresh (or update) through identification, analysis and prioritisation those risks that may affect the ability of the Council to achieve its strategic objectives and Corporate Plan. In doing so, the organisation is recognising the need to sustain risk management at the highest level.

The refresh exercise involved a workshop with Management Board to identify new business risk areas and to update and re-profile important risks from the existing corporate risk register.

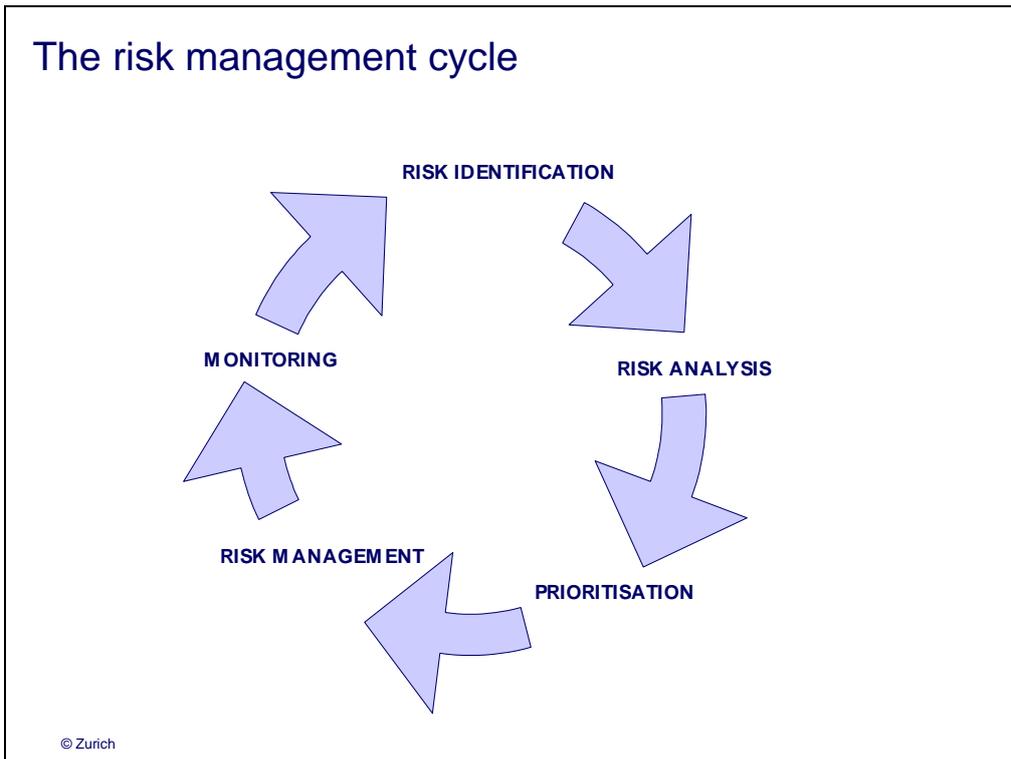
In total 8 strategic risks were profiled at the workshop and during the workshop, each risk was discussed to ensure common agreement and understanding of its description and then prioritised on a matrix. The risk matrix measured each risk for its likelihood and its impact in terms of its potential for affecting the ability of the organisation to achieve its objectives.

For the risks that were assessed with higher likelihood and impact, the group validated the risk scenarios and determined actions to manage them, including assessing the adequacy of existing actions and identifying the need for further actions in order to move the risk down the matrix.

Management Board agreed a timescale for re-visiting these risks in order to assess if they are still relevant and to identify new scenarios. Risks in the red zone will be monitored on a monthly basis and those in the amber zone on a quarterly basis.

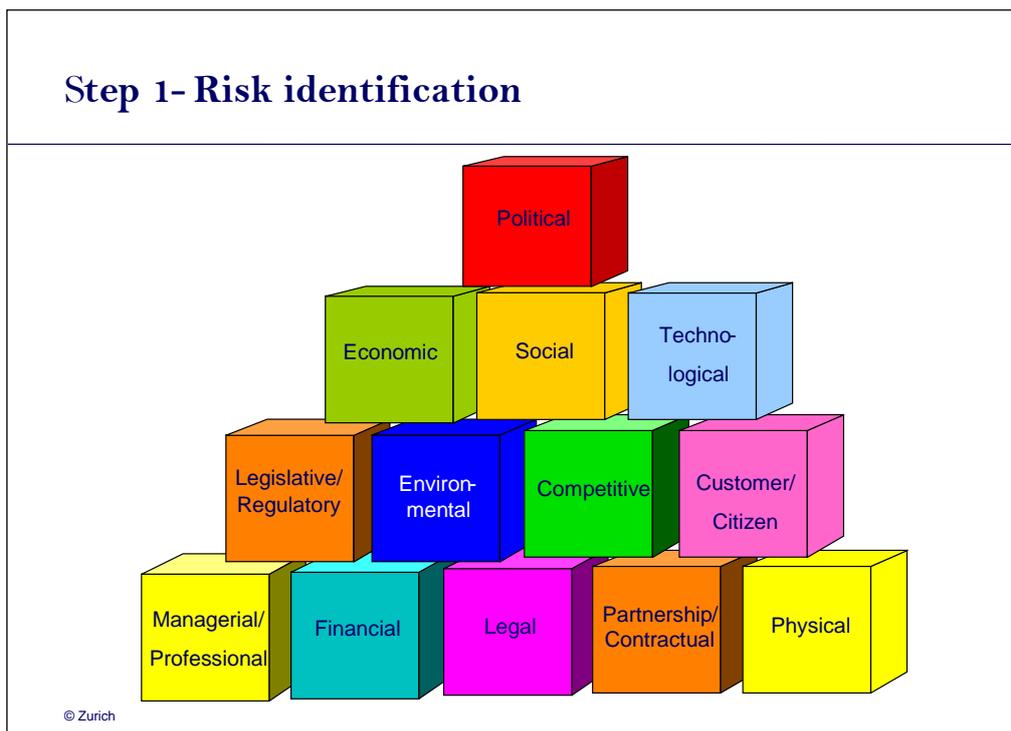
The following report outlines the process utilised by Zurich Risk Engineering and the results achieved.

2. The Process



Risk identification

The first of five stages of the risk management cycle requires risk identification. This formed the initial part of the workshop. In doing so the following 13 categories of risk were considered.



Risk analysis

During the workshop, the identified risks were discussed and framed into a risk scenario format, containing risk cause and consequence elements, with a 'trigger' also identified. This format ensured that the full nature of the risk was considered and also helped with the prioritisation of the risks.

Risk prioritisation

The discussion resulted in 8 risk scenarios being agreed (Appendix 2) and these were then assessed for impact and likelihood and plotted onto a matrix (Appendix 1). The likelihood of the risks was measured as being 'very high', 'high', 'medium', or 'low/very low'. The impact, compared against the key objectives and Corporate Plan was measured as being 'major', 'moderate', 'minor' or 'insignificant'.

Once all risks had been plotted the matrix was overlaid with red, amber and green filters, with those risks in the red area requiring further particular scrutiny in the short-term, followed by those in the amber area.

Risk management and monitoring

The next stage is to monitor the revised management action plans. These plans frame the risk management actions that are required. They map out the target for each risk i.e. to reduce the likelihood, impact or both. They also include targets and critical success factors to allow the risk management action to be monitored.

A risk owner has been identified for each risk. It is vital that each risk should be owned by a member of Management Board to ensure that there is high level support, understanding and monitoring of the work that is required as part of the plans. Risks should also be reviewed as part of the business planning process, in order to assess if they are still relevant and to identify new issues.

The monitoring of these action plans takes place at Corporate Governance Group, Management Board and the Risk Management Group. The action plans are also reported to Members quarterly.

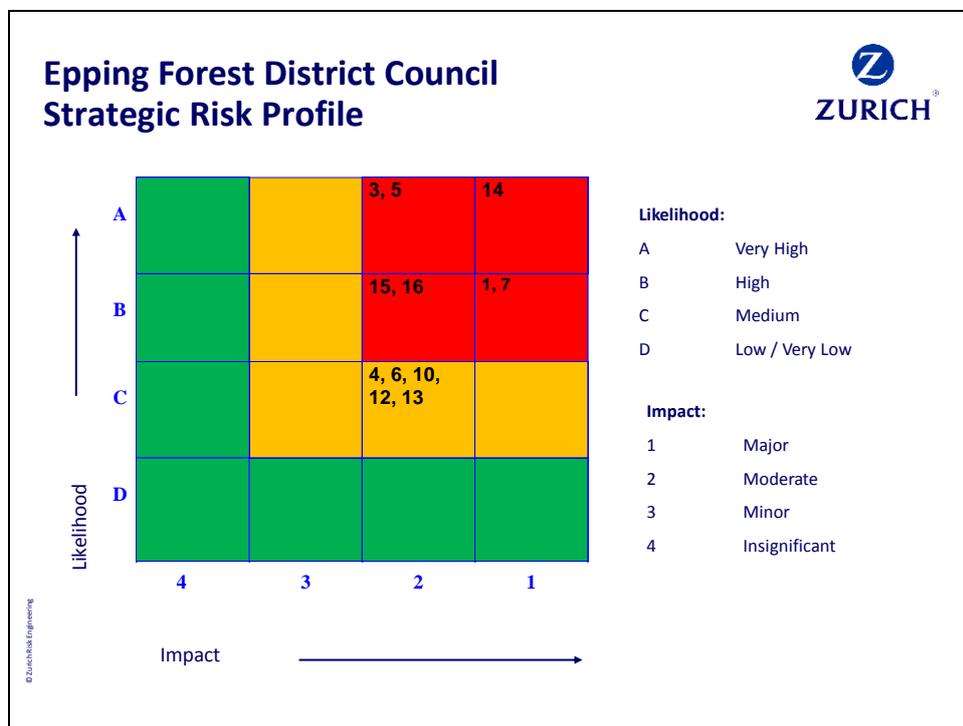
As part of the regular review and reporting additional risks have been identified and added to the register, as shown in the table below.

Risk number	Risk name	When added
9	Safeguarding	January 2014
10	Housing Capital Finance	June 2015
11	Transformation Programme	January 2018
12	Waste Management	June 2018
13	Cyber Security	September 2019
14	Delays in issuing Planning Permission	January 2020
15	Climate Emergency	January 2020
16	Accommodation Project	January 2020

Appendix 1 – Risk Profile

Risk profile

During the workshop, 8 risks were identified and framed into scenarios. The results are shown on the following risk profile.



Appendix 2 details all of the above risks.

It is important that an action plan element is written for each of the risks, with particular focus on those with the highest priority, as it is this which will allow them to be monitored and successfully managed down.

List of current Corporate Risks

Risk number	Short name
1	Local plan
2	Strategic sites
3	Welfare reform
4	Financial resilience
5	Economic development
6	Data/Information
7	Business continuity
10	Housing Capital
12	Waste Management
13	Cyber security
14	Delays in issuing Planning Permission
15	Climate Emergency
16	Accommodation Project (Appendix 2)

Appendix 2 – Corporate Risk Register and Action Plans

Risk No 1	Local Plan	B1		
Vulnerability	Trigger	Consequence	Risk Owner	
<p>Without an adopted Local Plan and with the introduction of the Housing Delivery Test from November 2018, the Council's ability to deliver housing at the required rate will lead to the presumption in favour of sustainable development being applied and the requirement to prepare an action plan.</p>	<p>The failure to deliver at the required threshold set out in the NPPF of 95% of the housing requirement over the previous three years triggers a requirement for the Council to prepare an action plan in line with national planning guidance to assess the causes of under delivery and identify actions to increase delivery. Although there are transitional arrangements with lower thresholds for November 2018 and 2019, the delay in submitting the Local Plan as a result of the Judicial Review and Natural England's requirement not to issue planning decisions until a mitigation strategy is in place for Epping Forest SAC, is likely to have ongoing consequences for delivery. There is now further delay as a result of Natural England's objections to the Habitat Regulations Assessment, which has led to the Inspector's advice that further work is required to inform the mitigation strategy, which is now underway.</p>	<p>Without an adopted plan setting the Council's housing requirement at 518 the measurement used will be the 2014 household projection figures/standard method for assessment with an annual requirement of 923 homes. This will result in vulnerability to planning appeal decisions and potential development in the Green Belt as the presumption in favour of sustainable development will apply.</p>	<p>Nigel Richardson</p>	

Risk No 1 Local Plan – Action Plan

Existing Controls/actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
<p>Local Plan Submission Version 2017 agreed by Council on 14 December 2017 and published between 18 December 2017 and 29 January 2018. Following the JR the plan was submitted for examination in September 2018 and hearings have now taken place between February and June 2019. The Inspector's advice issued on 2 August 2019 requires the Council to undertake further work to support the Local Plan, which is now underway.</p>	<p>Key milestone to achieve new LDS will not be met as the hearing sessions took place over a longer period of time and the Inspector's initial advice requires additional technical work to be undertaken in order to agree the Main Modifications required for a sound plan to be achieved.</p>	<p>Programme of work to agree the Main Modifications is in preparation for agreement with the Local Plan Inspector.</p>	<p>Nigel Richardson</p>	<p>Future adherence to project plan.</p>	<p>Regular programme meetings to monitor progress – initially weekly but then monthly</p>	<p>None – process ongoing.</p>
<p>Local Development Scheme (LDS) revised following submission of plan for independent examination.</p>	<p>Revised Local Development Scheme adopted by Local Plans Cabinet Committee on 22 November 2018. LDS to be updated once programme of additional work required by Inspector has been agreed.</p>	<p>Review progress against new key milestones.</p>	<p>Nigel Richardson</p>	<p>Adherence to revised LDS</p>	<p>Regular programme meetings to monitor progress – initially weekly but then monthly</p>	<p>Inspector's initial advice issued on 2 August 2019. Currently agreeing a programme of further work with the Inspector to address the actions identified which will set key dates.</p>

Risk No 1 Local Plan – Action Plan						
Existing Controls/actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
Systematic approach to Duty to Co-operate, engaging public bodies including Natural England and the Conservators.	Regular reports at officer and Member level through the Cooperation for Sustainable Development Group.	Important that key decisions do not precede Duty to Co-operate i.e. “fait accompli”.	Nigel Richardson	Submitted plan has passed the legal test of Duty to Co-operate.	MB review six weekly	Officer Meetings – bi monthly now underway. Duty to Co-operate” Member meetings held regularly.
Consultants in place to support project management, resource planning, Sustainability Assessment, transport modelling, master planning.	Staff cannot be prevented from leaving. Exit interviews should reveal any specific patterns. Recruitment is very challenging. EFDC has offered market supplements on key posts to offer competitive salaries in a tight market and agreed higher pay grade.	Ongoing review of strategy and Service Structure salaries by senior planners and Leadership Team. Scrutiny Function to be undertaken by Stronger Place Select Committee.	Nigel Richardson	No delays to timetable due to staffing gaps or lack of critical skills		March 2020

Risk No 3 Welfare Reform A2						
Vulnerability		Trigger		Consequence		Risk Owner
<p>The government has pledged to make substantial savings from the overall welfare bill. This will require a major reform of the welfare system which is likely to have serious impacts on the Council and the community. This includes Universal Credit, changes to Council Tax and other benefits and direct payments to tenants.</p>		<p>Welfare reform changes have a detrimental effect on the Council and community.</p>		<ul style="list-style-type: none"> • Tenants no longer able to afford current/new tenancies. • Increase in evictions and homelessness • Increased costs of temporary accommodation • Unable to secure similar level of income due to payment defaults • Increase in rent and Council Tax arrears • Public dissatisfaction • Criticism of the Council for not mitigating the effects for residents. 		Rob Pavey
Existing Controls /actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
<p>Cross-service and sector working group established to assess impacts of the introduction of Universal Credit and to produce an action plan to mitigate the effects.</p>	To be determined in 2019/20.	<p>Working Group has been created to meet on a regular basis.</p> <p>Action Plan to be developed by the end of 2019/20 by baselining the effects of Universal Credit for implementation in 2020/21.</p>	Rob Pavey	Mitigation action plan to reduce the effects of the introduction of Universal Credit	Monthly	31 March 2020

Risk No 4 Finance Resilience C2						
Vulnerability		Trigger	Consequence			Risk Owner
<p>Local Authorities are increasingly dependent on locally generated income and from 2020/21 onwards there is little information on future funding. Until the Fair Funding Review is completed it remains difficult to forecast revenue streams for future years. The Fair Funding review will look at how business rate income is distributed amongst authorities but it is unlikely this authority will see any increase in real terms unless additional responsibilities are passed on as a result.</p> <p>There are a large number of rating appeals received where the outcome is uncertain.</p> <p>With the increasing possibility of a no deal Brexit, a number of income sources could be adversely affected. The Council is heavily reliant on income from commercial rentals and it is possible that businesses will find trading conditions more challenging and insolvency may become more common. This of course also affects business rates.</p> <p>The medium term financial strategy requires substantial net CSB reductions over three years.</p>		<p>Unable to secure required level of income due to reduced demand for services, changes in legislation, changes in economic conditions or adverse change in funding mechanisms.</p>	<ul style="list-style-type: none"> • Council unable to meet budget requirements • Staffing and service level reductions • Increase Council Tax • Increase in charges • Greater use of reserves if required net savings not achieved. • Higher level of saving required in subsequent years. 			<p>Paula Maginnis</p>
Existing Controls /actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
<p>Monitoring of expenditure, key income streams and NDR tax base. Savings opportunities pursued through service reviews and corporate restructure.</p>	<p>Effective to date as budgets have been achieved that meet the financial targets set by Members. This will however become increasingly challenging over time.</p>	<p>Update Medium Term Financial Strategy as announcements are made on changes to central funding and welfare. Continue to pursue opportunities to reduce net spending. Develop the use of KPI's to understand areas with potential growth/income.</p>	<p>Paula Maginnis</p>	<p>Savings targets achieved with net expenditure reductions over the medium term as part of a structured plan. Outcome of Fair Funding Review and assessment of its impact on the Council.</p>	<p>Monthly</p>	<p>23 January 2020, draft budget to Finance & Performance Management Cabinet Committee.</p>

Risk No 5 Economic Development A2						
Vulnerability		Trigger	Consequence			Risk Owner
Economic development and employment is very important, particularly in the current economic climate. The Council needs to be able to provide opportunities for economic development and employment (especially youth employment) in the District.		Council performs relatively poorly compared to other authorities.	<ul style="list-style-type: none"> • Unable to secure sufficient opportunities • Local area and people lose out • Insufficient inward investment • Impact on economic vitality of area • Loss of revenue 			Julie Chandler
Existing Controls/actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
Economic Development Plan (Nurturing Growth) was drafted and presented to Economic Development Board and subsequently to Cabinet Cttee for approval. Cabinet requested further consultation with stakeholders and this was carried out through October & November, culminating in a consultation event on November 13 th . A report is currently being written which will be presented to Cabinet in February, to seek approval for development of an Action Plan and related resource requirements.	Too early to determine effectiveness.	<p>Stakeholder consultation event to take place in November '19</p> <p>Report to Cabinet February 2020.</p> <p>Subject to cabinet agreement, Economic Dev Implementation Plan produced</p>	Julie Chandler	<p>Growth in NDR tax base and employment opportunities.</p> <p>Improved opportunities for skills development in conjunction with NCC.</p> <p>Council to be viewed as punching above its weight.</p>	Monthly	06/02/2020 Cabinet

Risk No 6 Data / Information C2						
Vulnerability		Trigger	Consequence			Risk Owner
The Authority handles a large amount of personal and business data. Either through hacking or carelessness, security of the data could be compromised.		Data held by the Council ends up in inappropriate hands. System loss.	<ul style="list-style-type: none"> Breach of the 2018 Data Protection Act (DPA) and the General Data Protection Regulations leading to significant fines or/and intervention by the Information Commissioner's Office (ICO) Increased costs and legal implications Reputation damaged and loss of public confidence 			Rob Pavey
Existing Controls/actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
<p>Significant work was undertaken by the Council to ensure it was compliant in time for the introduction of the GDPR in May 2018. This included review of policy and procedures, staff and Member training and awareness, completing an information asset register/register of processing activities and reviewing security of data arrangements.</p> <p>The Council continues to have a designated Data Protection Officer in post and a system of data breach and subject access request monitoring in place.</p>	Generally effective to date, with no significant lapses since the introduction of the 2018 DPA.	The introduction of a corporate Information Governance Group will review current arrangements and ensure these are strengthened where required.	Rob Pavey	<p>Continued security of personal data held by the Council in accordance with the Data Protection Act 2018.</p> <p>No criticism or fines from the ICO over how requests are handled. Low number of breaches reported to the ICO.</p>	Quarterly	None

Risk No 7 Business Continuity B1						
Vulnerability		Trigger	Consequence			Risk Owner
<p>The Council is required to develop and implement robust Business Continuity Plans in line with the requirements of the Civil Contingencies Act.</p> <p>Following the re-organisation and negative outcomes from Internal Audit's review plans need to be updated and changes in responsibilities confirmed.</p>		<p>Unable to respond effectively to a business continuity incident (e.g. IT virus/flu pandemic/loss of civic offices)</p>	<ul style="list-style-type: none"> • Services disrupted / Loss of service • Possible loss of income • Staff absence • Hardship for some of the community • Council criticised for not responding effectively 			<p>Jim Nolan</p>
Existing Controls/actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
<p>Improvement of current business continuity (BC) management arrangements is currently in progress.</p>	<p>An Internal Audit of Business Continuity arrangements identified a number of weaknesses which are being addressed through the BC project.</p> <p>An external consultant has been engaged to develop the strategy and provide coaching to staff to develop plans. This has largely been completed and an exercise to test is planned for Feb 2020.</p>	<p>Complete the business continuity project plan and thereafter embed business continuity within the Council, to include periodic tests and exercises.</p>	<p>Jim Nolan</p>	<p>Having plans in place which are proved fit for purpose either by events or external scrutiny.</p>	<p>Quarterly</p>	<p>BC desk top exercise 19/02/20.</p>

Risk No 10 Housing Capital Finance C2						
Vulnerability		Trigger		Consequence		Risk Owner
<p>If the Council is unable to spend right to buy receipts in set timescale on qualifying capital schemes we will have to pay the money to the Government along with interest at a penalty rate.</p> <p>Changes to legislation which reduce income to the HRA.</p>		<p>Schemes are delayed by either the planning process or unanticipated site problems.</p> <p>Imposition of further restrictions on rent levels.</p>		<ul style="list-style-type: none"> • Loss of capital resources • Revenues cost of penalty interest • Loss of rental income • Delays in provision of new social housing • Increase in housing waiting list • Current 30 year business plan may become unsustainable. 		Deborah Fenton
Existing Controls/actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
<p>Position being monitored by the House Building Cabinet Committee and a number of contingency options are available including purchasing homes or land on the open market, or purchasing from S106 developments.</p> <p>The Council belongs to the Association of Retained Council Housing which lobbies on such issues.</p>	<p>Limited effectiveness to date. A Consultant has been engaged to work to utilise the receipts before the deadline of the end financial year.</p> <p>Effective to date. Other issues may arise in the future though.</p>	<p>Continue close monitoring of financial position. Monthly joint meetings to monitor cash flow and CapEx.</p> <p>Keeping Members fully informed of the potential consequences of their actions.</p> <p>Monitor policy developments/announcements and participate in lobbying if appropriate.</p> <p>The risk to spending our 1-4-1 receipts is being monitored on a quarterly basis.</p>	<p>Deborah Fenton</p> <p>Deborah Fenton</p>	<p>Loss of right to buy receipts is minimised.</p> <p>Impact of Policy changes is minimised as far as possible.</p>	<p>Monthly</p> <p>Monthly</p>	Ongoing

Risk No 12 Waste Management C2						
Vulnerability		Trigger	Consequence			Risk Owner
Inability of the Council's partnering contractor, Biffa Municipal Limited to secure profitable outlets for recycling materials processed through the Material Recycling Facility (MRF) could result in diminishing income.		There has been significant drop in income from the sale of recycling materials especially paper, caused primarily by the Chinese government decision to ban import of MRF paper. This has resulted in saturation in the commodity markets.	<ul style="list-style-type: none"> • Reputational damage to the Council if recycling materials is sent to landfill. • Additional costs to the Council if Biffa cannot sell materials. • Additional costs under pain/gain share mechanism in the contract if the income from recycling continues to drop or worst case becomes a cost. 			Qasim Durrani
Existing Controls /actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
Financial settlement has been agreed with Biffa to improve the quality of recycling output from Biffa's processing plant.	<p>Dependent, to a large extent, on the market forces in the case of commodity prices.</p> <p>Due to volatility of sale prices of recycling materials the contractual arrangement of Recycling Index Unit Rate (RIUR), agreed at the anniversary of the contract, is to be continued to be monitored closely.</p>	To continue to monitor the costs and market fluctuations.	James Warwick	<p>RIUR reviews result in increased income.</p> <p>Difficulties in selling recycling materials is identified early.</p>	Monthly	Ongoing

Risk No 13 Cyber Security C2						
Vulnerability		Trigger		Consequence		Risk Owner
The Authority handles a large amount of personal and business data. Either through hacking or carelessness, security of the data could be compromised.		Data held by the Council ends up in inappropriate hands. System loss.		<ul style="list-style-type: none"> • Loss of system access and/or data • Unable to provide Council services • Increased costs • Reputation damaged • Ransomware payment 		Paula Maginnis
Existing Controls/actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
<p>Security Officer is continually monitoring situation and potential risks. Most systems have in built controls to prevent unauthorised access.</p> <p>Controls in systems have been strengthened in response to specific occurrences.</p> <p>Data is backed up daily with 10 days retained. Three backups are also stored off site.</p> <p>Staff training.</p>	No loss of data. Systems have remained protected from cyber-attack.	<p>Continued funding for robust perimeter protection system.</p> <p>Continued investment in training to ensure that staff recognise potential cyber threats. Ensure that there is “buy in” by both user and management as cyber security is not just the responsibility of IT.</p> <p>Further develop ICT Recovery Plan.</p>	Paula Maginnis	No data loss or system downtime due to unauthorised access of EFDC systems or data.	Quarterly	Ongoing

Risk No 14 – Delays in issuing Planning Permission A1						
Vulnerability		Trigger	Consequence			Risk Owner
Delays in issuing Planning Permission for development due to objections by Natural England regarding the impact of development on air quality in Epping Forest SAC.		The Habitats Regulations Assessment (HRA) January 2019 found that the Plan would be likely to have a significant effect upon the Epping Forest Special Area of Conservation (the SAC) in respect of both atmospheric pollution and disturbance from recreation & urbanisation.	<ul style="list-style-type: none"> • Delays in granting Planning Permission in the District and getting an adopted Local Plan in place. • Loss of New Homes Bonus • Restricted Business Rates tax base growth • Reputation damaged 			Nigel Richardson
Existing Controls/ actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
Regular meetings held with key stakeholders including Natural England to update the HRA and develop a mitigation strategy. Interim mitigation strategy has been agreed by Council in October 2018 to mitigate the impact of recreational pressure on the Forest and Natural England have confirmed it is appropriate. Draft Air Quality Strategy developed but further work required to finalise as a result of additional work to update the HRA following the advice from the Inspector.	Regular meetings held with key stakeholders to develop mitigation strategy. Interim mitigation strategy now agreed by Council for recreational pressure on the Forest and Natural England have confirmed it is appropriate. Draft Air Quality Strategy developed but further work required to finalise	Mitigation strategy in place for both recreational pressure and air quality issues. Further report to be taken to Cabinet on 6 January 2020 to update members on the risks associated with the issuing of decisions.	Nigel Richardson	An updated Visitor survey has been completed and the results are awaited to support finalisation of mitigation strategy to manage the impact on recreational pressure. Need to obtain agreement with other competent authorities (London Borough of Waltham Forest and Redbridge) to progress final strategy. Further work has been commissioned to address actions identified by Local Plan Inspector and to feed into the Air Quality Mitigation Strategy as set out in the reply to the Inspector of 16 October 2019	Monthly – regular updates are being provided to the Inspector	As set out in the letter of 16 October 2019 to the Local Plan Inspector

Risk No 15 Climate Emergency B2						
Vulnerability		Trigger	Consequence			Risk Owner
The Council declared a climate emergency and has pledged to do everything within its power to make the Epping Forest District carbon neutral by 2030. The Council has identified a number of initial areas of focus, including: Local Plan site allocations achieving high standards of sustainability; carbon reduction of council owned properties; the promotion of sustainable transport and implementing an air quality strategy.		Failure achieving identified carbon reduction targets/actions.	Reputational damage.			Georgina Blakemore
Existing Controls/ actions to address risk	Effectiveness of controls/actions	Required further management action	Responsibility for action	Critical success factors and measures	Review frequency	Key date
A Climate Change Officer has been proposed.	Too early to assess.	To consider additional ways to reach the carbon neutral goal, such as a focus on climate within the procurement strategy. Establish lines of communication with neighbouring districts and Essex County Council to work towards common goals.	Georgina Blakemore	Employ a Climate Change Officer. Develop a Climate Emergency action plan.	Quarterly	31/03/2020

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Corporate Risk 16 – Accommodation Project

Residual Risk Score					
LIKELIHOOD	A Very High				
	B High			Strategic	
	C Medium				1, 2, 3, 4, 7,8
	D Low Very Low		6	5	
		4 Insignificant	3 Minor	2 Moderate	1 Major
IMPACT					

RISK NO.	RESIDUAL RISK SCORE	DESCRIPTION
Strategic	B2	Failure of the accommodation project
1	C1	Failure to achieve Listed Building Consent
2	C1	Delays and disruption to services through the decant process.
3	C1	Major incident on work site
4	C1	Interruption of CCTV and Safer Neighbourhoods Team
5	D2	Disruption through the decant arrangements to Member Meetings and civic calendar
6	D3	Failure of Staff Communications Strategy
7	C1	Delays in the Procurement Process
8	C1	Overrun on cost and timescales of the project

Risk assessment matrix

Likelihood	Definite >90% has happened or has happened on a regular basis over the last 12 months	A Very high (Almost certain)	A4	A3	A2	A1
	Occurs in most circumstances 55% to 90%. Or has happened once or twice in the last 2 years	B High (Likely)	B4	B3	B2	B1
	Occurs in certain circumstances 10% to 55% or has happened once or twice in the last 5 years.	C Medium (Possible)	C4	C3	C2	C1
	Occurs exceptionally/very unlikely <10% or has not happened in the last 5 years	D Low/very low (Unlikely/rare)	D4	D3	D2	D1
			4 Insignificant	3 Minor	2 Moderate	1 Major
Page 92	Impact	Financial	Loss/overspend under £10K	Loss/overspend £10K-£250K	Loss/underspend £250K-£1M	Loss/underspend over £1M
	Service		Marginal disruption to service capability	Short term disruption to service or marginal reduction in service. Objectives of one section not met.	Short term loss of service or significant reduction service. Directorate objectives not met.	Medium/longer term loss of service. Failure to deliver at least one the Council's corporate objectives.
			Unlikely to cause complaint/litigation	High potential for complaint with possible litigation	High potential for complaint with probable litigation	Litigation almost certain and difficult to defend.
	Reputation		No adverse publicity	Minor adverse publicity	Adverse national publicity/significant adverse local publicity	Significant adverse national publicity
	Legal/regulatory		Breaches of local procedures/standards	Breaches of regulations/standards	Breaches of law punishable by fines	Breaches of law punishable by imprisonment
	Environmental/Public Health		Incident with no lasting effect	Short term incident (weeks)	Medium term major incident (1 month – 1 year)	Long term major incident (1 year +)
	Health and Safety		'First Aid' level injury	Medical treatment required – long term injury	Extensive permanent injury – long term absence	Fatality

	RISK (IF - THEN)	BACKGROUND - CAUSE/EFFECT	LIKELIHOOD	IMPACT	INHERENT RISK RATING	MITIGATION / CURRENT CONTROLS	LIKELIHOOD	IMPACT	RESIDUAL RISK RATING	FURTHER ACTION REQUIRED (INCLUDE TIMESCALES)	RISK OWNER	COMPLETION/ REVIEW DATE
Strategic	<p>Failure of the accommodation project to deliver:</p> <ul style="list-style-type: none"> • New ways of agile working • Better use of Council assets • Financial savings <p>which ultimately impacts on the Council's objectives and delivery of services</p>	<p>Background: The Council has embarked on ambitious plan for the renovation and refurbishment of the civic offices that will involve a decant and repopulation of staff and Members. As well as offering space to external partners.</p> <p>Effects</p> <ul style="list-style-type: none"> • Affecting staff wellbeing leading to a loss of staff and organisational knowledge, which impacts on delivery of Council services • Need to ensure IT resilience that supports agile working practices 	Very high	Major	A1	<ul style="list-style-type: none"> • Monthly meetings of the newly created Accommodation Board, which will oversee the workstream action plans • Dedicated programme manager • Use of specialist for procurement and major works 	High	Moderate	B2	Creation and monitoring of workstream action plans	Sacha Jevans	Monthly

	RISK (IF - THEN)	BACKGROUND - CAUSE/EFFECT	LIKELIHOOD	IMPACT	INHERENT RISK RATING	MITIGATION / CURRENT CONTROLS	LIKELIHOOD	IMPACT	RESIDUAL RISK RATING	FURTHER ACTION REQUIRED (INCLUDE TIMESCALES)	RISK OWNER	COMPLETION/ REVIEW DATE
1	Failure to achieve Listed Building Consent	<p>Cause Refusal for the proposed internal changes from Historic England.</p> <p>Effect Abortive project costs of £75k to be funded from reserves. Requirement to find another accommodation option – potential delay to the development of the Condor Building.</p>	Medium	Major	C1	<p>Officer led monthly Programme Board meets to review progress against Programme, key risks and financial performance.</p> <p>Appointment of architects Bisset Adams to provide expert advice on design and limitations of the listed audits.</p> <p>Input from EFDC Conservation Officers to provide expert advice from an EFDC planning perspective.</p> <p>Independent Fire Risk Strategy to inform the design proposals.</p> <p>Independent Approved Inspector report to provide advice on building control regulations.</p> <p>Final sign off by EFDC Building Control department.</p> <p>Independent consultant reports to validate/approval all aspects of the project.</p>	Medium	Major	C1	<p>Achieve listed building consent - 11th November for submission of listed building consent.</p> <p>Achieve a compliant fire strategy</p> <p>Achieve Building Control sign off</p>	Alison Girdiefski	At monthly Programme Board meeting

	RISK (IF - THEN)	BACKGROUND - CAUSE/EFFECT	LIKELIHOOD	IMPACT	INHERENT RISK RATING	MITIGATION / CURRENT CONTROLS	LIKELIHOOD	IMPACT	RESIDUAL RISK RATING	FURTHER ACTION REQUIRED (INCLUDE TIMESCALES)	RISK OWNER	COMPLETION/ REVIEW DATE
2	Delays and disruption to services through the decant process	<p>Cause Loss of electricity, ICT in the Condor Building during the decant works period.</p> <p>Effect Interruption to the provision of council services and reputation damage.</p>	Very high	Major	A1	<p>Appointment of Specialist Mechanical and Electrical consultant to advise on the risk around the loss of services to the Condor building during the works period.</p> <p>Commission of IT specialist iTica to undertake all aspects of the ICT project for the decant elements and the refurbishment of the Civic Offices.</p> <p>Review of work at the monthly Programme Board.</p> <p>Additional works to the Condor building being identified and undertaken.</p>	Medium	Major	C1	<p>Achieve a fully costed specification for refurbishment works of the Civic Offices meeting all legal and safety requirements.</p> <p>Achieve a disaster recovery arrangement doe the decant period and full IT capacity infrastructure works for the refurbishment of the Civic Offices</p>	Alison Girdiefski	At monthly Programme Board meeting

	RISK (IF - THEN)	BACKGROUND - CAUSE/EFFECT	LIKELIHOOD	IMPACT	INHERENT RISK RATING	MITIGATION / CURRENT CONTROLS	LIKELIHOOD	IMPACT	RESIDUAL RISK RATING	FURTHER ACTION REQUIRED (INCLUDE TIMESCALES)	RISK OWNER	COMPLETION/ REVIEW DATE
3	Major incident on work site	<p>Cause Health and safety incident during the construction phase.</p> <p>Effect Serious breach under health and safety regulations – potential prosecution, reputation damage.</p>	High	Major	B1	<p>Works contract to be procured in line with EFDC procurement regulations. Bisset Adams to develop the tender specification to cover responsibility for work on site.</p> <p>Legal team to ensure that the correct contract is in place to ensure contractor responsibilities for health and safety are adequate.</p> <p>EFDC commissioning a Contract Administrator to oversee the works on site.</p>	Medium	Major	C1	<p>Tenders out in January 2020.</p> <p>Achieve the full set of tender documents for the refurbishment</p>	Alison Girdiefski / Paul Pledger	At monthly Programme Board meeting

	RISK (IF - THEN)	BACKGROUND - CAUSE/EFFECT	LIKELIHOOD	IMPACT	INHERENT RISK RATING	MITIGATION / CURRENT CONTROLS	LIKELIHOOD	IMPACT	RESIDUAL RISK RATING	FURTHER ACTION REQUIRED (INCLUDE TIMESCALES)	RISK OWNER	COMPLETION/ REVIEW DATE
4	Interruption of CCTV and Safer Neighbourhoods Team	<p>Cause Disruption of essential CCTV services for the safer neighbourhoods Team.</p> <p>Effect Failure to respond adequately to safe guarding matters, increase in complaints.</p>	High	Major	B1	<p>Decant Strategy to include detailed plans regarding the relocation of the CCTV equipment and IT infrastructure requirements.</p> <p>Commission of iTica IT specialists to advise on the requirements.</p> <p>Project programme to review decant plans to ensure robust arrangements in place to protect against failure of equipment.</p>	Medium	Major	C1	Successful decant of team by January 2020.	Alison Girdiefski	At monthly Programme Board meeting

	RISK (IF - THEN)	BACKGROUND - CAUSE/EFFECT	LIKELIHOOD	IMPACT	INHERENT RISK RATING	MITIGATION / CURRENT CONTROLS	LIKELIHOOD	IMPACT	RESIDUAL RISK RATING	FURTHER ACTION REQUIRED (INCLUDE TIMESCALES)	RISK OWNER	COMPLETION/ REVIEW DATE
5	Disruption through the decant arrangements to Member Meetings and civic calendar	<p>Cause Failure to find suitable alternative arrangements for temporary facilities to hold the Member meetings.</p> <p>Effect Failure to meet key governance decisions/responsibilities. Reputation damage, and increase in member complaints.</p>	Medium	Moderate	C2	<p>Identify Member requirements and confirm meeting calendar.</p> <p>Book suitable venues to ensure availability.</p> <p>Develop a communications Strategy for Members about the temporary arrangements.</p> <p>Project programme to review decant plans to ensure robust arrangements are in place.</p>	Low/Very Low	Moderate	D2	Successful management of member requirements with arrangements in place by January 2020.	Alison Girdiefski / Rob Pavey	At monthly Programme Board meeting

	RISK (IF - THEN)	BACKGROUND - CAUSE/EFFECT	LIKELIHOOD	IMPACT	INHERENT RISK RATING	MITIGATION / CURRENT CONTROLS	LIKELIHOOD	IMPACT	RESIDUAL RISK RATING	FURTHER ACTION REQUIRED (INCLUDE TIMESCALES)	RISK OWNER	COMPLETION/ REVIEW DATE
6	Failure of Staff Communication Strategy	<p>Cause Decant process poorly managed having an impact on service delivery.</p> <p>Effect Customer satisfaction declining and complaints increasing. Reputation damage.</p>	Medium	Major	C1	<p>Develop detailed decant strategy.</p> <p>Ensure sufficient customer service provision in the Condor Building.</p> <p>Deliver effective and regular communication updates.</p> <p>Deliver an effective Champions Group.</p> <p>Monthly Design Team meeting will oversee the decant programme.</p> <p>Communications plan in place.</p>	Low/Very Low	Minor	D3	<p>Decanted building by end of May 2020.</p> <p>Adequate IT in place for decant</p> <p>Adequate meeting and desk facilities in the Condor building on 7:10 ratio</p>	Alison Girdiefski / Stuart Mitchell	At monthly Programme Board meeting
7	Delays in the Procurement Process	<p>Cause Delay in preparation of tender document.</p> <p>Effect Delays in the overall programme extending the period of disruption.</p>	High	Major	B1	<p>Ensure a robust procurement timetable in place.</p> <p>Monthly design team meetings to oversee the procurement process.</p> <p>Specialist project manager with a construction background commissioned to provide EFDC with a strong client-side function.</p>	Medium	Major	C1	Contract Award June 2020.	Stuart Mitchell	At monthly Programme Board meeting and monthly design team meeting

	RISK (IF - THEN)	BACKGROUND - CAUSE/EFFECT	LIKELIHOOD	IMPACT	INHERENT RISK RATING	MITIGATION / CURRENT CONTROLS	LIKELIHOOD	IMPACT	RESIDUAL RISK RATING	FURTHER ACTION REQUIRED (INCLUDE TIMESCALES)	RISK OWNER	COMPLETION/ REVIEW DATE
8	Overrun on cost and timescales of the project	<p>Cause Unforeseen construction works or contractor delays.</p> <p>Effect Failure to meet overall programme extending period of decant and increase in budget.</p>	High	Major	B1	<p>Ensure robust client-side management of the procurement and works programme.</p> <p>Specialist project manager with a construction background commissioned to provide EFDC with a strong client-side function.</p> <p>Detailed project management programme and procurement of a contract administrator to oversee the works contract.</p>	Medium	Major	C1	<p>Strong financial management of project costs.</p> <p>Completion of works on time and in budget.</p> <p>Sufficient contingency in the budget for unforeseen costs.</p> <p>Monthly project management meetings with contractor and consultants</p>	Stuart Mitchell	At monthly Programme Board meeting

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