

# **EPHING FOREST DISTRICT COUNCIL CABINET MINUTES**

**Committee:** Cabinet **Date:** 14 September 2020  
**Place:** Virtual Meeting on Zoom **Time:** 7.00 - 8.08 pm  
**Members Present:** C Whitbread (Chairman), N Avey, N Bedford, A Patel, J Philip, S Kane and H Whitbread

**Other**

**Councillors:** R Bassett, P Bolton, L Burrows, S Heap, H Kauffman, A Lion, C McCredie, S Murray, D Plummer, C C Pond, C P Pond, S Rackham, M Sartin, D Sunger, B Vaz and J H Whitehouse

**Apologies:**

**Officers Present:** G Blakemore (Chief Executive), N Dawe (Chief Operating Officer), A Small (Strategic Director), S Jevans (Strategic Director), Q Durrani (Service Director (Contracts & Technical Services / Commercial & Regulatory)), P Freeman (Service Manager (Revenues & Benefits)), D Goodey (Service Manager (Commercial)), K Lee (Interim Asset & Property Manager), M Thompson (Service Manager Technical), A Hendry (Democratic Services Officer), V Messenger (Democratic Services Officer) and S Mitchell (PR Website Editor)

## **43. WEBCASTING INTRODUCTION**

The Leader of Council made a short address to remind everyone present that the meeting would be broadcast live to the internet, and would be capable of repeated viewing, which could infringe their human and data protection rights.

## **44. DECLARATIONS OF INTEREST**

1) Pursuant to the Council's Member Code of Conduct, Councillors N Avey & J Philip declared a non-pecuniary interest in agenda items 15 and 16 – Qualis Quarterly Monitoring Report and Qualis Group Board, by virtue of being non-executive directors. The Councillors had determined that their interest was non-pecuniary and that they would stay in the meeting for the consideration of the item, but not participate.

2) Pursuant to the Council's Member Code of Conduct, Councillors R Bassett declared a non-pecuniary interest in agenda item 9 – Release of Restrictive Covenants – Epping Forest College, by virtue of being the Chairman of their Business Advisory Group. The Councillor had determined that his interest was non-pecuniary and that he would stay in the meeting for the consideration of the item.

3) Pursuant to the Council's Officers Code of Conduct, G Blakemore, N Dawe and S Jevans declared a non-pecuniary interest in agenda items 15 and 16 – Qualis Quarterly Monitoring Report and Qualis Group Board, by virtue of being on the interim board. The officers had determined that their interest was non-pecuniary and that they would stay in the meeting for the consideration of the item.

## **45. MINUTES**

**Decision:**

The Minutes of the Cabinet meetings held on 20<sup>th</sup> July 2020 be taken as read and would be signed by the Leader as a correct record.

**46. REPORTS OF PORTFOLIO HOLDERS**

There were no verbal reports made by Members of the Cabinet on current issues affecting their areas of responsibility.

**47. PUBLIC QUESTIONS AND REQUESTS TO ADDRESS THE CABINET**

The Cabinet noted that no public questions or requests to address the Cabinet had been received for consideration at the meeting.

**48. OVERVIEW AND SCRUTINY**

The Chairman of the Overview & Scrutiny Committee reported that they had not had a meeting since the last Cabinet. She noted that at their next meeting they would have Stephanie Rae, Associate Director of West Essex Mental Health Services. An item about this would be going in the Council Bulletin, asking for questions from members.

**49. COUNCIL HOUSEBUILDING CABINET COMMITTEE - 23 JUNE 2020**

The Portfolio Holder for Housing and Community Services, Councillor H Whitbread presented the minutes from the meeting of the Council Housebuilding Cabinet Committee, held on 23 June 2020. The Cabinet noted that there were no recommendations to consider.

**Decision:**

The Cabinet noted and agreed the minutes of the Council Housebuilding Cabinet Committee meeting of 23 June 2020.

**50. RELEASE OF RESTRICTIVE COVENANTS - EPPING FOREST COLLEGE**

The Commercial and Regulatory Services Portfolio Holder, Councillor A Patel, introduced the report on the release of the covenant for Epping Forest College.

The Epping Forest College Site was subject to restrictive covenants in favour of Epping Forest District Council in relation to the use of the Property for Education. These were agreed to be released in 2019, but since this time, in order to facilitate further College plans, two variations to the covenants were required. The first involved transfer of land to the residential developer to facilitate housing development. The second involved transfer of development land from the residential developer back to the College and removal of the restriction that said land can only be used for residential purposes. This was to facilitate the Colleges proposed wellness centre.

Councillor Plummer raised concerns about sustainability of the site and the implications on Public Transport and why the report said that there were no safer, cleaner, greener implications. The Service Director, Contracts and Technical Services, replied that this report was just for the release of the covenant. Any further

plans still had to be submitted to planning for approval and would have to be in accordance with the local plan. He noted that this was part of a deal that had been reached but not formalised with the college.

Councillor Chris Pond said that he had a number of quite detailed questions about this report, but without the report author being present he would not voice his concerns here but indicated that he would call the report in if it was agreed, and voice his concerns at the informal meeting that would be held to discuss the call-in.

Councillor S Murray noted that this was a major issue for Loughton and the District. There should have been a fuller report given from the Portfolio Holder or officer concerned and he found this unacceptable and asked that this item be deferred for more information. This was the last remaining site in Loughton where we would be able to put in a new primary school when needed. We could not continue just continually expanding our existing primary schools.

Councillor Patel was unsure what more the Councillor was expecting from the report, it was a straightforward covenant.

Councillor Philip added that the report covered what was needed to be said about this decision, background documents were referred to in the report, giving the background to this proposed decision. He noted that Essex County Council when consulted, confirmed that they did not want to put a Primary School on this site. Also, the Local Plan made no reference to a Primary School, therefore that would be against policy. Any detailed questions should have been provided to the Portfolio Holder and Officer beforehand so answers could have been prepared. This was a good report.

Councillor S Kane noted that the point on the primary school was dealt with on page 39 of the agenda and he saw no point in delaying the decision.

#### **Decision:**

Epping Forest College be granted a variation to the covenants on the land further to previous removal of restrictive covenants, in order to facilitate the Colleges plans for the site.

#### **Reasons for Proposed Decision:**

Removal of the covenants benefits the District by allowing the College to develop the Wellness Centre while also assisting the developer in unlocking further housing provision in the District in accordance with the Local Plan.

#### **Other Options for Action:**

The restrictive covenants are not released. There is no governance, legal or commercial reason for EFDC to oppose the release of such covenants however and previous larger restrictions were agreed to be released in 2015 and 2019 by Cabinet.

## **51. NORTH WEALD AIRCRAFT LANDING FEES IMPLEMENTATION**

The Commercial and Regulatory Services Portfolio Holder introduced the report on the North Weald Airfield Aircraft Landing Fees.

Aircraft visiting North Weald Airfield did not currently pay a landing fee and as such there was an additional potential revenue stream to further increase income from aviation activities. This report sought Members agreement to implement landing fees for visiting aircraft and the scale of charges to be applied.

Councillor H Whitbread supported the report. Councillor Philip said that this was a well timed report to put landing fees at North Weald, it would put it on a proper commercial footing. He queried paragraph 10 of the report where it had two fees listed for helicopters. He was told that these were for either a single engine helicopter or a multi engine helicopter.

Councillor Bedford asked if officers had considered implementing something like the DART charge (a pre-pay system) for the future. He was told that they would look at this for the future, once they had got this system up and running.

Councillor Heap asked if there were a specific charge for jets as we acted as a spare runway for Stansted. He was told that NW Airfield was not an alternative runway for Stansted and very few business jets came in a year.

#### **Decision:**

- (1) The Cabinet agreed to the introduction of landing fees at North Weald Airfield for visiting Aircraft; and
- (2) agreed the recommended scale of landing fee charges.

#### **Reasons for Proposed Decision:**

The implementation of landing fees at North Weald Airfield has a potential to generate approximately £24,000 additional income per annum based on the current level of visiting aircraft.

#### **Other Options for Action:**

Not to implement landing fees for visiting aircraft thereby losing the potential for an additional £24,000.

## **52. HIGHWAYS RANGER SERVICE UPDATE**

The Environmental and Technical Services Portfolio Holder, Councillor N Avey, introduced the report on the Highways Rangers. The Highway Ranger service had transferred from Essex County Council to Epping Forest District Council on 1 April 2020 and the purpose of the report was to provide an update on the implementation of the service.

Councillor Philip said it was positive thing to get the Rangers back in house and there was a welcome contribution to finger posts. Councillor H Whitbread welcomed the report and for Epping Forest DC to take back control of the Rangers.

Councillor Chris Pond welcomed the report and asked that it be confirmed that the Rangers could deal with both types of finger posts as they were made from metal as well as wood; but noted that you cannot work on a finger post if you could not stand

on a stepladder. Councillor Avey took his comments on board, he hoped that they could deal with both types, metal and wood.

Councillor Murray supported this scheme as well but added that we needed to keep up the pressure on Essex County Council to continue doing their work for us, especially Essex Highways.

Councillor C Whitbread thanked Mr Durrani and his team for their efforts to get this back in house. What was even better was the additional investment going in; the finger posts would be match funded by the Town and Parish councils. He also hoped to get more issues back to be dealt with locally as opposed to County level.

Councillor Janet Whitehouse wanted to flag up the fact that if the Rangers could not use step ladders, that would restrict what they could do.

**Decision:**

- (1) The Cabinet noted the progress the progress on devolution of Highway Rangers Service from Essex County Council; and
- (2) Agreed to allocate £1,000 for repair and maintenance of Heritage Finger Posts subject to match funding from Town and Parish Councils.

**Reasons for Proposed Decision:**

To update Members on the progress of the Highway Rangers Service.

**Options for Action:**

None

**53. ACCEPTANCE OF TENDERS - CONTRACT 101 - REMOVAL OF ASBESTOS CONTAINING MATERIALS FROM COUNCIL OWNED PROPERTIES**

The Housing and Community Services Portfolio Holder, Councillor H Whitbread, introduced the report on the acceptance of Tenders for contract 101, removal of asbestos containing materials from Council owned properties.

In order to undertake the removal of asbestos containing material from Council-owned properties during the financial year 2020-21 and over the following 4-year period, it was necessary to undertake a procurement exercise based on the Most Economically Advantageous Tender (MEAT) taking cost and quality into account to satisfy the requirements of the Council's Procurement Rules.

**Decision:**

- (1) The Cabinet agreed that, AA Woods Ltd be awarded a 1-year contract renewable annually for up to a maximum of 4-further years, for the removal of asbestos containing materials from Council-owned properties in the sum of £82,895.50 with an overall weighted price and quality score of 91.66% being the most economically advantageous tender received; and

(2) The Cabinet agreed that should it not be possible to enter into contract with AA Woods Ltd; DC (UK) Ltd be awarded the contract as the reserve contractor, being the second most economically advantageous tender received, with a Tender Sum of £116,902.26; and

(3) That, the overall value of the works be limited to the sum included in the Capital Programme identified for asbestos removal on an annual basis; and

(4) The Cabinet agreed that this contract be designated as a serial contract to facilitate the annual adjustment to the tendered rates in accordance with the Royal Institution of Chartered Surveyors (RICS) BCIS ALLCOS Resource Cost Index of All Construction: All Repair and Maintenance Work #7419.

### **Reasons for Proposed Decision:**

The existing framework agreement for the removal of asbestos containing material from Council-owned properties with the current contractor was nearing the end of its term. Therefore, it was necessary to undertake a procurement exercise with contractors who were suitably licenced with the Health and Safety Executive for this type of specialist work.

The new framework agreement would be let with a high degree of flexibility incorporated in the contract conditions, this would enable Qualis Management to issue Works Orders based on Operational requirements as and when required.

Appointing licenced contractors ensured the requirements of the Health and Safety Executive were followed in the removal and disposal of asbestos containing material that was identified during planned Capital works programmes. Also, licenced contractors were required to provide an emergency response in the event of asbestos containing material being discovered or disturbed while carrying out ad-hoc property maintenance and repair works.

### **Other Options for Action:**

The main alternative options considered are:

(1) To re-tender the contract on an annual basis. However, this would be time consuming and inefficient. Re-tendering would not guarantee more competitive tenders.

(2) To re-tender the works based on price alone. However, this would not necessarily return a more competitive tender and would not identify or quantify a quality commitment from the lowest tenderer.

(3) To seek quotations on an individual basis for every void property on an ad-hoc basis. However, this is very time consuming and is not a cost-effective exercise given the volume of ad-hoc void properties carried out per annum, this would breach the Council's Procurement Rules C2 (9b) with the works exceeding £25,000 in value during one financial year.

## **54. LOCAL COUNCIL TAX SUPPORT SCHEME 2021/22**

The Customer and Corporate Support Services Portfolio Holder, Councillor S Kane, introduced the report on the Local Tax Support Scheme for 2021/22.

The Local Council Tax Support Scheme replaced Council Tax Benefit in 2013 and each local authority must review its scheme annually. The Government brought in regulations to ensure that pensioners continue to receive the same level of assistance as they would have done if the Council Tax Benefit scheme was still in place. The Council could therefore only make amendments to the scheme for people of working age. The Council has approved the general principle that the Local Council Tax Support scheme should be cost neutral. In legislative terms the scheme needs to be approved by 11th March each year so for 2021/22 approval needs to be made at Full Council by December 2020.

As there were no proposed changes to the 2020/21 scheme there was no legal requirement to consult residents of the district.

**Decision:**

(1) The Cabinet noted that the Local Council Tax Support scheme for 2020/21 continued unchanged for 2021/22; and

(2) The Cabinet recommended that Full Council note that the Local Council Tax Support scheme for 2019/20 continued unchanged for 2021/22.

**Reasons for Proposed Decision:**

Full Council needs to approve the 2021/22 Local Council Support Scheme by 17th December 2020.

**Other Options for Action:**

To make amendments to the Local Council Tax Support scheme for 2021/22, which would require public consultation.

**55. FINANCIAL PLANNING 2020/21 TO 2025/26**

The Finance and Economic Development Portfolio Holder, Councillor J Philip, introduced the updating position report on the Council's financial position and the start of budget planning for the coming year.

The Council's financial position had been fundamentally altered by the Covid-19 pandemic.

The Council's General Fund had incurred substantial additional costs in combatting the pandemic and all the main sources of income have been adversely affected.

In recognition of the financial pressures that local authorities were under, the Government had provided significant financial support, although so far, it fell significantly short of the true local cost.

The Housing Revenue Account (HRA) had so far fared better, although there had still been some negative impacts, with tenant rent arrears rising and void periods increasing.

He noted that they wanted to remain a low council tax authority and maintain the services that they were currently offering. Also, that it may be that the October Cabinet meeting maybe too soon to bring further papers forward.

Councillor Chris Pond asked about the deficits that were mounting up and what proportion would we receive back from the Government in the form of grants etc. and if not, the full amount, how would we tackle this financial pressure; would it involve an additional council tax rise or be taken from reserves. Councillor Philip said that he did not want to predict what we would get from the government. We may use our reserve to fill any holes as he would like to keep Council Tax to a minimum, but he would need to react to situations as they arose. We were in a strong position now in regard to our reserves and he thanked his predecessor, Councillor Stavrou, for leaving the Council in a position where we have not had to have an emergency budget and enabled us able to fulfil our obligations.

Councillor Heap asked they did not just borrow money to cover their shortfall. Councillor Philip replied that he hoped not to have to borrow, as that was not a good model to borrow to fund your existing expenditure.

**Decision:**

- (1) The Cabinet noted the backdrop to the Financial Planning process for 2021/22 to 2025/26, including the impact of Covid-19 and emerging changes in local authority finance; and
- (2) Agreed the proposed approach to Financial Planning, including the reporting and governance timetable as summarised in Appendix A of the report.

**Reasons for Proposed Decision:**

To set a framework within which the Council can develop and set its Budget for 2021/22 and update its Medium-Term Financial Strategy through to 2025/26, ensuring that financial sustainability was maintained in the light of the shock caused by Covid-19.

**Options for Action:**

None at this time.

**56. QUALIS QUARTERLY MONITORING REPORT - Q1 AND Q2 2019/20**

The Portfolio Holder for Commercial and Regulatory Services introduced the Qualis quarterly monitoring report for quarters 1 and 2, 2019/20.

The meeting noted that the Governance Framework for Qualis, as agreed by Cabinet in February 2020, set the requirement that Qualis should report to Epping Forest District Council on its performance quarterly.

This report presented the first two quarters of reporting information for consideration by the Cabinet.

Attached to this report was the monitoring report for Quarter 1 and 2 as prepared and agreed by the Qualis Board on 30 July 2020.

The key message for Cabinet was that Qualis had been actively engaged over the first 2 quarters in the set-up phase of its operation and until the transfer of assets,

services and the loan facility was completed, the performance monitoring would not reflect normal day to day trading activity.

Given the above and noting the impact of Covid19 on all Council activities, Qualis had performed in line with expectations.

Councillor Heap asked if the intention was for Qualis to make money and pay taxes; there were significant board member and board costs per year; what was 'H' as mentioned in the paperwork; and what was 'Holdco'. Nick Dawe replied that Qualis was set up to pay Corporation Tax on profits but would not do so in the first 2 years as there would be no profits until then. Effectively approaching tax as any commercial company would do. Their tax affairs would be available for public scrutiny and that Qualis was in a tax regime.

It was agreed that members with detailed questions should contact Nick Dawe directly who would provide the answers needed. These answers, if not confidential, would be shared with all members via the Council Bulletin.

**Decision:**

The report was discussed and it was agreed that any detailed questions were to be sent to officers and answered by them in writing and (if not confidential) be made available via the Council Bulletin.

**57. QUALIS GROUP BOARD**

The Commercial and Regulatory Services Portfolio Holder, Councillor Patel, introduced the Qualis Group Board report.

In February this year the Cabinet approved the composition and appointment of the interim Qualis Group Board. The decision for an interim board was taken to ensure that the set-up work already undertaken could be continued without a six-month pause whilst recruitment was undertaken. A significant amount of work had been achieved during this period and it was now an appropriate time to create a permanent board.

The last six months had enabled the interim board to establish a programme of work and the operating guidelines to ensure effective governance. As such the paper set out some suggested changes to reflect learning and progress over this period. The Shareholder Agreement remained the key document that provided the Council with the framework for control of decision making, levels of authority and powers of delegation for Qualis.

It was proposed that the composition of the permanent board be made up of a combination of the independent non-executive directors, council members, executive directors of Qualis Group and the chief executive of the Council. The chair of the Qualis Group board would be an independent non-executive director appointed for their specific skills and experience relevant to the Qualis business. He noted that this report was about the roles and not the people.

Councillor Murray thanked the Portfolio Holder for comprehensive introduction. He noted that he had reservations about Qualis in general, but that these arrangements were much better than we had and was glad that the Cabinet had listened to the various comments made over the possible set up of Qualis. He noted that legally the

appointed members on to the Qualis board had to have the interests of Qualis uppermost, but surely the interest of Qualis and the District were the same. Councillor Patel said that along with the two members on the board there would also be two council officers there, the Chief Executive and a Strategic Director all of whom would have both the Council's and Qualis' best intentions foremost in their minds. Councillor Whitbread agreed with Councillor Murray that they had listened throughout out the interim process. This was something new for Epping Forest, other councils had already done this differently, but this was now a fundamental part for driving income for councils.

Council Heap asked if the officer directors were going to do one day a week for Quails, how did the money work? Andrew Small replied that these roles were over and above what their existing hours, so they would do their normal day to day work within their normal council hours and then over and above that would be their Quails work.

**Decision:**

- 1) That Cabinet noted the composition of the permanent Qualis Group Board;
- 2) That Cabinet noted the remuneration levels for Qualis Group Board members; and
- 3) That Cabinet noted the selection and recruitment process for Group Board Members.

**Reasons for Proposed Decision:**

It was a requirement the Council ensure that the appropriate governance documents were in place for the commencement of operational activity/trading within the Group Company Structure.

**Other Options for Action:**

The operation of the new Group Company Structure would not proceed without the correct governance arrangements in place to ensure the effective management and control of decision making between the Council and its companies.

**58. ANY OTHER BUSINESS**

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

**59. EXCLUSION OF PUBLIC AND PRESS**

The Cabinet noted that there was no business for consideration which would necessitate the exclusion of the public and press from the virtual meeting.

**CHAIRMAN**