



***CABINET***  
***Monday, 16th November, 2020***

You are invited to attend the next meeting of **Cabinet**, which will be held at:

**Virtual Meeting on Zoom**  
on **Monday, 16th November, 2020**  
at **7.00 pm** .

**G. Blakemore**  
Chief Executive

**Democratic Services**  
**Officer**

A. Hendry (Democratic Services)  
Tel: (01992) 564246 Email:  
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Members:

Councillors C Whitbread (Leader of the Council & Leader of the Conservative Group)  
(Chairman), , N Avey, N Bedford, A Patel, J Philip, S Kane and H Whitbread

**PLEASE NOTE THAT THIS MEETING WILL BE RUN AS A VIRTUAL MEETING AND IS  
OPEN TO ALL MEMBERS TO ATTEND REMOTELY.**

**WEBCASTING/FILMING NOTICE (VIRTUAL MEETINGS)**

**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.**

**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 participating in this virtual meeting, you are consenting to being filmed and to the possible use of those images and sound recordings for webcasting and/or training purposes. If members of the public do not wish to have their image captured they should ensure that their video setting throughout the virtual meeting is turned off**

and set to audio only.

In the event that technical difficulties interrupt the virtual meeting that cannot be overcome, the Chairman may need to adjourn the meeting.

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

**1. WEBCASTING INTRODUCTION**

1. This virtual meeting is to be webcast. Members are reminded of the need to unmute before speaking.

2. The Chairman will read the following announcement:

“I would like to remind everyone present that this meeting will be broadcast live to the internet (or filmed) and will be capable of repeated viewing (or another use by such third parties).

Please also be aware that if technical difficulties interrupt the meeting that cannot be overcome, I may need to adjourn the meeting.”

**2. APOLOGIES FOR ABSENCE**

To be announced at the meeting.

**3. DECLARATIONS OF INTEREST**

To declare interests in any item on this agenda.

**4. MINUTES (Pages 7 - 22)**

To confirm the minutes of the meeting of the Cabinet held on 19 October 2020.

**5. REPORTS OF PORTFOLIO HOLDERS**

To receive oral reports from Portfolio Holders on current issues concerning their Portfolios, which are not covered elsewhere on this agenda.

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

To receive any questions submitted by members of the public and any requests to address the Cabinet.

**(a) Public Questions**

To answer questions asked by members of the public after notice in accordance with the provisions contained within Part 4 of the Constitution (Council Rules, Rule Q3) on any matter in relation to which the Cabinet has powers or duties or which affects

the District.

**(b) Requests to Address the Cabinet**

Any member of the public or a representative of another organisation may address the Cabinet on any agenda item (except those dealt with in private session as exempt or confidential business) due to be considered at the meeting, in accordance with the provisions contained within Article 7 of the Constitution (The Executive, Paragraphs 27 and 28).

**7. OVERVIEW AND SCRUTINY**

To consider any matters of concern to the Cabinet arising from the Council's Overview and Scrutiny function and to identify any matters that the Cabinet would like the Overview and Scrutiny Committee to examine as part of its work programme.

**8. COUNCIL HOUSEBUILDING CABINET COMMITTEE - 8TH SEPTEMBER 2020 (Pages 23 - 36)**

(Housing and Community Services Portfolio Holder) to consider the attached minutes from the meeting of the Council Housebuilding Cabinet Committee, held on 08<sup>th</sup> September 2020, and any recommendations therein.

**9. INCOME RECOVERY STRATEGY AND POLICY (Pages 37 - 64)**

Housing and Community – to receive a report (C-034-2020-21) on an Income Recovery Strategy and Policy which are required in order to give direction to the Income Recovery Service.

**10. THE MORE THAN BRICKS AND MORTAR ESTATE IMPROVEMENT SCHEME - EFDC CREATING GREAT PLACES WHERE PEOPLE WANT TO LIVE (Pages 65 - 78)**

Housing and Community – to receive a report (C-035-2020-21) on the *More than Bricks and Mortar Estate Improvement Scheme*, which signals a new way of thinking about, talking about and making decisions about the Council's housing estates.

**11. FITNESS FOR HUMAN HABITATION ACT 2018 - OBLIGATIONS (Pages 79 - 92)**

Housing and Community – to receive a report (C-036-2020-21) on the reasons and benefits for introducing a 5-year bin store replacement programme. Specifically, the details of the Act and the potential risks of not meeting the requirements of the legislation.

**12. NEW POLICY - DISPOSAL OF HRA ASSETS (Pages 93 - 112)**

Housing and Community – to receive a report (C-037-2020-21) on making best use of the Council's HRA assets in circumstances where a disposal would be of benefit to the Council and would lead to a net overall benefit.

**13. MEDIUM TERM FINANCIAL PLAN DEVELOPMENT AND SCENE SETTING**

**(Pages 113 - 128)**

Finance and Economic Development – (C040-2020-21) - this is the first iteration of the Medium Term Financial Plan within the 2021/22 budget cycle.

**14. ANY OTHER BUSINESS**

Section 100B(4)(b) of the Local Government Act 1972, together with paragraphs 6 and 24 of the Council Procedure Rules contained in the Constitution requires that the permission of the Chairman be obtained, after prior notice to the Chief Executive, before urgent business not specified in the agenda (including a supplementary agenda of which the statutory period of notice has been given) may be transacted.

In accordance with Operational Standing Order 6 (non-executive bodies), any item raised by a non-member shall require the support of a member of the Committee concerned and the Chairman of that Committee. Two weeks' notice of non-urgent items is required.

**15. 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):

<b>Agenda Item No</b>	<b>Subject</b>	<b>Exempt Information Paragraph Number</b>
15	Project Brief - Kickstart	3
16	Proposed Letting of Land at NW Airfield to the Dept. of Housing, Communities and Local Government	3

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 of the Constitution (Access to Information) 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 one copy of each of the documents on the list of background papers for four years after the date of the meeting. Inspection of background papers can be arranged by contacting either the Responsible Officer or the Democratic Services Officer for the particular item.

**16. PROJECT BRIEF - KICKSTART (Pages 129 - 142)**

Customer & Corporate Support Services – to receive a report (C-039-2020-21) on the Kickstart Scheme that provides funding to employers to create job placements for 16 – 24 year olds on Universal Credit who are at risk of long term unemployment.

**17. PROPOSED LETTING OF LAND AT NW AIRFIELD TO THE DEPT. OF HOUSING, COMMUNITIES AND LOCAL GOVERNMENT**

Commercial and Regulatory Services – to receive a report (C-038-2020-21) for the consideration of EFDC to lease an area of land for the operation of a Common Transit Convention System facility as part the UK post-Brexit period.

PLEASE NOTE THAT THIS REPORT WILL BE MAILED OUT SEPARATELY.

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## EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

**Committee:** Cabinet **Date:** 19 October 2020

**Place:** Virtual Meeting on Zoom **Time:** 7.00 - 9.14 pm

**Members Present:** C Whitbread (Chairman), N Bedford, A Patel, J Philip, S Kane and H Whitbread

### Other

**Councillors:** S Murray, R Baldwin, R Bassett, P Bolton, R Brookes, L Burrows, I Hadley, S Heap, H Kauffman, A Lion, C McCredie, R Morgan, S Neville, M Sartin, J Share-Bernia, D Stocker, B Vaz, J H Whitehouse, J M Whitehouse and D Wixley

**Apologies:** N Avey

**Officers Present:** G Blakemore (Chief Executive), N Dawe (Chief Operating Officer), A Small (Strategic Director Corporate and 151 Officer), S Jevans (Strategic Director), A Blom-Cooper (Interim Assistant Director (Planning Policy)), J Chandler (Service Director (Economic Projects)), Q Durrani (Service Director (Contracts & Technical Services / Commercial & Regulatory)), D Fenton (Service Director (Housing Revenue Account)), V Gayton (Culture & Community Team Manager), J Houston (Specialist Partnerships & Economic Development), D Gilson-Butler (Youth Engagement Officer), A Hendry (Democratic Services Officer), G Woodhall (Team Manager - Democratic & Electoral Services), S Mitchell (PR Website Editor) and W Cockbill (Young Persons Assistant)

**Also in attendance** B Nedelcu and J Schooling

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### 60. 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.

### 61. DECLARATIONS OF INTEREST

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

### 62. MINUTES

#### Decision:

The Minutes of the Cabinet meetings held on 14<sup>th</sup> September 2020 be taken as read and would be signed by the Leader as a correct record.

### 63. REPORTS OF PORTFOLIO HOLDERS

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

**64. 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.

**65. OVERVIEW AND SCRUTINY**

The Chairman of the Overview & Scrutiny Committee reported that the following items of business had been considered at its meeting held on 15<sup>th</sup> October 2020:

(a) they received a presentation from Ms S Rea the Associate Director of West Essex Mental Health Services from the Essex Partnership University NHS Foundation Trust;

(b) they received a verbal update on the progress of the accommodation strategy and the people strategy;

(c) they also received a Qualis monitoring report for quarters 1, 2 & 3 for 2019/20;

(d) they also received an update on the Covid 19 situation and the quarter 2 progress on the Corporate Plan, Key Action Plan 2020/21;

(e) finally they considered issuing an invitation to the youth mental health services to put into their work programme;

(f) the next meeting in November will be attended by an officer from the UK Innovation Corridor (formally known as the London-Stansted-Cambridge Consortium)

The Cabinet's agenda was reviewed but there were no specific issues identified on any of the items being considered.

**66. THE HEALTH AND WELLBEING OF YOUNG PEOPLE IN EF DISTRICT DURING COVID 19, 2020 - #YOURSAY SURVEY**

The Housing and Communities Portfolio Holder introduced the officers from the Council's Youth Council and two Youth Councillors to give a presentation on their work on how the pandemic had affected the young people of the district during the period of lockdown and what effects it had on them over time.

The team manager for culture and communities, Vanessa Gayton introduced the two youth councillors who would be giving the presentation. They were Jamie Schooling and Bianca Nedelcu. The Youth Councillors explained that they had conducted a survey during July 2020, providing an opportunity for young people to share their experiences during the pandemic and express their concerns about their health and wellbeing, their future regarding their education, and mental health. The Youth Councillors hoped the findings would help shape the services for young people in 2021 and beyond.

The youth councillor shared the results of the survey with the Cabinet and other members present.

The Chairman thanked them for their presentation. Councillor Holly Whitbread said that it was a good piece of work and they had reached a significant number of people



in the local population. It was an impressive and thoughtful report and the theme of economic development was particularly interesting, and vital for the young people effected. Also, the mental health project was very important with some interesting comments made. She noted that the youth council had historically found alternative grants and funding streams to fund their innovative projects and hoped they continued to look for that. The Cabinet would use their recommendations to help shape services for the future.

Councillor Bedford commented that it was an interesting report and it was good to see their work on mental health issues. He noted that as a district council we were trying to cover some of the issues around mental health.

Councillor Philip noted the plea for additional funding but as the finance portfolio holder he could not commit at this stage due to the significant challenges faced by the council.

V Gayton remarked that they were looking for a project to deliver to schools using the social distancing required nowadays.

Councillor Murray thanked them for their report and said that he enjoyed their presentation. He had been impressed by how young people had dealt with this pandemic; but noted that he had received some feedback from parents that they were not happy with the way the GCSE and 'A' level exams had been handled. He went on to ask the youth councillors if they had received any feedback on how the schools were supporting them since September. He was told that their schools had been generally supportive on their return and positive feedback had been received, although some of the students did feel uneasy about returning.

Councillor Patel thanked them for their presentation. He was the Chair of the Health and Wellbeing Board and said that some of the recommendations could be linked up to this board. He also led on Covid recovery and would like to seek their views on this. They should come to one of the meetings and give their opinions and thoughts. The Chairman thought this was a useful way forward, there was a clear steer to have them actively engaged in this. He thought that they had already asked for a youth councillor to be involved in the Covid recovery meetings. They should be able to actively shape our community's future.

Councillor Wixley asked about one of the questions in the survey asking if there was anything positive people could learn from this experience. One of the answers was that there were more important things in life. Was there any general change in attitude about life, what did this represent? He was told that people were starting to be more grateful for their health and were being more careful.

Councillor Heap said that yes, they were the future and if the council could help them, by pump priming for the future, then it should.

The Chairman noted that this was what we wanted to be doing and asked that the Housing and Community Services Portfolio Holder in conjunction with the Community and Regulatory Services Portfolio Holder and relevant officers explore the recommendations in order to find the best way to take them forward and find a way for partnership working.

**DECISION:**

1. The Cabinet received and acknowledged the #Your Say survey report and findings undertaken by the Epping Forest Youth Council, supported by the Council's Community, Culture and Wellbeing service.
2. The Cabinet noted that Service providers worked together to address the increasing pressures on young people's poor mental health and their concerns about their future educational opportunities;
3. The Cabinet noted that officers would ensure that appropriate work identified as a result of the Survey would fit with and contribute to the Council's Economic Development – Local Skills and Opportunities project; and
4. The Cabinet noted that the Youth Council would:
  - continue the work with the CCG and introduce Youth Council representation on the Citizens Panel (One Health & Care Partnership);
  - Continue promotion of youth activities and youth groups via the EFYC Youth Activities Map to encourage motivation and positive mental health and wellbeing;
  - Provide training through partnership working for the Youth Council to address the issues raised in the report and signpost young people to relevant services such as bereavement, counselling services and J9 training.
5. The Housing and Community Services Portfolio Holder in conjunction with the Community and Regulatory Services Portfolio Holder and relevant officers explore the above recommendations in order to find the best way to take them forward.

**67. GOVERNMENT CONSULTATION ON THE PLANNING WHITE PAPER 'PLANNING FOR THE FUTURE'**

The Planning and Sustainability Portfolio Holder introduced the report on the Government Consultation on the Planning White Paper.

The Government White Paper "Planning for the Future" set out significant changes to the planning system for consultation. The White paper stated specifically that it "has not comprehensively covered every aspect of the system, and the detail of the proposals will need further development pending the outcome of this consultation." The focus was on ideas rather than details of implementation, but it signalled an intention to change the system in a holistic manner, including the introduction of new legislation. This included a signal to speed up and simplify both the production and role of Local Plans and the management of planning applications. The emphasis on outcomes was focused on delivering housing development and detailed design of proposals. The proposed changes were in many ways radical, and if they were implemented would require new ways of working, new skill sets and, it appeared, a very significant amount of resources.

This report provided members with a synopsis of the key proposals in the White Paper and contained the suggested response from the Council to the questions posed in the consultation.

Following the recent member workshop a few amendments were made to the officer response and this would be published in the next council bulletin.

Councillor Philip commented that this was an interesting approach to planning but it seemed to take away local representation. Beauty and good design were just part of it. It needed Member involvement. We have a high percentage of green belt land as well as needing a high number of houses, these cannot be put together. Perhaps this should be put more strongly. Councillor Bedford agreed that protecting our greenbelt was a high priority and how we did that was going to be challenging. Councillor Philip said that we need to make it clear that matching Green Belt and Housing allocations did not work.

Councillor H Whitbread commented that she had major concerns in relation to the green belt, this was challenging for housing. We also needed to strengthen the need for local representation. She also had concerns about quality of housing and permitted development rights. Also, in terms of zoning it had to be a long term strategy. While she supported the principle and spirit of the simplification of the planning system, there was still some work to do.

Councillor Heap said this was a difficult one and added that good design was a difficult issue and should be handled locally. He was not aware that we had a problem with planning permission in our district at present although there were a lot of planning permissions were being sat on, so maybe the planning permission should live with the developer.

Councillor McCredie commented on beauty and placemaking. Beauty was in the eye of the beholder and beauty should be defined.

Councillor Bedford noted some key points that have come out, like the planning permission lives with the developer and in his view once a development had been approved but not completed in a certain amount of time, we should be charging rates on the premises.

Councillor Wixley agreed the green belt was important and so was green spaces to urban areas. He was puzzled about the proposition to abolish the duty to co-operate. Some development would straddle borders and we would need a duty to co-operate.

#### **DECISION:**

- (1) The Cabinet agreed the response to the Government White Paper '*Planning for the Future*' issued on 6 August 2020 for consultation.
- (2) Following the members workshop on the White Paper the comments made then were to be added to the Council's response. These comments were to be gathered together and reproduced in the Council Bulletin.

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

- To ensure that members are kept fully up to date on proposed changes to the Planning System.
- To enable the Council to make a formal response to the Governments proposals.

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

Not to make a formal response to the White Paper consultation. This would mean that the Council misses the opportunity to influence further thinking on future changes to the Planning System that will be required prior to implementation.

**68. DRAFT SUSTAINABILITY GUIDANCE FOR THE DISTRICT AND HARLOW AND GILSTON GARDEN TOWN**

The Planning and Sustainability Portfolio Holder introduced the report on the draft sustainability guidance for the district and Harlow and Gilston Garden Town.

It was noted that the Council's emerging Local Plan set out policies in relation to sustainable and high quality design and construction of developments. On 19 September 2019 the Council declared a Climate Emergency, including a resolution to do everything within the Council's power to make Epping Forest District Council area carbon neutral by 2030. To support these policies and this declaration, the Council had produced two EFDC draft Sustainability Guidance documents for use across the District; one for Major Developments (10+ units) and one for Minor Developments (1-9 units). The documents are in addition to the draft HGGT Sustainability Guidance and Checklist, which was relevant for sites which were located both within Epping Forest District and the Harlow and Gilston Garden Town.

A Blom-Cooper (Planning Policy and Improvement) noted that these documents were proposed for consultation, starting from 2<sup>nd</sup> November. Almost all the consultation would be carried out virtually.

Councillor Philip commented that sustainability was a key driver for the council and also by making it sustainable it was also good for the environment and lined up with the Council's declaration of a climate emergency.

Councillor Heap remarked that there needed to be buses to Epping. Councillor Bedford replied that buses were not really in our remit but down to Essex County Council. We could make suggestions to them for the need for buses, but we would have to say where they should come from. There were a lot of villages in our district. At present TfL were running about 100% of their services but with minimum passengers' levels. Councillor Heap came back saying that we need to provide them first and then consider how they interacted as a whole network.

**DECISION:**

(1) The Cabinet agreed that the Draft EFDC Sustainability Guidance documents (Major Developments and Minor Developments) and Draft HGGT Sustainability Guidance and Checklist (Strategic Sites) be approved for public consultation for a six week period;

(2) The Cabinet agreed that the Planning Services Director, in consultation with the Planning Portfolio Holder be authorised to make minor amendments to the Draft EFDC Sustainability Guidance (Major Developments and Minor Developments) prior to the public consultation;

(3) The Cabinet noted that, following consultation, and any subsequent revisions to the documents, it was intended that the final EFDC Sustainability Guidance and Checklists (Major Developments and Minor Developments), would be considered by Cabinet for endorsement as a material planning consideration for the preparation of

masterplans, pre-application advice, assessing planning applications and any other development management purposes within the District;

(4) The Cabinet noted that, following consultation, and any subsequent revisions to the documents, it was intended that the final HGGT Sustainability Guidance & Checklist, would be agreed as a material planning consideration for the preparation of masterplans, pre-application advice, assessing planning applications and any other development management purposes within the Harlow & Gilston Garden Town.

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

- To ensure that the EFDC Draft Sustainability Guidance documents (Major Developments and Minor Developments) were afforded suitable planning weight by agreeing that the documents should be consulted upon prior to endorsement as material planning considerations. This would ensure that development proposals across the District target the Council's sustainability ambitions, and that clear parameters were established for future pre-application advice, assessing planning applications and any other development management purposes.
- To ensure that the HGGT Sustainability Guidance and Checklist were afforded suitable planning weight by agreeing the document should be consulted upon prior to endorsement as a material planning consideration, to ensure that development proposals within the Garden Town target the HGGT sustainability ambitions, and that clear parameters were established for future pre-application advice, assessing planning applications and any other development management purposes within the Garden Town.

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

Not to agree the EFDC Sustainability Guidance documents (Major Developments and Minor Developments) and HGGT Sustainability Guidance and Checklist can be published for a 6 week consultation which would mean that there would be no guidance to support the delivery of development proposals and achieve the objectives set out in the Council's emerging Local Plan policies SP3, DM5, DM9, DM11, DM15-22.

### **69. IMPLEMENTATION OF THE LOCAL PLAN: UPDATE ON PROGRESS**

The Planning and Sustainability Portfolio Holder, Councillor Bedford, introduced the report on the update of the implementation of the Local Plan. He noted that we had submitted all our information to the inspector and have had a response from the inspector around timescales, but officers were working to sort that out.

The report provided members with an update on the progress of Strategic Masterplans, Concept Frameworks and Planning Performance Agreements within the District. Discussions were taking place with site promoters and developers with meetings still taking place virtually. Project programmes were being adjusted where necessary to account of the COVID-19 pandemic, in particular community engagement arrangements.

There had also been changes to the Community Infrastructure Regulations which introduced a new requirement for Councils to publish online, an annual infrastructure funding statement by 31 December each year. This applied from the financial year 2019/2020 onwards and the first statement was required this year to cover the period from 1 April 2019 to 31 March 2020. The statement must set out the projects which

the authority intends to be funded and details of how much has been collected, how much was spent and what it was spent on. This was to provide information to communities to enable a better understanding of how developer contributions have been used to deliver infrastructure.

Councillor Philip said that it was useful to see infrastructure funding statements and good to see Masterplanning was progressing.

Councillor Heap said that affordable housing on site rather than off site would be good, but he expressed his frustration that we have still not finished this project. Councillor C Whitbread shared his frustration noting that the process was very bureaucratic. Councillor Bedford added that they were pushing really hard to get this done by the end of this year. They had a meeting with Natural England coming up and were hopeful to make progress.

### **DECISION:**

(1) The Cabinet noted the progress of Masterplans and Concept Frameworks, including the use of Planning Performance Agreements and the progress of other proposals at pre-application and application stage; and

(2) The Cabinet agreed the Infrastructure Funding Statement 2019/2020 for online publication by 31 December 2020.

### **Reasons for Proposed Decision**

- To ensure that members were kept fully up to date on the progress of Masterplans and Concept Frameworks and other major proposals being promoted within the District.
- Every Local Authority was required to publish an Infrastructure Funding Statement ('IFS') by 31 December each year that sets out the amount of planning obligation expenditure where funds have been allocated.

- Community Infrastructure Levy Guidance 2014 sets out that:

"Reporting on developer contributions helps local communities and developers see how contributions have been spent and understand what future funds will be spent on, ensuring a transparent and accountable system."

Paragraph: 172, Reference ID: 25-172-20190901

- The Councils Infrastructure Delivery Plan had identified the infrastructure projects that are required to deliver development in the District to 2033.

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

Not to update members on the progress on the above issues would be contrary to the commitment made by the Implementation Team as noted in the 18 October 2018 Cabinet Report.

Not to publish the Infrastructure Funding Statement within the deadline would result in a failure to comply with the Community Infrastructure Levy regulations.

**70. COUNCIL HOUSE BUILDING PROGRESS REPORT AND FUTURE APPROACH TO SITE SELECTION**

The Housing and Communities Portfolio Holder, Councillor H Whitbread, introduced the report on the progress of Council Housebuilding.

The report set out the progress that had been made across phases 3 and 4 of the Housebuilding programme that had either been completed, were on-site and were currently being procured. Subject to the necessary planning consents the pipeline stands at 84 units up to the years 21/22.

In addition to the pipeline our retained consultant (Metaplan) was reviewing 2 additional sites, St John's Baptist Church (9-10 residential units for key workers and a community building). Also, there was an opportunity to purchase some land at below market value in Waltham Abbey to provide up to 10 affordable units. These sites would be presented at the next Cabinet to recommend progressing to full planning and the allocation of capital funding.

Phase 5 has the potential to deliver approximately 160 properties, again subject to planning consents and the necessary consultation with members and residents.

Councillor Janet Whitehouse was pleased that the report referred to St John's the Baptist Church and not just St John's Church.

Councillor Neville welcomed the change in approach, as the original approach could be controversial, and he now welcomed the community led approach. He had asked a question at a previous Council meeting about retro fitting our council houses and was told that it would appear in the bulletin, but it has not appeared as yet. Councillor H Whitbread apologised that they had not got back to him yet and promised to do so.

Councillor Patel said that it was a good news report regarding phase 5.

Councillor Murray said it was a good report. He noted that back in 1982 the council had a housing stock of 13,500 homes, now we have only approximately 6,500 this was a reality check. He welcomed the philosophy behind the phase 5 developments as set out in the report. What a pity we did not follow this philosophy for Loughton Broadway or the retail park. Councillor H Whitbread replied that the right to buy has been a challenge to councils and seen a decrease in our council housing stock and it is something they were conscious of and it was something they wanted to increase and deliver and keep council housing in house. While it provided challenges it also gave people the opportunity to buy homes.

Councillor Heap noted it was a good report but asked about the overspend on damage from trees. D Fenton replied that there would be a report about trees coming to a future Cabinet meeting.

Councillor Wixley was pleased with this approach but wondered what was happening about garage sites as he had some in his ward. He was told that an officer would contact him after the meeting about this matter.

On a more general point Councillor H Whitbread made the point that they were now having a more collaborative relationship with Planning on housing. Her understanding was that garage sites that had been proposed were still being considered.

**DECISION:**

The Cabinet noted the contents of the Progress Report on Phases 3 and 4 and the approach to site selection of phase 5, of the Council House Building Programme.

**Reasons for Proposed Decision:**

This report sets out progress made and provides an overview of our future aspirations

**Other Options for Action:**

This report was on the progress made and was for noting purposes only. There were no other options for action.

**71. REVENUE AND CAPITAL OUTTURN 2019/20**

The Finance and Economic Development Portfolio Holder, Councillor Philip, introduced the revenue outturn for 2019/20.

This report provided Cabinet with an overview of the Revenue and Capital outturn, compared to budget, for 2019/20.

The figures included within the report were still subject to external audit so should be considered provisional at this stage. The report also briefly considers the Council's unallocated reserve balances for both General Fund and the HRA.

**DECISION:**

- (1) The Cabinet noted the Revenue outturn for 2019/20 for the General Fund and Housing Revenue Account (HRA) as presented within the report;
- (2) The Cabinet noted the General Fund Reserve position as presented in Section 4 of the report;
- (3) The Cabinet noted the HRA Balance set out in Section 4, including the retention of £0.5 million originally approved for transfer to the Self-Financing Financing Reserve (prior to consideration for approval by Cabinet); and
- (4) The Cabinet noted the Capital Programme outturn for 2019/20 as presented within the report.

**Reasons for Proposed Decision:**

To provide an update on the year-end financial position for 2019/20, thus supporting Cabinet in making better informed decisions on the allocation of the Council's financial resources based on up-to-date financial information.

**Other Options for Action:**

None, as this was a review of the previous year.



**72. COVID 19 DEVELOPMENT PROJECTS - UPDATE 1**

The Finance and Economic Development Portfolio Holder, Councillor Philip, introduced report outlining the recovery projects for Covid 19.

When Cabinet gave approval to proceed with the projects it was recognised at the time that these projects would need to have:

- Short-term objectives, i.e. that would need to be delivered in this financial year.
- Medium-term objectives, i.e. that are coherent with the approved plans and priorities of the Authority.
- Longer-term objectives i.e. that are coherent with the strategic objectives and emerging strategic objectives of the Authority.

The project briefs set-out the work and considerations that have taken place in August and September.

He noted that this was about moving towards Covid recovery and the report recorded the individual projects and what we were doing to take this forward. They were also reviewing each project to see if they should be taken forward.

The town centre regeneration was clearly something we wanted to keep on doing. As for the Digital Gateway for Place, after closely looking at this he had concluded that was a challenge to high on the risk level and on the returns we would receive on the money we would need to invest. Having spoken to the Housing and Communities Portfolio Holder they were both of the view that this should not be taken forward.

The Gazetteer for the Council to have a complete list and understanding of all business activity across the district. There was also the North Weald Airfield Business Zone that ties in with the masterplan. The Accommodation Review, officers have said that there had been significant interest in the top floor of our building, and they were hoping to have a tenant identified by the time it was reopened.

The Local Business Suppliers was tied up with the Gazetteer certainly something we should be doing. We were also looking to continue work on Sustainable Transport, on the Climate Emergency action, and on Local Skills and Opportunities, significant work was being done with the Government on this.

Councillor Philip stated we were doing a lot of things; on one project we shall have to pull the plug on but the rest we shall continue with.

Councillor H Whitbread noted that this was an impressive body of work and it was good to see proactive measures for the Covid recovery. She did share Councillor Philip's concern over the Digital Gateway project, it was costly and replicated things that was already there.

Councillor Patel noted that when these projects were mentioned at a previous Cabinet meeting the term aspirational was used, it's good to see the amount of work that has gone on since then. He commended Julie Chandler and Nick Dawe on the work done. He then remarked that he was taught to look for opportunity costs and believed that they should look at the opportunity costs for taking the Digital Gateway forward and what we could be doing to give us "more bang for our bucks".

Councillor Philip agreed, opportunity costs were a key part of this and one of the reasons why we should not be going ahead with this. This had been tried in larger councils without it being successful.

Councillor Bedford, on behalf of Councillor Avey, reminded members about the money and commitment given to the Ongar Leisure Centre. They had managed to find between £1.3 to £1.5 million to refurbish the centre.

Councillor Murray agreed with the decision to lose of the Digital Gateway project. He noted that the local skills and opportunities was really important and would like the younger people to be kept in mind for this. He was surprised that we did not already hold the information for the Gazetteer. He was also disappointed with how the accommodation review was going, he did not think it was going to be much of a community hub. It seems that it was going to be the library and the voluntary services.

Councillor Philip said that they were still working out who exactly was going to be in the Community Hub. As for the Gazetteer there are over 8000 businesses in the district and we were aware of a number of them, however the economic development section consisted of about 2.5 people. We would like much more detail hence the project.

Councillor Janet Whitehouse noted that the town centre development programme was important. To what extent were ward members to be involved in the meetings about different high streets? Councillor Philip replied that the initial focus was around Waltham Abbey and the local councillors and town council were involved.

Councillor Bedford noted that a big problem we had with the Gazetteer was GDPR, and that we could not use all our old information.

Councillor Heap asked if we could develop new sites for North Weald we could realise a lot of money for the district. Was this a possibility? Councillor Philip replied that it was not in our Local Plan to do this and it was known that the residents of North Weald wanted to intensify flights at North Weald Airfield.

#### **DECISION:**

- (1) The Cabinet reviewed and discussed the scope and progress of the Covid Recovery projects detailed within the report and agreed that the project 'Digital Engagement & Gateway for Place' be withdrawn; and
- (2) The Cabinet reviewed and noted the overview of the project portfolio across the council.

#### **Reasons for Proposed Decisions:**

In July 2020 a series of actions were recommended that could assist with the economic recovery from Covid 19. This report outlined the projects.

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

None, as this was a review of the established projects.

**73. QUALIS QUARTERLY MONITORING REPORT - Q3 2019/20**

The Portfolio Holder for Commercial and Regulatory Services, Councillor Patel introduced the report of the Qualis Board monitoring report for Quarter 3 as agreed by the Qualis Board on 22 September 2020.

The key message for Cabinet was that Qualis had been engaged over this period in completing the loan funding transaction, progressing planning work on the Epping Development sites and preparing for the transfer of Housing Maintenance at the end of September.

As reported in the last Cabinet report, Covid19 has delayed many of the key actions for both Epping Forest District Council and Qualis and as a result some of the originally planned targets had slipped. However, good progress was now being made.

For Qualis, Quarter 3 represented a further phase of planning, set-up and initiation works because of the delays associated with Covid19. Key asset acquisitions and service transfers would take place during Quarter 4 and monitoring reports would look different from that point forward.

Given the points above and noting the impact of Covid19 on all Council activities, Qualis had performed in line with expectations during Quarter 3.

Councillor Murray noted that he had issues and concerns with Qualis. He asked if he could have assurance that the mentioned staff consultation plan was not only for individual staff but for the Unions. The Housing Maintenance Staff had kept their terms and conditions; would new staff have lesser terms? Councillor Patel assured him that the Unions had been consulted. As for new staff, new employees would sign new contracts, but he could not comment on the terms offered. Councillor Murray said that he would like this information in a future report. Councillor Philip added that Qualis was operating as a separate company, so contracts were commercially sensitive. S Jevans as the Managing Director for Qualis added that Terms and Conditions for Qualis employees were different from the council's and had a greater ability to incentivise staff.

Councillor Brookes asked what other services were to be reviewed to be transferred over. Councillor Patel said that a survey would be carried out to determine which services would stay or be moved. A report will then be brought to Cabinet detailing this. Councillor Wixley asked if there were any guiding principles or set criteria governing this. He was told that each area would be looked at as a business case for each service.

Councillor Heap said that as the only shareholder in Qualis we should be able to set the terms and Conditions for new staff. He was told that any services would be transferred over on a TUPE basis, but any new staff would not be guaranteed the same terms as existing staff. You may find that in the long term things would improve for staff, especially in areas where there were skill shortages.

Councillor Neville asked if there was a limit to the number of services that could potentially be transferred over. Councillor Patel replied that there was no limit as each new case would be judged as a separate business case. Councillor Heap interjected that it should be a public service and not a private enterprise. Councillor Patel responded the purpose of Qualis was to safeguard services to residents.

Councillor Murray said that staff employed on new contracts after other staff came over on TUPE would almost always be employed on worse conditions and it seemed to him that Qualis would become a Trojan Horse where the Council would offload as many services as they could. Councillor Philip, speaking as someone who had been TUPE'd on more than one occasion offered that Terms and Conditions could be better after TUPE. The aim was to have better contracts for our staff to get the things that need to be done, done. As for how many services were moved across depended partly on the business case and what capability Qualis had.

**DECISION:**

The Cabinet discussed and noted the Qualis Quarterly Monitoring report.

**Reasons for Proposed Decision:**

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.

**Other Options for Action:**

None, as this was a report on the previous quarter.

**74. QUARTER 1 BUDGET MONITORING REPORT (GENERAL FUND)**

The Portfolio Holder for Finance and Economic Development introduced the report on the first four months of the general fund budget.

The focus on Covid19 related activities and the impact this had on the normal delivery of Council services had made the production process more complex. Hence, 4 months of performance was reported, as opposed to the normal 3 (one quarter) in order to provide a more up to date understanding of the position.

Covid19 has had a massive impact on the Council, in terms of its focus and in terms of generating cost pressures. Necessarily, the Council had to respond to the impact, but the consequence of this, in financial and service delivery terms, was large variances against the spend and income profiles which were anticipated when the budget was set.

As the majority of the impacts, response and variances had been associated with General Fund services, effort and focus had been focused on understanding the impact in this area for this report. An update on the Housing Revenue Account and Capital would be contained in the next monitoring report.

Although confidence was low, as had previously been reported, the Council had comfortable levels of Balances and Reserves and this meant that there was confidence that the Council could cover the in-year impacts on the budget from the Pandemic.

Councillor Philip noted that the report was for 4 months of the pandemic and there was still 8 months left.

**DECISION:**

The Cabinet discussed and noted the contents of the report.

**Reasons for Proposed Decision:**

This report presents the first four month's (till the end July 2020) General Fund Budget Monitoring report for Epping Forest District Council.

**Other Options for Action:**

None, as this was a report on the first four month period.

**75. ANY OTHER BUSINESS**

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

**76. 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**

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## EPHING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

<b>Committee:</b>	Council Housebuilding Cabinet Committee	<b>Date:</b>	Tuesday, 8 September 2020
<b>Place:</b>	Virtual Meeting on Zoom	<b>Time:</b>	7.00 - 8.08 pm
<b>Members Present:</b>	H Whitbread (Chairman), N Avey, N Bedford and J Philip		
<b>Other Councillors:</b>	S Murray, C C Pond and D Wixley		
<b>Apologies:</b>	A Patel		
<b>Officers Present:</b>	D Fenton (Service Director (Housing Revenue Account)), J Cosgrave (Interim Development Housing Manager), J Leither (Democratic Services Officer), R Moreton (Corporate Communications Officer) and G Woodhall (Democratic & Electoral Services Manager)		

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### 10. WEBCASTING INTRODUCTION

The Chairman 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.

### 11. SUBSTITUTE MEMBERS

The Cabinet Committee noted there were no substitute members.

### 12. DECLARATIONS OF INTEREST

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

### 13. MINUTES

#### **Resolved:**

That the minutes of the Council Housebuilding Cabinet Committee meeting held on 23 June 2020 be taken as read and would be signed by the Chairman as a correct record.

### 14. COUNCIL HOUSE BUILDING PROGRESS REPORT - PHASES 2-4

Deborah Fenton, Service Manager, Housing Management and Home Ownership, presented a report to the Cabinet Committee, she advised that the report set out the progress that has been made across phases 3 to 4 of the Council Housebuilding programme that had either been completed, were on-site or were currently being procured.

**Phase 3****Queens Road, North Weald: HR116**

10 x 3 Bed Houses and 2 x 2 Bed Houses

Scheme	Contractor	Site Start	Contract Period	Original Comp. Date
Queens Road	Storm Bld.	07:01:19	83 Weeks	07:08:20
<b>Ant. Comp.</b>	<b>Variation</b>	<b>Contract Sum</b>	<b>Ant. Final Acc.</b>	<b>Variation</b>
30:09:20	6 Weeks	£2,470,493	£2,816,876	£346,383 (14%)

As at the last valuation the contractor was granted an extension of time of 5 weeks due to utility delays which did not as yet attract an extra cost claim. However, there was a further delay of 8 to 10 weeks due to Government Restrictions in place relating to Covid-19 and the consequential effect on the supply chain. There were no cost claim details submitted at this time.

The Current anticipated final account was anticipated to be c£2,850,000

**Phase 4**

Phase 4.1 - Contracted			Programmed SoS	Weeks	Handover
<b>Chequers Road (A), Loughton</b>	HR 124	3x3B units	31:07:20	56	27:08:21
<b>Bushfields, Loughton</b>	HR 122	2x2B units	13:07:20	56	13:08:21
<b>Chester Road, Loughton</b>	HR 130	3x2B units	07:09:20	53	13:09:21
<b>Queensway, Ongar</b>	HR 140	4x1B units	12:10:20	58	26:11:21
<b>Millfield, Ongar</b>	HR 138	2x1B units	12:10:20	58	26:11:21
<b>Totalling</b>		<b>14 units</b>			

The Programmed Start on Site activity had now occurred on Chequers Rd (A) and Bushfields with the other sites to follow shortly. Pre-commencement variations (including the additional works to further address recent rear garden water logging issues on earlier phases) were in the process of being agreed, boundary treatments and drainage outfalls were being reviewed. Non Material and Material Amendment Applications were due to be submitted shortly.

Some Asbestos had been found under the slab at Chequers Rd (A) and a small area of potential ground contamination had been found at Bushfields, the cost of which was anticipated to be within the allowed contingency. Pre-design work was continuing and once finalised, if any further None Material/Material Amendment Applications were required, they would be submitted by the Contractor who was continuing to make progress within the Government Guidelines and restrictions with the aim of minimising any further delays.

The figures below in bold were the latest and set out the movement compared with the figures previously reported. This was down to several issues but mainly the adjustment in contract value following the Contractor Design and Build exercise and



the associated drainage costs reported on previously. There remains a total contingency figure of £128,042.

	Fees	Build Costs	Cont.	Sub Total	Pre-Demo.	Variation
<b>Chequers Rd (A)</b>	114,966 <b>114,164</b>	838,963 <b>857,246</b>	40,000 <b>28,089</b>	993,929 <b>999,499</b>	48,275	<b>+5,570</b>
<b>Bushfields</b>	93,839 <b>91,739</b>	526,518 <b>544,936</b>	30,000 <b>20,003</b>	650,357 <b>656,678</b>	39,050	<b>+ 6,321</b>
<b>Chester Road</b>	105,350 <b>104,115</b>	747,395 <b>788,462</b>	40,000 <b>20,331</b>	892,745 <b>912,908</b>	16,922	<b>+20,163</b>
<b>Queensway</b>	116,390 <b>114,415</b>	914,925 <b>934,483</b>	49,594 <b>35,780</b>	1,080,909 <b>1,084,678</b>	77,639	<b>+3,769</b>
<b>Millfield</b>	92,076 <b>90,662</b>	458,001 <b>476,284</b>	30,000 <b>23,839</b>	580,077 <b>590,785</b>	17,024	<b>+10,708</b>

Phase 4.1 - Comprising			Latest Anticipated Possession	SoS
<b>Hornbeam Close (B)</b> Buckhurst Hill	HR 136	3 x units	14:09:20	26:10:20
<b>Hornbeam House,</b> Buckhurst Hill	HR 137	2 x units	14:09:20	26:10:20
<b>Bourne House,</b> Buckhurst Hill	HR 135	2 x units	14:09:20	26:10:20
<b>Etheridge Road,</b> Debden	HR 127	3 x units	14:09:20	26:10:20
<b>Denny Avenue,</b> Waltham Abbey	HR 144	3 x units	14:09:20	26:10:20
<b>Beechfield Walk,</b> Waltham Abbey	HR 147	5 x units	14:09:20	26:10:20
<b>Kirby Close,</b> Loughton	HR 120	4 x units	14:09:20	26:10:20
<b>Total</b>		<b>22 units</b>		

During a recent pre-commencement meeting the anticipated possession dates and initial start on site dates were presented subject to a further period of c2 – 3 weeks to allow for a staggered start on site. These would be confirmed closer to the anticipated commencement date..

The Tender Report for the 4.2 group of sites was submitted and approved at the CHBCC meeting in June 2020 and the tender prices of £2,160,015 and £4,234,504 which totalled £6,394,519 was accepted with completion some c52 weeks following the Start on Site date.

The Contractor Indecom Limited, was currently engaged in carrying out their Design and Build responsibilities and the Contract was being finalised for signing.

Non Material and Material Applications were being prepared for submission to address any and all known changes that have occurred since the original consent was granted for the various sites.

With regard to the current Government restrictions good progress had been made in these difficult circumstances to continue to progress due diligence and work towards completing the designs so as to minimise any further potential delays.

<b>Phase 4.3 – Comprising</b>		
<b>Pick Hill</b> Waltham Abbey	HR 145	2 x units
<b>Pentlow Way</b> Buckhurst Hill	HR 139	7 x units
<b>Bromefield Court</b> Waltham Abbey	HR 143	1 x unit
<b>Shingle Court</b> Waltham Abbey	HR 147	1 x unit
<b>Stoneyshotts</b> Waltham Abbey	HR 148	1 x unit
<b>Woollard Street</b> Waltham Abbey	HR 149	8 x units
<b>Wrangley Court</b> Waltham Abbey	HR 161	1 x unit
<b>Total</b>		<b>21 units</b>

These above sites have been recently tendered and were now being analysed and would be reported upon in the form of a further Tender Report which will be presented at the next CHBCC meeting in December 2020. Initial indications were that tender price was likely to be just below the Cost Consultants latest forecast.

Due to significant design changes which were necessary to Pentlow Way and Woollard Street, these will be resubmitted for Planning consent.

<b>Phase 4.4 – Comprising: -</b>	
<b>Chequers Road (B), Loughton:</b>	8 x units
<b>Ladyfields, Loughton:</b>	16 x units
<b>Lower Alderton Hall Lane, Loughton:</b>	2 x units
<b>Thatchers Close, Loughton:</b>	1 x unit
<b>Total</b>	<b>27 units</b>

Due to significant design changes and scheme improvements reported previously Chequers Road (B) and Ladyfields will be resubmitted for Planning Consent. These will both be designed to 'Passivehaus' standard 'Fabric First' and Ladyfields will be designed and build to the full 'Passivehaus' Standard incorporating 'Air Source Heat Pump and Heat Recovery System' as a positive response to Councils Climate Emergency and will enable field tests and experience to be gained to better inform the Councils future decision making.

#### **Lower Alderton Hall Drive and Thatchers Close**

Both sites were awaiting consent and have been delayed by the Local Plan and the SAC issues which was hoped to be resolved soon.

It should be noted that a potentially significant change in Planning views had been raised which may considerably affect the CHBP for which further clarification was being sought. The programme was continuing albeit 'at risk'.

In summary to date the total of 84 properties for Phase 4, which now reflected a potential increase in affordable units of 12 extra properties (16.6%) over what had previously been forecasted and approved.

Councillor C C Pond referred to page 18 of the agenda, Phase 5+ and asked if the Officer could explain what the potentially significant change in planning views.

D Fenton advised that it related to an issue regarding what constituted starting on site. Previously with the Council Housebuilding Programme (CHBP) when garage doors were removed, that had been taken as commencement on site, however Planning have done some more research into this matter and have changed their view on what constituted a start on site. To currently continue with the CHBP, albeit at risk, we are awaiting an outcome from Planning for a conclusion and hopefully this will come to the next meeting.

Councillor Bedford stated that the Council need to be more mindful going forward as to when start on site dates were approaching the end of the planning permission some kind of warning mechanism process needs to be put in place to alert officers.

D Fenton advised that she was aware that this process needed to happen and going forward will be using an end of project planned approach so that this issue would not happen again.

Councillor C C Pond advised that he had been contacted by a number of constituents who were interested in the right to buy of new Council houses, despite the conditions relating to the length of tenancy and the amount of discount and I have been prompted by them to ask whether all future Council Housebuilding sites will be developed by EFDC itself and they worry that their right to buy could be abrogated by sites being transferred to third parties.

D Fenton advised that in terms of Council Housebuilding, the Council intend to build out all of the sites that were currently identified. There are a number of other sites that are transferring into Qualis. On these sites there will be a requirement for affordable housing I am not sure how this works as it will be for Qualis and Planning to agree the terms. Therefore to clarify your question all the properties that are or will be built by the Council Housebuilding Programme they will be let on secure tenancies and therefore residents would have the right to buy. Any sites transferred or acquired by Qualis residents of these would not have the right to buy as these will be let on a different tenancy between Qualis and the resident.

Councillor H Whitbread, Chairman clarified that all sites already identified under the Council Housebuilding Programme will be built and owned by the Council and let to residents who qualify for Council housing.

Councillor J Philip stated that any sites owned and built by Qualis would remain under the control of Qualis and these properties would not be liable for right to buy as Qualis would be renting these properties out and controlling who they would rent them out to. The Council may use Qualis as their development agent and they would develop the sites and hand them back to the Council and these properties would be Council housing and liable for right to buy.

Councillor D Wixley asked about Chester Road, as this was in his ward, and about the new approach. Could the officer explain what the difference was between the old approach and the new approach.

D Fenton stated in view of Chester Road officers need to do some work to understand when the planning conditions were discharged and some due diligence to make sure everything was in place to satisfy the planning regulations.

In terms of the new approach there was a report later on the agenda, but essentially what had happened in the past was officers had looked at garage sites, some of these sites have been subject to anti-social behaviour, therefore the Council have decided to build on them and put in for planning permission. Officers have not looked at the immediate area to do with parking stress, planting schemes and the area in general, there had been no work with Members in the early stages of the process and going forward we plan to have more community input, input from Members and look at the immediate area to make sure it was a community where people wanted to live and not just a garage site demolished with a block of flats built on it.

Councillor H Whitbread asked in relation to the impact of Covid, were there any measures ready to be put in place if there was a local lockdown and have officers considered how that would affect the CHBP.

J Cosgrove answered in terms of the Covid-19 the health and safety issues and the site management issues have been considered and fortunately to a large degree outdoor activities are more favourable from Covid-19 restrictions but until you see the type of restrictions they would be put in place it was difficult to predict. The CHBP had managed to maintain some form of construction progress throughout this pandemic although some of the consequences have seen some levels of delay, in particular from the supply chain.

**Decision:**

(1) That the contents of the Progress Report on Phases 3 to 4 of the Council House Building Programme be noted and presented to the Cabinet in line with the Terms of Reference of the Council Housebuilding Cabinet Committee.

**Reasons for Decision:**

Set out in its Terms of Reference, the Council House Building Cabinet Committee was to monitor and report to the Council on an annual basis progress and expenditure concerning the Council House Building Programme. This report sets out the progress made over the last 12 months.

**Other Options Considered and Rejected:**

This report was on the progress made over the last 12 months and was for noting purposes only. There were no other options for action.

**15. PROGRAMME PHASE 5 - NEW APPROACH**

Deborah Fenton, Service Manager, Housing Management and Home Ownership, presented a report to the Cabinet Committee, she advised that the Council House Building Programme (CHBP) had mostly been developed on former garage sites to date. A number of potential sites have been refused planning permission or been withdrawn, partly due to added limited neighbourhood improvement and adding to some degree to local existing parking stress problems.

Many of the previous garage sites that have been developed were of poor quality, unlit and attracted anti-social behaviour. Although the loss of the garage sites had been perceived by local residents as adding to parking stress in the local area, many

of the garages were no longer suitable for parking cars because they were too small and mostly used for storage.

A consultation and community planning process had been proposed to engage with local community representatives to openly discuss where potential development opportunities may exist and to better understand and potentially address local issues that may be required to possibly achieve positive support for further Council Housing development in an area.

Some CHBP developments provide more additional parking than was required and have been left unallocated. However, being mainly small enclosed developments, it was believed that they would be better managed through EFDC licences to local residents allowing improved security and improved community cohesion. This was proposed in a separate report and a new draft policy – Allocation of Surplus Car Parking Spaces Delivered through CHBP.

As a positive response to the Council's Climate Emergency resolution it was proposed to design all future developments adopting the 'Passivhaus' standard – 'Fabric First' as a minimum. This would further improve the thermal standard of the properties reducing the future heating requirements for residents. Given the external wall thickness significantly increases from c300mm to c500mm would establish the base approach and thereby simplify the design process and avoid the need for redesign and potentially resubmitting for planning consent and assist the subsequent contractor to deliver the Design and Build contracts. This was anticipated to add c.3-5% to the current specification build cost.

The adoption of a heat generation and recovery system i.e. an Air Source Heat Pump and Heat Recovery System (ASHP-HRS) would add a further c.6-8% to the current specification build cost. The technology to achieve this was available but there are varying views of its reliability and ease of user operation.

It was therefore beneficial to design all future properties going forward to accommodate 'Passivhaus' standard – 'Fabric First' and to also plan within the design for future retrospective installation of an ASHP-HRS as and when a suitable system was identified.

A new process was proposed for selecting and developing sites for Council Housebuilding based on a collaborative approach involving EFDC colleagues, Essex County Council and community representatives. The purpose was to assess and develop the potential sites using an incremental approach to ensure successful planning applications, developments that improve local neighbourhoods and limiting resource input into sites which are not feasible or supportable for development.

Councillor J Philip asked if the officers had any idea when a suitable heat system would be identified for the heat recovery approach.

J Cosgrave advised in terms of the Passivhaus and the heat recovery there were two separate issues to be addressed the first was improving the thermal efficiency of the building, therefore reducing the need for heat input and under the Passivhaus, Fabric First standard in order to increase and improve the thermal efficiency of the building the external wall thickness needed to increase by c300 millimetres to c500 millimetres. Therefore, over a block of flats, this could amount to approximately 4/56 millimetres to which there was a benefit in adopting the Fabric First standard in order to improve the thermal efficiency of the building and the heat demand going forward in the future. There was also a benefit in securing the planning consent on a size of building that was unlikely to change by therefore accommodating the potential future

sizing of the thermal mass of the building. The second element which was the heat recovery, on Ladyfields we were proposing to do a full Passivhaus project which would involve air source heat pumps and heat recovery, in terms of the carbon capture the heat generation and the heat recovery was the element that responds the greatest to the carbon reduction, for example a gas boiler might emit c70 tonnes of carbon over a c45 year period, by using an air source heat pump and a heat recovery system this could reduce to c5 tonnes of carbon.

There was a problem in that the Council signed up to a climate emergency policy to try and reduce the carbon footprint by 2030, today there was the technology available for heat generation and heat recovery but the performance isn't as effective as advertised and the air source heat pumps are harder to install and have a life expectancy less than that of a gas boiler system. Therefore the proposal was to test drive on Ladyfields so we can start to gain some practical experience in the delivery of this system. Also the heat generation and heat recovery needs to be looked at in the 6,500 Council house stock to make a meaningful reduction in carbon across the district. The technology was there but it was not a reliable source of technology that you could say was not going to be defect free over the next 20 or 30 years, and that was a key concern.

Councillor J Philip asked if the technology would be there in 1-2 years to be able to install or were the Council looking at 5+ years to where they would be in a position to where the market thinks that the heat recovery technology will be at a level that could be used successfully.

J Cosgrave replied that the market was quite dynamic at the present time and within the next 2 to 5 years you will see some leaders appear, this was not just a UK initiative this was a worldwide initiative and in the next 2 to 5 years you will start to see some stabilisation in the technology.

Councillor H Whitbread asked how cost effective this system was and how it compared to other options which we might have applied earlier.

J Cosgrave replied in terms of the Fabric First, it adds approximately 3 to 6% in terms of the build cost but long term the buildings will be more thermally efficient.

D Fenton stated that on the Ladyfields site, to make sure it was financially feasible, officers have done a cost feasibility study over 30 years. Usually when officers are looking at Council housing and what it would return to the Council we calculate over 30 years which was the standard business plan, so using the Passivhaus standard it would return a small profit which was really positive because there was an additional cost. Going forward with all schemes that go to the Council Housebuilding Cabinet Committee for approval a financial analysis would accompany the report so that Members would be able to see what the outcome was in terms of the internal rate of return for the Council over the 30 years of the business plan.

Councillor N Bedford advised in March 2019 it was confirmed by the Government that no new house builds from 2025 were allowed to have gas boilers installed, therefore we have to move forward and have to adopt the new technology. He stated that he had seen some of the technology in place where they were installing heat recovery systems and with this new technology they do not have to dig trenches across fields to lay the pipework they bore down into the ground to a certain depth and then the pipes are capped off. There was potential there for the Council to move forward and adopt the new technology which will be advantageous for the Council.

Councillor D Wixley asked if all the Council new build sites would have electric charging points for electric vehicles and were they going to have solar panels.

J Cosgrave replied that on sites where there was permitted parking PV's would be installed and also where permitted solar panels on the roofs. As you are aware EFDC were developing a green and blue sustainable policy which we are trying to embrace and going forward in terms of the efficiency of these properties.

Councillor C C Pond asked Members if they could give an assurance that flammable Installation systems will not be installed in any of the Councils new builds.

J Cosgrave replied in terms of flammable and due to recent events for example Grenfell Tower and a Car Park in Liverpool, next to the arena, it was strongly expected that there was going to be a rigorous change in the terms of building regulations. From the Councils point of view all materials used must be of a high standard of safety.

Councillor H Whitbread stated that she was happy to see the Council moving away from garage sites, as they had caused a lot of issues over the years and that EFDC were taking a fresh approach with their commitment to continue building council houses.

**Decision:**

- (1) That the Council adopts a new approach that involves early engagement with local community representatives;
- (2) That a new process for future CHBP site assessments based on a collaborative and incremental approach be agreed; and
- (3) That all future developments going forward be designed in line with the 'Passivhaus' standard – 'Fabric First' approach as a minimum and to accommodate future retrospective installations of Low Carbon Heat Generation and Heat Recovery Systems as and when suitable systems are identified.

**Reasons for Decision:**

To reduce time delay and cost to improve speed and effectiveness of bringing forward supportable development in CHBP.

To recognise and support the Council's Climate Emergency resolution by improving the thermal efficiency of the new properties and future proofing the design to accommodate evolving low carbon heat generation and recovery systems.

**Other Options Considered and Rejected:**

Not to set up a new process and continue with the current approach. This would not address the current issues that have been identified with identifying and developing new sites, leading to delays and increased costs and abortive costs.

Not to introduce the introducing the 'Passivhaus' standard – 'Fabric First' as a minimum on all developments and not to design the new properties to accommodate future retrospective installation of low carbon heat generation and heat recovery systems. This would not provide thermal efficiency improvements on the new

properties and make future retrofitting of technology to improve carbon emissions more problematic and costly.

## 16. POLICY FOR THE ALLOCATION OF SURPLUS CAR PARKING SPACES

Deborah Fenton, Service Manager, Housing Management and Home Ownership, presented a report and draft policy regarding the allocation of surplus car parking spaces provided by the Council Housebuilding Programme. She advised the Cabinet Committee that the policy aimed to bring clarity and consistency to how surplus car parking spaces from newly built Council housing developments could be allocated to local residents in the surrounding areas and managed by Council staff.

The number of parking spaces provided to these Council housing developments would be determined by the parking standards in the emerging Local Plan, influenced by public transport accessibility and other local issues.

The Council were proposing that applicants to the new Council housing developments would be allocated car parking spaces in accordance with the parking standards as specified by the planning obligations.

The remainder of those car parking spaces, if applicable, would be advertised and allocated to residents in the surrounding areas of the development in accordance with the allocation and eligibility criteria which was specified in this report.

The application rules would also determine process of allocation, including payment and enforcement.

It should be noted that some of the Council housing developments may be car free schemes and in these cases, relevant details will be included in the s106 agreement. It was important that housing applicants were notified that these new developments were car free schemes and off-street parking spaces would not be allocated at any time. Alternative responses would be explored where applicable and may include working with car club providers.

The draft policy was attached to the Agenda starting on page 55.

Councillor N Avey stated that given all the parking problems in the district he really welcomed this initiative. He asked if people were offered and accepted a property in a development which had no provision for a car, would they then get accepted into this surplus car parking scheme.

D Fenton advised that some of the schemes would be car free and if there were no car parking spaces then the Council would not be able to allocate them. The Council were taking a holistic approach to what they were building and would not be building sites that will cause parking stress in the immediate area.

Councillor J Philip stated that the Council should be looking to construct sites that include additional parking, as stated in the Local Plan, to minimise the amount of traffic on the roads as the more car parking there was the more traffic there was. If there were any extra spaces on site this could be looked at to get another building on the site and not additional car parking.

Councillor D Wixley stated that parking was a problem and always would be but a lot of people who drive company utility vehicles and have to bring them home, there was a need for parking and these individuals were not allowed to use these vehicles for private use, so it has to be taken into account that these residents do need to be able to park as part of their work.



Councillor J Philip advised that one of the main contributors in the district for climate change was traffic and therefore the amount of cars that we have, I was not saying that the Council should build on sites with no parking provision but that no extra parking should be provided when constructing houses.

Councillor D Wixley asked if the provided parking spaces were going to have lockable barriers so that would ensure those who have permits for a particular space would be able to use that space, it would be secure and would solve the problem of somebody else parking there.

J Cosgrave advised that the extra parking spaces would have bollards so that they could be controlled.

Councillor C C Pond stated that he agreed with the recommendations, car free zones and car free developments but recently the residents of Joan Davis and Churchill Courts, the new development in Burton Road, Loughton were not adequately warned about the lack of car parking at these sites. I raised this issue at the last Council Housebuilding Cabinet Committee meeting and officers advised that they would be looking into reallocating some of the car parking spaces in Torrington Drive to the residents of Joan Davis and Churchill Courts as this was causing considerable distress to the residents.

The housing allocation officers need to strongly advise new or prospective residents of Council properties that have none or very little parking as after speaking with residents of Joan Davis Court they advised that it was only a passing comment which was given orally, they were given nothing in writing regarding the shortage of parking in their tenancy letters.

D Fenton advised that she would discuss this with the housing officers to see what processes they have in place going forward. In terms of Torrington Drive officers were still working on that and we are planning to allocate some parking spaces. Rachel Smith was the officer dealing with that task and I will ask her to update you.

Councillor N Bedford asked if the Council could look at designing out the problem on the kerb parking. On an estate in North Weald residents are given an allocated amount of parking but still end up parking on the pavements. We need something put in place to stop people parking on the pavements.

J Cosgrave replied that this was a national problem as Council estates were designed pre extensive car use. Raising the kerbs was a practicable solution, but if the cars were not parking on the kerb they would find somewhere else to park which was displacement. It was a complicated matter, some households could accommodate off street parking, even some of the freehold houses but looking at the costs that Essex County Council charge to put in a dropped kerb was very high and that was something I would like to engage in with Essex County Council to try to make some of these solutions more affordable and cost effective.

**Decision:**

- (1) That the Council reviews and adopts the Policy for Allocating Surplus Car Parking Spaces Provided by the Council Housebuilding Programme; and
- (2) That the Council adopts and implements the allocation and eligibility criteria including the advertising, selection/allocation, licencing/charging of parking permits and enforcement of surplus car parking spaces.

**Reasons for Decision:**

It was agreed previously that these surplus car park spaces should remain unallocated. However, since these developments are mainly in (not exclusively) internal private, unadopted court yards, it has been assessed that this may lead to anti-social behaviour and community tensions. Therefore, adoption of an allocation procedure that would better provide long term control, a more secure and safer environment was recommended.

**Other Options Consider and Rejected:**

To continue to leave those surplus car parking spaces unallocated. This may lead to loss of community engagement and support because of the potential for anti-social behaviour problems these unallocated spaces may attract.

**17. POLICY FOR LICENCING AND GRANT OF PERMANENT RIGHTS OF WAY/ACCESS**

Deborah Fenton, Service Manager, Housing Management and Home Ownership, presented a report and draft policy regarding the Licencing and Grant of Permanent Rights of Way/Access for the Council House Building Programme and recommended that the Council adopted the policy.

The policy was required to prevent the creation of unauthorised rights of way/accesses across Council land which had led to legal proprietors acquiring an easement either by prescription or quasi easement. This had led to the requirement for the Council to compensate proprietors whose rights of way/accesses are permanently or temporarily closed on development sites under the CHBP.

A review of the current licensing system was recommended to agree a new form of Licence for Rights of Way/Access. This review would also consider the level of the annual licence fee to ensure it was reflected at a financially realistic relationship to the permanent sale price of the Right of Way/Access in order that the licence fee value was reflective of the value and consistently applied.

The creation of a central data base was recommended which would record issued licences and sale agreements for permanent Rights of Way/Access including a notification process for all relevant Council departments/teams.

Going forward a system for the annual monitoring and review of licences as well as regular site inspections to regulate and prevent the creation of unauthorised rights of way/accesses.

Councillor J Philip referred to page 64 of the agenda, paragraph 7 'the cost of which is to be borne equally by both parties, but the instruction is to be made jointly by EFDC.' I believe this could just be a minor error and the word 'jointly' should read 'solely' and therefore would like some clarification.

J Cosgrove replied that the wording was correct as valuations were carried out on a joint instruction by agreement with the resident so the valuer offers an equal duty of care to both EFDC and the resident. The reason for doing it this way was to avoid the circumstances where EFDC would get three valuations and the resident would also get three independent valuations and then you would be in a position where you would have to negotiate whose valuation was correct, this method was a much more realistic way of reaching a valuation which was satisfactory to EFDC and the resident.

Councillor J Philip stated that he understood the reasoning now that it had been explained but that paragraph 7 did not read correctly. He was also concerned that the wording in the draft policy was the same as paragraph 7 on the report.

Councillor H Whitbread asked the officers to tighten up the wording in the draft policy so that it gave a clearer explanation.

**Decision:**

- (1) That the Council adopts a new policy for the Licencing and Granting of Permanent Rights of Way/Access for the Council House Building Programme subject to clarification of paragraph 4.6 on the draft policy;
- (2) That an audit be carried out to review of the current licencing arrangements and fees charged;
- (3) That a central database be created to maintain a notification system for issued licences and sale agreements for permanent rights of way/accesses; and
- (4) That an annual monitoring and review of licences be carried out and regular site inspections to regulate and prevent the creation of unauthorised rights of way/access.

**Reasons for Decision:**

To prevent the creation of unauthorised rights of way/accesses and to formalise the process for managing the issuing of licences and permanent rights of way/access going forward.

**Other Options Considered and Rejected:**

Not to implement the new policy. This will perpetuate the unauthorised creation of rights of way/accesses to the financial and reputational detriment of the Council.

**18. ANY OTHER BUSINESS**

The Cabinet Committee noted that there were no other matters of urgent business for consideration.

**19. 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**

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## **Report to the Cabinet**

**Report reference:** C-034-2020/21  
**Date of meeting:** 16 November 2020



**Portfolio:** Housing and Community - Cllr H Whitbread  
**Subject:** Income Recovery Strategy and Policy  
**Responsible Officer:** Deborah Fenton (01992 564221).  
**Democratic Services:** Adrian Henry (01992 564246).

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### **Recommendations/Decisions Required:**

**That the Cabinet agrees to the adoption and implementation of the updated Income Recovery Strategy and the Income Recovery Policy which set out Epping Forest District Council's approach to the maximisation of income and recovery of rent arrears ensuring compliance with current legislation and recognised best practice.**

### **Executive Summary:**

An Income Recovery strategy and Policy are required in order to give direction to the Income Recovery Service, conveying clear and consistent messages about the service ethos to staff, tenants and other stakeholders.

The Income Recovery Strategy and Policy draw upon the previous Strategy on Rent Arrears which was considered and endorsed by the Council's Housing Scrutiny Panel on 21<sup>st</sup> October 2014 and approved by the Housing Portfolio Holder in November 2014.

The overall aim of the Income Recovery Strategy and Income Recovery Policy is to focus on prevention, allowing the Council to maximise rent collection, minimise tenant debt and enable tenants to maintain their tenancy wherever possible.

Our strategy exceeds the obligations under the pre-action protocol, as we are now taking a holistic view and focusing on a one to one approach. This has been piloted during the Covid 19 period, and has been very successful in identifying those people who need help, whilst driving down rent arrears.

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

The prevention and effective management of rent arrears is critical in terms of maximising the resources available to the Housing Revenue Account, so that the Council can maintain and continue to improve existing council stock, fund the development of new stock and continue to provide good quality service to customers. This Income Recovery Strategy has been formulated in consultation with representatives of the Epping Forest District Tenants and Leaseholders.

**Report:**

1. Rental Income Recovery is critical in enabling the Council to maximise the resources available to the Housing Revenue Account, so that we can maintain and continue to improve our stock, fund the development of new stock and continue to provide a good quality service to customers.
2. The intention is to focus our resource where it is vital in supporting our most vulnerable tenants, whilst encouraging and embedding a payment culture amongst the majority of tenants.
3. The Council understands the high cost to both the customer and the organisation of evictions and as such will aim to minimise the number of tenancies that end due to rent arrears.
4. The Council's overall approach to maximising rental income is:

To prevent tenants from falling into arrears with their rent by allocating properties appropriately and providing reasonable support and assistance to those customers at risk of not paying their rent.

Where this preventative action fails, the Council will take action quickly and decisively to enforce the payment of rent in accordance with the tenancy agreement and will ultimately seek to end a tenancy.

Tenants who are evicted for rent arrears cannot re-join the housing register; however they can make a homeless application.

**Resource Implications:**

None

**Legal and Governance Implications:**

The Strategy and Policy have been written in order to comply with the Possession claims based upon rent arrears', part 2 of 'Pre-Action Protocol for Possession Claims by Social Landlords' Civil Procedure Rules.

**Safer, Cleaner and Greener Implications:**

None

**Consultation Undertaken:**

Initial consultation has been undertaken with the Portfolio Holder.

The Strategy and Policy have been endorsed by the Tenants Federation on 13<sup>th</sup> August 2020.

**Background Papers:**

N/A

**Risk Management:**

The Income Recovery Strategy and Policy provide a framework promoting a consistent approach to the recovery of rent arrears within the Council's social housing stock. They draw on best practice by adopting a firm but fair approach to income recovery with an emphasis on tenancy sustainment.

**Equality Analysis:**

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



# Equality Impact Assessment

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

## Section 1: Identifying details

Your function, service area and team: Housing & Property Services

If you are submitting this EqIA on behalf of another function, service area or team, specify the originating function, service area or team: N/A

Title of policy or decision: Income Recovery Strategy and Income Recovery Policy

Officer completing the EqIA:

Deborah Fenton : Service Manager -Housing Management and Home Ownership Ext 4221  
Email: dfenton@eppingforestdc.gov.uk

Date of completing the assessment: 16/09/2020

## 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? Yes
2.2	<p>Describe the main aims, objectives and purpose of the policy (or decision):</p> <p>The previous Arrears Strategy required refreshing and dividing in to a Strategy and associated Policy in order to provide a framework within which Officers can operate to maximise the income to the Housing Revenue Account.</p> <p>What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?</p> <p>An agreed Income Recovery Strategy and Policy fit for purpose.</p>
2.3	<p>Does or will the policy or decision affect:</p> <ul style="list-style-type: none"><li>• service users</li><li>• employees</li><li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li></ul> <p>No. There will be broad continuity of existing arrangements.</p> <p>Will the policy or decision influence how organisations operate?</p> <p>No</p>
2.4	Will the policy or decision involve substantial changes in resources? No

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>The Strategy and Policy support the Corporate outcome:</p> <p>Improving the District housing Offer</p>
-----	--

### **Section 3: Evidence/data about the user population and consultation<sup>1</sup>**

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? N/A
3.2	<p>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?</p> <p>Consultation took place with the Tenants Federation on 13<sup>th</sup> August 2020 who endorsed the strategy and Policy.</p>
3.3	If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary: N/A

## Section 4: Impact of policy or decision

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

<b>Description of impact</b>	<b>Nature of impact</b> Positive, neutral, adverse (explain why)	<b>Extent of impact</b> Low, medium, high (use L, M or H)
Age	N/A	
Disability	N/A	
Gender	N/A	
Gender reassignment	N/A	
Marriage/civil partnership	N/A	
Pregnancy/maternity	N/A	
Race	N/A	
Religion/belief	N/A	
Sexual orientation	N/A	

## Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqlA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input checked="" type="checkbox"/>	
		Yes <input type="checkbox"/>	If ' <b>YES</b> ', use the action plan at <b>Section 6</b> 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: D.Fenton

Date: 16/09/2020

**Advice**

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

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# Income Recovery Policy

## 2020

## Contents

1. Policy statement	3
2. Scope and purpose	3
3. Related documents and procedures	3
4. Preventative approach	4
5. Rent arrears recovery	5
6. General approach	5
7. Legal remedies	5
8. Regulatory and legal considerations	6
9. Review and monitoring	6

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## **1. Policy statement**

- 1.1. Rental Income Recovery is critical in enabling the Council to maximise the resources available to the Housing Revenue Account, so that we can maintain and continue to improve our stock, fund the development of new stock and continue to provide a good quality service to customers.
- 1.2. The Council understands the high cost to both the customer and the organisation of evictions and as such will try to minimise the number of tenancies that end due to rent arrears.
- 1.3. The Council's overall approach to maximising rental income is:
  - 1.3.1. To prevent tenants from falling into arrears with their rent by allocating properties appropriately and providing reasonable support and assistance to those customers at risk of not paying their rent.
- 1.4. Where this preventative action fails, the Council will:
  - 1.4.1. Take action quickly and decisively to enforce the payment of rent in accordance with the tenancy agreement and will ultimately seek to end a tenancy.

## **2. Scope and purpose**

- 2.1. The purpose of this policy is to set out the Council's approach to maximising rental income through the prevention and recovery of current rent arrears. The scope encompasses the management of this activity and includes tenants, staff, partners and all related processes.
- 2.2. The reference to rent throughout the Policy is inclusive of service charges where these are payable.

## **3. Related documents and procedures**

- 3.1. The Council funds two Citizens Advice Bureau Debt Advisors each year to assist tenants dealing with debt issues.
- 3.2. Section 2 of the Council's Standard Tenancy Agreement (as amended 1 April 2014), states in respect of rent, and other charges that rent is payable fortnightly in advance and that two weeks inclusive rent is payable prior to the commencement of each fortnight.
- 3.3. The Council's Housing Allocations Scheme sets out its Local Eligibility Criteria with which applicants need to comply in order to be included on the Housing Register. The aspect that relates to this Policy is Paragraph 14.8 which states (in part) that any tenant in serious rent arrears will not be eligible.
- 3.4. The Council's Tenancy Policy explains that all new tenancies (excluding sheltered tenancies) will be 10-year flexible fixed term secure tenancies. In respect of Flexible (fixed term) Tenancies, at the end of the term Tenants are assessed against an Assessment Criteria which is set out in the Policy. The aspect of the Criteria that relates to this Policy is that any Flexible (fixed term) Tenant who has persistent arrears of rent will not be granted a further tenancy.

## 4. Preventative approach

- 4.1. Offer of accommodation
  - 4.1.1. New tenants are advised of their rent liability and that payment for the first fortnight's rent is due when they sign up for their tenancy.
- 4.2. Tenancy agreement
  - 4.2.1. Tenants are advised of the duty to pay rent and service charges in line with the tenancy agreement: fortnightly in advance. Advice on payment options is given on sign up and tenants are encouraged to pay by Direct Debit or online where possible.
  - 4.2.2. Advice on housing benefit or universal credit is offered at sign up to ensure that any application is submitted in a timely manner.
- 4.3. Tenant profiling
  - 4.3.1. We seek to identify the households who may need support from the start of their tenancy and consider what is likely to be the most effective support for them. We will use both the tenancy sustainability resource within the Income Recovery Team and our partner support agencies to work with these households to carry out preventative advice, support and guidance.
- 4.4. Rent statements
  - 4.4.1. Quarterly rent statements are issued (which may be via electronic format) in addition to the annual rent increase notifications. Rent statements are provided on request.
- 4.5. Communication
  - 4.5.1. The Income Recovery Team continues to communicate with customers via their preferred method of contact which includes letters, telephone calls and emails so that the management of their rent account is undertaken in an efficient and effective manner.
  - 4.5.2. The work of our tenancy sustainment partners is actively promoted so that our customers are encouraged to seek appropriate money management advice and guidance where necessary.
  - 4.5.3. We also promote the need to pay on time for our customers through campaigns of awareness raising, so that our customers continue to be encouraged to give their rent payments a high priority and make payments in a timely manner.
- 4.6. Visits
  - 4.6.1. Income Recovery Officers are committed to taking the service to the customer and will carry out interviews within the customers own home by default. This gives the opportunity to detect any safeguarding issues or vulnerabilities which might not be as apparent through an office visit.

## **5. Rent arrears recovery**

- 5.1. Where preventative measures have failed, the Council will take timely, decisive action in the recovery of the debt.
- 5.2. Auto escalation
  - 5.2.1. There is an automatic escalation of low-level rent arrears management with an associated portfolio of letters up to Notice of Seeking Possession stage. Income Recovery Officers are responsible for checking and managing this early stage of the recovery process.
- 5.3. Other policies which support the Income Recovery Policy:
  - 5.3.1. Tenants are only permitted to rent / keep a council garage if they maintain a clear rent account.
  - 5.3.2. Discretionary improvements to council properties are postponed until the tenant has a clear rent account.

## **6. General approach**

- 6.1. The Council will expect low level debts to be cleared in a single payment and will only agree to instalments where the tenant can demonstrate their inability to pay in a single payment. For higher level debts, the Council will accept repayment by instalment and will make agreements taking into account the tenant's personal circumstances and the time in which the debt will be paid in full.

## **7. Legal remedies**

- 7.1. Where agreements to repay a debt are not maintained, the Council will take court action in order to recover the debt. In most circumstances, this will be possession action. The decision will be made by the Income Recovery Team Manager. The Council will always request that the court costs are awarded against the tenant and that a Money Judgement is included in the order.
- 7.2. If a Suspended Possession Order is granted and subsequently breached by the tenant, no more than one opportunity will be given for the tenant to remedy the breach. Should the breach not be rectified quickly or if the order is breached on more than one occasion an application will be made to the County Court for a warrant for eviction.
- 7.3. The Council will oppose any application to stay the execution of the warrant. Once an eviction warrant has been raised, the Income Recovery Team Manager may only consider withdrawing the eviction on the payment of all outstanding arrears and costs.

## 8. Regulatory and legal considerations

- 8.1. This Policy and the corresponding work instruction procedures comply with the Possession claims based upon rent arrears', part 2 of 'Pre-Action Protocol for Possession Claims by Social Landlords' Civil Procedure Rules.

## 9. Review and monitoring

- 9.1. The success of this Policy and associated procedures is measured by:
- Measuring the level of current rent arrears owed to the Council on a monthly basis against annually set KPIs; and
  - Monitoring the number of evictions for non-payment of rent on an annual basis.
- 9.2. We will keep our rent arrears procedures under constant review to ensure that they remain robust and current.
- 9.3. A formal review of this Income Recovery Policy will be undertaken in consultation with the Epping Forest Tenants and Leaseholders' Panel in five years along with the Income Recovery Strategy.

### Version control

Version no.	Date	Details of changes included in update	Author
0.1	June 2020	First draft	Income Recovery Team Manager
0.2	August	Final draft	"

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Housing and Property Service  
Epping Forest District Council  
Civic Offices, High Street, Epping, Essex CM16 4BZ

[www.eppingforestdc.gov.uk/housing](http://www.eppingforestdc.gov.uk/housing)

June 2020

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# Income Recovery Strategy

2020

## Contents

1. Aims and objectives	3
2. Introduction	3
3. Related documents / statutory requirements	4
4. Background to Income Recovery	4-5
5. Client Consultation, Information and Involvement	6
6. Actions / Targets (KPIs)	6
7. Reviewing and monitoring	7

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## 1. Aims and objectives

- 1.1. The overall aim of the Income Recovery Strategy comprises a focus on prevention, allowing us to maximise rent collection, minimise tenant debt and enable tenants to maintain their tenancy wherever possible. We are committed to keeping outstanding current and former rent arrears to a minimum through a combination of preventative and remedial actions executed in a firm but fair manner.
- 1.2. We are committed to working with other statutory and voluntary agencies to agree effective measures to prevent rent arrears and former tenant arrears from occurring in the first place and to support our vulnerable tenants.
- 1.3. This Strategy aligns with the higher-level Corporate Plan aims:
  - Strategic aim one: Stronger Communities
  - Strategic aim two: Stronger Place
  - Strategic aim three: Stronger Council

The Council will provide for an efficient and effective income recovery service in order to meet its objectives to create stronger communities, stronger place and a stronger council.

- 1.4. We believe that tackling rent arrears is a key part of delivering sustainable communities and improving the quality of life of our residents.

## 2. Introduction

- 2.1. This Income Recovery Strategy gives direction to the Income Recovery Service and links to the strategic framework of our council. This strategy, along with the Income Recovery Policy, will convey clear and consistent messages about our service ethos to staff, tenants and other stakeholders
- 2.2. This Income Recovery Strategy draws upon the previous Strategy on Rent Arrears which was considered and endorsed by the Council's Housing Scrutiny Panel on 21 October 2014 and approved by the Housing Portfolio Holder in November 2014.
- 2.3. The prevention and effective management of rent arrears is critical in terms of maximising the resources available to the Housing Revenue Account, so that the Council can maintain and continue to improve existing council stock, fund the development of new stock and continue to provide good quality service to customers. This Income Recovery Strategy has been formulated in consultation with representatives of the Epping Forest District Tenants and Leaseholders' Panel.

### 3. Related documents / statutory requirements

3.1. The Housing Income Recovery Policy underpins this strategy and there are associated processes and work instructions which give guidance to staff.

3.2. The relevant statutory requirements for recovery of rent arrears are as follows:

- Welfare Reform Act 2012 including:
  - Withdrawal of the spare room subsidy for social tenants;
  - Introduction of the Benefit Cap; and
  - Introduction of Universal Credit.
- Data Protection Act 1998 and GDPR 2018:
  - The protection and use of personal data held by the Council.
- Housing Act 1996:
  - Discretionary powers to operate an Introductory Tenancy Scheme.
- Housing Act 1985:
  - Notice of proceedings for possession or termination (Section 83);
  - Grounds and orders for possession (Section 84);
  - Variation of terms of tenancy (Section 102 & 3);
  - Provision of information and consultation (Section 104);
  - Consultation on matters of housing management (Section 105); and
  - Variation of rent (Section 102b).
- Protection from Eviction Act 1977:
  - Requirement of landlord to apply to Court before regaining possession; and
  - Any Notices served must give the tenant 28 days' notice.
- Human Rights Act (Articles 6, 8, and 14):
  - Rights of a fair trial, respect for private family life, home and correspondence.
- Civil Procedure Rules:
  - Rent Arrears Pre-action Protocol.

### 4. Background to Income Recovery

4.1. The phased introduction of Universal Credit introduced via the Welfare Reform Act 2012 has impacted greatly on the Housing Revenue Account income stream. Epping Forest District Council (EFDC) began live service in September 2017, initially with new simple single claimants. Full service was introduced in December 2018 after which all new claimants and all of those registering a change in circumstances were required to claim Universal Credit. Claimants are paid monthly in arrears, there is an initial 5-week delay in the receipt of the benefit and for many Claimants the concept that the housing element of their claim is no longer paid direct to the Council is a novel one.

4.2. The Income Recovery team has ensured that relationships have been developed with the local job centre Manager and that the District is represented at the Department of Work and Pensions (DWP) regional meetings to collect best practice and tips from other organisations. The Income Recovery Team also takes part in the EFDC Universal Credit Mitigation Group which meets quarterly, and the Multi Agency Centre meetings which are held regularly at Waltham Abbey Museum.

4.3. Historically housing management services within EFDC were delivered from within geographical teams. This suited our business at the time; however, during the recent service structure review it was agreed that the housing management function should be executed along workstreams rather than geographically and generically. One of the key drivers for this change was that the generic housing management officer model, consisting of conflicting priorities, undermined the ability of staff to focus on critical functions such as income recovery.

4.4. Current Structure and Resource

In February 2020 the housing management functions were divided in to three teams dealing respectively with Income Recovery, Neighbourhoods and Estate and Land. The Income Recovery Team is now based at the Civic Offices at Epping and is responsible for the income recovery from all council owned stock in the District. Supported by a Team Manager, the team comprises 6.5 full time equivalent officers including a Lead Income Recovery Officer all of whom are exclusively focused on recovering rent and other housing management charges. The team is supported by a Housing Support Officer.

4.5. Performance Statistics

The table below sets out the Council's last four years performance on rent arrears and former tenant arrears:

<b>Rent Arrears &amp; Former Tenant Arrears Collection</b>				
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
HP01 - Rents collected as a proportion of rents owed	100.33%	100.22%	100.40%	100.41%
HP02 - Current rent arrears as a % of total rent debit (excluding voids)	1.91%	1.44%	1.50%	1.81%
HP03 - Amount of former tenant arrears collected per annum	£92,637	£66,887	£79,120	£110, 770

## 5. Client Consultation, Information and Involvement (Statutory Requirement)

5.1. The way in which tenants will be consulted, informed and involved with regard to the Council's Strategy on Income Recovery in accordance with the Housing Act 1985 is as follows:

- Consultation with the Epping Forest Tenants and Leaseholders' Panel;
- Information to tenants in publications e.g. Housing News, Annual Report;
- Information published on the Council's website;
- Quarterly liaison meetings with the Citizens Advice Bureau;
- One to one consultation with tenants; and/or
- Changes in policy through The Cabinet or Housing Portfolio Holder.

## 6. Actions / targets (KPIs)

6.1. The performance for rent arrears recovery for 2019/20 together with the proposed key targets for the following five years is detailed in the table below.

The plan of action is to monitor the KPIs over time to gain an accurate picture of progress towards our strategic aims of preventing arrears, maximising rent collection, minimising tenant debt and enabling tenants to maintain their tenancy.

Key Targets and Performance						
	2019/20 Actual	2020/21 Target	2021/22 Target	2022/23 Target	2023/24 Target	2024/25 Target
HP01 Rents collected as a proportion of rents owed	100.41%	100%	100%	100%	100%	100%
HP02 Current rent arrears as a % of total rent debit (excluding voids)	1.81%	1.80%	1.75%	1.70%	1.65%	1.60%
HP03 Amount of former tenant arrears collected per annum	£110,770	£70,000	£70,000	£70,000	£70,000	£70,000

## 7. Review and monitoring

- 7.1. The Income Recovery Strategy will be reviewed by the Council's Stronger Communities Select Committee following five years of operation in consultation with the Epping Forest Tenant and Leaseholders Panel, who shall recommend any changes to the Council's Cabinet.

DRAFT

### Version control

Version no.	Date	Details of changes included in update	Author
0.1	June 2020	First draft	Income Recovery Team Manager

Housing and Property Service  
Epping Forest District Council  
Civic Offices, High Street, Epping, Essex CM16 4BZ

[www.eppingforestdc.gov.uk/housing](http://www.eppingforestdc.gov.uk/housing)

June 2020



## **Report to the Cabinet**

**Report reference:** C-035-2020/21  
**Date of meeting:** 16 November  
2020



**Epping Forest  
District Council**

**Portfolio:** Housing & Community Services – Cllr H Whitbread

**Subject:** The More than Bricks and Mortar Estate Improvement Scheme ~ EFDC creating great places where people want to live’.

**Responsible Officer:** Rachel Smith (01992 564168 Ext 2710).

**Democratic Services:** Adrian Hendry (01992 564246).

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### **Recommendations/Decisions Required:**

**(1) That Cabinet agree the principles of the *More than Bricks and Mortar Estate Improvement Scheme ~ Creating Great Places where People want to Live.***

**(2) That in the first instance, Cabinet agrees to pilot the scheme on Council Housing Revenue Account (HRA) housing estates who enjoy fully constituted residents’ groups.**

### **Executive Summary:**

At its meeting of 20<sup>th</sup> July 2020, Cabinet approved a full review of service charges across the District, after analysis showed an under recovery of service charges in 2019/20. Cabinet agreed that a further paper be presented to Cabinet in September 2020 to agree proposals for introducing a fair and consistent approach to service charging for tenants living in flat blocks. Cabinet were also asked to consider ring fencing the revenue generated from its new charging regime, for investment upon the Council’s HRA housing estates. This process is now nearing completion with the estimated amount of under recovery at £600K, year on year. Subject to Cabinet agreement this will be used to improve our Housing Revenue Account (HRA) housing estates. To this end, Cabinet agreed the development of the *More than Bricks and Mortar Estate Improvement Scheme ~ Creating Great Places where People want to Live.*

The *More than Bricks and Mortar Estate Improvement Scheme*, signals a new way of thinking about, talking about and making decisions about the Council’s HRA housing estates.

The aim of the scheme is to work with residents on a range of estate projects aimed at improving their look, feel and lived experience, with focus on the communal living environment.

At the heart of the scheme is a clear statement of intent about the Council’s commitment to affirm our estates as integral to the Council’s long term vision for the District, where our estates are viewed as privileged parts of the District and to celebrate our estates as great places where people want to live. This is particularly key at a time when due to the

Coronavirus pandemic residents are spending larger amounts of their time at home.

The report explains how the Council might work with residents to better understand specific estate needs and aspirations, thereafter, creating resident centred “wish lists” of estate improvements from which tailored estate improvement plans may be agreed. Where funding is required to realise specific projects, the report sets out the proposed mechanism for approval.

It is proposed that a *More than Bricks and Mortar Estate Enhancement Scheme* guidebook be produced to detail the wealth of inspiring initiatives that our residents and Estate Officers bring to fruition through the scheme. Primarily this will serve to demonstrate to residents from other estates what might be possible and to ignite imaginations, but will also help the Council better realise a variety of ad hoc funding and partnership opportunities that may be accessed, to help make our estates great places where people want to live.

Whilst this scheme is about giving choice to residents, enabling them to shape their own communities, the Council has a duty to protect its assets and safeguard the health and safety of our residents, as such residents will be given guiding principles to work within when proposing any upgrades to their estates.

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

To develop a scheme that delivers a programme of estate enhancements on HRA housing estates, in partnership with residents, and which supports the Council’s ambition to create great estates where people want to live.

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

- (1) To agree a different set of principles.
- (2) Not to restrict the pilot to only HRA housing estates with fully constituted residents’ groups.

#### **Report:**

1. The *Social Housing Green Paper: A “new deal” for social housing*, published on the 14<sup>th</sup> August 2018, aims to rebalance the relationship between landlords and residents, tackle stigma and ensure social housing can act as a stable base and support social mobility. The Green Paper states that “*the homes we live in are so much more than bricks and mortar. They’re where we raise our families, put down roots and build communities. Everyone in this country deserves not just a roof over their head, but a safe, secure and affordable place to call their own – and social housing has a vital role to play in making sure they do*”, furthermore “*the design and quality of homes and their surrounding area is important to wellbeing, integration and tackling stigma*”.
2. Whilst the design, quality of homes and their surrounding area is certainly at the heart of decision making for new Council estates built through the Council’s housebuilding programme, some of the Council’s older housing estates have not enjoyed the same level of consideration, nor significant investment of time nor funds aimed at improving their look, feel and living experience. Consequently, a number of our estates now appear tired and outdated, stigmatising those who live there and undermining the propensity to achieve sustainable communities. These estates are not viewed as great estates where people want to live and do not support the Council’s ambitions.

3. At its meeting of 20<sup>th</sup> July 2020, Cabinet approved a full review of service charges across the District, after analysis showed an under recovery of service charges in 2019/20. Cabinet agreed that a further paper be presented to Cabinet in September 2020 to agree proposals for introducing a fair and consistent approach to service charging for tenants living in flat blocks. Cabinet were also asked to consider ring fencing the revenue generated from its new charging regime, for investment upon the Council's HRA housing estates. To this end, Cabinet agreed the development of the *More than Bricks and Mortar Estate Improvement Scheme ~ Creating Great Places where People want to Live*.
4. The *More Than Bricks and Mortar Estate Improvement Scheme* signals a new way of thinking about, talking about and making decisions about our council estates, affirming a clear statement of intent about the Council's approach and commitment towards its estates and towards the diverse communities who reside there.
5. It is proposed that the scheme be piloted initially upon HRA housing estates with fully constituted residents' groups, rewarding those who have shown a continued commitment and desire to work with the Council for the betterment of their estates. There are presently six fully constituted residents' groups across the District; Limes Farm Residents Association, Ninefields Residents Association, Oakwood Hill Estate Residents Association, Romelands Residents Association, Roundhills Residents Association and Shelly Residents Association. Once the scheme has been tested and refined, the scheme could be offered to other Council HRA housing estates.

### **Estate Improvement Plans**

6. Under the scheme, the Council would work with residents to better understand specific estate needs and aspirations, thereafter, creating resident centred "wish lists" of estate improvements from which tailored estate improvement plans may be agreed. These plans might include more obvious inclusions such as new landscaping, bin stores, pram sheds, cycle stores, mobility scooter stores, lighting, painting and new signage, however, our vision for the "*More than Bricks and Mortar Estate Improvement scheme*" is more innovative, pushing boundaries and not just settling for the obvious. Examples might include art installations, community farms, wildlife meadows, green gyms, food growing initiatives and community gardens.
7. Whilst this scheme is about giving choice to residents and enabling them to shape their own communities, the Council has a duty to protect its assets and safeguard the health and safety of our residents, as such residents will be given guiding principles to work within when proposing any upgrades to their estates.
8. Estate Improvement Plans would be drawn up based on the following key principles:
  - Residents as equal or principal partners,
  - Transparency of costings, so that the immediate and long-term costing is well understood,
  - Maximising resident involvement,
  - Concepts with a safer, greener, cleaner focus will be particularly encouraged,
  - Proposals must be sensitive to the appearance of the area,
  - Initiatives must not present a risk in terms of health & safety, must not conflict with other programmed / cyclical works, with Council policy or the Council's medium to longer-term plans for an area.

## **Estate Improvement Plan selection, funding and pilots.**

9. It is proposed that each year, the Council would support each Residents' Group to prioritise and agree its top three projects for progression, which would be fully costed and presented to decision makers. To ensure that funding is allocated fairly, projects requiring funding would be considered annually by the Property & Housing Portfolio Holder in conjunction with the Service Manager (Housing Management & Homeownership) and the Tenant and Leaseholder Panel, who would decide as a collective which projects should be progressed within that financial year.
10. As funding for this scheme is linked to the Council's review on Service Charges, the level of funding available for the pilot is currently undetermined. It is therefore not possible at this juncture to estimate how many estate improvement projects may be progressed under the Scheme during the pilot. However, the intention would be to test additional sources of funding as a means of realising projects, in conjunction with the funding provided through the proposed ring fence.
11. Consideration has been given whether some form of selection criteria / priority rating should be imposed, which aligns with Council priorities. However, mindful of the aim of the scheme, which is to create estates where people want to live, it is felt that residents should have the freedom to set their own priorities. Further, it would be particularly advantageous to Officers involved in the pilot projects to experience an array of different project types, which might otherwise be prevented from progressing should selection criteria / priorities be imposed. Consequently, the adoption of a defined selection criteria / priority rating has been discounted during the pilot.
12. There will be close coordination across the Council to ensure that any proposals for Estate Improvement plans are mindful of plans for major works and new homes. This will help to avoid issues where estate improvements could potentially be damaged by later works.
13. Subject to funding, the intention would be to commence the pilots during the financial year 2021/22. The first stage of which will be to consult with residents from the six estates with fully constituted residents' groups. The Council will work closely with residents on those estates to guide them through the Estate Improvement Plan process.
14. Each pilot will be reviewed after one year to evaluate their success.

## **The More than Bricks and Mortar Estate Enhancement Guide**

15. It is proposed that a *More than Bricks and Mortar Estate Enhancement Scheme* guidebook be produced to detail the wealth of inspiring initiatives that our residents and Estate Officers bring to fruition through the scheme. Primarily this will serve to demonstrate to residents from other Council HRA housing estates what might be possible and ignite imaginations, but will also help the Council better realise a variety of ad hoc funding and partnership opportunities that may be accessed, to help make our estates great places where people want to live.
16. Through the *More than Bricks and Mortar Estate Improvement scheme* we will work collaboratively with residents, celebrate our estates and be ambitious about their future, in order to improve the appearance of our estates and how it feels to live there.

### **Resource Implications:**

The budget available for the *More than Bricks and Mortar Estate Improvement scheme* is dependent upon Cabinets decision following the options / recommendations presented to it following the Service Charge Review, and will be allocated to individual proposals once the sites and nature of the works have been fully determined and approved by the decision-making panel.

The *More than Bricks and Mortar Estate Improvement Scheme* will be supported by the Council's Resident Involvement Officer, who will provide consistent support to residents with the process, however a significant amount of work is likely to be generated to facilitate projects and bring them to fruition. Officers have identified the need for a dedicated Project Manager, who would be appointed on a 12 month contract, to support this project, which will be funded from the income ring-fenced to support the Scheme

### **Legal and Governance Implications:**

Cabinet is asked to agree the principles of the *More than Bricks and Mortar Estate Improvement Scheme* and to agree to a pilot to test its approach. There are no legal implications at this stage.

### **Safer, Cleaner and Greener Implications:**

The purpose of the Estate Improvement Plans are to improve the local area for the whole community who live there. These plans will contribute to the Council's ambitions.

### **Consultation Undertaken:**

The Portfolio Holder – Property & Housing, and the Tenant & Leaseholder Association have been consulted and have responded positively to the proposals.

### **Background Papers:**

Report to Cabinet dated 20<sup>th</sup> July 2020: "*Review of Service Charges*".

### **Risk Management:**

The purpose of the Estate Improvement Plans are to improve the local area for the whole community who live there. There will be need for some monitoring of membership of any forums which discuss the Estate Improvement Plans to ensure these genuinely represent the full range of diverse communities that make up that estate area. Any planned estate improvement should be to the benefit of all communities rather than for any particular group.

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# Equality Impact Assessment

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

## Section 1: Identifying details

Your function, service area and team: Housing & Property Services

If you are submitting this EqIA on behalf of another function, service area or team, specify the originating function, service area or team: N/A

Title of policy or decision: Income Recovery Strategy and Income Recovery Policy

Officer completing the EqIA:

Deborah Fenton : Service Manager -Housing Management and Home Ownership Ext 4221  
Email: dfenton@eppingforestdc.gov.uk

Date of completing the assessment: 16/09/2020

## 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? Yes
2.2	<p>Describe the main aims, objectives and purpose of the policy (or decision):</p> <p>The previous Arrears Strategy required refreshing and dividing in to a Strategy and associated Policy in order to provide a framework within which Officers can operate to maximise the income to the Housing Revenue Account.</p> <p>What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?</p> <p>An agreed Income Recovery Strategy and Policy fit for purpose.</p>
2.3	<p>Does or will the policy or decision affect:</p> <ul style="list-style-type: none"><li>• service users</li><li>• employees</li><li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li></ul> <p>No. There will be broad continuity of existing arrangements.</p> <p>Will the policy or decision influence how organisations operate?</p> <p>No</p>
2.4	Will the policy or decision involve substantial changes in resources? No



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>The Strategy and Policy support the Corporate outcome:</p> <p>Improving the District housing Offer</p>
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### **Section 3: Evidence/data about the user population and consultation<sup>1</sup>**

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? N/A
3.2	<p>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?</p> <p>Consultation took place with the Tenants Federation on 13<sup>th</sup> August 2020 who endorsed the strategy and Policy.</p>
3.3	If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary: N/A

## Section 4: Impact of policy or decision

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

<b>Description of impact</b>	<b>Nature of impact</b> Positive, neutral, adverse (explain why)	<b>Extent of impact</b> Low, medium, high (use L, M or H)
Age	N/A	
Disability	N/A	
Gender	N/A	
Gender reassignment	N/A	
Marriage/civil partnership	N/A	
Pregnancy/maternity	N/A	
Race	N/A	
Religion/belief	N/A	
Sexual orientation	N/A	

## Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqlA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input checked="" type="checkbox"/>	
		Yes <input type="checkbox"/>	If ' <b>YES</b> ', use the action plan at <b>Section 6</b> 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.

Initialed as original copy by  
Portfolio Holder:

**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: D.Fenton

Date: 16/09/2020

**Advice**

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

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## **Report to the Cabinet**

**Report reference:** C-036-2020/21  
**Date of meeting:** 16 November 2020



**Portfolio:** Housing & Community Services – Cllr Holly Whitbread

**Subject:** Fitness for Human Habitation Act 2018 – Obligations

**Responsible Officer:** Deborah Fenton  
Director – HRA Functions (01992 564221).

**Democratic Services:** Adrian Hendry (01992 564246).

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### **Recommendations/Decisions Required:**

- (1) To adopt a 5-year bin store replacement programme, to meet our requirements under the Fitness for Human Habitation Act 2018. Funded from the HRA**
- (2) To note the improvements to our estates and the opportunity for increasing our recycling thus supporting the climate emergency.**

### **Executive Summary:**

The Fitness for Human Habitation Act 2018 came into place in 2019. This resulted in a large change for Local Authorities with retained stock. Until the change, enforcement action around non-compliance with the Housing Health and Safety (England) Regulations 2005 (HSSR) was not applicable to Local Authorities, because the Local Authority will not serve Notices on itself.

The Act serves to overcome this and enables Tenants to seek redress themselves for breach of contract through the court.

The paper sets out the reasons and benefits for introducing a 5-year bin store replacement programme. Specifically, the details of the Act and the potential risks of not meeting the requirements of the legislation.

As well as the community health benefits of living in a clean, safe environment, the Council has signed up to the Climate Emergency. As such we need to be working towards becoming carbon neutral. In addition, there is the environmental cost of not providing adequate facilities for disposing of rubbish. The costs for removing excess rubbish last year was £39K. In addition to this there is the cost for pest removal, and fly tipping. There is evidence that fly tipping leads to more fly tipping. This also has an overall detrimental impact on local areas as individuals begin to lose the sense of being proud of the area they live in.

Furthermore, the paper highlights the challenges the District has in terms of meeting its target for recycling, thus supporting the climate change agenda.

**Appendix A** shows examples of the challenges the district faces and examples of the proposed new bin stores

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

This report sets out our requirements under the Fitness for Human Habitation Act 2018 and our recommendations to meet the requirements of the legislation.

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

Not to adopt the 5-year improvement plan. This may leave us in breach of the legislation and subject to possible legal challenges from residents.

### **Report**

The Fit for Human Habitation legislation (2018) sort to ensure that if a landlord fails to comply with the Act, tenants may have the right to take court action for breach of contract.

As such the court has the power to:

- make the landlord pay compensation to their tenants
- make the landlord do the necessary works to improve their property

In making the decision the court will decide whether a property is fit for human habitation by considering the matters set out in section 10 of the Landlord and Tenant Act 1985. These are whether:

- the building has been neglected and is in a bad condition
- the building is unstable
- there's a serious problem with damp
- it has an unsafe layout
- there's not enough natural light
- there's not enough ventilation
- there is a problem with the supply of hot and cold water
- there are problems with the drainage or the lavatories
- it's difficult to prepare and cook food or wash up
- or any of the 29 hazards set out in the Housing Health and Safety (England) Regulations 2005

The HSSR system was set up to assist Local Authorities to tackle poor housing conditions. The system works on a basis of risk of harm to an actual or potential occupier of a dwelling which results from a deficiency that can give rise to a hazard.

It is the landlord's responsibility to look after a) The exterior of the dwelling and structural elements of the dwelling, and b) The inside facilities which are part of the dwelling. Hazards arise from faults or deficiencies in the dwelling which could cause harm.

One hazard in the rating is: *Domestic hygiene, pests and refuse (by providing access and breeding places for pests, which are a source of infections).*

This is proving particularly difficult for the District to adhere to, on our housing estates. Our



current bin stores are not fit for purpose and lend themselves to allowing fly tipping and residents in nearby blocks to dump rubbish in our bin areas.

This leads to a specific area of concern across some of our bin stores which are:

- Inadequate and unhygienic provision for storage and disposal of household waste.

### **Recycling and fly tipping**

The proposed replacement programme facilitates the opportunity for the District to improve on its target to recycle refuse. The current target is 60% , although we are not far away from that figure at 57% the amount of recycling carried out is disproportionate when looking at owner occupier housing, compared to Council housing. This is largely because our bin stores on our estates are not always suitable for recycling and therefore all refuse is put in the general waste.

Going on the areas with the most council properties – Waltham Abbey, Loughton and Chigwell – we can get up to 26% waste in the recycling bins whereas other areas are a low of 6%.

There is far more contamination on housing estates and the larger the number of flats that use a certain bin area the larger the contamination is.

Furthermore our waste team report that when bins are left in the open such as is the case with some of our bins on housing estates the type of waste particularly chemical waste to animal carcasses increase further. This increases our risk of not meeting our obligations under the 2018 Act

### **Environmental Factors**

Given we have declared a climate emergency it would be prudent to use this opportunity to reduce the amount of waste going to landfill, by developing further recycling options together with a media campaign which will help us to educate residents and thus improve our estates

Furthermore, if we can reduce the number of businesses and non-residents using our bins, we can, over the medium term reduce costs, both directly in terms of the amount of additional pick ups and indirectly by reducing the number of calls to the Council to deal with vermin.

We currently have 50 areas which need replacement bin/recycling stores. We propose to split the programme over 5 years at a cost of £154,000 per year. A total of £770,000 over 5 years.

### **Resource Implications:**

5-year programme £154,000 per year, a total of £770,000 over 5 years. This programme will be funded from the HRA account.

### **Legal and Governance Implications:**

Fitness for Human Habitation Act 2018

Housing Health and Safety (England) Regulations 2005

**Safer, Cleaner and Greener Implications:**

Increased recycling, reduced rubbish, creating places where people want to live

**Consultation Undertaken:**

None

**Background Papers:**

**Risk Management:**

The business would need to recognise that should we not choose to adopt a 5-year plan, we may be in breach of the 'Fit for Human Habitation Act 2018'

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Appendix A

Current Bin Stores



Proposed bin stores



## Equality Impact Assessment

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

## Section 1: Identifying details

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

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: **Programme to replace Bin Stores**

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

Date of completing the assessment: 14/10/20

## 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? <b>No</b>
2.2	Describe the main aims, objectives and purpose of the policy (or decision): <b>N/A</b>  What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? <b>N/A</b>
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none"><li>• service users</li><li>• employees</li><li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li></ul> <b>No</b>  Will the policy or decision influence how organisations operate? <b>No</b>
2.4	Will the policy or decision involve substantial changes in resources? <b>No</b>
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? <b>No</b>

### Section 3: Evidence/data about the user population and consultation<sup>1</sup>

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? <b>N/A</b>
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? <b>Consultation has taken place with the Tenant Panel</b>
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: <b>N/A</b>

## 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	<b>Neutral – the paper is for information only and will not impact on any groups</b>	L
Disability	As above	L
Gender	As above	L
Gender reassignment	As above	L
Marriage/civil partnership	As above	L
Pregnancy/maternity	As above	L
Race	As above	L
Religion/belief	As above	L
Sexual orientation	As above	L



## Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the 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 X	
		Yes <input type="checkbox"/>	If ' <b>YES</b> ', use the action plan at <b>Section 6</b> to describe the adverse impacts and what mitigating actions you could put in place.

## Section 6: Action plan to address and monitor adverse impacts

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

**Section 7: Sign off**

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

Signature of Head of Service: Deborah Fenton

Date: 14/10/20

Signature of person completing the EqlA: Deborah Fenton

Date: 14/10/20

**Advice**

Keep your director informed of all equality & diversity issues. We recommend that you forward a copy of every EqlA you undertake to the director responsible for the service area. Retain a copy of this EqlA for your records. If this EqlA 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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## **Report to the Cabinet**

**Report reference:** C-037-2020/21  
**Date of meeting:** 16 November  
2020



**Portfolio:** Housing & Communities Services – Cllr Holly Whitbread

**Subject:** New Policy – Disposal of HRA Assets

**Responsible Officer:** Deborah Fenton  
Director – HRA Functions (01992 564221).

**Democratic Services:** Adrian Hendry (01992 564246).

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### **Recommendations/Decisions Required:**

**To approve the new policy on the disposal of small land sites and individual properties (all receipts will be ringfenced for HRA functions).**

### **Executive Summary:**

EFDC owns approximately 12,000 assets including properties and garages. In addition to these the Council owns other assets such as parcels of land, pathways, un-adopted roads, alleyways and grassed areas on residential estates. In order to make best use of our HRA assets there are circumstances where a disposal would be of benefit to the Council and would lead to a net overall benefit. An example of this could be a one off property which requires structure works which are not cost effective to carry out. Or small pieces of land which add little or no value to the council.

To ensure that the sale of land or assets meets the highest standards of Governance, a policy has been written to set out the framework in which these disposals will take place.

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

This report sets out to introduce our policy on the Disposal of HRA Assets. Such a policy is viewed as good practice and will fit with our Asset Management Strategy which will be available for approval by this Cabinet in the new financial year.

### **Report**

#### **Parcels of land below 80 Square metres**

EFDC receive applications for the purchase of land from different sources, these could be groups of tenants, individuals or local businesses. The Council will consider applications to purchase parcels of land from adjacent owners, however, the Council also reserves the right to consider applications from other parties where there are no management or other issues that would cause inconvenience to the Council, if the land was to be sold and the disposal was economically favourable. Each application will be given due consideration before a

decision is made.

### **Single Dwellings**

There may be situations where it is considered a good use of Council assets to proactively dispose of assets, this policy applies to the sale of single dwellings only.

The criteria for the disposal of a single dwelling is:

- Where there is significant structural damage which makes the property not economically viable;
- Where the cost of increasing the SAP rating would result in a cost which would be far beyond any income, we would receive; and
- The market value is substantial and liquidating the asset will help us to provide more homes and improve communities.

In cases where a property may not be economically viable, a financial appraisal will be carried out over the period of the business plan. The aim of this will be to understand the Net Present Value of the property and the Internal Rate of Return. This will be carried out by either an internal or external professional who has had the necessary training to do so.

### **Valuations**

Where land is sold, the value of land will be fully assessed, and a valuation be obtained from a qualified RICS valuer, this could be undertaken by either an internal or external professional. Land may be marketed or auctioned to obtain best consideration. Any valuation will be based on commercial use and not the proposed use.

### **Legal Framework**

In general, the Council is required to achieve the 'best consideration reasonably obtainable' when it is disposing of land. Section 123 imposes a duty on the Council to achieve a particular outcome (namely the best price reasonably obtainable): it is not a duty to conduct a process (e.g. to have regard to factors). If the disposal is under the 1972 Act, there is neither express power to include covenants on a disposal, nor a prohibition.

### **Allocation of funds**

The recycling of capital receipts in ringfence for the purpose of the disposal of asset and land is restricted to be used for capital projects, specifically house building or the purchase of property. However in certain circumstances the receipts can be used for other capital projects within the HRA which bring benefits such as cost savings. Any projects such as these will be subject to approval by the Portfolio Holder.

### **Resource Implications:**

The work will be carried out by our in-house Land and Estate Team

**Legal and Governance Implications:**

Section 122 of the Local Government Act 1972.

**Safer, Cleaner and Greener Implications:**

Better use of our assets creating places where people want to live.

**Consultation Undertaken:**

Housing and Property colleagues were consulted and agree with the contents of the policy

**Background Papers:**

Minute No: E/H/004/2002-3

Minute No: H/034/2005-06

Minute No: HSG-029-2009/10

Minute No: 116

**Risk Management:**

Should the policy not be approved there would be a risk that the Council would not have the ability to make 'best use' of Housing Stock.'

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# Equality Impact Assessment

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

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

Title of policy or decision: Policy – disposal of HRA assets

Officer completing the EqlA: Tel: 07988860412 Email: Dfenton@eppingforestdc.gov.uk

Date of completing the assessment: 4/11/20

## 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? NEW
2.2	Describe the main aims, objectives and purpose of the policy (or decision): To dispose of HRA assets within a framework  What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? Disposal of appropriate assets for best consideration
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none"><li>• service users</li><li>• employees</li><li>• the wider community or groups of people, particularly where there are areas of known inequalities? no</li></ul> Will the policy or decision influence how organisations operate? no
2.4	Will the policy or decision involve substantial changes in resources? No - however it will result in additional income
2.5	Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes? No

### **Section 3: Evidence/data about the user population and consultation<sup>1</sup>**

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? NA
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? NA
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: NA

## Section 4: Impact of policy or decision

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

<b>Description of impact</b>	<b>Nature of impact</b> Positive, neutral, adverse (explain why)	<b>Extent of impact</b> Low, medium, high (use L, M or H)
Age	Neutral	L
Disability	Neutral	L
Gender	Neutral	L
Gender reassignment	Neutral	L
Marriage/civil partnership	Neutral	L
Pregnancy/maternity	Neutral	L
Race	Neutral	L
Religion/belief	Neutral	L
Sexual orientation	Neutral	L

## Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqlA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No X	
		Yes <input type="checkbox"/>	If ' <b>YES</b> ', use the action plan at <b>Section 6</b> 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: Deborah Fenton

Date: 4/11/20

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

## **Draft Policy for The Disposal of HRA Assets**

# Contents

1. Background/Scope	page 3
2. Policy Statement	page 3
3. Statutory Framework	page 6
4. Reviewing the Policy	page 6
5. Document control log	page 7

## 1. Background/Scope

- 1.1. EFDC owns approximately 12,000 assets including properties and garages. In addition to these the Council owns other assets such as parcels of land, pathways, un-adopted roads, alleyways and grassed areas on residential estates.
- 1.2. As landowners we are often contacted by individuals and groups who wish to purchase the land from us. As a public body we manage our land assets proactively to ensure that they provide best value in terms of a future and current asset.
- 1.3. This policy sets out our approach to the disposal of our land and property assets, giving regard to Section 123 of the Local Government Act 1972, which states that a local authority has the power to dispose of land. The main caveat to this power is that the council must not do so for “*a consideration less than the best that can be reasonably obtained*”. Furthermore, the policy explains when we might consider land suitable for disposal and when it does not add value to our business.
- 1.4. For the purposes of this Policy, “a disposal” means any freehold disposal, by sale or exchange, of Council owned land/property (including buildings) and any disposal by the granting of a lease or licence for a period greater than 7 years. Leases of 7 years or less or assignment of a term which has not more than 7 years to run are not covered by this Policy, as they are exempt from the statutory requirement to obtain best consideration. Furthermore, this policy specifically relates to single dwellings and parcels of land below 80 square meters. Other disposals such as those resulting from ‘under-used’ land and ‘surplus’ land are dealt with under the Strategic Asset Management Strategy.
- 1.5. This policy has been developed in line with governance regulations and delegation procedures together with requirements set out in legislation.

## 2. Policy Statement

- 2.1. EFDC are committed to providing excellent services to tenants, leaseholders and the local community. We operate in a fair and transparent way.
- 2.2. We seek to make best use of our assets and housing stock; however, we have no legal obligation to sell land unless directed to under statutory process such as a Compulsory Purchase Order. All decisions to dispose of land will be at the discretion of the Authority and within the framework of this policy.

### **Parcels of land below 80 Square metres**

- 2.3. EFDC receive applications for the purchase of land from different sources, these could be groups of tenants, individual or local businesses. The Council will consider applications to purchase parcels of land from adjacent owners, however, the Council also reserves the right to consider applications from other parties where there are no management or other issues that would cause inconvenience to the Council, if the land was to be sold and the disposal was economically favourable. Each application will be given due consideration before a decision is made. EFDC will decline an application to purchase land if one or more of the following criteria applies:

- The sale of the land would prevent future regeneration or development opportunities for the Council;
  - The land has marriage value which has not yet been investigated;
  - The land provides access for other properties either Council or privately owned;
  - Sale of the land would have a negative impact on the neighbourhood;
  - Best consideration has not been achieved;
  - The land forms part of the integral estate design;
  - Sale of the land would incur additional costs for the Council (for example, the re-siting of lamp posts or telephone cables) unless the applicant is willing to finance the additional costs (payable in advance);
  - The amenity land in the locality would be reduced; The sale would detract from the visual appearance in the locality; and/or
  - There are management or other issues that would cause inconvenience to the Council if the land was to be sold.
- 2.4. The value of land will be fully assessed, and valuation be obtained from a qualified RICS valuer, this could be undertaken by either an internal or external professional. Land may be marketed or auctioned to obtain best consideration. Any valuation will be based on commercial use and not the proposed use.
- 2.5. We will endeavour to maximise revenue from land disposal and sell land for best consideration, taking into account the lands full development potential, however there may be situations where a value for money approach needs to be taken, thus selling at less than market value for nil consideration. This situation may occur when:
- Disposal would reduce management costs;
  - We own no homes in the area immediately surrounding the land yet incur the cost of maintenance; and/or
  - We would be adding value to the area or community.

In the event that land is sold for garden use, property extensions and parking only, an overage clause will be applied which will enable EFDC to share any future value arising from change of use.

### **Single Dwellings**

- 2.6. There may be situation where it is considered a good use of Council assets to proactively dispose of assets, this policy applies to the sale single dwellings only.

The criteria for the disposal of a single dwelling is:

- Where there is significant structural damage which makes the property not economically viable;
  - Where the cost of increasing the SAP rating would result in a cost which would be far beyond any income, we would receive; and
  - The market value is substantial and liquidating the asset will help us to provide more homes and improve communities.
- 2.7. In cases where a property may not be economically viable, a financial appraisal will be carried out over the period of the business plan. The aim of this will be to

understand the Net Present Value of the property and the Internal Rate of Return. This will be carried out by either an internal or external professional who has had the necessary training to do so.

### **Allotments**

2.8. Where land has been purchased or appropriated by the Council for use as statutory allotments, the Council cannot, without the consent of the Secretary of State, sell, appropriate, use or dispose of the land for any purpose other than use for allotments (Section 8 Allotments Act 1925). The Council will consider the disposal of an allotment against the following criteria, having regard to the Secretary of State's guidance on allotment disposal:

- The allotment in question is not necessary and is surplus to requirement;
- The number of people on the waiting list has been effectively considered;
- The Council has actively promoted and publicised the availability of other sites and has consulted the National Allotment Society; and
- The implications of disposal for other relevant policies, in particular, the local plan and neighbourhood plan policies have been taken into account.

### **Garages**

2.10. On request, isolated Council-owned garages, which are located immediately adjacent to an existing residential property may be sold to the owner of the adjacent property (regardless of its orientation to the property), provided they are the garage tenant, or the garage is vacant and the owner is the next eligible garages applicant;

2.11. That any sale of an isolated garage be subject to a restrictive covenant being included in the sale of agreement preventing any change of use;

2.12. That the full open market value be paid for any garage sale, and that this be non-negotiable;

2.13. Garages will not be sold if they form part of any garage block.

### **Un-adopted roads, alleyways and pathways.**

2.14. The Council owns several unadopted roads, alleyways and pathways. In some areas, we do not own any homes in the immediate surrounding area yet incur the cost of maintenance. Where it is in the Council's interest, we will seek to dispose of these unadopted roads, alleyways and pathways.

2.15. We will endeavour to maximise revenue from their disposal and sell the land for best consideration, however there may be situations where a value for money approach needs to be taken, thus selling at less than market value for nil consideration. This situation may occur when:

- Disposal would reduce management costs;
- We own no homes in the area immediately surrounding the land yet incur the cost of maintenance; and/or
- We would be adding value to the area or community.

2.16. The Council will retain un-adopted roads, alleyways and pathways where:

- a. The disposal of the land would prevent future regeneration or development opportunities for the Council;
  - b. In cases where agreement is not reached by all parties enjoying rights of access over the land to be transferred;
  - c. Disposal of the land would have a negative impact of the neighbourhood; and/or
  - d. There are management or other issues that would cause inconvenience to the Council if the land was to be sold.
- 2.17. The sale or transfer of unadopted roadways, alleyways and pathways, will be subject to a restrictive covenant being included in the transfer agreement preventing any change of use and requiring that the owner be responsible for future maintenance of the land.

### **3. Statutory Framework**

- 3.1. The following legislation and guidance provide the statutory framework for the appropriation of land and overriding/extinguishment of easements and other rights by principal Councils and sets out the duties of the Council in providing compensation where rights are extinguished.
- 3.2. In general, the Council is required to achieve the 'best consideration reasonably obtainable' when it is disposing of land. Section 123 imposes a duty on the Council to achieve a particular outcome (namely the best price reasonably obtainable): it is not a duty to conduct a process (e.g. to have regard to factors). If the disposal is under the 1972 Act, there is neither express power to include covenants on a disposal, nor a prohibition.
- 3.3. If the Council seeks to dispose of land or buildings at less than the market value, then it must obtain the consent of the Secretary of State for Communities and Local Government. However, the Secretary of State has issued several 'general consents' i.e. a set of conditions which, if they apply to a transfer, means that the Council does not need to obtain specific permission to transfer at an 'undervalue'. However, the undervalue itself still needs to comply with 'normal and prudent commercial practices, including obtaining the view of a professionally qualified person. The most important of these consents is the General Disposal Consent which permits the Council to dispose of land at less than its market, without the need to seek Appropriation of Land by Principal Councils - Section 122 of the Local Government Act 1972.

### **4. Reviewing the Policy**

- 4.1. The District Council will monitor, review and update the Policy annually.

## 5. Document control log

Version no.	Date	Details of changes included in update	Author
1		Publication	

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## **Report to the Cabinet**

**Report reference:** C-040-2020/21  
**Date of meeting:** 16 November 2020



**Portfolio:** Finance and Economic Development – Cllr J. Philip  
**Subject:** Medium Term-Financial Plan Development and Scene Setting  
**Responsible Officer:** Andrew Small (07548 145665).  
**Democratic Services:** Adrian Hendry (01992 564246).

---

### **Recommendations/Decisions Required:**

- (1) To note the contents of the report, including *Appendix A (Medium-Term Financial Plan 2021/22 to 2025/26)*; and
- (2) Discuss and agree any actions required, including the assumptions included in the MTFP and the potential options for addressing the underlying budget deficit in order to set a balanced budget for 2021/22.

#### **1. Executive Summary**

- 1.1 The preparation of a Medium-Term Financial Plan (MTFP) provides the cornerstone on which the Council can build and deliver services in accordance with their aims and objectives.
- 1.2 This is the first iteration of the MTFP within the 2021/22 budget cycle. It is a forward-looking document which provides a tentative look at the Council's financial picture over the next five years (2021/22 through to 2025/26) and sets the scene by providing a framework for developing the 2021/22 General Fund budget. Through the early consideration of the core issues it allows budget development activity to be focused over the next two months on refining assumptions and developing options.
- 1.3 The impact of the Covid-19 pandemic on Epping Forest District Council has had a huge impact on both operations and finances, with major losses being experienced on a number of income streams ranging from core funding sources such as Council Tax and Business Rates through to fees and charges from Leisure Centres, Car Parking, Building Control, Planning and Licensing. The 2020/21 financial year has so far borne the brunt of the financial pressure, with the position being alleviated – to an extent – by emergency financial support from the Government. However, at the time of preparing this MTFP, it appears inevitable that the financial effects will continue well into 2021/22 and beyond and, in some cases, income streams may never recover to pre-pandemic levels.

1.4 Against this backdrop – where uncertainty reigns, and the country enters a second ‘lockdown’ – it is extremely challenging to prepare a robust budget for 2021/22. However, the importance of certainty and stability for local government is recognised by the Government, and no doubt will influence their forthcoming one-year Spending Review, which is set to be announced in late November 2020. The anticipated ‘roll over’ settlement for local government is cautiously anticipated.

1.5 **Appendix A** to this report includes a wide range of assumptions and financial projections covering the financial years 2021/22 to 2025/26. The outcome reveals an underlying budget deficit in the region of £4.1 million for 2021/22. An illustration of the position is also provided in which:

- Government support for Covid-19 is assumed to continue into 2021/22 – the Council has so far received £1,946,631 in general support funding from the Government in 2020/21 for Covid-19. In addition, a claim for £725,325 has been submitted for the four-month period April to July 2020 as part of the Government’s Statutory Fees and Charges (SFC) Compensation scheme; total funding from the SFC scheme could eventually reach around £2.0 million, which would bring overall Government support up to around £4.0 million for 2020/21. It is in that context that £1.0 million has been included as assumed Government support for 2021/22 on the basis that, even in the most optimistic scenario, the recovery from the impact of Covid-19 will not be instantaneous; and
- The temporary use of reserves is assumed for 2021/22 and 2022/23 – the Council has purposely retained contingency reserves to cover unexpected events. There is an opportunity therefore to utilise some of these reserves in order to ‘smooth’ the peak of the financial pressures expected in 2021/22 and 2022/23. Consequently, the use of £1.0 million and £0.5 million is assumed from the General Fund Reserve for 2021/22 and 2022/23 respectively.

1.6 The projections further indicate that 2022/23 is also likely to be a difficult year, although – as the pandemic recedes – it is (very tentatively) assumed that the financial pressure will gradually ease from 2023/24, although major uncertainty remains. The projections can be summarised as follows:

Financial Year	Deficit	Comment
2021/22	£2,110,256	Assumes £1 million Government support for Covid-19 + £1 million Use of Reserves
2022/23	£1,100,173	Assumes £1 million Use of Reserves
2023/24	£37,401	
2024/25	£98,678	
2025/26	£227,223	

1.7 The next stage in the process will see the assumptions and projections further refined in accordance with the direction provided by Cabinet and emerging intelligence. Officers will begin to develop draft General Fund budget options for 2021/22, including options (such as additional income generation or capturing organisational efficiencies) for closing the budget deficit, for consideration by Cabinet in December 2020.

1.8 At this stage, the Housing Revenue Account has so far been less adversely affected by the pandemic and therefore the process for developing and presenting a budget will be less complicated than for the General Fund.

## **2. Resource Implications**

- 2.1. A wide range of financial implications are covered in the report, with the emphasis on how the Council can continue to fund its current net expenditure commitments, and deliver on its corporate priorities, within the anticipated level of financial resources available over the next five years.

## **3. Legal and Governance Implications**

- 3.1. The Council has a legal duty under the Local Government Finance Act 1992 to set a balanced budget. This report highlights a potential budget deficit that needs to be eliminated prior to setting the 2021/22 budget in February 2021.

## **4. Safer, Cleaner and Greener Implications**

- 4.1. None.

## **5. Consultation Undertaken**

- 5.1. None.

## **Medium-Term Financial Plan 2021/22 to 2025/26**

*(November 2020)*

### **1. Background**

1.1 The preparation of a Medium-Term Financial Plan (MTFP) provides the cornerstone on which the Council can build and deliver services in accordance with the aims and objectives outlined in the Corporate Plan 2018-2023, which are grouped under the three corporate ambitions:

- Stronger Communities
- Stronger Place; and
- Stronger Council.

1.2 Through ‘horizon scanning’ and anticipating necessary change at the earliest opportunity, resilience and the ability to react to and withstand ‘major shocks’ is achieved.

### **2. Introduction**

2.1 This is the first iteration of the MTFP within the 2021/22 budget cycle. It is a forward-looking document which provides a tentative look at the Council’s General Fund financial picture over the next five years (2021/22 through to 2025/26) and sets the scene by providing a framework for developing the 2021/22 budget.

2.2 The MTFP is deliberately concise, focussing on the most significant financial issues faced by Epping Forest District Council over the medium-term. Two major factors currently dominate:

- *The Covid-19 Pandemic* – the measures taken by the UK and most major countries worldwide in response to the global pandemic declared by the World Health Organisation (WHO) in March 2020 had an immediate and profound impact on economies across the world. At a national and local level, the impact on UK local government and Epping Forest District Council has had a massive impact on both operations and finances, with major losses being experienced on a number of income streams ranging from core funding sources such as Council Tax and Business Rates through to fees and charges from Leisure Centres, Car Parking, Building Control, Planning and Licensing. The 2020/21 financial year has so far borne the brunt of the financial pressure, with the position being alleviated – to an extent – by emergency financial support from the Government. However, at the time of preparing this MTFP, it appears inevitable that the financial effects will continue well into 2021/22 and beyond and, in some cases, income streams may never recover to pre-pandemic levels; and

- *The Local Government Finance Settlement 2021/22* – for the past five years, local authority funding has been subject to a national settlement originally announced in 2016; 2019/20 was due to be the final year of a four-year settlement. However – due to Brexit – the key elements of the four-year settlement were rolled forward into 2020/21. They are now set to be rolled forward for a further year into 2021/22, as part of the Chancellor’s one-year Spending Review, due to be announced in late November 2020.

2.3 Looking further ahead, although the key elements of the current Local Government Finance Settlement are set to be rolled forward again into 2021/22, there are a range of important variables to be determined within the local government funding regime expected to be introduced in 2022/23, including:

- Council Tax Referendum Limit
- Review of Relative Needs and Resources (previously referred to as the “Fair Funding Review”)
- Proportion of Business Rates retained by Local Government (currently 50%)
- The Business Rates Baseline (which dictates the amount of Business Rates that individual local authorities may retain locally); and
- Future of specific grants (e.g. New Homes Bonus).

2.4 Finally, the Government’s forthcoming Devolution White Paper is set to encourage the formation of further unitary authorities with elected mayors. It is therefore possible that there may be financial incentives for local government to reorganise along these lines, although it should be noted that this document – with a five-year timeframe – assumes that Epping Forest District Council will continue in its current format for the foreseeable future.

### 3. Financial Projections

#### 3.1 Current Spending Levels

3.1.1 The starting point for developing the MTFP is the current level of spending. The 2020/21 General Fund base budget (@ 30th September 2020) – which excludes DDF funded expenditure – can be summarised as follows:

Description	2020/21 Budget
	£'s
Employees	21,852,700
Premises	3,589,340
Transport	575,110
Supplies & Services	8,586,630
Support Services	38,140
Contracted Services	6,415,170
Housing Benefits	29,532,280
Financing Costs	1,857,600
<b>Gross Expenditure</b>	<b>72,446,970</b>
Fees & Charges	(14,808,300)
Government Contributions (including Housing Benefit Subsidy)	(31,984,680)
Miscellaneous Income (including Qualis)	(3,963,778)
Other Contributions	(3,078,310)
HRA Recharges	(2,641,990)
<b>Net Expenditure</b>	<b>15,969,912</b>

### 3.1.2 Net expenditure is funded as follows:

Description	2020/21 Budget
	£'s
Council Tax	(8,343,922)
Business Rates	(5,254,868)
Collection Fund Adjustments	(895,832)
Council Tax Sharing Agreement (CTSA)	(669,780)
<i>Non-Specific Grants:</i>	
New Homes Bonus	(1,077,150)
Other	(12,405)
Contributions to/ (use of) Reserves	284,045
<b>Total Funding</b>	<b>15,969,912</b>

### 3.2 Increased/(Reduced) Budgetary Demand

3.2.1 Based on an initial high-level review of the current base budget, and anticipated budget demand in 2021/22 and beyond, several areas of changed budgetary demand have been identified and are presented in the table below.

Increased/(Reduced) Budget Demand					
Description	2021/22	2022/23	2023/24	2024/25	2025/26
	£'s	£'s	£'s	£'s	£'s
Employees	0	0	0	0	0
Premises	(358,934)	0	0	0	0
Transport	(115,022)	0	0	0	0
Supplies & Services	100,000	0	0	0	0
Housing Benefits	(2,362,582)	(1,086,788)	0	0	0
Fees & Charges	1,179,212	(938,739)	(1,103,565)	0	0
Government Contributions	2,385,406	1,097,287	0	0	0
Miscellaneous Income (inc. Qualis)	742,407	0	0	0	0
<b>Totals</b>	<b>1,570,487</b>	<b>(928,240)</b>	<b>(1,103,565)</b>	<b>0</b>	<b>0</b>

3.2.2 The table shows a net increase in budget demand of £884,000 in 2021/22 followed by significant reductions in 2022/23 and 2023/24. Significant factors to note in 2021/22 include the following:

- Premises (£358,934 reduction) – a 10% reduction in costs is assumed, following the reopening of the newly refurbished Civic Offices in the spring of 2021
- Transport (£115,022 reduction) – a step-change increase in remote working, prompted by the pandemic, is – to a large extent – expected to become a permanent feature, leading to a reduction in Transport costs
- Supplies & Services (£100,000 increase) – several IT licenses that the Council is required to maintain have been identified as being currently unfunded
- Housing Benefits (£2,385,406 reduction) – the 8% rate of migration of the Council’s current HB caseload onto Universal Credit is expected to continue into 2021/22 (eventually slowing and stabilising in 2023/24). It should be noted that the reduction in Housing Benefit payments will be matched by a reduction in “Government Contributions” (Housing Benefit Subsidy)
- Fees & Charges (£1,179,212 reduction) – the Covid-19 pandemic has had a profound impact on a range of Council fees and charges in 2020/21. These income sources are not expected to fully recover in 2021/22:
  - Leisure Centres – none of the annual Management Fee (£1,471,420) is expected to be received in 2021/22, with a 25% recovery assumed in 2022/23. A return to the full Management Fee is assumed in 2023/24
  - Car Parking – income is projected to be down by £500,000 in 2021/22 compared to the current budget, with a 50% recovery (generating an extra £250,000) assumed in 2022/23. However, due to an anticipated permanent reduction in commuter demand, no further recovery is assumed in 2023/24 and beyond
  - Planning Applications – income from Planning Applications is expected to bounce back to 80% of pre-pandemic levels in 2021/22, with a full recovery in 2022/23 anticipated; *however:*
  - Commercial Property – additional income of £1.06 million is assumed from recent/new Commercial Property acquisitions (most notably 200-226 High Road/associated flats and the Clifton Road car park in Loughton).
- Miscellaneous Income (£742,407 reduction) – current budget assumptions regarding Qualis income have been reviewed in the light of the most recent developments, with a stable income stream of £2.9 million assumed from 2021/22. This is largely associated with the original 2020/21 budget assumption that the recent property acquisitions would form part of the Qualis portfolio whilst, in practice, they have remained in Council control. The reduction in income here is matched by the increase in the previous bullet point creating a neutral position.



### 3.3 Inflation

3.3.1 Inflationary pressures have been reviewed based on latest available intelligence and are presented in the table below.

Inflation					
Description	2021/22	2022/23	2023/24	2024/25	2025/26
	£'s	£'s	£'s	£'s	£'s
Employees	656,154	680,134	678,602	698,960	719,929
Premises	0	69,418	70,806	72,223	73,667
Transport	0	9,202	9,386	9,574	9,765
Supplies & Services	86,866	185,030	192,961	196,820	200,756
Support Services	381	770	786	802	818
Contracted Services	15,976	64,224	65,509	66,819	68,155
Fees & Charges	(136,291)	(294,082)	(322,035)	(328,476)	(335,046)
HRA Recharges	(58,124)	(70,203)	(72,028)	(73,901)	(75,822)
<b>Totals</b>	<b>564,963</b>	<b>644,494</b>	<b>623,986</b>	<b>642,820</b>	<b>662,222</b>

3.3.2 Inflation is initially constrained in 2021/22, mainly due to a CPI Inflation Rate of just 0.5% in September 2020, although inflation is expected to increase in the medium-term, becoming closer to the Bank of England's long-term 2.0% target.

3.3.3 The inflationary pressure on Employee costs is primarily driven by assumed annual pay awards of 3%, broadly in line with current expectations for future "NJC" pay awards. There are no known increases anticipated in National Insurance contributions. With regard to Pensions, as part of the agreed funding strategy following the 2019 triennial valuation – in return for a lower and stable contribution rate – the Council is committed to annual "Deficit Reduction Payments" of £580,526, £601,691 and £623,627 in 2020/21, 2021/22 and 2022/23 respectively; these are reflected in the figures. From 2023/24 onwards, the 2022/23 commitment is assumed to continue at the same level, although precise figures will not be confirmed until the 2022 triennial valuation is completed.

3.3.4 Energy and fuel price indices are currently showing low or negative growth, which is also constraining inflationary assumptions in 2021/22 on Premises and Transport costs.

3.3.3 It is currently assumed that Fees and Charges will increase by an average of 1% in 2021/22, picking up to 2% in 2022/23 and beyond. It should be noted that a significant proportion of the Council's fees and charges are statutorily determined. To achieve an average of 1% will require some individual fees and charges to be increased beyond this level.

### 3.4 Budget Growth

3.4.1 The table below reflects anticipated budget growth in 2021/22 and 2022/23.

<b>Budget Growth</b>					
<b>Description</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£'s</b>	<b>£'s</b>	<b>£'s</b>	<b>£'s</b>	<b>£'s</b>
Employees	257,500	(140,000)	0	0	0
Premises	240,500	0	0	0	0
Transport	0	0	0	0	0
Supplies & Services	439,500	0	0	0	0
Miscellaneous Income	(267,000)	0	0	0	0
<b>Totals</b>	<b>670,500</b>	<b>(140,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>

3.4.2 A range of priority commitments are reflected in 2021/22, including:

- Museum and Library Joint Facility (£235,000)
- North Weald Masterplan (£140,000)
- Environmental Projects (£80,000); and
- Neighbourhood Police (£72,000).

3.4.3 Planning-related developments (e.g. on Planning Performance Agreements) are expected to yield additional net income of £267,000 in 2021/22.

### 3.5 Revenue Consequences of Capital Programme

3.5.1 The Council's financing costs associated with the General Fund Capital Programme have been reviewed, with the additional budget requirement reflected in the table below.

Revenue Consequences of Capital Programme					
Description	2021/22	2022/23	2023/24	2024/25	2025/26
	£'s	£'s	£'s	£'s	£'s
Financing Costs	547,400	21,000	22,000	22,000	23,000
<b>Totals</b>	<b>547,400</b>	<b>21,000</b>	<b>22,000</b>	<b>22,000</b>	<b>23,000</b>

3.5.2 Interest rates are currently at historically low levels (e.g. the Bank of England base-rate was just 0.1% in October 2020), which is reflected in an assumed reduction in the Interest Receivable budget in 2021/22 from £100,000 to £25,000. However, lower interest rates have also constrained the budget assumption on Interest Payable with the budget assumed to rise in 2021/22 from £588,600 to £900,000, reflecting the Council's shift from debt free status on the General Fund to a net borrowing position.

3.5.3 In addition, the Council's treasury advisors Arlingclose have assisted in reviewing the Council's Minimum Revenue Provision (MRP) and have initially concluded that the Council will be required to set-aside an additional £398,000 for the repayment of principal on long-term borrowing.

3.5.4 It should be noted that it is assumed that capital schemes will be revenue neutral from 2022/23. Financing assumptions will be kept under review as the General Fund Capital Programme progresses in the weeks ahead.

### 3.6 Funding

3.6.1 The Council's core funding streams have been reviewed based on the latest available intelligence. The relevant budget movements are summarised in the table below.

General Fund Funding					
Description	2021/22	2022/23	2023/24	2024/25	2025/26
	£'s	£'s	£'s	£'s	£'s
Council Tax	(223,758)	(345,591)	(463,384)	(467,948)	(465,362)
Business Rates	(214,820)	0	0	0	0
Collection Fund	1,273,037	(272,013)	0	(105,192)	0
Council Tax Sharing Agreement (CTSA)	169,780	(10,000)	(10,200)	(10,404)	(10,612)
Grants (inc. Covid support)	(983,880)	1,609,313	451,717	0	0
Contributions to/ (use of) Reserves	(1,284,045)	500,000	500,000	0	0
<b>Totals</b>	<b>(1,263,686)</b>	<b>1,481,709</b>	<b>478,133</b>	<b>(583,544)</b>	<b>(475,974)</b>

3.6.2 The key budget assumptions captured in the table are as follows:

- Council Tax – there is a provisional assumption that the Council will increase the Council Tax by £5 for a Band D property for the duration of the MTFP. This is currently the maximum amount allowable. Such an increase would consistently generate increases in the base budget rising from around £200,000 in 2021/22 through to approaching £500,000 in 2025/26. A range of other Council Tax options are available, including a Council Tax freeze, although it should be noted that it is likely that a freeze in 2021/22 would lead to a reduction in the overall yield from Council Tax due to the rise in Local Council Tax Support (LCTS) cases created by the pandemic. The pandemic is also expected to reduce the amount of Council Tax collectable due to rising unemployment in the community
- Business Rates – detailed projections of the estimated amount that the Council can expect to receive from the Business Rates Retention (BRR) scheme in 2021/22 have been completed. This results in an increase of £214,820, partly due to conservative budget expectations included in the 2020/21 budget. The future uncertainty of Business Rates should also be noted. Whilst a reset to the system, which could lead to a reduction in the Business Rates that the Council can retain in the future has been ruled out for 2021/22, the approach for 2022/23 and beyond has yet to be determined. On that basis, no increase is assumed in Business Rates for 2022/23 and beyond, which is consistent with the currently gloomy economic forecast for businesses in the light of the pandemic

- Collection Fund Adjustment – the detailed adjustments for both Council Tax and Business Rates have been completed. Unfortunately, this creates a significant (£1.3 million) budget pressure for 2021/22. This is due to the way in which the Collection Fund accounting system works whereby surpluses and deficits are paid or received based on forecast assumptions. In January 2020, significant surpluses for both Council Tax and Business Rates were anticipated for the 2019/20 year-end and were distributed to preceptors in 2020/21. However, subsequent events (most notably the pandemic) were not known about at the time, and actual balances on the Collection Fund were significantly lower than anticipated; the accounting rules require the shortfall compared to estimates to be recovered from preceptors – including Epping Forest District Council – in 2021/22
- Council Tax Sharing Agreement (CTSA) – lower than anticipated Council Tax collection levels are expected to reduce the income that the Council receives from the preceptors under the CTSA scheme, although a slow recovery is assumed from 2022/23 onwards
- Grants – following the demise of Revenue Support Grant (RSG) funding from the Government, the most significant remaining grant within the annual Settlement is the New Homes Bonus (NHB). The Government has intimated that the 2020/21 Settlement will ‘roll forward’ into 2021/22. On that basis it has been assumed that the ‘one-off’ award of £609,313 for 2020/21 will in fact continue for one more year into 2021/22. In addition, it is also assumed that the Government will continue to provide some financial support to local authorities during the recovery phase from the pandemic. Therefore (a cautious) £1.0 million is assumed in Government support for 2021/22 only; and
- Contribution to (from) Reserves – the Council has had a strong Balance Sheet for several years, which included a General Fund Reserve balance of £7.759 million at 31st March 2020. Although not sustainable in the longer-term, the option is available to smooth the impact of the current financial pressures by drawing on reserves. This recognises that some of the ongoing impacts of the Pandemic are likely to be temporary and the position is likely to recover gradually. This MTFP illustrates the impact of drawing on £1.0 million reserves in 2021/22, followed by £0.5 million in 2022/23. There are a wide range of other options/permutations available to Members.

### 3.7 Summary Position

3.7.1 After taking account of the projections made in Sections 3.2 to 3.6 above, the projected medium-term revenue position for the General Fund, is summarised in the table below.

<b>MTFP Summary (@ November 2020)</b>					
<b>Description</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<b>£'s</b>	<b>£'s</b>	<b>£'s</b>	<b>£'s</b>	<b>£'s</b>
Increased/(Reduced) Budget Demand (Section 3.2)	1,570,487	(928,240)	(1,103,565)	0	0
Inflation (Section 3.3)	564,963	644,494	623,986	642,820	662,222
Budget Growth (Section 3.4)	670,500	(140,000)	0	0	0
Revenue Consequences of Capital Programme (Section 3.5)	547,400	21,000	22,000	22,000	23,000
Council Tax (Section 3.6)	(223,758)	(345,591)	(463,384)	(467,948)	(465,362)
Business Rates (Section 3.6)	(214,820)	0	0	0	0
Collection Fund (Section 3.6)	1,273,037	(272,013)	0	(105,192)	0
Council Tax Sharing Agreement (CTSA) (Section 3.6)	169,780	(10,000)	(10,200)	(10,404)	(10,612)
Grants (including Covid Support) (Section 3.6)	(983,880)	1,609,313	451,717	0	0
Contributions to/ (use of) Reserves (Section 3.6)	(1,284,045)	500,000	500,000	0	0
<b>In-Year (Surplus)/Deficit</b>	<b>2,110,256</b>	<b>1,100,173</b>	<b>37,401</b>	<b>98,678</b>	<b>227,223</b>
<b>Cumulative (Surplus)/Deficit</b>	<b>2,110,256</b>	<b>3,210,429</b>	<b>3,247,830</b>	<b>3,346,508</b>	<b>3,573,731</b>

- 3.7.2 The table above shows a deficit of £2.1 million for 2021/22. However, the deficit presented illustrates the impact of assuming £1.0 million in Government support for Covid-19. It also assumes the drawing down of a further £1.0 million in Reserves. The underlying budget deficit is therefore £4.1 million for 2021/22. The Council will be required to eliminate any deficit and set a balanced budget for 2021/22 in February 2021.
- 3.7.3 The table also shows a difficult position in 2022/23 with an in-year budget shortfall of £1.1 million, although that is achievable with no Government support for Covid-19 and a draw down of £0.5 million from Reserves. From 2023/24 through to 2025/26 the position appears healthier, although it should be noted that longer range forecasts are, by their very nature, less reliable.

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