



CABINET
Tuesday, 30th May, 2023

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

Conference Suite - Civic Offices
on **Tuesday, 30th May, 2023**
at **7.00 pm**.

G. Blakemore
Chief Executive

Democratic Services Officer: V Messenger (Democratic Services)
Tel: (01992) 564243

Members:

Councillors C Whitbread (Leader of the Council & Leader of the Conservative Group) (Chairman) and other Cabinet Members to be appointed at Annual Council on 25 May 2023.

PLEASE NOTE THAT THIS MEETING IS OPEN TO ALL MEMBERS TO ATTEND

1. WEBCASTING INTRODUCTION

This meeting is to be webcast and Members are reminded of the need to activate their microphones before speaking.

The Chairman will read the following announcement:

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

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

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

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

2. APOLOGIES FOR ABSENCE

To be announced at the meeting.

Please use the Members Portal webpage to report non-attendance at meetings https://eppingforestdc-self.achieveservice.com/service/Member_Contact to ensure your query is properly logged.

Alternatively, you can access the Members portal from the front page of the Council's website, at the bottom under 'Contact Us' <https://www.eppingforestdc.gov.uk/your-council/members-portal/>

3. DECLARATIONS OF INTEREST

To declare interests in any item on this agenda.

4. MINUTES (Pages 5 - 18)

To confirm the minutes of the meeting of the Cabinet held on 13 March 2023.

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. LAUNCH OF THE NEW PEOPLE STRATEGY 2023-2027 (Pages 19 - 38)

(Internal Resources – Councillor S Kane) To agree the refreshed People Strategy for 2023-2027 (C-001-2023-24).

9. ASBESTOS POLICY (Pages 39 - 62)

(Housing and Property – Councillor H Whitbread) To adopt the Epping Forest District Council's Asbestos Policy (C-002-2023-24).

10. QUALIS QUARTERLY MONITORING REPORT QUARTER 2 (YEAR 4) (Pages 63 - 72)

(Finance – Councillor J Philip) To discuss this report and agree any actions required (C-004-2023-24).

11. NEXT STAGE – DEVELOPMENT OF NORTH WEALD ALLOCATED EMPLOYMENT LAND (Pages 73 - 76)

(Finance – Councillor J Philip) To commission Qualis to undertake the next stage of development (C-005-2023-24).

12. 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.

13. EXCLUSION OF PUBLIC AND PRESSExclusion

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

Agenda Item No	Subject	Exempt Information Paragraph Number
14	Acquisition of Leasehold Interests of Council Owned Commercial Property and Disposal at Cartersfield Road	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.

14. ACQUISITION OF LEASEHOLD INTERESTS OF COUNCIL OWNED COMMERCIAL PROPERTY AND DISPOSAL AT CARTERSFIELD ROAD (Pages 77 - 82)

(Finance – Councillor J Philip) To agree the acquisition of long leasehold interests of Council owned property and disposal of units in Cartersfield Road (C-006-2023-24).

EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Cabinet **Date:** Monday, 13 March 2023

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 8.32 pm

Members Present: Councillors C Whitbread (Chairman), N Bedford (Vice-Chairman), N Avey, L Burrows, S Kane, A Lion, A Patel, J Philip, H Whitbread and K Williamson

Members Present (Virtually): Councillors

Other Councillors: Councillors R Balcombe, R Brookes, H Kane, H Kauffman, C C Pond, Caroline Pond and J M Whitehouse

Other Councillors (Virtual): Councillors

Apologies:

Officers Present: G Blakemore (Chief Executive), A Small (Section 151 Officer), J Gould (Interim Strategic Director), A Hendry (Democratic Services Officer), A Buckley (Higher Level Apprentice (Internal Communications)), T Carne (Corporate Communications Team Manager), N Finney (Interim Implementation Team Manager), D Goodey (Service Manager (Commercial)), N Richardson (Service Director (Planning Services)), B Stalabrass (Environmental Health Team Manager Commercial & Air Quality), M Thompson (Interim Acting Service Director (Technical)), J Warwick (Interim Acting Service Director (Contracts)), P Wharfe (Interim Service Director (Housing Revenue Account)), C Wiggins (Directorate Specialist – Technical Services) and A Ventura (Environmental Officer Air Quality)

Officers Present (Virtually):

91. 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.

92. Declarations of Interest

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

93. Minutes

Decision:

That the minutes of the Cabinet meeting held on 06 February 2023 be taken as read and would be signed by the Leader as a correct record.

94. Reports of Portfolio Holders

The Housing and Community Portfolio Holder clarified her comments about the additional police officers from the last meeting. She confirmed that they now had the full £45k found within departmental savings in addition to the £30k from the Cabinet member; that was within the SLA period.

95. Public Questions and Requests to Address the Cabinet

The Cabinet noted that they had a speaker registered to speak at this meeting, a Mr J Start.

Mr Start made a short statement on the Nort Weald redevelopment proposal. He was a member of several motor clubs that had been using part of the Airfield for the past 20 years for Motor sport activities. He was unsure if this had been brought to the attention of the Council during their consultations. He asked that this be taken into consideration by the Masterplan being considered tonight.

It was noted by officers that the Masterplan area would take in the area currently used by the motorsport clubs so there would have to be discussions with the clubs about this.

96. Overview and Scrutiny

The Chairman of the Overview & Scrutiny Committee reported that they had not had a meeting since the last Cabinet meeting. Their next meeting on 20 April will have the annual report of the Epping Forest Youth Council; she also extended the invitation to attend this meeting to all councillors so that they could see the achievements of the Youth Council.

Also, at this meeting they would be reviewing their draft annual report.

97. Off Street Civil Parking Enforcement Policy

The Internal Resource Portfolio Holder, Councillor Sam Kane introduced the report. He noted that the current Civil Parking Enforcement policy was adopted by Cabinet in 2016 and last updated in 2016. The Civil Parking Enforcement policy was an overarching policy outlining the broad legal framework and approach to parking enforcement in EFDC off-street car parks across the district, to ensure the way enforcement was applied was fair, transparent, and consistent.

Civil Parking Enforcement was subject to strict legislative and statutory guidance and required processes to be put in place to enable transparency and accountability. For the Council to enforce against motorists for contraventions under the Traffic Management Act 2004 and statutory guidance, it was necessary to have a Civil Parking Enforcement Policy which sets the regulatory framework and how Penalty Charge Notices were processed. The Civil Parking Enforcement policy does not

replace or replicate national guidance but rather provides transparency to motorists and those enforcing the guidance.

The updated policy will be made available on the Council's website under the district-wide policies, plans and strategies page. This was to provide transparency to the public on the Council's processes for Civil Parking Enforcement and processing of Penalty Charge Notices, including handling challenges, representations, and appeals.

Following a question, it was noted that Automatic Number Plate Recognition (ANPR) cameras may be used by the council but the rules would have to be checked.

Decision:

The Cabinet adopted the updated Off-street Civil Parking Enforcement Policy and the processing of Penalty Charge Notices for Epping Forest District Council.

Reasons for Proposed Decision

For good governance and to ensure that the Council's Civil Parking Enforcement processes are up to date and promote the updated policy openly, as advised by the Department for Transport (statutory guidance for local authorities in England on civil enforcement of parking contraventions).

Other Options for Action

The do-nothing option would result in no change to the existing policy. Regular policy reviews were important to keep the organisation up to date with industry best practices and therefore the do-nothing option was not recommended.

98. North Weald Airfield Development

The Finance Portfolio Holder introduced the report. It was noted that the North Weald Airfield Master Plan and the proposed development of the eastern side of the aerodrome will dictate a change to how aviation operations are performed due to the requirement to relocate the Control Tower Building (CTB) function, the likelihood of the need for a new entrance and alternative locations for operational buildings such as the Gatehouse and Fire Station.

These changes had therefore presented an opportunity to examine the potential for the Airfield to achieve Civil Aviation Authority (CAA) licensing and to develop aviation further.

The Council had therefore engaged with RPS Group Ltd and their subcontractor, Osprey Consulting Services Ltd, to investigate the likelihood of the aerodrome achieving CAA licensed status and to investigate its future development potential.

Despite not recommending licensing, the report identified some safety obstacles and requirements that should be considered by NWA as being best practice.

The second phase was conducted by RPS who investigated the development options whilst taking into account the conclusions of the Osprey report and the proposed development on the Eastern side of the Airfield.

The key elements being the relocation of the Control Tower Building (CTB) function that maximises the development land on the East of the aerodrome and the creation of an airside / landside boundary that would require operational and cultural changes to the way in which the Airfield is managed.

Decision:

The Cabinet agreed the recommendation that North Weald Airfield remains an unlicensed aerodrome whilst developing the aviation operation by improving facilities, security, safety and attracting new business opportunities through the use of developable land.

Reasons for Proposed Decision:

The reason for the recommendation was to allow the continuation of the aviation operation at North Weald Airfield, to maintain its heritage for future generations, to improve safety, security and to increase income generation potential.

Other Options for Action:

Incur major expenditure in upgrading the Airfield infrastructure and implementing fundamental changes to its business model and apply for a CAA license that would more than likely prove fruitless for various reasons.

Continue with on-going budget restricted improvements to safety and security.

Do nothing and accept the security and safety risks which may have insurance consequences.

99. North Weald Airfield Strategic Masterplan

The Place Portfolio Holder introduced the report. The formal consultation on the draft North Weald Airfield Strategic Masterplan ('the Strategic Masterplan') finished on the 6th February 2022. This was the second stage of public consultation undertaken and concludes the public engagement part of the process to inform the preparation of the Strategic Masterplan.

Since February 2022 the Strategic Masterplan has been subject to extensive review and scrutiny by both the professional team engaged in the drafting of the Strategic Masterplan, and the Council, as Local Planning Authority, to ensure the Strategic Masterplan has incorporated, where necessary and appropriate, the consultation responses. Following this review officers are of the view that the Strategic Masterplan could now be formally endorsed.

It was agreed that the Masterplan would primarily be published electronically as it was a very large document.

It was noted that the employment levels outlined in the masterplan were indicative as to what had been identified currently. Jobs for younger people and local people would be prioritised where possible along with apprenticeships.

Concerns were raised about the number of jobs indicated in the report. They seemed rather high. The council needed to keep control of what type of industry came here, not just warehousing.

Decision:

(1) The Cabinet noted the process undertaken and the outputs from the public consultation on the Draft North Weald Airfield Masterplan undertaken between December 2021 and February 2022.

(2) The Cabinet agreed that the North Weald Airfield Strategic Masterplan be formally endorsed in order for it to be taken into account as an important material consideration in the determination of future planning applications, and to inform pre-application advice, assessing planning and any other development management and implementation related purposes relating to the site.

(3) The Cabinet agreed that the Planning Services Director, in consultation with the Planning Portfolio Holder, be authorised to make minor amendments to the North Weald Airfield Strategic Masterplan, including any mapping and links, prior to publication.

Reasons for Proposed Decision:

The Masterplan had undergone extensive scrutiny and where necessary and appropriate changes had been undertaken in accordance with the masterplanning process set out in the Council's Strategic Masterplanning Briefing Note which was endorsed by the Council's Cabinet in October 2018. This has included a review of the emerging Strategic Masterplan by EFDC's Quality Review Panel (QRP) and following receipt of responses to the first and second stages of public consultation. The Strategic Masterplan was considered to be capable of endorsement as an important material consideration in the determination of any planning applications and would be taken into account as such. It will also be used to inform the provision of pre-application advice and other development related purposes.

Other Options for Action:

To not endorse the North Weald Airfield Strategic Masterplan as an important material consideration in the determination of planning applications. This could result in a delay in delivering new high quality and sustainable employment floorspace in the District.

100. Housing & Property - Asset Works

The Housing and Community Portfolio Holder introduced the report. She noted that EFDC had a 30-year HRA finance business plan which outlines the available annual finances to meet our obligations under the decent home standard and the social housing white paper. However, we did not have an up-to-date housing asset management strategy document that would run alongside the 30-year finance plan which would direct our spending, outline our aims and goals including our approach to achieving Net Zero across our housing stock and informing our approach to disposal and development options.

We would like approval to outsource the production of this report to a third party via competitive tender. Whilst we would have hoped to have produced this report

internally, resource and time constraints mean that outsourcing would produce the document in a timely manner.

Also, at January's 2022 report to Stronger Communities regarding the housing business plan, there were several assets highlighted within section 7 requiring capital works expenditure. One of these assets was The Broadway which in the January 2022 report was estimated as requiring £2.75m worth of planned works.

We now want to bring this project back to the attention of members for two reasons. Significant additional works identified by our independent surveyor suggests that many components to the buildings external envelope are now life expired and require urgent maintenance/replacement. The required budget for these is estimated to be £6m and is available within years 24/25 & 25/26 of the business plan. Firm costs for the proposed scheme would be provided following a competitive tender process under the SEC framework for External Works in the 3rd quarter of 2023.

Local ward members wondered how the estimated £36million cost would affect the leaseholders and the shopkeepers. What provisions were to be made to help them. They were told that they would be consulted, and the results would be brought back through scrutiny to the Cabinet.

Decision:

- (1) The Cabinet approved the commissioning of a third party to write the Housing Asset Management Strategy in line with the 30-year HRA finance business plan, to include a rolling five-year investment plan
- (2) The Cabinet approved the start of consultation with leaseholders and residents of the Broadway's major works project with an estimate cost of £6million.
- (3) The Cabinet approved the co-funding of decarbonisation works to 130 properties should EFDC be successful in securing funding through the Social Housing Decarbonisation Fund (SHDF) Wave 2. It was noted that Cabinet approval was needed to direct award the works to E:On as set out in the Fusion 21 framework. This would come back to the Cabinet when more detail was known.
- (4) The Cabinet agreed that the Interim Strategic Director be the Council's responsible person for Health and Safety in Council Housing.

Reasons for Proposed Decisions:

- (1) The Housing Asset Management Strategy will provide reassurance to the Council that our approach to investment in housing assets maintenance is driving the portfolio in a direction which meets our legal obligations but will also ensure that we are able to meet our Net Zero ambitions, helping drive down energy costs to residents.
- (2) Extensive capital works at the Broadway are essential to protect the asset and reduce future responsive repair expenditure.
- (3) The investment driven by the Social Housing Decarbonisation Fund will:
 - a. Reduce tenant energy bills as properties can retain more heat and become more thermally efficient. Linked to this is the likelihood that residents

are less likely to fall into arrears on their rent as they spend less on energy bills.

b. It is anticipated all Landlords will have to meet a minimum energy efficiency standard of the EPC band C for new private rented tenancies in the next five years.

c. Added value to the assets. Typically, properties EPC rated B and C sell for 5% more than those rated D. Under the deliverables of government backed fund this project must ensure all included properties are improved to a minimum rating of C.

d. Further protection to Assets. By following a fabric first approach and insulating the external envelope of the properties they are less likely to suffer from condensation, damp, and mould.

e. This will enable tenants to live in homes that are much less likely to have damp and mould.

f. By following a fabric first approach it becomes possible to undertake further thermal efficiency upgrades in the future (e.g. green heating systems) with the knowledge that EFDC stock can retain the heat efficiently. This will assist EFDC on its Green plan and the governments wider journey to net zero by 2050.

g. Access to awarded funds via the SHDF will reduce strain on the HRA finances to begin working towards Net Zero.

(4) Nomination of Senior Leader to be the Council's person responsible for Health and Safety in council housing.

The regulations laid by Government on 29th March 2022 require that the council will nominate a senior officer to be the person responsible for compliance with health and safety. That person must be "sufficiently senior to drive a culture of safety throughout the landlord organisation" and will be the public face of compliance for the council and, of course, tenants. By designating the post of Strategic Director to this role the council is ensuring that at the most senior level within the authority there is a post that will bring any compliance concerns to the attention of the Authority.

Other Options for Action:

(1) Writing this document could be kept in house. Whilst this would save some costs, the production of the report would be delayed due to increased workloads because of the changes to housing and compliance regulations.

(2) Many of the items listed for replacement are beyond basic repair. The commercial tenants are and will continue to be impacted by leaks from the above. Delaying other programmed works to reduce cost, such as the window replacement, would not be a cost-effective solution as we can now make use of the scaffolding being in place for the other elements.

(3) By not progressing with the with grant works will put added strain on the HRA finance plan in the coming financial year, which will mean less properties undergo any works. The works will also help inform our approach to future decarbonisation works

(4) As part of the changes and recommendations in regulations, there needs to be single nominated person for health & Safety.

101. Domestic Abuse and Domestic Abuse Workplace Policies

The Housing and Communities Portfolio Holder introduced the report. She noted that as part of the work to achieve Domestic Abuse Housing Alliance (DAHA) Accreditation we have been working across services to develop our Domestic Abuse and Domestic Abuse Workplace Policies. The Council believed that no person should live in fear of violence or abuse. These two policies set out our responses to both individuals and our workforce. They set out how we will provide support tailored to the needs of the individual.

Decision:

The Cabinet noted and agreed The Domestic Abuse and Domestic Abuse Workplace Policies.

Reasons for Proposed Decision:

These two policies were essential in giving guidance to both staff and residents as to how we would endeavour to support those experiencing domestic abuse and evidence our commitment to end violence against women and girls in line with the government's Violence against Women and Girls Strategy. The policies are also integral in our bid for DAHA accreditation. They sit across the whole organisation, with specific procedures outlining how each team will implement these policies in practice.

Other Options for Action:

Not to agree the adoption the policies preventing a robust, consistent and transparent approach to tackling domestic abuse and supporting any members of staff who may be experiencing domestic abuse.

102. Draft Air Quality Action Plan

The Technical Services Portfolio Holder introduced the report. This report provided cabinet members with a final Air Quality Action Plan, which had gone through a four-week public consultation between the 20th of January and 17th of February 2023 and updated according to consultation feedback.

For context, air pollution had major health impacts on human health and any authority who had a declared Air Quality Management Area (AQMA) for pollution exceedances, had a statutory duty to produce an AQAP with a list of measures aimed at addressing the AQMA. Our District currently has one AQMA declared near the B1393/ Theydon Road junction at Epping, Bell Common for nitrogen dioxide (NO₂). Additionally, whilst we currently do not have any AQMA's declared for particulates (PM₁₀ and PM_{2.5}), the Public Health Outcomes Framework (PHOF) indicator that looks at the fraction of mortality attributable to long-term exposure to PM_{2.5} calculates that our District is above the England average.

This AQAP had been developed to not only address our statutory obligations relating to our AQMA, but also improve air quality in our District as well as support the aims of our Climate Change Action Plan and our work around improving air quality for the Epping Forest Special Area of Conservation.

Members asked for exploration of the use of digital Air Quality Monitoring. They also noted the plan had a large number of actions which could be made more specific and measurable and, asked if had these been budgeted for. They were told that although the measures were baseline statutory targets they could be adjusted as needed; and

as for resources they were split across various departments and was already ongoing work. Members also raised concerns about excessive emissions from building activities and would like a comprehensive statement on this.

Decision:

That Cabinet agreed the adoption of the Air Quality Action Plan 2023-2028.

Reasons for Proposed Decision:

The Air Quality Action Plan is required as part of the Council's statutory duty within the Local Air Quality Management framework.

Other Options for Action:

To not endorse the adoption of the Air Quality Action Plan. This would result in a delay in meeting our statutory duties.

103. Procurement of Waste Fleet Vehicles

The Contracts and Commissioning Portfolio Holder introduced the report. Epping Forest District Council (EFDC) did not own the waste vehicles used for the current waste contract, therefore EFDC would be required to procure a new waste fleet to allow the waste management service to maintain and appropriately manage its statutory duties around domestic and commercial waste collections for the new waste contract starting November 2024.

Not owning the fleet means the EFDC had no control over the maintenance and scheduling of maintenance of the waste vehicles. This had led to the current issue of large volume of missed collections due to vehicle breakdowns. EFDC will have more control and business continuity in the future which would reduce future risks to the contract if EFDC owned the fleet.

There was currently a long lead in time to procure waste vehicles, which could be as much as 15 months once the vehicles had been ordered. The new waste vehicles must be ready for the new waste contract in November 2024.

Asked how long the vehicles would last members were told 7 to 8 years. Officers were still exploring the options on leasing and/or purchasing and the possibility of having low emission or electric vehicles. The meeting also noted that the new software would be compatible with systems already in place.

Decision:

(1) The Cabinet agreed to proceed with the procurement of Waste Fleet Vehicles subject to the approval of a provision of £9.22 million within the Capital Programme for 2023/24 and associated revenue costs; and

(2) The Cabinet agreed to procure the vehicles through The Procurement Partnership Framework.

Reasons for Proposed Decision:

To ensure EFDC can maintain and appropriately manage its statutory duties around domestic and commercial waste collections.

Other Options for Action:

Lease the vehicles but would be more costly and would still need to start the process as soon as possible to order make sure the vehicles are in place in time for the new contract.

Leasing the vehicles also means that EFDC will not own the fleet as an asset.

104. Quarterly Monitoring Report - Q1 (year 4) 2022/23

The Finance Portfolio Holder, Councillor Philip introduced the Qualis quarter 1 (year 4) monitoring report, noting that there was no significant change from the end of their last year.

This report presented the first Quarter's monitoring report for the 4th Qualis trading year 2022/23 and covers the period from 30 September 2022 to 31 December 2023.

Performance was measured against the business plan targets for 2022/23 contained within the Qualis 1 year Business Plan. Qualis had changed the style of their Board report highlighting financial performance issues within each section.

The unexpected and significant shift in economic factors occurring over the past 12 months continues to have a huge impact on the finances of the Council and this is also replicated on the plans of Qualis. Not all elements of the Qualis business model were impacted to the same extent. The trading companies of Qualis Group and Qualis Management were meeting or exceeding expectations, whilst the development and commercial arms continue to suffer as a result of current economic conditions. The greatest impacts were due to their dependency on borrowing, construction cost inflation, planning and movement in housing prices. These were addressed in the single year Business Plan recently presented to the Council, covering the period 1st October 2022 to 30th September 2023, but due to the still evolving operating environment Qualis were revisiting the budget forecasts for presentation to the Council for Q2 reporting.

Decision:

The Cabinet discussed the report and agreed any actions required.

105. Construction of the new Epping Leisure Centre

The Contracts and Commissioning Portfolio Holder introduced the report. The meeting noted that in January 2021, Cabinet agreed the Capital Programme proposal for the new Epping Leisure Centre at Bakers Lane and the delivery of the new Epping Leisure Centre by the Council's incumbent contractor, Places Leisure. The new Epping Leisure Centre was to be delivered under the current Design, Build, Operate and Maintain (DBOM) contractual arrangement for Places Leisure to build the centre and operate it.

The new Epping Leisure Centre was to replace the existing Epping Sports Centre that has reached the end of its operational life and is expensive to operate and maintain.

Asked if there had been provisions made for costs for late completion, officers said that this was to be a fixed price contract. The provisional time scale for the completion of this project was to be around 2025.

Asked about the ground source heat pumps, the budget savings indicated and what was the governance for this project, officers responded that they would be developing alternative proposals for air source heat pumps to generate significant savings. As for savings, areas had been identified by the contractor. These were to be bottomed out during contract negotiations. As for governance, EFDC will project manage and Places Leisure will have a direct relationship with the contractor. Essentially the same governance arrangements as the Waltham Abbey leisure centre, although Qualis would also be involved due to highways works and the car parks.

The Leader thanked Mr Warwick and his team and the finance team for putting this project together.

Decision:

- 1) The Cabinet agreed to the delivery of the new Epping Leisure Centre project and inclusion of the additional capital investment of £8.1 million within the Cabinet's Budget and Medium-Term Financial plans; and
- 2) The Cabinet agreed that Places Leisure appoint Pellikaan Construction Ltd to construct Epping Leisure Centre.

Reasons for Proposed Decision:

The construction of a new, modern leisure centre in Epping will work towards achieving the aim of the corporate Health & Wellbeing strategy, which is that Epping Forest District residents across all demographics can lead healthy and fulfilling lives.

The strategic need for a new leisure centre has been documented in the current DBOM contract as the existing Epping Sports Centre has reached the end of its building life and is inefficient to operate. A new leisure centre will be more energy efficient and support the Council's aim to become carbon neutral by 2030.

Other Options for Action:

Delaying the project or any changes to the agreed project delivery will adversely impact the regeneration of the Epping sites under progress and any changes will require further consultation and formal agreement with Qualis Ltd.

Furthermore, existing Epping Sports Centre has reached the end of its designed life and will require significant investment to keep the sports centre operational. If the project cost is not viable, then it could be cancelled, and this would result in abortive costs incurred for the professional fees and surveys paid to date. Therefore, any delay or change in the agreed project delivery is not recommended.

Decision:

That, in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the items of business set out below as they would involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12(A) of the Act indicated, and the exemption was considered to outweigh the potential public interest in disclosing the information:

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Agenda Item No	Subject	Exempt Information Paragraph Number
18	Commercial Asset Disposal	3

107. Commercial Asset Disposal

The Finance Portfolio Holder introduced the report. The Council had received an approach from a third party who wished to purchase part of the allocated site for uses that were in line with the Masterplan and fall within a B8 planning use (storage & distribution).

The proposed use would be consistent with the Local Plan and its aspiration to create commercial and employment opportunities. On completion of the sale a significant early contribution would provide for training and innovation directly benefitting the local community.

The sale would be unconditional and was not dependant on the third-party gaining planning consent.

Decision:

The Cabinet agreed to sell part of one of the Council's commercial assets, identified within the Local Plan & Masterplan and allocated for employment uses, to a third party for a consideration, providing that the consideration is in excess of two independently commissioned Red Book valuations in order to comply with the requirements of S123 of the Local Government Act 1972.

Reasons for Proposed Decision:

The sale of the land is consistent with the Local Plan and its aspiration to create further commercial and employment opportunities within the District.

By obtaining two independent Red Book valuations the Council would ensure that it has achieved the Best Consideration for the site.

As freehold owner, an Epping Forest District Council decision was required to agree to the sale in order to conclude due diligence and secure legal completion.

Other Options for Action:

To go out to the open market. This process would be time consuming and may well not produce a single unconditional offer of this scale for the site.

108. Any Other Business

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

CHAIRMAN

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Report to the Cabinet

Report reference: C-001-2023/24

Date of meeting: 30 May 2023



**Epping Forest
District Council**

Portfolio: Internal Resources (Councillor S Kane)

Subject: Launch of the new People Strategy 2023-2027

Responsible Officer: Joanne Budden (Service Manager – People, Culture, Wellbeing Internal Communications)

Democratic Services Officer: V Messenger (democraticservices@eppingforestdc.gov.uk)

Recommendations/Decisions Required:

(1) To agree the refreshed People Strategy for 2023-2027.

Executive Summary:

The People Strategy 2023-2027 sets out how the organisation will support our people to deliver the vision for the district, set out in the new Corporate Plan. It provides a framework for how we plan to implement and deliver our ambitions.

The aim of the Strategy is to support the Council be a more modern, digital, efficient, and inclusive organisation. It is a live and agile document, able to adapt and respond to future challenges.

As a significant Strategy this is a Key Decision which has been published on the Council's website

Reasons for Proposed Decision:

The new People Strategy for the Council has been updated to reflect the revised Corporate Plan and aligns with the corporate objectives which take effect in April 2023. The Cabinet is asked to agree the new People Strategy 2023 - 2027.

Other Options for Action:

All around us is fast changing as is local government, with new challenges and opportunities arising daily. For our leaders and employee to work in this environment, we require a People Strategy. Therefore, no other options were considered.

Report:

1. The landscape of local government is rapidly evolving, with new challenges and opportunities arising daily. To effectively navigate this environment, forward-thinking authorities must develop a fresh and modern People Strategy that aligns with their ambitious corporate objectives and the ever-changing external environment.

This People Strategy has been updated to reflect the revised Corporate Plan and aligns with the corporate objectives which take effect in April 2023.

Our 2023-27 People Strategy focuses on three main pillars:

- **Maximising organisational capacity and capability**

- **Effective and inspirational leadership, values, and culture**
- **Enhancing employee experience and engagement.**

2. **Maximising organisational capacity and capability**

Attracting and retaining talent: Our local authority aims to attract diverse, top-tier talent that shares our passion for revolutionising local government. By leveraging digital recruitment methods and establishing a strong employer brand, we can showcase our commitment to innovation, sustainability, and community development.

To retain our exceptional workforce, we will provide competitive employee benefits, flexible and hybrid working arrangements, and clear career progression pathways, ensuring employees feel valued and motivated to stay with us.

Supporting employees through comprehensive workforce plans: Supporting employees through our comprehensive workforce plan, we will offer internships, apprenticeships, and mentorship programs, facilitating ongoing skill development and knowledge sharing. We will foster a culture of continuous learning and development by providing access to training programs, workshops, and online resources that cater to diverse learning styles and preferences. Employees will be encouraged to pursue further education, gain new certifications, and participate in professional development events to stay at the forefront of industry trends and best practices.

3. **Effective and inspirational leadership, values, and culture**

Developing skills, values, and behaviours: Our local authority will prioritise our teams' skill development, values, and behaviours by setting clear expectations and encouraging our managers and leaders to provide consistent feedback. We will nurture a culture of visionary leadership that inspires employees to think creatively, take calculated risks, and embrace change. To achieve this, we will continue to invest in our leadership development program, create opportunities for cross-functional collaboration, and celebrate success stories that exemplify our core values.

Creating a sustainable and innovative future: By fostering visionary leadership and culture, we will propel our local authority toward a sustainable future embracing new ideas and innovation. We will actively seek input from employees at all levels and foster open communication channels to ensure that everyone's voice is heard. By empowering employees to contribute their unique perspectives and ideas, we can drive continuous improvement and enhance our ability to address the challenges facing our communities.

4. **Enhancing employee experience and engagement**

Building an inclusive environment: We will focus on building an inclusive environment that fosters diversity and embraces the unique strengths and perspectives that each employee brings to the table. Our local authority will establish diversity and inclusion initiatives to promote awareness, understanding, and acceptance of diverse cultures, backgrounds, and experiences. We will also provide employees with the resources and support they need to succeed in their roles, regardless of their individual circumstances.

Cultivating a people-centric culture: Our local authority will cultivate a people-centric culture that emphasises well-being and keeps employees healthy, engaged, and motivated to make a difference in our communities. We will implement employee wellness programs, provide access to mental health resources, and encourage a healthy work-life balance. By prioritising well-being, we can boost employee morale, increase productivity, and reduce absenteeism, contributing to our overall success.

5. How you can help as our Modern-Day Councillors and Leaders

As local government Councillors and Leaders, you can engage, support, and adopt the new People Strategy by:

- Embracing and promoting the strategy. Foster a sense of ownership and collaboration among your councillor colleagues by embracing and promoting the Strategy's themes and values within your role.
- Be an advocate for employee skill development, well-being, inclusion, and lead by example, demonstrating your commitment to the Strategy in your everyday actions and decisions.
- Actively encouraging your peers to support and participate in initiatives that nurture a stronger and more creative local authority.
- Participate in workshops, seminars, and team-building events that foster a positive and supportive work environment, enabling employees and councillors to build strong relationships.
- Promote and support cross-functional collaboration and breaking down departmental silos. Encourage employees to work together, share ideas, and learn from one another.
- Celebrate success and recognise employee contribution. Acknowledge and celebrate the accomplishments of individuals and teams.
- Foster a culture of accountability and ownership. Help support us to instil a culture of accountability and ownership among employees by setting clear expectations and providing feedback.

6. Conclusion

By integrating these themes and actions into everyone's responsibilities, we will all contribute to a stronger, more innovative, and sustainable Council for all.

Together, we can achieve our strategic priorities and create an environment where everyone thrives and contributes to our collective success.

Through the implementation of our 2023-27 People Strategy, we will lay the foundation for a progressive local government model that empowers employees, embraces change, and delivers exceptional services to our communities.

We will be known as an 'Employer of Choice.'

Scrutiny Comments

The Committee welcomed the report as a good start and wished to see it progressed and how it would be reviewed. Also, they would like to see how it interacted and engaged with the elected members and enabled members and officers to work better together.

Resource Implications:

No increase in budget required to adopt the Strategy. Individual projects within the Strategy will be scoped and if funding is required will be subject to agreement through the Council's budget process.

Legal and Governance Implications:

N/A

Safer, Cleaner and Greener Implications:

N/A

Consultation Undertaken:

Consultation with Executive, Senior Leadership and Leadership teams and the Portfolio Holder was completed in March 2023. Strategy was reported to Stronger Council on 18 April 2023 and their comments are contained within the body of the report.

Background Papers:

An obligatory section, listing any papers not previously published that have had a material effect upon the contents of the report.

Risk Management:

Risks will be identified through the project management processes and subject to the Council's risk methodology.

Equality Impact Assessment:

Equality impacts will be identified at the inception of projects and managed accordingly.

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: People Team

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: Adoption of the People Strategy 2023-2027

Officer completing the EqlA: Tel: NA Email: jbudden@eppingforestdc.gov.uk

Date of completing the assessment: 17th April 2023

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	Describe the main aims, objectives and purpose of the policy (or decision): What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? Adoption of the People Strategy 2023-2027
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none">• service users• employees• the wider community or groups of people, particularly where there are areas of known inequalities? Will the policy or decision influence how organisations operate? Yes
2.4	Will the policy or decision involve substantial changes in resources? No, unless there are wider organisational capacity requirements required from the People Team within organisational programmes or projects.
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? Yes, Linked to the overall corporate strategy as one of it's main enabling strategies.

Section 3: Evidence/data about the user population and consultation¹

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	What does the information tell you about those groups identified?
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? Executive Team, Senior Leadership Team, Wider leadership Team, Portfolio Holder, Stronger Council.
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: Cabinet and Employees are part of the ongoing engagement plan from June onwards.

Section 4: Impact of policy or decision

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

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	Neutral	Low
Disability	Positive (Disability Confident level 2 status)	Low
Gender	Neutral	Low
Gender reassignment	Positive (Policy Development)	Low
Marriage/civil partnership	Positive (Policy Development)	Low
Pregnancy/maternity	Positive (Policy Development)	Low
Race	Neutral	Low
Religion/belief	Neutral	Low
Sexual orientation	Positive (Policy Development)	Low

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqIA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input checked="" type="checkbox"/> X	
		Yes <input type="checkbox"/>	If 'YES', use the action plan at Section 6 to describe the adverse impacts and what mitigating actions you could put in place.

Section 6: Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.

Section 7: Sign off

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

Signature of Head of Service: <i>Paula Maginnis</i>	Date: 17/04/2023
Signature of person completing the EqIA: <i>Susan Bowers Hamilton Jo Budden</i>	Date: 17/04/2023

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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OUR CORPORATE PEOPLE STRATEGY

Our Corporate People Strategy 2023 – 2027 sets out how the organisation will support our people to achieve the vision for the district and its three pillars: Stronger Council, Stronger Communities and Stronger Place.

Page 31

Author: Joanne Budden, People, Culture, Wellbeing and Internal Communications

Creative: Sarah Kits, Internal Communications and Engagement Business Partner

2023-2027



Foreword from our CEO

Georgina Blakemore

The greatest asset EFDC has, is our people.

You make such a positive difference to the quality of our residents lives, enabling communities to grow and individuals to thrive.

This Corporate People Strategy demonstrates the value EFDC places on our people, their ideas, their energy, innovation and the organisation recognises the importance of identifying and developing their potential.

“

You make such a positive difference to the quality of our residents lives, enabling communities to grow and individuals to thrive



What the strategy will do

The Corporate People Strategy enables and supports the delivery of EFDC's Corporate Plan 2023-2027.

Our key pillar, Stronger Council, is driven by our ambition to be a more modern, digital, efficient, and inclusive, high-performing, digitally smart organisation.

It provides a framework for how we will involve and collaborate with our colleagues to implement and deliver our ambitions as an organisation.

Equally, it responds to our internal drivers, strategic ambition, and our competitive external recruitment environment.

This strategy is LIVE and agile, and is a blueprint that is open to adaptation to respond to changes, legislation and best practice

Most importantly, it will respond to EFDC's future needs and is a key enabler to maximise the potential of our people.

“

Our Corporate People Strategy enables and supports the delivery of our Corporate Plan

Our direction

Our mission is to recruit, develop and retain individuals whose work advances the vision, mission and strategy of EFDC, making EFDC an employer of choice

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Our vision is to empower people to have a voice, embrace change and to continually develop and grow. Employees will take pride in everything they do and aspire to make EFDC a great place to work

“



In order to build a rewarding and positive employee experience, we need to understand what really matters most to our people.

People want to come to work, do a good job, feel they have made a difference and be recognised for their contribution.

Investing in our people is key to organisational success.

Our People Strategy remains a journey, not a destination.

Joanne Budden, Service Manager, People, Culture, Wellbeing and Internal Communications

Our organisational commitments to you

Alongside the commitment to our Corporate Values and Behaviours, the organisation will commit to deliver services adhering to the following values...

Page 36



Professional

EFDC will provide a supportive, collaborative and cohesive service.



Proactive

EFDC will be forward-thinking to ensure our services, advice and support is solution-led.



Enabling

Empowering confident people leaders through ongoing coaching, and feedback.

Business-focused

EFDC will provide pragmatic, ethical and compliant support, driven by the needs of the organisation, backed by data.



Monitoring progress

Progress will be regularly assessed to ensure it remains future-focussed and deliver against our corporate objectives.

This will be reported through the Portfolio Holder via Stronger Council Committees.



The organisation will attract diverse, high-quality, and high-performing individuals, who embody our corporate vision and values and behaviours

Maximising organisational capacity and capability

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Our objectives are...

- To achieve our organisational goals through a high-performing, motivated workforce
- To attract, develop, and retain great people

The organisation will...

- Create a strong EFDC employer brand
- Attract and build a strong and diverse workforce, through creative and innovative use of digital and social platforms
- Develop our employees' skills and behaviours, building the capability needed to deliver the council's strategic priorities
- Continue to embed effective and efficient solutions, frameworks, and resources to support the delivery of the priorities set out in our Corporate Plan
- Encourage our employees to grow personally and professionally so they are well positioned in the future for their careers

How you can help...

- **Use your knowledge and skills** to support and develop employees undertaking work placements, apprenticeships and graduate schemes via your service area workforce plan.
- **Continually develop and improve your skills** through all channels and opportunities and share your knowledge and skills with others.
- **Know your colleagues** and support them to achieve their full potential.
- **Be prepared to provide wider support**, we are all in this together.

The organisation will support the development of our people's skills, and values and behaviours and encourage inspirational and effective leadership

Effective and inspirational leadership, values and culture



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Our objectives are...

- To develop our leadership team so they are equipped to develop and inspire their employees
- To develop our people's skills and behaviours and strive to make EFDC an employer of choice

The organisation will...

- Support a learning culture, prioritising development for all, continuing to invest in key skills and behavioural development
- The organisation will introduce a digital performance management and feedback process, allowing employees to achieve their full potential
- Nurture our leaders so that they can be authentic, resilient, collaborative and lead us effectively through change
- Demonstrate EFDC's values
- Champion a diverse and inclusive culture providing a workplace where every employee can bring their true and whole selves to work

How you can help...

- **Help promote our values and behaviours** in everything you do.
- **Champion equality, inclusivity and diversity**, be compassionate, support others and treat them with respect.
- **Use Council resources efficiently and identify opportunities** to make savings or increase income.
- **Make sure you keep up-to-date** through the employee engagement and communications channels available.

The organisation will strive to be inclusive and provide an environment where well-being and a people-centric culture keeps employees healthy, engaged and motivated.

Employee experience

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Our objectives are...

- To embrace change to support EFDC's cultural and digital transformation
- To nurture a culture of engagement and well-being

The organisation will...

- Continue to review the council's people management policies and frameworks to remove and reduce bureaucracy, making them people centric, simple, business-focused, and compliant
- Empower our people to ensure consistent application of policies, promoting self-service
- Nurture an environment where engagement, self-development culture and well-being are considered integral and impact on well-being is considered in all organisational decision making
- Encourage a workplace culture that supports receiving and responding to feedback, working with colleagues to turn areas of development, into areas of strength
- Provide evidence based health and well-being programs to raise awareness, and improve the physical and mental health of our employees

How you can help...

- **Embrace new ways of working.**
- **Use the opportunities to feedback** through our employee surveys.
- **Continue to recognise and celebrate one another** using the Perkbox Celebration platform.
- **Get involved** in any employee networks.
- **Take an active role in supporting and seeking new ways to improve** your physical, mental health, and wellbeing.
- **Take accountability** for your learning and development, look out for opportunities when they are available.

Report to the Cabinet

Report reference: C-002-2023/24

Date of meeting: 30th May 2023

Portfolio: Housing and Property (Cllr Holly Whitbread)

Subject: Asbestos Policy

Responsible Officer: Pam Wharfe, Interim Director for Housing & Property

Democratic Services: V Messenger (01992 564243)



**Epping Forest
District Council**

1 Recommendations/Decisions Required:

Adoption of the attached document as Epping Forest District Council's Asbestos Policy

2 Executive Summary

The Council has duties to manage asbestos in the buildings it owns, and this policy describes how and why those duties will be carried out.

The Council has had an agreed asbestos policy in place from the 3rd December 2020. This new, revised policy has been produced by officers with the advice of Pennington Choices, an expert company on matters of compliance for social housing landlords. Pennington Choices have been working with officers over the last 12 months to review *all* the Council's compliance policies and the new policies will be presented to Cabinet over the coming months.

This policy forms part of the Council's wider organisational commitment to driving a health and safety culture amongst staff and contractors.

The key aspects of the policy are highlighted in this report, but the attached full policy is the key working document.

3 Need for the Policy

Homes or buildings built or refurbished before the year 2000 may contain asbestos. If an asbestos containing material is disturbed or damaged it can release asbestos fibres into the air which are a danger to health if inhaled. Workers who carry out repairs and maintenance work are at particular risk, however, building occupants could also be put at risk.

It is the Council's legal duty (see below) to manage asbestos in the buildings described in the Scope of the policy below.

4 Scope of the Policy

This policy applies to:

- 4.1 The housing assets which are owned by the Housing Revenue Account (the HRA) and any which are leased by the Council and rented and managed as social housing stock. This includes domestic properties (houses and flats), communal areas of any blocks containing such properties, and sheltered and supported housing schemes and associated offices/communal spaces.
- 4.2 Any commercial premises which are owned by the HRA.
- 4.3 Any depots, operational and commercial buildings owned and / or managed by EFDC.
- 4.4 The policy is relevant to all the Council's employees, tenants, contractors, stakeholders, and other persons who may work on, occupy, visit, or use the Council's premises, or who may be affected by the Council's activities or services.
- 4.5 Adherence to this policy is mandatory.

5 Roles and Responsibilities

5.1 Cabinet

- Cabinet has overall governance responsibility for ensuring this policy is fully implemented to ensure full compliance with legislation and regulatory standards. As such, the Cabinet will formally approve this policy and review it every two years (or sooner if there is a change in legislation or regulation).
- For assurance that this policy is operating effectively in practice, the Cabinet will receive regular updates on its implementation, asbestos safety performance and any non-compliance.

5.2 Senior Leadership Team

- The Senior Leadership Team (SLT) will receive monthly performance reports in respect of asbestos safety and ensure compliance is being achieved. They will also be notified of any non-compliance issue identified. The Chief Operating Officer will fulfil the role of the Responsible Person and will be the overall responsible person on behalf of EFDC.

5.3 Service Responsibilities

- The Director for Housing has strategic responsibility for the management of asbestos safety, and ensuring compliance is achieved and maintained. They will oversee the implementation of this policy.
- The lead officer for Asset Strategy has operational responsibility for the management of asbestos safety and will be responsible for overseeing the delivery of these programmes.
- The Appointed Person role is required under HSG264 (see para 4.3), to assist in the management of asbestos containing materials in buildings and must have the necessary skills and training for the effective management of the asbestos. This role is carried out by the Team Manager Property Operations.

6 Obligations for the Council

The Council is required to:

- Find out if asbestos containing materials (ACMs) are present, where the Council has an obligation to do so, presuming that materials contain asbestos unless there is strong evidence that they do not.
- Identify the location and condition of any ACMs.
- Assume asbestos is present if the property was built prior to the year 2000.
- Keep an up-to-date record (an asbestos register) of the location and condition of ACMs or presumed ACMs.
- Assess the risk from any ACMs found.
- Prepare an Asbestos Management Plan that sets out how we will manage the risk from ACMs, and review and monitor its implementation.
- Set up a system to provide information on the location and condition of ACMs to anyone who is liable to work on or disturb them.
- Assess the reliability of information received relating to asbestos within the properties the Council owns and manages.
- Anyone who has information on the whereabouts of asbestos within these properties is required to make this available to the Council.

7 Resource Implications:

In order to comply with the Policy officers have commissioned surveys of the Council's communal areas. These surveys will be carried out by a company which has specialist knowledge in this area. The surveys will cost the Housing Revenue Account £65680.

8 Legal, Regulatory Standards, Sanctions and Governance Implications:

8.1 Legal responsibilities

The key legal duties are set out in The Control of Asbestos Regulations 2012, and more detailed expectations are set out in the Approved Code of Practice L143.

- Approved Code of Practice (ACoP) - The principal ACoP applicable to this policy is:
- ACoP L143 - Managing and working with Asbestos (Second edition, 2013).
- Guidance – The principal guidance documents applicable to this policy are:
- HSG227 - A comprehensive guide to managing asbestos in premises (First edition, 2002).
- HSG247 - Asbestos: The licensed contractors' guide (First edition, 2006).
- HSG264 - Asbestos: The survey guide (Second edition, 2012).
- INDG223 - Managing asbestos in buildings: a brief guide (Revision 5, April 2012).
- HSG210 - Asbestos Essentials: A task manual for building, maintenance and allied trades and non-licensed asbestos work (Fourth edition, 2018).
- HSG248 – Asbestos: The Analysts' Guide (Second edition, 2021)

8.2 Regulatory Standards

The Council must ensure that it complies with the Regulator of Social Housing's regulatory framework and consumer standards for social housing in England; the Home Standard is the primary one applicable to this policy. The Social Housing (Regulation) Bill will change the way social housing is regulated and may result in future changes to this policy.

8.3 Sanctions

Failure to discharge the Council's responsibilities and obligations properly could lead to sanctions, including prosecution by the Health and Safety Executive (the HSE) under the Health and Safety at Work Act 1974; prosecution under the Corporate Manslaughter and Corporate Homicide Act 2007; prosecution under the Control of Asbestos Regulations; and via a regulatory notice from the Regulator of Social Housing.

9 Significant non-compliance and escalation

Definition

- 9.1 The definition of significant non-compliance is any incident which has the potential to result in a material breach of legislation or regulatory standard, or which causes a risk to health or safety. All non-compliance issues will be reported and escalated as soon as possible, and no later than 24 hours after the incident occurred, or of an EFDC employee becoming aware of it.

Reporting

- 9.2 Any non-compliance issue identified at an operational level will be formally reported to either the lead officer for Asset Strategy in the first instance, who will agree an appropriate course of corrective action with the Director of Housing. The Director of Housing will report details of the same to the Senior Leadership Team, EFDC's Monitoring Officer and the Portfolio Holder.

Escalation

- 9.3 In cases of serious non-compliance, the Portfolio Holder and Senior Leadership Team will consider whether it is necessary to disclose the issue to the Regulator of Social Housing as required by the regulatory framework, or any other relevant organisation such as the Health and Safety Executive. In such instances, the issue will also be reported to Cabinet.

10 Safer, Cleaner and Greener Implications:

The Asbestos Policy and its implementation ensures the safety of residents, staff and contractors. The appropriate management of any asbestos found is critical to protecting the environment.

11 Consultation Undertaken:

Tenants and leaseholders need to be consulted around the Asbestos Policy a meeting will be organised before the Cabinet Meeting with the Tenants Panel and leaseholders will be consulted by letter.

12 Risk Management:

The biggest risk is that the policy is not embedded in working practices or that tenants and leaseholders are not aware of the issues around asbestos. These risks are mitigated by good communication with staff, contractors and residents living in the council's housing.

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 and 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: Asbestos Policy
Officer completing the EqIA: Tel: Email: pwharfe@eppingforestdc.gov.uk
Date of completing the assessment: 17.4.23

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? <i>This is a revised policy replacing the existing one agreed in 2020.</i>
2.2	Describe the main aims, objectives and purpose of the policy (or decision): The purpose of the policy is to be clear about the council’s responsibility around asbestos and to ensure that residents, staff and contractors are kept safe from adverse effects of disturbed asbestos. What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)? <i>Implementing the policy as attached.</i>
2.3	Does or will the policy or decision affect: <ul style="list-style-type: none"> • service users • employees • the wider community or groups of people, particularly where there are areas of known inequalities? <p>The policy requires that residents, staff and contractors are aware of the presence of asbestos before undertaking any works that might disturb it. Understanding asbestos may be harder for the council’s more vulnerable tenants as a social housing provider we understand that some council housing tenants have additional needs. The policy and associated documents therefore need to be well written so they can be easily understood. The Tenants Panel already work with the Council to test the comprehensibility of documents and will do this with the Asbestos Policy and leaflet.</p> <p>Will the policy or decision influence how organisations operate? <i>It is possible that staff and contractors will need to review how they work to make sure it is in line with the new policy.</i></p>
2.4	Will the policy or decision involve substantial changes in resources? <i>It does require new surveys to be done of the communal areas of blocks of council housing. This will cost £65,000 in the next 6 months.</i>

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><i>Forms part of our compliance regimes and supports corporate policies on wellbeing of residents.</i></p>
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Section 3: Evidence/data about the user population and consultation¹

As a minimum you must consider what is known about the population likely to be affected which will support your understanding of the impact of the policy, eg service uptake/usage, customer satisfaction surveys, staffing data, performance data, research information (national, regional and local data sources).

3.1	What does the information tell you about those groups identified? <i>N/A</i>
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? <i>Consultation with resident groups is underway and due to scrutiny on Wednesday 24th May</i>
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: <i>Consultation with resident groups is underway and due to scrutiny on Wednesday 24th May</i>

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	<i>Positive Impact as it will help safeguard the safety of our residents from the risks of asbestos. We do have an existing policy although this is now out of date.</i>	<i>Low</i>
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Section 5: Conclusion

		Tick Yes/No as appropriate	
5.1	Does the EqIA in Section 4 indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No <input checked="" type="checkbox"/>	
		Yes <input type="checkbox"/>	If ' YES ', use the action plan at Section 6 to describe the adverse impacts and what mitigating actions you could put in place.

Section 6: Action plan to address and monitor adverse impacts

NOT Applicable for this application

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: Richard Spencer



Date: 19/05/2023

Signature of person completing the EqIA: Richard Spencer



Date: 19/05/2023

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.

Asbestos Policy



Name	Asbestos Policy
Owner	Director of Housing and Property
Last Review	February 2023
Next Review	February 2025
Resident Consultation	Week commencing 22 nd May 2023
Equality Impact Assessment	Not Applicable
Cabinet Approval	30 May 2023

Strategic Lead **Director for Housing and Property**

Sign

Date

Chair of Cabinet **CLr Chris Whitbread**

Sign

Date

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1.0 Introduction and Objectives

- 1.1 As a landlord, Epping Forest District Council (EFDC) is responsible for maintenance and repairs to our homes, communal blocks, and other properties we own and manage, many of which will have been constructed using asbestos containing materials. As such, we have a legal ‘duty to manage’ asbestos in these buildings.
- 1.2 Homes or buildings built or refurbished before the year 2000 may contain asbestos. If an asbestos containing material is disturbed or damaged it can release asbestos fibres into the air which are a danger to health if inhaled. Workers who carry out repairs and maintenance work are at particular risk, however, building occupants could also be put at risk.
- 1.3 The key objective of this policy is to ensure our Cabinet, Senior Leadership Team, employees, partners, and tenants are clear on our legal and regulatory asbestos safety obligations. This policy provides the framework our staff and partners will operate within to meet these obligations.
- 1.4 This policy forms part of our wider organisational commitment to driving a health and safety culture amongst staff and contractors (as detailed within our Health and Safety Policy). It will be saved on our shared drive and distributed to all relevant members of staff.

2.0 Scope

- 2.1 This policy applies to:
 - The housing assets which are owned by the Housing Revenue Account (the HRA) and any which are leased by the Council and rented and managed as social housing stock. This includes domestic properties (houses and flats), communal areas of any blocks containing such properties, and sheltered and supported housing schemes and associated offices/communal spaces.
 - Any commercial premises which are owned by the HRA.
 - Any depots, operational and commercial buildings owned and / or managed by EFDC.
- 2.2 The policy is relevant to all our employees, tenants, contractors, stakeholders, and other persons who may work on, occupy, visit, or use our premises, or who may be affected by our activities or services.
- 2.3 The policy should be used by all to ensure they understand the obligations placed upon EFDC to maintain a safe environment for tenants and employees within the home of each resident, and within all communal areas of buildings and other properties we own and/or manage. Adherence to this policy is mandatory.

3.0 Roles and Responsibilities

- 3.1 EFDC's Cabinet has overall governance responsibility for ensuring this policy is fully implemented to ensure full compliance with legislation and regulatory standards. As such, the Cabinet will formally approve this policy and review it every two years (or sooner if there is a change in legislation or regulation).
- 3.2 For assurance that this policy is operating effectively in practice, the Cabinet will receive regular updates on its implementation, asbestos safety performance and any non-compliance.
- 3.3 The Senior Leadership Team (SLT) will receive monthly performance reports in respect of asbestos safety and ensure compliance is being achieved. They will also be notified of any non-compliance issue identified.
- 3.4 The Director of Housing has strategic responsibility for the management of asbestos safety, and ensuring compliance is achieved and maintained. They will oversee the implementation of this policy.
- 3.5 The lead officer for Asset Strategy has operational responsibility for the management of asbestos safety and will be responsible for overseeing the delivery of these programmes. The Chief Operating Officer will fulfil the role of the Responsible Person and will be the overall responsible person on behalf of EFDC. The Appointed Person role is required under HSG264 (see para 4.3), to assist in the management of asbestos containing materials in buildings and must have the necessary skills and training for the effective management of the asbestos.
- 3.6 Housing teams will provide support where gaining access to properties is difficult.

4.0 Legislation, Guidance and Regulatory Standards

4.1 **Legislation** - The principal legislation applicable to this policy is:

- The Control of Asbestos Regulations 2012.

This policy also operates within the context of additional legislation (see Appendix 1).

4.2 **Approved Code of Practice (ACoP)** - The principal ACoP applicable to this policy is:

- ACoP L143 - Managing and working with Asbestos (Second edition, 2013).

4.3 **Guidance** – The principal guidance documents applicable to this policy are:

- HSG227 - A comprehensive guide to managing asbestos in premises (First edition, 2002).
- HSG247 - Asbestos: The licensed contractors' guide (First edition, 2006).
- HSG264 - Asbestos: The survey guide (Second edition, 2012).
- INDG223 - Managing asbestos in buildings: a brief guide (Revision 5, April 2012).

- HSG210 - Asbestos Essentials: A task manual for building, maintenance and allied trades and non-licensed asbestos work (Fourth edition, 2018).
- HSG248 – Asbestos: The Analysts’ Guide (Second edition, 2021).

4.4 **Regulatory Standards** – We must ensure we comply with the Regulator of Social Housing’s regulatory framework and consumer standards for social housing in England; the Home Standard is the primary one applicable to this policy. The Social Housing (Regulation) Bill will change the way social housing is regulated and may result in future changes to this policy.

4.5 **Sanctions** – Failure to discharge our responsibilities and obligations properly could lead to sanctions, including prosecution by the Health and Safety Executive (the HSE) under the Health and Safety at Work Act 1974; prosecution under the Corporate Manslaughter and Corporate Homicide Act 2007; prosecution under the Control of Asbestos Regulations; and via a regulatory notice from the Regulator of Social Housing.

5.0 Obligations

5.1 Under The Control of Asbestos Regulations 2012 (CAR 2012) EFDC has a legal obligation under Part 2, Section 4 ‘Duty to manage asbestos in non-domestic properties’ and is the ‘Duty Holder’ for the purposes of the legislation. We are required to:

- Find out if asbestos containing materials (ACMs) are present, where we have an obligation to do so, presuming that materials contain asbestos unless we have strong evidence that they do not.
- Identify the location and condition of any ACMs.
- Assume asbestos is present if the property was built prior to the year 2000.
- Keep an up-to-date record (an asbestos register) of the location and condition of ACMs or presumed ACMs.
- Assess the risk from any ACMs found.
- Prepare an Asbestos Management Plan that sets out how we will manage the risk from ACMs, and review and monitor its implementation.
- Set up a system to provide information on the location and condition of ACMs to anyone who is liable to work on or disturb them.
- Assess the reliability of information we receive relating to asbestos within the properties we own and manage. Anyone who has information on the whereabouts of asbestos within these properties is required to make this available to us.

6.0 Statement of Intent

- 6.1 We acknowledge and accept our responsibilities under CAR 2012 as outlined in Section 5, and we recognise that the main hazard in relation to asbestos is the non-identification of ACMs. As such, we will protect those persons potentially exposed to asbestos as far as is reasonably practical, using appropriate control measures and working methods.
- 6.2 To fully comply with CAR 2012, we will have a Cabinet-approved Asbestos Policy, an Asbestos Management Plan and we will maintain an asbestos register.
- 6.3 We will carry out an intrusive refurbishment/demolition survey to domestic and non-domestic properties as and when required, as per HSG264.
- 6.4 We will ensure that information about ACMs (known or presumed) is provided to every person liable to disturb it, accidentally or during the course of their work. This includes employees, contractors, and tenants.
- 6.5 We will generally not use asbestos labelling in domestic premises, however, in non-domestic premises and common areas of domestic blocks, labelling will be used where practicable.
- 6.6 We will provide appropriate personal protective equipment to our in-house delivery team where required.
- 6.7 We will ensure that there is a robust process in place to manage immediately dangerous situations identified during asbestos related works.
- 6.8 We will operate effective contract management arrangements with the contractors responsible for delivering the service, including ensuring contracts/service level agreements are in place, conducting client-led performance meetings, and ensuring that contractors' employee and public liability insurances are up to date on an annual basis.
- 6.9 We will use the legal remedies available within the terms of the tenancy and lease agreement should any resident, leaseholder, or shared owner refuse access to carry out essential asbestos related inspection and remediation works. Where resident vulnerability issues are known or identified we will ensure we safeguard the wellbeing of the resident.
- 6.10 We will establish and maintain a risk assessment for asbestos management and operations, setting out our key risks from asbestos and appropriate mitigations.
- 6.11 To comply with the requirements of the Construction (Design and Management) Regulations 2015 (CDM) a Construction Phase Plan will be in place for all repairs to void and tenanted properties (at the start of the contract and reviewed/updated annually thereafter), component replacement works and refurbishment projects.
- 6.12 We will ensure there is a robust process in place to investigate and manage all RIDDOR notifications made to the HSE in relation to asbestos safety and will take action to address

any issues identified and lessons we have learned, to prevent a similar incident occurring again.

7.0 Programmes

- 7.1 **Non-domestic properties** – All non-domestic properties (communal blocks/supported schemes/offices/depots) that we own or manage (within the scope set out in 2.1), built prior to the year 2002, will have an asbestos management survey that is compliant with CAR 2012 (i.e., all surveys will be dated after 6 April 2012, when this legislation came into effect).
- 7.2 Thereafter, we will maintain a programme of asbestos re-inspections for all properties that contain ACMs (known or presumed) or where we cannot confirm there are no ACMs present. Re-inspections will either be annual or in accordance with the risk level as identified by the previous survey. We will not re-inspect any properties where the initial asbestos management survey confirms that there are no ACMs.
- 7.3 **Domestic properties** – We currently hold asbestos survey data on approximately 76 per cent of our domestic properties. Within the lifecycle of this policy, we will implement a risk-based approach to pro-actively carrying out surveys within domestic properties. We will also replace any cloned data with property specific surveys through surveys undertaken as part of our capital programmes.
- 7.4 **Garages** – We own or manage 91 garages, many of which may contain ACMs. We will carry out a risk-based programme of sample inspections to assess the location and condition of ACMs within these garages and implement a programme of remedial works as necessary.
- 7.5 **Repairs / planned maintenance** - We will review existing asbestos survey information prior to carrying out any intrusive void work, day-to-day repairs, planned maintenance or refurbishment work. Where there is no asbestos information, prior to the work taking place, we will commission a refurbishment/demolition survey to the areas of the property that are likely to be disturbed as part of the proposed works. We will also undertake a management survey to the remainder of the property as part of the same refurbishment/demolition survey. Once completed, survey details will be provided to the relevant operatives or contractors.
- 7.6 Where the repair or planned improvement work is carried out by any of our contractors or strategic partners, we will continue to hold the asbestos register and survey information and will co-ordinate this and make the relevant information available to them. Where surveys are required, we will commission the appropriate survey, make the information available, and update our register.

8.0 Follow-up Work

8.1 Where asbestos is positively identified, and removal, sealing or encapsulation is recommended by the competent person, this will be carried out as follows:

- **Non-licensed works** (as defined in regulation 2 of CAR 2012) – will be undertaken by a Licensed Asbestos Removal Contractor (LARC) licensed by the Health and Safety Executive in compliance with CAR 2012.
- **Notifiable non-licensed works** (as defined in regulation 2 of the CAR 2012) – will be undertaken by a LARC.
- **Licensed works** (as defined in regulation 2 of CAR 2012) – will be undertaken by a LARC.

9.0 Data and Records

9.1 We will maintain a core asset register of all properties we own or manage, setting out which properties are and are not required to be included on the asbestos re-inspection programme (for assets identified as being within scope in 2.1).

9.2 We will operate a robust process to manage all changes to our assets, including property acquisitions and disposals, to ensure that properties are not omitted from asbestos programmes and the programme remains up to date.

9.3 We will maintain and keep an asbestos register in Share Point, keeping it secure and with write access only available to those who need to update the register. We will implement the Civica CX system during 2023, and from that point will hold our register in it. The asbestos register will include details of ACMs in the properties we own or manage, with information on the property address, the type of asbestos, its location and condition. We will hold inspection dates, asbestos surveys, details of remediation works and evidence of completion of these works in Share Point.

9.4 We will keep all these records for at least the duration that we own and manage the property/in line with our document retention policy and have robust processes and controls in place to maintain appropriate levels of security for all asbestos related data.

9.5 We will keep air monitoring and health surveillance records for at least 40 years.

10.0 Resident Engagement

10.1 We consider good communication essential in the effective delivery of asbestos safety, therefore we will establish a resident engagement strategy and communication programme. This will support tenants in their understanding of asbestos, advise them of how they can manage any risk if there is asbestos within their property, and encourage them to report any asbestos safety concerns.

10.2 We also aim to successfully engage with vulnerable and hard to reach tenants. We will share information clearly and transparently and will ensure that information is available to tenants via regular publications and information on our website.

10.3 We will provide tenants with a resident friendly version of the asbestos survey for their property, where we have carried one out. A full version of the asbestos survey will be made available upon request.

11.0 Competent Persons

11.1 The operational lead (currently Team Manager Property Operations) will hold a P405, P407 or W504 qualification (or equivalent). If they do not have one of these, they will obtain this within 12 months of the approval of this policy.

11.2 Only competent contractors (as per HSG264) will carry out asbestos management surveys and asbestos reinspections. We will require surveyors to hold the P402 qualification and to be able to demonstrate they have sufficient experience to be competent in carrying out surveys and reinspections.

11.3 Only competent Licensed Asbestos Removal Contractors will carry out all work on asbestos, including non-notifiable non-licensed work, notifiable non-licensed work, or licensed works.

11.4 Only suitably competent asbestos consultants and contractors will provide third party technical quality assurance checks.

11.5 We will check that our contractors hold the relevant qualifications and accreditations when we procure them, and thereafter on an annual basis; we will evidence these checks and each contractor's certification appropriately.

12.0 Training

12.1 We will deliver training on this policy and the procedures that support it, through appropriate methods including team briefings; basic asbestos awareness training; and on the job training for those delivering the asbestos programme, planned maintenance and repair works as part of their daily job. All training undertaken by staff will be formally recorded.

13.0 Performance Reporting

13.1 We will report robust key performance indicator (KPI) measures for asbestos safety. These will be provided to SLT monthly and to Cabinet on a quarterly basis. As a minimum, we will report:

Data – the total number of:

- Properties – communal blocks and other properties.
- Properties on the asbestos management/re-inspection programme.
- Properties not on the asbestos management/re-inspection programme.
- Properties with a valid and in date survey/re-inspection.
- Properties without a valid and in date survey/re-inspection.
- Properties due to be surveyed/re-inspected within the next 90 days; and
- Completed, in-time and overdue follow-up works/actions arising from the surveys.

Narrative - an explanation of the:

- Current position.
- Corrective action required.
- Anticipated impact of corrective action; and
- Progress with completion of follow-up works.

In addition:

- The percentage of domestic properties with full asbestos data.
- The number of RIDDOR notifications to the HSE with regards to asbestos safety.

14.0 Quality Assurance

- 14.1 We will require external contractors to provide the results of their own five per cent quality assurance audit checks, as required by UKAS, on a monthly basis.
- 14.2 We will undertake ten per cent third party audits of asbestos removals and air monitoring.
- 14.3 We will commission an independent audit of asbestos management at least once every two years, to specifically test for compliance with legal and regulatory obligations and to identify any non-compliance issues for correction.

15.0 Significant Non-Compliance and Escalation

- 15.1 Our definition of significant non-compliance is any incident which has the potential to result in a material breach of legislation or regulatory standard, or which causes a risk to health or safety. All non-compliance issues will be reported and escalated as soon as possible, and no later than 24 hours after the incident occurred, or of an EFDC employee becoming aware of it.
- 15.2 Any non-compliance issue identified at an operational level will be formally reported to the lead officer for Asset Strategy in the first instance, who will agree an appropriate course of corrective action with the Director of Housing. The Director of Housing will report details of the same to the Senior Leadership Team, EFDC's Monitoring Officer and the Portfolio Holder.

15.3 In cases of serious non-compliance, the Portfolio Holder and Senior Leadership Team will consider whether it is necessary to disclose the issue to the Regulator of Social Housing as required by the regulatory framework, or any other relevant organisation such as the Health and Safety Executive. In such instances, the issue will also be reported to Cabinet.

16.0 Glossary

16.1 This glossary defines key terms used throughout this policy:

- **Duty Holder:** The owner of the non-domestic premises or the person or organisation that has clear responsibility for the maintenance or repair of non-domestic premises, for example through an explicit agreement such as a tenancy agreement or contract.
- **Management survey:** A survey to enable the management of asbestos-containing materials during the normal occupation and use of premises.
- **Refurbishment/demolition survey:** A refurbishment/demolition survey is a survey which is necessary prior to any works which may affect the fabric of a building, and which is used to locate (as far as reasonably practicable) asbestos-containing materials. The survey may be within a localised area or cover the whole building.
- **UKAS:** The appointed national accreditation body for asbestos surveyors. Accreditation is a means of assessing, in the public interest, the technical competence and integrity of organisations offering evaluation services.

Appendix 1 - Additional Legislation

This policy also operates within the context of the following legislation:

- Health and Safety at Work Act 1974
- Defective Premises Act 1972
- Housing Act 2004
- Landlord and Tenant Act 1985
- Homes (Fitness for Human Habitation) Act 2018
- The Occupiers' Liability Act 1984
- The Workplace (Health, Safety and Welfare) Regulations 1992
- Personal Protective Equipment at Work Regulations 1992
- The Asbestos (Licensing) (Amendment) Regulations 1998
- The Management of Health and Safety at Work Regulations 1999
- Control of Substances Hazardous to Health Regulations (as amended) 2002 (COSHH)
- Hazardous Waste (England and Wales) Regulations 2005 (Amendment 2009)
- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR)
- Construction (Design and Management) Regulations 2015

- Data Protection Act 2018

Report to Cabinet

Report reference: C-004-2022/23
Date of meeting: 31st May 2023



Portfolio: Finance – Cllr J. Philip
Subject: Quarterly Monitoring Report – Q2 (Year 4) 2022/23
Responsible Officer: Andrew Small (07548 145665).
Democratic Services: Vivienne Messenger (01992 564243).

Recommendations/Decisions Required:

- (1) Discuss this report and agree any actions required.

1. Executive Summary

- 1.1. The Governance framework for Qualis, as agreed by Cabinet in February 2020, included the requirement that Qualis should report to Epping Forest District Council on its performance Quarterly.
- 1.2. This report presents the second Quarter's monitoring report for the 4th Qualis trading year 2022/23 and covers the period from 1 January 2023 to 31 March 2023. Attached as Appendix A is the Qualis Board monitoring report for Quarter 2.
- 1.3. Performance is measured in the attached report against the business plan targets for 2022/23 contained within the Qualis 1 year Business Plan.
- 1.4. The Qualis group of companies was created by the Council to bring control back to the Council over the direction and style of development and over delivery of key services. Additionally, profits previously paid to, or retained by, third parties are now retained by the Council, significantly reducing the financial challenges faced by the Council at this time.
- 1.5. **Beyond the difficulties and challenges created by the economic factors previously reported, Qualis continues to make positive returns in 3 of its 4 companies, albeit below target levels. As reported last Quarter, Qualis Living is finding achieving targets the most difficult and this is attributed to targets for the year being too optimistic given current economic conditions. This will need to be addressed in the next iteration of the Qualis Business plan, when target will be revised again to reflect current market conditions. Despite the difficult trading conditions, the position still includes almost £2 million of interest payments made by Qualis to the Council (over the previous 12 months) for its lending and these directly support the Council's continued provision of valued services.**

- 1.6. Qualis has significantly improved the quality and ease of understanding of their Board reports for the Shareholders consumption to the point where the commentary in the cover report is now largely duplicating the content of the Board report provided. Consequently, elements of repetition, such as certain tables and narrative are now no longer included in this cover report and instead it focuses on key messages.
- 1.7. **Overall Qualis reports a Quarter 2 loss of £350,718, which is greater than forecast by £198,655 across all companies. This is an improvement on the Q1 position by £446,052. This is largely attributed to a correction to the treatment of Work in Progress and review of Budget Forecast assumptions as reported at the end of Q1.**

2. Introduction

- 2.1. The Qualis Shareholder agreement, as agreed by Cabinet in February 2020, includes the following paragraph,

‘The Company shall procure that quarterly management accounts and reports (including a balance sheet, profit and loss account and cash flow statement) containing such information as EFDC may reasonably require are provided to EFDC and EFDC’s Representative.’

- 2.2. The Cabinet resolution also requires that the Council’s S151, as the key conduit between Qualis and the Council, provides a commentary to the Council on the performance of Qualis at each Quarter review.
- 2.3. In compliance with this requirement Qualis has provided the Council with the Quarters’ Management Accounts for consideration.

3. Commentary on the Trading Performance for Quarter 2, 2022/23 (Qualis Year 4)

- 3.1. The Qualis Board report attached at Appendix A has been developed by Qualis over the past 2 quarters to make it more informative and intelligible to the shareholder, in part mirroring the summary previously provided within the cover report. It has now been developed to the point where the detail no longer needs to be extracted and summarised in the cover report as the key information is easily identifiable from the Board report itself. Consequently, the summary cover report has been reduced in length to remove duplication and instead will be used mainly to highlight issues or identify areas of disagreement or concern.
- 3.2. The key points identified are that trading position largely continues in line with the trends highlighted in previous Board reports, without major variation or exception. The trading losses for Qualis Living have reduced following the revision to the treatment of Work in Progress as reported in the Quarter 1 cover report. However, it is expected that Qualis Living will continue to lose money for the remainder of their trading year, (6 months). This is partly due to the continued difficult trading environment and partly due to overly ambitious targets set for the year, recognising that the two factors are interrelated. Action and revised targets will be set in the forthcoming revision and update of the Qualis Business Plan.
- 3.3. Also of note is that Qualis Management has, with the approval of the Shareholder, changed its name to Qualis Property Solutions with effect from 26 April 2023. Qualis sought permission from the Council, as required by the shareholder agreement. Qualis made this request as it better reflects the actual nature of their activity,

(management being more generic), but the name wasn't available at the point Qualis was originally created. As the name recently became available, Qualis asked if they could secure it. Their branding (vehicles and fleet), ownership structure and accounting year end will all remain unchanged and, essentially, they continue to be known only as Qualis. As the cost to change is minimal, permission was given.

- 3.4. The value of Qualis assets, against which the Council's loans are secured remain broadly equal, as set out in the Tables 5.1 and 6.1 within Appendix A. This remains a critical shareholder test and will be regularly reported.
- 3.5. Qualis Net Worth has reduced to negative £5.8 million, reflecting the addition of the reported loss for Q2.

4. Resource Implications

- 4.1. The Epping Forest District Council Budget and Medium-Term Financial Plans partly rely on interest paid by Qualis for the loans the Council has given. Delays in obtaining Planning consent, issues around title and delays in completing the loan agreements all have an impact and can mean that actual payments to the Council vary below those expected in 2022/23. The Budget for 2023/24 recently approved by Council provides a contingency provision to smooth fluctuations caused by events outside of the Council's control.

5. Legal and Governance Implications

- 5.1. None contained within this report.

6. Safer, Cleaner and Greener Implications

- 6.1. None.

7. Consultation Undertaken

- 7.1. None

Background Papers

Group Company Governance Document – Cabinet 6 February 2020

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MEETING: Qualis Group Board Meeting
DATE: 10 May 2023
TITLE: **March Finance Report**
PRESENTED BY: Andy Howarth, Interim Finance Director
Frances Malone, Finance Manager
ACTION: To NOTE the contents of the report

2. Recommendation

1.1 This report is to review and note and no decisions are required.

2.0 Executive Summary

2.1 As at the end of March only QGL is ahead of budget, but QPS and QCL are both producing surpluses. QLL is reporting adverse variances primarily due to optimistic budget setting for new business streams that either have not materialised or are not producing anticipated income. The combined loss stands at £351k, £200k worse than budget. QCL Project costs and overheads have been moved to WIP to bring the P&L into line with budget assumptions.

2.2 Group assets and WIP are analysed at paragraph 5.

2.3 Group debt of £68m is further broken down at Paragraph 6.

2.4 The group cash balances at the end of the month were £2.3m. A high level 4-year cash projection has been completed and shared with EFDC as a basis for discussing how Qualis cashflow will be supported by loans drawn up until development projects complete.

3.0 Company Financial Performance

2.5 Qualis Group Ltd

2.5.1 Essentially this reflects the recharge of central costs to the group companies and should not show any significant variances. The remaining year is forecast to budget which is why the YTD variances are the same as the full year variances.

Group	YTD			Full YR		
	Actual	Budget	Variance	Forecast	Budget	Variance
Revenue	1,235,579	1,266,004	(30,425)	2,501,575	2,532,000	(30,425)
Expenditure	1,178,196	1,237,647	59,451	2,352,549	2,412,000	59,451
Profit/Loss	57,383	28,357	29,026	149,026	120,000	29,026

2.0 Qualis Property Solutions Ltd

2.0.1 The full year forecast result is now expected to be lower than budget at £270k and there are still risks to be managed over the second half of the year including the onboarding of the Grounds Maintenance contract. The GM contract is in the full year budget for the second half of the year but was prudently assumed to produce a break-even position. This contract commenced on 1st May.



Property Solutions	YTD			Full YR		
	Actual	Budget	Variance	Forecast	Budget	Variance
Revenue	5,670,325	5,428,758	241,567	12,541,243	12,321,222	220,021
Expenditure	5,596,855	5,304,516	(292,339)	12,271,680	11,979,341	(292,339)
Profit/Loss	73,470	124,242	(50,772)	269,563	341,881	(72,318)

2.1 Qualis Commercial Ltd

2.1.1 The budget included an assumption that Work in Progress would be shown as operating costs with income transferred to cover these costs. This approach has been reviewed and the accounting entries for the year to date now show the transfer to WIP within the expenditure section and not as income. The income shown relates to fees received.

2.1.2 The approach now used moves all project costs to WIP, but there could be future write offs to P&L as abortive costs if we establish that a scheme will not proceed.

Commercial	YTD			Full YR		
	Actual	Budget	Variance	Forecast	Budget	Variance
Revenue	34,716	882,000	(847,284)	69,433	1,764,000	(1,694,567)
Expenditure	0	842,000	842,000	0	1,684,000	1,684,000
Profit/Loss	34,716	40,000	(5,284)	69,433	80,000	(10,568)

2.2 Qualis Living Ltd

2.2.1 The forecast takes the realistic view that the budget investment income of £309k from newly acquired investments will not be achieved in this financial year.

2.2.2 The full year budget also included £300k of parking income expected to occur from July to September, which will probably start later than expected, possibly in September, and not be fully effective until the next Qualis financial year. Only £125k is included in the forecast together with other unbudgeted temporary car park income at St Johns.

2.2.3 The anticipated income for managing the EFDC portfolio was included in budget at £700k comprising a base fee of £500k with a share of £200k relating to income growth from lease reviews and renewals. However, the EFDC budget for this activity was less than £300k. We are expecting to reach a compromise position with a lower base fee and a sensible share of the growth. The forecast now includes £450k for this activity.

2.2.4 The forecast still assumes positive net favourable expenditure variances of c£30k.

2.2.5 Forecast interest costs of £2.5m have been accrued to budget but there is still an exercise to complete to establish a policy for costs capitalised on development schemes included in WIP.

Living	YTD			Full YR		
	Actual	Budget	Variance	Forecast	Budget	Variance
Revenue	1,336,073	1,540,500	(204,427)	2,762,593	3,378,000	(615,407)
Expenditure	1,852,361	1,885,163	32,802	3,739,830	3,770,326	30,496
Profit/Loss	(516,288)	(344,663)	(171,625)	(977,238)	(392,326)	(584,912)

2.3 Combined Profit / (Loss)

Overall Profit/Loss	(350,718)	(152,064)	(198,655)	(489,216)	149,555	(638,771)
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4.0 Balance Sheets

2.0 The summary combined Balance sheet is as follows

All Company Combined Balance Sheet as at 31 Mar 2023		£
Fixed Assets	Freehold Property	44,464,331
	Office Equipment Net book value	73,427
	Motor Vehicles Net book value	42,420
	Total Fixed Assets	44,580,178
Intangible Assets	Debtors - Unpaid share capital	4
Current Assets	Debtors Control Account	2,303,679
	Other Debtors & Prepayments	321,903
	Accrued Income	284,158
	Deferred Income	(287,875)
	Natwest Current Account	2,280,583
	WIP Project Costs	17,965,581
	Total Current Assets	22,868,028
Current Liabilities	Creditors Control Account	2,710,063
	Other Creditors & Accruals	387,247
	Total Current Liabilities	3,097,310
Total Assets less Current Liabilities		64,350,900
Long Term Liabilities	Loans received EFDC	72,302,500
	Loan Repayments	(3,831,443)
	Provision for Deferred Tax	1,689,369
Total Long Term Liabilities		70,160,426
Net Assets		(5,809,526)
Capital Employed	Share Capital	4
	Profit and Loss Account	(5,458,813)
Unposted Profit	Retained Profit /Loss	(350,718)
Total Capital Employed		(5,809,526)



2.1 Assets analysis

2.2 The asset values shown in the combined balance sheet can be analysed by company as follows:

Asset Breakdown	Qualis Group	Qualis Management	Qualis Living	Qualis Commercial	Total
Freehold Property	0	0	44,464,331	0	44,464,331
Office Equipment	68,931	4,496	0	0	73,427
Motor Vehicles	0	42,420	0	0	42,420
					44,580,178
Debtors Control Account	528,664	1,695,888	56,892	22,235	2,303,679
Prepayments	105,281	205,948	2,887	7,787	321,903
WIP Project costs	0	0	14,539,189	3,426,392	17,965,581
Accrued Income	0	64,758	219,400	0	284,158
Deferred Income	0	0	(287,875)	0	(287,875)
Recharges	0	0	0	0	0
Bank Account	853,128	427,141	996,299	4,015	2,280,583
					22,847,324
Total Assets	1,556,003	2,440,650	59,991,123	3,460,429	67,448,206

2.3 The key lines to note in the assets analysis are the Property and Work in Progress lines which can be further analysed by asset/scheme as follows.

Combined Assets & WIP	Inv Assets	Dev Assets	WIP	Total
	£	£	£	£
Birchwood Building	14,225,000			14,225,000
Greenfields House – Coventry	8,640,000			8,640,000
Wycke Hill – Maldon	6,820,000			6,820,000
Cottis Lane		3,477,092	5,757,150	9,234,242
Conder		2,057,116	2,725,417	4,782,533
St John's Road		7,849,619	3,708,265	11,557,884
Roundhills		1,395,508	845,577	2,241,085
Pyrles Lane			167,043	167,043
Cartersfield			204,712	204,712
Centric Parade			6,500	6,500
Hemnall Street			493,646	493,646
Bakers			24,290	24,290
Construction Loan			150,000	150,000
Development Advance Loan			351,000	351,000
EFDC Asset Purchase Loan			542,025	542,025
Qualis Homes Ltd			58,728	58,728
Temporary Car Park			22,776	22,776
OVERHEADS			2,908,452	2,908,452
Total Assets	29,685,000	14,779,335	17,965,581	62,429,915

2.4 The shading in the table matches the shading in the loan analysis below to represent the correlation between loans drawn and project costs incurred.

2.5 There is still further analysis to be completed as there is a significant amount of unallocated Overhead that needs to be apportioned across the schemes. Furthermore, the expenditure itemised by loan source, which represents “capitalised” interest should be further analysed and also apportioned by scheme.

2.6 Project costs formerly reported in the current year in QC P&L have now been incorporated in WIP.

6.0 Loans

2.7 There are no loans recorded within QPS and QCL. The loan facilities are designed to enable borrowing in QGL which can then be on-leased to the other group companies. The Group debt is effectively being carried within QLL and the loan schedule is as follows.

Loans Summary	Term	Facility	Drawn	Repaid	Balance	Available
	Yrs	£k	£k	£k	£k	£k
Working Capital Loan	5	6,000	8,550	(2,550)	6,000	0
Investment Asset Purchase	10	30,000	30,000	0	30,000	0
Development Advance Loan	5	6,000	6,000	(400)	5,600	400
Construction Loan	30	62,000	13,000	(267)	12,733	49,267
EFDC Asset Purchase	30	14,753	14,753	(615)	14,138	0
EFDC Asset Purchase (Hemnall)	30	2,030	0	0	0	2,030
Regeneration Loan	-	35,000	0	0	0	35,000
Total Loans		155,783	72,303	(3,831)	68,471	86,697

2.8 The Working Capital loan has now been fully utilised, including further drawings to repay a historic debt for secondment fees to EFDC. A repayment holiday has been agreed on this loan whereby the January and July principal repayment instalments have been postponed.

2.9 The Investment Asset Purchase Loan of £30m correlates to the first three lines in the asset analysis in Paragraph 5 above.

2.10 The EFDC Asset Purchase Loan represents the initial purchase of the EFDC development assets.

2.11 The Development Advance Loan and the Construction Loan combined facility is £68m with a 30-year term. The advance loan is repayable over 5 years. The two loans combined have funded the project cost WIP itemised in Paragraph 5 above.

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Report to the Cabinet

Report reference: C-005-2023/24

Date of meeting: 31st May 2023



**Epping Forest
District Council**

Portfolio: Finance, Qualis Client and Economic Development – Cllr J. Philip

Subject: Next Stage - Development of North Weald Allocated Employment Land

Responsible Officer: Andrew Small (07548 145665).

Democratic Services: Vivienne Messenger (01992 564243).

Recommendations/Decisions Required:

To Agree:

- (1) That Qualis be commissioned to undertake the next stage of design, costing and options development for the balance of employment land released at North Weald under the Local Plan.
- (2) The Qualis be permitted to undertake preliminary work and commissioning using the earmarked provision held by the Council for North Weald.

To Recommend:

- (3) That Council be requested to make provision in the Capital Programme for £500,000 to fund this work ahead of proposals coming forward for the next stages of work to progress this scheme.

1. Executive Summary

- 1.1. Following the adoption of the Local Plan by the Council on 6th March 2023 and the approval of the North Weald Masterplan, this report sets out options and proposals for developing out the Employment Land released on the North Weald airfield site.

2. The Strategic and Local Plan Framework

- 2.1. The adoption of the Local Plan and Airfield Masterplan releases 102 acres (41.2 hectares) on the Eastern side of the aerodrome for commercial and employment use.
- 2.2. A decision has already been taken to dispose of approximately half of the land released to a third party for development consistent with that set out in the Masterplan in return for a significant Capital Receipt. This transaction is progressing, but upon completion in October 2023 the Council will be left with half the land released and a sizeable Capital Receipt.
- 2.3. This leaves the remaining employment land, (approximately 50 acres) in the Council's ownership and available for development in line with the Local Plan

employment use allocation. The land progressing to disposal is that largely earmarked for B8 uses to the north of the site. These uses are comparatively low volume employers and so to meet job creation targets set out in the Local Plan the land retained by the Council needs to produce a higher proportion of the employment target.

- 2.4. The air side operations at North Weald have been preserved and protected and although not specifically part of the North Weald Masterplan the future ambition for this part of North Weald is aligned and being mapped out in separate reports which complement the Masterplan.
- 2.5. The site is large and complex it has a number of existing tenancy arrangements, historic rights and is largely undeveloped or only using old buildings. To move forward as a strategic employment site, it will need core infrastructure including roads, footpaths, cycle links and a series of sustainable onsite and off-site provision. All of this will need planning permission and tie into a development design guide yet to be drafted. Legal agreements will be necessary to secure adopted drainage and highways reducing the need for future maintenance.
- 2.6. The Masterplan identifies over 1m sq. feet of development which could increase following the Cabinet approved operational changes to the airfield.
- 2.7. The Council has always been a significant landlord in the District as its core duties include planning for the future needs of the District, including the creation of employment opportunities aligned to housing growth. The North Weald site is one of the largest allocations of employment land released within the Local Plan and through controlling the shape and type of employment development on this site, the council retains the ability to meet its strategic ambitions and deliver the targets set out within the Local Plan.
- 2.8. Ownership of the developed assets also creates the opportunity for the Council to grow future income, but this will require significant capital outlay which in turn entails financial risk. The work undertaken here will help the Council to better understand the opportunity along with the financial commitment and potential returns.
- 2.9. In its direct employment the Council does not have the expertise, experience, market understanding, skills nor vision to progress a development of this size. The Council will therefore need to engage advisors or partners to better understand how the site's maximum potential might be unlocked within the local, wider Essex and Innovation Corridor context.
- 2.10. Qualis however, does possess in-house development experience, it has already provided an advisory role at North Weald, it understands the challenges and opportunities of working in the District and has a track record of achieving planning permissions and undertaking development.
- 2.11. This experience could help frame, in the initial stages, the development constraints and provide a single point of contact for interested and neighbouring parties. This a crucial role in the successful growth of North Weald to provide both jobs, homes, greenspaces and infrastructure.
- 2.12. It is therefore proposed that Qualis provides an initial 6-9 month research and investigation phase. This will consider development options but more importantly the basis for infrastructure and development planning application and recommend the optimum solution that best meets the Councils objectives.

2.13. The conclusion of the Qualis work will need to be presented to the Council for a decision on the next steps and agreement on how to progress the development proposals. At that point a clearer understanding of the opportunities, costs and risks of each option will be provided to inform the decision making of the Council.

3. **Qualis Proposal**

3.1. The Qualis proposal provides stages, in the development framework of the site, and at each the Council can consider the options before moving forwards.

3.2. The underlying principal strategic aim being to promote the development with the presumption of the Council retaining control to ensure the delivery of its strategic aims and to provide a long-term income stream. The work undertaken will explore this but also map out what this means for the Council and what alternative options might look like.

3.3. At this stage, the approach is one of Masterplan Developer to:

- Develop a commercial Masterplan, including design, highways, landscaping, Infrastructure and services.
- Create a design code.
- Map development plots and phasing

3.4. Qualis are already responsible for the active asset management of existing commercial tenants which will provide a strategy in line with the above.

3.5. A single point of contact will provide clarity and focus to all that is happening in North Weald being the North Weald Basset Masterplan Area, Airfield, Waste Vehicle Depot and Masterplan

3.6. Qualis will compile a design team with the requisite skills to promote a development of this complexity and scale.

3.7. For the initial stage a budget fee of up to £500,000 is required to provide

- Direct Development Management and Project Management services - £150,000
- Consultant services to include legal, engineering, highways, architecture, commercial agency and others - £350,000.

3.8. The above approach provides for a detailed understanding of the Masterplan site in advance of committing to the next stages.

3.9. The outturn expectations of this exercise will provide the basis for:

- Infrastructure delivery and Implementation
- Development plots to cater for a mix of building sizes and uses
- Speculative development to capture market demand and early income
- End user design and build to ensure improved tenant mix and income protection

- An analysis of options available to the Council before it proceeds to the next stage.

4. Resource Implications

- 4.1. The work to progress the North Weald development is an investment that it is intended will ultimately create an asset of significant value to the Council and thus it is expected that the costs associated with this work would be capitalised.
- 4.2. As there is no existing provision in the Capital Programme, if Cabinet is minded to approve the proposal a request will need to be made to the Council to vary the existing Capital Programme to incorporate this scheme.
- 4.3. The Council has already committed to sell a sizeable proportion of the land released at North Weald. This will generate a significant capital receipt which could be used to fund the capital costs of this development.
- 4.4. If at any stage before completion of the development the Council decides not to proceed, without having increased the value of the site, then these costs potentially become abortive and will need to be charge back to the Council's revenue budget.
- 4.5. The Council is holding a sum paid by HMRC for its use of North Weald as an Inland Border facility and this will be earmarked against the potential write-off of costs, should at any point the Council wish not to proceed with this proposal.
- 4.6. In advance of Approval being sought from Council for the variation of the Capital Programme to accommodate this cost, the earmarked HMRC provision could be used to fund preliminary works so that the work can commence immediately, foreshortening the eventual timeframe to bring options back to the Council.
- 4.7. In order to see the employment land developed out, the other option available to the Council is further disposals of all or part of this site, but this has the disadvantage of limiting the Council involvement in the final design or in meeting the Local Plan targets for job creation.

5. Legal and Governance Implications

- 5.1. None contained within this report.

6. Safer, Cleaner and Greener Implications

- 6.1. None.

7. Consultation Undertaken

- 7.1. None

Report to the Cabinet

Report reference: C-006-2023/24

Date of meeting: 31st May 2023



**Epping Forest
District Council**

Portfolio: Finance, Qualis Client and Economic Development – Cllr J. Philip

Subject: Acquisition of Leasehold Interests of Council Owned Commercial Property and Disposal at Cartersfield Road

Responsible Officer: Andrew Small (07548 145665).

Democratic Services: Vivienne Messenger (01992 564243).

Recommendations/Decisions Required:

To Agree:

- (1) The acquisition of the long leasehold interest set out in the confidential Appendix A to this report.
- (2) The sale of 50, 51-52, 60 and Unit 10 Cartersfield Road, Waltham Abbey at the lower figure of £1,722,165; and

To Recommend

- (3) That Council varies the approved Capital Programme by £1,500,000 to allow the acquisition of the properties set out within Appendix A.

1. Executive Summary

- 1.1. The Council has the option to acquire a series of long leasehold interests in a number of properties. These acquisitions provide regeneration and employment opportunities with some of these properties having been vacant for several years. As these are commercial negotiations, the details of the properties are set out in the Confidential Appendix.
- 1.2. The Council can also secure commercial development to provide new industrial units creating further job opportunities and estate regeneration with a sale to Qualis identified above in item 2.

2. Detailed Report

- 2.1. The Council historically has had different approaches to commercial estate management and on occasion in the past has agreed a number of long leasehold interest disposals of its commercial estate in return for capital payments.

- 2.2. In practice, whilst opportune at the time, these now limit the Council's ability to redesign, intensify or remodel its commercial estates as islands of privately held interests now exist which restrict such attempts.
- 2.3. With the Council's commercial estate now being actively managed by Qualis, the Council may wish to capitalise on opportunities to regain ownership and then re-let the units for commercial returns but with such commercial terms as would allow the Council, as advised by Qualis, to redevelop its holdings in order to increase employment opportunities and intensify commercial returns.
- 2.4. Where the higher rental achieved through acquiring and re-letting these properties exceeds the capitalised costs of purchasing the interest, these acquisitions can be achieved at either no net cost or betterment to the Council's revenue budget. However, this also means that the Council must actively manage the property, ensure it remains let and collect the income. If the Council is unsuccessful in keeping the property let and in collecting the rent then the borrowing costs, if not offset by rent income, could create a revenue budgetary pressure.
- 2.5. As the negotiations are commercial and involve the interests of specific tenants the details of the properties and the sums potentially involved are set out within a Confidential Appendix A to protect the tenants and the Council's commercial position.

3. Report - 50, 51-52, 60 and Unit 10 Cartersfield Road, Waltham Abbey

- 3.1. The sale of these properties to Qualis was approved at Cabinet last March for £2,930,000, with the site previously identified for redevelopment and having secured planning permission in September 2020.
- 3.2. As time has passed this report provides an update on the significant progress made in the interim period.
- 3.3. The scheme will provide 4 industrial units creating new employment opportunities and continues the regeneration of this important industrial estate in Waltham Abbey.
- 3.4. The property market and the economy in general has seen significant challenges over the last 12 months with large increases in construction costs including materials and wages linked to high inflation. Commercial property values have also softened because of these factors including the increased cost of borrowing.
- 3.5. Achieving vacant possession has elongated the delivery programme but there is now only 1 tenant remaining and being relocated into another unit on the estate.
- 3.6. Qualis have speculatively moved forward with the project, commenced demolition and concluded a construction tender exercise. The impact of this reflected in the financial appraisal outputs in the table below.

Gross Development Value	£11,965,200
Costs	£8,896,212
Costs including finance	£9,554,018
Residual land value	£1,722,165
Profit on Cost	15%

- 3.7. Whilst the paper considered in March 2022 by Cabinet created a land value at a higher figure the subsequent timeframe has seen construction costs increase in the order of 34%.
- 3.8. The lower land value is supported by a March 2023 valuation carried out by Carter Jonas and whilst the Qualis assessment of the value of this land is below this sum they are prepared to match the valuation figure of £1,722,165 in order to meet the requirements of S123 of the Local Government Act 1972.
- 3.9. Disposal meets the Council objectives of immediate regeneration, job creation and the catalyst for the improvement of this important industrial estate. A start on site is programmed for July once demolition is complete. Qualis have agreed to an additional overage payment which protects the Council should values exceed this forecast.
- 3.10. Funding for the development will come via the Council and return an additional margin over and above any capital receipt. Whilst the land value has decreased, the cost of the development has increased, due to the impacts of building inflation, and thus the value of the Council's lending and therefore the return from the lenders margin remains similar despite the reduced land value.
- 3.11. It is recommended that the site be sold to Qualis for £1,722,165.

4. Resource Implications

4.1. Within the Council's approved Capital Programme, it has an Investment Property Acquisition Fund of £1,117,867. There are commitments against this provision of £604,867 leaving a balance available to fund the acquisitions set out within this report of £513,000.

4.2. The detailed proposals above would entail the following:

• Investment Property Acquisition Fund Budget 2022/23	£1,117,867
• Revised Forecast Outturn (to crystallise May 2023)	£2,571,705
• Fees Contingency	<u>£ 46,162</u>
• Shortfall	£1,500,000

4.3. The recommended acquisition of these properties would exceed the available balance of the capital allocation and therefore, to complete the transactions, the Council would need to vary the Capital Programme by £1,500,000.

5. Legal and Governance Implications

5.1. None contained within this report.

6. Safer, Cleaner and Greener Implications

6.1. None.

7. Consultation Undertaken

7.1. None

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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