

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 12 March 2007

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 pm - 8.25 pm

Members Present: Mrs D Collins (Chairman), C Whitbread (Vice-Chairman), A Green, Mrs A Grigg, J Knapman, S Metcalfe, Mrs M Sartin and D Stallan

Other Councillors: Councillors R Law, S Murray, Mrs P Smith and Mrs J H Whitehouse

Apologies: Councillors Ms S Stavrou

Officers Present: P Haywood (Joint Chief Executive), J Gilbert (Head of Environmental Services), A Hall (Head of Housing Services), R Palmer (Head of Finance), I Willett (Head of Research and Democratic Services), V Evans (Customer Services Manager, ICT), P Maddock (Assistant Head of Finance), M Shorten (Principal Valuer/Surveyor), S Stranders (Environmental Services), S G Hill (Senior Democratic Services Officer), C Overend (Policy & Research Officer), L Swan (Environmental Services), J Boreham (Assistant Public Relations and Information Officer), G J Woodhall (Democratic Services Officer) and M Jenkins (Democratic Services Assistant)

148. DECLARATIONS OF INTEREST

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

149. MINUTES

RESOLVED:

That the minutes of the following meetings be taken as read and signed by the Chairman as a correct record:

- (a) 22 January 2007; and
- (b) 5 February 2007.

150. ANY OTHER BUSINESS

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

151. REPORTS OF PORTFOLIO HOLDERS

- (a) **Planning and Economic Development**

The Portfolio Holder informed the Cabinet that a letter detailing the Council's response to the proposed changes to the East of England Plan had been sent to the Secretary of State; a response was expected in the summer.

152. OVERVIEW AND SCRUTINY

The Vice-Chairman of the Overview and Scrutiny Committee made some comments in relation to the draft Calendar of Council Meetings for 2007/08. Firstly, it had been suggested that perhaps an additional day each week should be kept free of District Council meetings for Town and Parish Councils to hold their own meetings. Secondly, it was felt that, following the move to three Area Plans Sub-Committees, the seven Wednesday evenings that were currently free should remain so, again for the benefit of Town and Parish Councils. Finally, the Cabinet were informed that it had been decided to merge the Finance and Performance Management Scrutiny Panel with the ICT and E-Government Scrutiny Panel.

The Leader of the Council welcomed Overview and Scrutiny's comments in respect of the proposed Calendar of Meetings for 2007/08, but requested that as the Council would consider the calendar at its next meeting on 24 April 2007, the comments of Overview and Scrutiny should be noted.

Following the visit of three Highways Officers from Essex County Council at the recent meeting of the Overview and Scrutiny Committee, dissatisfaction was expressed with the current formula used to determine highways expenditure across the County. The Portfolio Holder for Civil Engineering and Maintenance informed the Cabinet that West Essex received 40% of the total highways expenditure, according to the County Council.

153. CALENDAR OF COUNCIL MEETINGS - 2007/08 MUNICIPAL YEAR

The Portfolio Holder for Finance, Performance Management and Corporate Support Services presented a report regarding the draft calendar of meetings for the period May 2007 to May 2008. The forward programme of meetings of the Council was considered by the Cabinet each year for onward approval by the Council and had developed over time to meet the changing needs of the authority.

As per last year, the Overview and Scrutiny Committee would continue to meet on the Thursday before Cabinet, to allow both normal scrutiny business and "oversight" of the Cabinet agenda. One further meeting at the end of the year (programmed for 3 April 2008) had been planned to round up the programme for presentation to Council for their annual report.

No scheduled meetings had been programmed for the Task and Finish Panels as these panels set their own timetables.

The Audit and Governance Committee had been set up to provide effective leadership on governance, financial reporting and audit issues. Five meetings for this new committee had been programmed into the calendar for 2007-08.

In February 2007, the four area Planning Sub-Committees had been reduced to three by combining the old Plans B and C. For 2007-2008 they had been renamed Area Plans East (formerly Plans B and C), West (formerly Plans D) and South (formerly Plans A). The three new Sub-Committees would continue to meet every four weeks.

RESOLVED:

- 1). That the merger of the Customer services and ICT Scrutiny Panel with the Finance and Performance Management Scrutiny Panel be noted; and
- 2). That the resultant draft calendar of meetings for the period May 2007 to May 2008 be recommended to the Council for approval.

Reasons for Decision:

The Council should set its forward calendar as early as possible to allow forward bookings of facilities. Any alteration to the broad look of the programme would require further consultations with the local Councils.

Other Options Considered and Rejected:

Individual frequencies of meetings could have been varied. In practice additional meetings were added as and when issues dictated. These also included call-ins, and the procedure which allowed for extraordinary meetings to be convened.

154. REVIEW OF GARDEN MAINTENANCE SCHEME - OLDER AND DISABLED TENANTS

The Portfolio Holder for Housing presented a report regarding the Review of Garden Maintenance Scheme for older and disabled tenants.

At its meeting on 20 December 2004, the Cabinet agreed the continuation of the Garden Maintenance Scheme for older and disabled tenants for a further two years until the end of 2007. Under the scheme, £20,000 per annum, funded by the Housing Revenue Account had been utilised to fund Voluntary Action Epping Forest's (VAEF) part time Garden Maintenance Co-Ordinator post, and the purchase of some necessary equipment. VAEF had overseen voluntary garden maintenance work to older and disabled Council tenant(s) properties and had also undertaken some work for private sector residents.

The Portfolio Holder reported that over the two year period, VAEF had received £40,000 in funding from the Council and completed works on approximately 230 gardens at an average cost of £174 per garden. This was considerably cheaper than when the Council's Leisure Services had undertaken the work. VAEF had recently undertaken a re-organisation of the scheme, which was expected to result in an increase in the number of gardens being maintained, should the Council agree to extend the scheme further.

The Portfolio Holder advised the Cabinet that VAEF had confirmed that they could continue with the scheme for a further two years at the same level of funding received in the last two years (representing a real term reduction in cost), which would cover staff costs and the maintenance of equipment. The Head of Housing Services reassured the Cabinet that VAEF received separate, additional funding for works to gardens of non-Council tenants, and that funding from the Housing Revenue Account only contributed to works undertaken on the gardens of Council tenants.

RESOLVED:

- (1) That the Housing Revenue Account (HRA) funding of £20,000 per annum, continues to be utilised to fund the Voluntary Action Epping Forest (VAEF) Garden Maintenance Scheme for older and disabled Council tenants for a further two years from 2007/2008; and

- (2) That a progress report on the scheme be considered by the Housing Portfolio Holder towards the end of the further two year period.

Reasons for Decision:

The Garden Maintenance Scheme had delivered an important service to older and disabled Council tenants over the last two years, with 230 visits being made to undertake garden clearances. Following a re-organisation VAEF had confirmed that more garden clearances would be made in the next two years for the same level of funding.

Other Options Considered and Rejected

Not to continue with the VAEF Garden Maintenance Scheme for older and disabled Council tenants, however this would require the Council to undertake the works, which previously had been a more expensive option.

155. FUEL POVERTY STRATEGY

The Environmental Protection Portfolio Holder presented a report regarding the draft Fuel Poverty Strategy. The Warm Homes and Energy Conservation Act 2000 had placed a duty on the Council to prepare and publish a strategy. This would set out the Council's policies for ensuring that, as far as reasonably practicable, people did not live in fuel poverty, including the implementation of measures to ensure the efficient use of energy. A draft strategy was produced in 2001, but was not developed further due to staffing issues.

The post of Environmental Co-ordinator had been transferred to Environmental Services and the draft strategy was revised after further consultation and outlined actions needed to eradicate fuel poverty in the District in compliance with Government guidance.

RESOLVED:

That the draft Fuel Poverty Strategy be recommended to the Council for adoption.

Reasons for decision:

The Council had a legal duty to produce a Fuel Poverty Strategy. The draft strategy had been developed in association with key partners in this field and had undergone extensive consultation over a period of three months.

Other Options Considered and Rejected:

The Council had a statutory duty to adopt a strategy, however, subject to further consultation, the draft strategy could be amended.

156. PRIVATE SECTOR HOUSING STRATEGY - HOUSING ASSISTANCE POLICY

The Portfolio Holder presented a report regarding the Housing Assistance Policy, which was to form part of the Private Sector Housing Strategy. The Private Sector Housing Strategy, including the Empty Property Strategy, had been agreed by the Cabinet at its meeting held on 18 December 2006. However its implementation had

been delayed pending a review of available resources and consideration of the Housing Assistance Policy by the Housing Scrutiny Panel.

The draft Housing Assistance Policy, was presented to the Housing Scrutiny Panel on 30 January 2007, and the Panel had recommended that the Policy be adopted.

The Housing Assistance Policy would form part of the Private Sector Housing Strategy, and set out the basis on which the Council would offer financial assistance for works of repair, renewal or adaptation in the private housing sector, and the conditions that would apply.

The Policy specified the conditions for eligibility and the amounts for the following types of discretionary grants:

- Small works assistance;
- Decent homes assistance;
- Thermal comfort grants;
- Empty homes grants;
- Conversion grants; and
- Discretionary disabled facilities grants/relocation grants.

The policy also contained information on mandatory Disabled Facilities Grants but did not specify the rules for processing them or the conditions attached as these were laid down in the Housing Grants Construction and Regeneration Act 1996.

Subject to approval, the Policy would commence on 1 April 2007, and the Private Sector Housing Policy officer would monitor the demand, uptake and success of the new forms of financial assistance on a 3 monthly basis. A report would be presented to the Housing Scrutiny panel in April 2008 with regard to the results of the monitoring exercise, but if during this period it became apparent that either the criteria and/or other conditions needed to be revised in order to ensure that there was sufficient uptake of the different forms of assistance to meet the objectives of the Private Sector Housing Strategy, then a report would be presented to the Housing Scrutiny Standing Panel before April 2008. The policy would be subject to an annual review to take into account changing policies at national and regional level and all available information on the condition of private sector housing within the District.

In respect of Decent Homes assistance, the time period for a certificate of Owner Occupation had been reduced from twenty years to ten years, during which period any disposal of the dwelling would make the vendor liable for repayment of the grant. This had been amended in order to encourage more applications for grants, as it had been felt that a twenty-year period might act as a deterrent. It was proposed that a compromise period of 15 years be adopted, which was agreed by the Cabinet.

RESOLVED:

- (1) That, in respect of the Decent Homes Assistance, the time period for a certificate of owner occupation be extended from ten to fifteen years;
- (2) That, as amended above, the Housing Assistance Policy be adopted as part of the Private Sector Housing Strategy; and
- (3) That, a progress report be submitted to the Housing Scrutiny Panel twelve months from the implementation date of the policy or earlier if significant amendments to the policy were considered necessary.

Reasons for Decision:

The Housing Assistance Policy formed part of the Private Sector Housing Strategy. The new forms of financial assistance and hence the Private Sector Housing Strategy could not be implemented without the adoption of policy as it regulated the manner in which financial assistance was given to private sector households. The effectiveness of the policy would be monitored and a report presented to the Housing Scrutiny Standing Panel in April 2008, or earlier if significant amendments to the policy were considered necessary. The monitoring period for certificates of owner occupation had been extended to 15 years as this was felt to be a more reasonable time period.

Other Options Considered and Rejected:

To remove, all provisions in respect of the Housing Assistance Policy from the Private Sector Housing Strategy.

157. POSSIBLE DEVELOPMENT OF COUNCIL CAR PARKS

The Finance, Performance Management and Corporate Support Services Portfolio Holder presented a report concerning the possible development of the Council's car parks. The Portfolio Holder reported that the Council had commissioned a report from planning and development consultants, Bidwells, on the development potential of the following public car parks:

- Bakers Lane (long stay), Epping;
- Cottis Lane (short stay), Epping;
- Church Hill, Loughton;
- Burton Road, Loughton;
- Cornmill, Waltham Abbey; and
- Queens Road, Buckhurst Hill.

The report had provided a preliminary assessment of the development potential of each site, albeit with the proviso that some element of public car parking had to be retained. The report had concluded that all of the car parks identified had some form of development potential, which could either generate revenue or a capital receipt, or meet other important objectives such as the provision of affordable housing or the encouragement of business within the town centres.

The Portfolio Holder advised the Cabinet that the Town Centre and Car Parks Task and Finish Panel had considered the report from Bidwells, and had made recommendations to the Cabinet accordingly. In respect of the car park at Church Hill in Loughton, the Panel had recommended that the site be declared surplus to requirements and that Bidwells be commissioned to prepare and submit an outline planning application for residential development, incorporating a minimum of 40% affordable housing. It was felt that no provision for public car parking should be included within the proposals. It was suggested that the Council's four main Preferred Registered Social Landlord (RSL) Partners should be invited to submit tenders for the land on specified terms.

However at the meeting, the Portfolio Holder tabled an amendment to the effect that the land would be offered for sale on the open market, with the successful applicant required to work with one of the Council's Preferred Registered Social Landlord Partners to provide the affordable housing element. The tender would seek figures for various options, including the amount of affordable housing that could be provided both with or without a social housing grant from the Housing Corporation. Following a

further report to the Cabinet, the successful tenderer would be expected to submit the detailed planning application at their own cost. The possibility that the site be enlarged with further adjoining land could also be explored by the successful tenderer.

The Portfolio Holder added that it had been recommended not to proceed with a feasibility study in respect of the Bakers Lane car park in Epping, and that both the car parks in Queens Road, Buckhurst Hill and Cornmill, Waltham Abbey should be retained as public car parks. It had been proposed that the Burton Road car park should remain as a public car park until a scheme was proposed that complemented the Broadway Town Centre Enhancement Scheme. In order to fund the proposed planning application, site studies and other associated costs for the development at the Church Hill car park, the Portfolio Holder requested approval for a revenue District Development Fund supplementary estimate of £26,000 to be recommended to the Council at its next meeting. It was envisaged that consultation with local residents over the proposals would be accomplished through the normal planning process.

The Portfolio Holder clarified for the Cabinet that very little revenue was being generated by the car park at Church Hill in Loughton, and that there were problems with abandoned cars and public nuisance during the night. Shared ownership was currently his favoured option for the affordable housing element as it would assist people to get on the 'property ladder' and remain within the District. The Portfolio Holder acknowledged that the Bakers Lane car park could increase in importance following the Epping parking review, and reassured the Cabinet that the situation would not be reviewed before the implementation of the measures identified within the review.

RESOLVED:

(1) That the following be agreed in respect of the car park at Church Hill, Loughton:

(a) the site be declared surplus to requirements;

(b) Bidwells be commissioned to prepare and submit an outline planning application for residential development on behalf of the Council, incorporating a minimum of 40% affordable housing;

(c) no public car parking provision be included within the proposed development;

(d) subject to the receipt of outline planning permission, the land be offered for sale on the open market, inviting tenders providing the following information:

(i) the maximum amount of shared ownership housing that could be provided by one of the Council's Preferred Registered Social Landlord (RSL) Partners if the developer paid the Council £500,000 for the land; and

(ii) the maximum amount that could be paid to the Council if all of the properties were in the form of shared ownership by one of the Council's Preferred RSL Partners;

both with and without any social housing grant from the Housing Corporation;

- (e) a further report on the outcome of the competition be considered;
 - (f) the preferred bidder be requested to investigate the possibility of the development site being enlarged with the inclusion of any adjoining land, including the undertaking of any associated negotiations;
 - (g) if an enlarged development site is possible, a further report on the options be considered; and
 - (h) the preferred bidder be required to submit the detailed planning application at its own cost;
- (2) The proposal that a Feasibility Study be commissioned on the suitability of the Bakers Lane Car Park, Epping for residential development (including affordable housing) and the viability of providing replacement public car parking spaces as part of any scheme not be agreed;
- (3) That the Burton Road (Broadway), Loughton car park be retained as a public car park until such time as a scheme be identified which complements the Broadway Town Centre Enhancement Scheme;
- (4) That the Queens Road, Buckhurst Hill; Cornmill, Waltham Abbey; and Cottis Lane, Epping car parks be retained as public car parks and alternative development schemes not be pursued; and
- (5) That, in order to fund a planning application, site studies and other associated costs, a revenue DDF supplementary estimate in the sum of £26,000 be recommended to the Council for approval.

Reasons for Decision:

The Cabinet had concurred with the Town Centres and Car Parks Task and Finish Panel's recommendation that the Church Hill car park in Loughton should be the only car park considered for development at the current time. It was felt that the Portfolio Holder's proposal to sell the site on the open market, with a condition that the successful bidder had to work with one of the Council's Preferred Registered Social Landlords to provide the required 40% of affordable housing, was the most advantageous option for the Council at the current time.

Other Options Considered and Rejected:

To decline or adopt the Panel's recommendations in their entirety, eliminate any affordable housing element from the development, or stipulate that the affordable housing should be provided as rented accommodation not shared ownership. It was felt that none of these options would be more favourable or achieve the Council's objectives.

158. LAND TO THE REAR OF 30-36 POUNDFIELD ROAD, LOUGHTON

The Housing Portfolio Holder presented a report regarding the land to the rear of 30 – 36 Poundfield Road in Loughton. The Cabinet were reminded that this issue had been considered at its meeting held on 5 February 2007, where a number of options for the future use of the Council-owned former garage site had been considered, following the refusal of a planning application on the site by Estuary Housing Association. It had been felt that further consideration should be given to the

adjoining residents purchasing the land to increase the existing gardens of their properties, and a decision should be deferred to a later meeting.

The Cabinet was advised that, upon reflection, the Portfolio Holder felt that the six residents should be given the first opportunity to purchase the land, at the market value assessed by the Council's Estates and Valuation Section. The sale of the land would be subject to a covenant being placed on the land, restricting its use to garden use only, and would prohibit the construction of any permanent structures on the land. The land had been valued at £20,000, which had taken account of the proposed covenant and the costs that would be incurred by the residents in converting the garages into gardens. The residents were to be given a period of six weeks to accept the Council's offer and submit a planning application, and then a further eight weeks to complete the purchase once planning permission had been obtained.

The Portfolio Holder added that if the residents were unable to purchase the land then it would be declared surplus to requirements. Under the terms of the Code of Practice on Surplus Land and Property within the Local Charter, Loughton Town Council would be offered the opportunity to purchase the freehold of the land. It was proposed to allow the Town Council a period of 28 days to register their interest, but that no discount on the sale price would be offered. If the Town Council did not express an interest in the land then it was proposed to offer the land for sale on the open market, without a covenant on the land's use, but with an overage clause of 35% included for any subsequent sale by the purchaser, should planning permission be granted for an alternative use.

The Portfolio Holder explained that normal garden constructions such as sheds would be permitted on the land. The Head of Housing Services further added that it was envisaged that the land would be divided up amongst the residents in order to extend their existing gardens, and consequently alternative uses for the land would be difficult. In any case, the Council's Legal Services would make the covenant as strict as possible, limiting its use to garden use only. The Acting Assistant Head of Estates and Valuations confirmed that 35% was a common figure for overage clauses.

RESOLVED:

- (1) That the residents of 30, 34 and 36 Poundfield Road, 42 and 44 Alderton Hall Lane and 70 Greenfields Loughton be given an opportunity to purchase plots of the Council-owned former garage site to the rear of 30-36 Poundfield Road, Loughton for £20,000 subject to:
 - (a) a covenant being placed on the land restricting the land's use to garden use only and prohibiting the construction of any permanent structures on the land;
 - (b) the whole of the land being purchased by the residents;
 - (c) the land being purchased by no less than three of the residents who had expressed an interest;
 - (d) the residents obtaining the required planning permission for a change of use for the land;

(e) the residents accepting the Council's offer and submitting a planning application for the required change of use within 6 weeks of being advised of the Cabinet's decision;

(f) the residents completing the purchase of the land within 8 weeks of receipt of planning permission (subject to an extension of this period by mutual agreement of the Head of Housing Services and the residents);

(g) the purchasers being required to break up and dispose of the existing concrete surface and erect and maintain appropriate dividing fencing at their own cost;

(h) the purchasers agreeing amongst themselves the divisions of the land and the associated pro-rata purchase price arrangements; and

(i) the purchasers sharing the Council's standard valuation and Land Registry Search Fees and each paying the Council's standard legal fee;

(2) That, in the event of four or more of the residents being unable or unwilling to purchase the land on the above conditions, or the timescales set out within 1(e) and 1(f) not being met by the residents, the land be declared surplus to requirements and, in accordance with the Code of Practice on Surplus Land and Property within the Local Charter between the District Council and local councils, Loughton Town Council:

(a) be notified of the Council's intention to dispose of the land on the open market;

(b) be given 28 days to register their interest to purchase the freehold of the land (in accordance with the timescales set out in the Local Charter); and

(c) be advised that no discount on the sale price is offered;

(3) That, in the event of the Town Council expressing an interest to purchase the land, the Housing Portfolio Holder be authorised to consider the request and to determine and implement the District Council's response;

(4) That, in the event of the Town Council not expressing an interest to purchase the land, the land be offered for sale freehold on the open market by the Head of Legal Administration and Estates (without a covenant restricting its use to garden use), subject to;

(a) An overage clause being included in the terms of sale requiring the purchaser to pay the Council 35% of the difference between the purchase price and any subsequent increased land value due to planning permission for residential development, or any other use, being received within the following 10 years;

(b) Any valuations associated with the overage clause being agreed between the parties, but in the event of disagreement, the valuations being determined by the District Valuer; and

(c) The Head of Legal Administration and Estates being authorised to agree the detailed terms and particulars of the sale; and

(5) That the capital receipt arising from the sale of the land to the rear of 30-36 Poundfield Road - plus any further capital receipt from overage payments that may arise – be recycled to provide additional social housing grant to Estuary Housing Association and used to maximise the amount of affordable housing that can be provided on other Council-owned sites being planned for development.

Reasons for Decision:

The proposal would enable the six residents neighbouring the site to purchase the land, at market value, in order to enlarge their gardens. If the residents did not exercise their option to purchase the land then it would be offered for sale to Loughton Town Council in accordance with the Code of Practice on Surplus Land and Property within the Local Charter. If there was no interest in this option then the land would be offered for sale on the open market, with an overage clause, in order to generate a capital receipt, which would then be used to provide further affordable housing elsewhere within the District.

Other Options Considered and Rejected:

To vary the terms of the sale offered to the six residents whose gardens neighboured the land, however the Council had been advised that the terms represented a accurate value of the land's worth if used for curtilage and taking into account the proposed covenant.

To encourage Estuary Housing Association to appeal against the refusal of their planning application, retain the land in the Council's ownership, or reconstruct garages on the site. However, the Cabinet rejected had all three options when it previously considered this issue.

159. PROVISION OF SACKS AND WHEELED BINS

The Portfolio Holder for Customer Services, Media, Communications and ICT presented a report regarding the provision of sacks and wheeled bins. The Waste Management Service had been using two kinds of sacks to collect recyclables, one was a clear plastic sack for the collection of all dry recyclables except glass and the other was a biodegradable sack for the collection of garden waste.

The Portfolio Holder reminded the Cabinet that as part of the introduction of the wheeled bin service, it had been agreed that residents would be supplied with two rolls of sacks free of charge. However the new waste arrangements had given rise to a significant increase in the levels of recycling, which had of itself increased the demand for clear recycling sacks, and resulted in the Council experiencing a severe shortage of sacks. In order to meet the demand and ensure availability, officers had been required to acquire additional sacks as quickly as possible, requiring the setting aside of contract standing orders.

In relation to biodegradable sacks for garden waste the Council had agreed in July 2005 to remove the charge for additional garden sacks. Previously each householder had been provided with 1 roll (26 sacks) free of charge, with a fee of £3.00 per each subsequent roll. In 2005/06 the Council had ordered and used approximately in the region of 1.5 million sacks. During 2006/07 this number had steadily increased to the point where the Council had ordered more than 2 million sacks, which at the most recently tendered cost, would cost in excess of £250,000. Members noted that the Portfolio Holder Advisory Group was currently considering this issue and investigating service delivery alternatives.

The Portfolio Holder advised that the wheeled bins for the new waste management service had been procured via the Yorkshire Purchasing Organisation (a large local authority consortium). The successful tenderer had been Otto UK and the Council had entered into a contract for the provision of wheeled bins in a range of four sizes at a cost of £19.56 each delivered (£1.56 more than estimated) thereby increasing the cost by £78,000. At the time of ordering the bins an initial judgement had been made in relation to the likely balance between bin sizes. As part of the implementation programme there had been a detailed review of all households in the District resulting in a much more accurate picture of the numbers of each size required. A total of 55,467 bins had now been received compared with the original order for 50,000 bins, resulting in additional expenditure of £106,935. In addition it had been necessary to purchase larger bins for flats and similar buildings, resulting in further expenditure of £55,250. As a result of these issues, the total of additional capital provision required was £240,185.

The Portfolio Holder advised that discussions were taking place with Otto UK about the degree to which the situation had been exacerbated by their manufacturing all of the bins ahead of the implementation programme and before the final balance of bin types was known. This could result in a reduction in the additional capital required. The Portfolio Holder further advised on proposals for funding the additional capital required.

RESOLVED:

- 1). That, the actions of officers in taking urgent steps to source additional dry recycling and garden waste sacks for the waste management service be endorsed.
- 2). That, in view of the urgency of the situation, the retrospective setting aside of the relevant contract standing orders be agreed; and
- 3). That, subject to ongoing discussions with Otto UK, an additional capital estimate in the sum of £240,000, to be financed by a virement from the General Capital Contingency in the sum of £105,000 and a supplementary capital estimate in the sum of £135,000, be recommended to the Council for approval.

Reasons for Decision:

Due to shortfalls in supplies and difficulties in provision to customers, and officers had to take urgent steps to seek supplies of sacks from wherever they were available. To do otherwise would have resulted in a cessation of the service.

There have been a number of factors influencing the balance of numbers of wheeled bins. It was always understood that the balanced would shift as the implementation proceeded, the changes in the numbers of 180 litre bins required was much larger than anticipated. Discussions were underway with Otto UK about the degree to which this situation was exacerbated by their manufacturing of all of the bins ahead of the implementation programme and before the final balance of bin types was known.

Other options considered and rejected:

There were no other options available given the circumstances, other than allow the cessation of the recycling and Garden Waste Services.

160. HOUSING REVENUE ACCOUNT FIVE-YEAR FORECAST

The Portfolio Holder for Housing presented a report regarding the Housing Revenue Account (HRA) Five Year Forecast. The subsidy settlement for 2007/08 had increased the subsidy payable by 7.7% which was generally in line with the 2006/07 settlement. The department for Communities and Local Government (DCLG) had indicated that it did not want rent rises in excess of 5% and in order to achieve this a subsidy allowance was to be included to compensate authorities for a any lost rent income resulting from this limitation. Supervision and Management General costs were 3% which were mainly employee related. The Portfolio Holder reported that the balance was expected to be £0.25 million higher than had been predicted at this point in 2005/06.

The latest 30-Year forecast produced in 2006 suggested that the HRA would fall into deficit in 2026/27. An updated 30 year plan was currently being produced and initial indications were that a deficit would not now occur until sometime after this. It was therefore suggested that the policy agreed last year, that balances should be maintained within the range of £3 to £4 million be re-affirmed, and that the balance at the end of the forecast period (31 March 2012) be reduced to around £4 million. In order to achieve this the best approach was to introduce more Revenue Contributions to Capital Outlay (R.C.C.O.) by £250,000 for each of the four years beginning in 2008/09 and ending in 2011/12. It was also proposed that the exact timing and the projects on which this additional £1 million might be spent be included as part of the next Capital Programme review.

RESOLVED:

- (1) That the Housing Revenue Account (HRA) Five-Year Forecast up to the year 2011/12 be noted;
- (2) That HRA balances be maintained within the range of £3million to £4million, but generally around £3.5million; and
- (3) That, by the inclusion of £1 million additional Revenue Contributions to Capital Outlay (R.C.C.O.), HRA balances be brought down to around £4million by 31 March 2012, and this additional expenditure be included in the next Capital Programme review.

Reasons for Decision:

It was forecast that if the HRA continued as currently, balances were likely to build up to around £5 million. It was therefore suggested that balances could have been managed within the range of £3 to £4 million. In order to achieve this £1 million additional RCCO had been introduced into the forecast as presented, the detail of exactly when and on what schemes to be determined was part of the next capital programme review. Deficits in years 2009/10 and beyond whilst looking substantial were occurring entirely due to the inclusion of RCCO in the forecast. The affordability of this level of expenditure was based on a number of assumptions and would need to have been reviewed in the light of conditions existing then.

Other Options Considered and Rejected:

Increasing contributions to the Repairs Fund would reduce the HRA balance. However the contribution as set at £5.7 million was sufficient for the next five years and there was no obvious need to increase expenditure.

Additional RCCO could have been used to replace funding from the Major Repairs Reserve rather than increase total expenditure. This would in turn increase the balance on the major Repairs Reserve, however the underlying issue of high balances would not be addressed.

Additional ongoing expenditure could have been introduced. However as intimated earlier of the HRA financial position was to deteriorate this would have been more difficult to reverse than RCCO or other one off expenditure.

161. GRANT AID 2006/07 - WALTHAM ABBEY YOUTH 2000

The Portfolio Holder for Leisure and Young People presented a report regarding an application for Grant Aid by Waltham Abbey Youth 2000. Applications for grant aid funding were normally considered and determined by the Portfolio Holder for Community Wellbeing but in this instance the Portfolio Holder, had referred the application to the Cabinet, for determination due to links with the organisation.

The group provided a range of youth services from its premises at Broker Road, Waltham Abbey, which included a "drop in" youth centre and confidential counselling services. Waltham Abbey Youth 2000 applied for a three year, long term funding, however given that the existing other long term agreements were to be reviewed towards the end of the current financial year, the application was considered in terms of its suitability for a one-off grant, with a view to assessing the potential for a three year funding agreement as part of the overall review. As part of the evaluation process, the Leisure and Young People Portfolio Holder had undertaken a visit to the Group's headquarters, accompanied by officers. Conditions regarding the centre's opening hours and assurances regarding the long term funding of the Youth Worker had been attached following discussions between the Group and Officers.

RESOLVED:

- (1) That funding from the Grant Aid Scheme for 2006/07 totalling £4,000 be awarded to Waltham Abbey Youth 2000, subject to the:
 - (a) clarification of the Youth Centre's opening hours; and
 - (b) provision of assurances regarding the long-term funding of the Youth Worker;
- (2) That further approval be given to a three-year funding agreement between Waltham Abbey Youth 2000 and the District Council, commencing on 1 April 2007 and subject to the agreement of the level of service expected from Waltham Abbey Youth 2000; and
- (3) That negotiations be continued with Waltham Abbey Youth 2000 in order to finalise the three-year funding agreement as soon as possible.

Reasons for Decision:

The application from Waltham Abbey Youth 2000 for funding was deemed worthy under the terms of the Grant Aid scheme.

Approval of the grant was conditional upon clarification of the centre's opening hours and assurances regarding the long term funding for the youth worker. Conditions would also be included in any longer term funding agreement to ensure that the service expected of Waltham Abbey Youth 2000 was clearly defined.

Other Options Considered and rejected:

Options considered in terms of the Grant Aid application were for the approval of a different amount, deferral or refusal of the application. There were no other options for consideration as the only transfer of funds that was possible, was from the various Voluntary Sector Assistance Budgets.

162. WASTE MANAGEMENT CONTRACT SELECT LIST

The Customer Services, Media, Communications and ICT Portfolio Holder presented a report concerning the inclusion of Kier Support Services on the waste management contract select list. The Portfolio Holder reminded the Cabinet that the original notices were issued a second time following the decision to use the Essex Procurement Hub and a framework agreement for the waste management contract. All interested parties who had responded to the first notice were asked to restate their interest in the second notice. Kier Support Services did this via email on 19 September 2006 but due to an oversight they were not sent a Pre-Qualification Questionnaire (PQQ). It had originally been assumed that Kier Support Services had declined to submit a PQQ, however following an enquiry by Kier Support Services in February 2007, it became apparent that a PQQ had not been dispatched to them.

The Portfolio Holder informed that Cabinet that, as the tender had not yet been issued, it was still possible to issue Kier with a PQQ but that they would not be able to have as much time as the other interested parties in which to return it. Kier have acknowledged this but felt that it would not place them at any disadvantage. Kier were issued with the PQQ, and a further report had been submitted regarding the content of Kier's submission.

RESOLVED:

That the inclusion of Kier Support Services in the select list of tenderers for the waste management contract be considered.

Reasons for Decision:

The non-issue of the PQQ to Kier Support Services was an oversight on the part of the Council, although one that was not immediately highlighted by Kier Support Services. It had been to resolve this situation, within the EU procurement process, through the belated issue, completion and return of a PQQ by Kier Support Services.

Other Options Considered and Rejected:

To not issue the PQQ to Kier Support Services, however this would put the Council at risk of a legal challenge that the EU procurement process had not been complied with, which could jeopardise the entire procurement process.

163. EXCLUSION OF PUBLIC AND PRESS**RESOLVED:**

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 item of business set out below as it 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 is considered to outweigh the potential public interest in disclosing the information:

<u>Agenda Item No</u>	<u>Subject</u>	<u>Exempt Information Paragraph Number</u>
18	Microsoft Enterprise Agreement	3
16a	Waste Management Contract Select List	3

164. MICROSOFT ENTERPRISE AGREEMENT

The Customer Services, Media, Communications and ICT Portfolio Holder presented a report concerning a Microsoft Enterprise Agreement with the Council. The Portfolio Holder informed the Cabinet that the Council currently purchased a named licence for each member of staff via a Local Government Association Microsoft Select agreement. However, these licences did not offer any maintenance support, for which the Council had separate contracts with Microsoft Limited. As part of the e-Government initiative, the Office of Government Commerce (OGC) had negotiated a software discount agreement with Microsoft Limited via a Microsoft Enterprise Agreement, which licensed each individual machine rather than each user. The purchase of Microsoft Licences under an Enterprise Agreement would reduce the budgeted costs within the first year and remove all Microsoft Licence upgrade costs for the next three years. The Council would also have access to full Microsoft support and be entitled to any upgrades during the three-year period.

RESOLVED:

(1) That, pursuant to Standing Order C10(1) (Negotiated Tendering), the Head of ICT be authorised to purchase a Microsoft Enterprise Agreement through the Office of Government Commerce (OGC) discount arrangement; and

(2) That, pursuant to Standing Order C10(1)(c), the reason for entering into a negotiated tendering exercise be noted as there is no effective competition for the Microsoft Enterprise Agreement due to the OGC discount agreement only being available from one source (Microsoft Ltd) and only available to UK Government bodies.

Reasons for Decision:

A Microsoft Enterprise Agreement was now the most cost effective licensing and support model for the Council.

Other Options Considered and Rejected:

To continue with the Council's Local Government Association Microsoft Select agreement, however the Enterprise Agreement currently on offer by Microsoft Limited represented a significant saving.

165. WASTE MANAGEMENT CONTRACT SELECT LIST

The Customer Services, Media, Communications and ICT Portfolio Holder presented a report concerning the inclusion of Kier Support Services on the waste management contract select list. The submitted Pre-Qualification Questionnaire (PQQ) from Kier

Support Services had been carefully evaluated in order to determine whether Kier should be invited to tender for the waste management contract. Kier had applied for all four lots and their technical references were satisfactory. A minor issue had been raised in respect of the financial evaluation of Kier Support Services, but it was felt that if a guarantee from the parent company Kier Group plc was forthcoming then there was no reason to reject Kier Support Services on this point. There were no other issues of concern in respect of the submitted PQQ.

RESOLVED:

That, subject to the receipt of a parent company guarantee from the Kier Group plc, Kier Support Services Ltd be included in the select list of tenderers for the waste management contract.

Reasons for Decision:

Subject to a guarantee from their parent company, there was no reason to reject Kier Support Services.

Other Options Considered and Rejected:

To reject Kier Support Services on the grounds of the minor financial issue raised by the Head of Finance, however a guarantee from the parent company would negate this issue.

CHAIRMAN