

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet

Date: 14 July 2008

Place: Council Chamber, Civic Offices,
High Street, Epping

Time: 7.00 - 7.45 pm

Members Present: Mrs D Collins (Leader and Cabinet Chairman), C Whitbread (Deputy Leader), R Bassett, M Cohen, Mrs A Grigg, Mrs H Harding, Mrs M Sartin, D Stallan and Ms S Stavrou

Other

Councillors: Mrs R Brookes, Mrs C Pond, B Rolfe, Mrs P Smith and J M Whitehouse

Apologies:

Officers Present: P Haywood (Chief Executive), D Macnab (Deputy Chief Executive), I Willett (Assistant to the Chief Executive), J Gilbert (Director of Environment and Street Scene), A Hall (Director of Housing), R Palmer (Director of Finance and ICT), K Durrani (Assistant Director Technical Services), L Swan (Assistant Director Private Sector & Resources), I White (Forward Planning Manager), T Carne (Public Relations and Marketing Officer), G J Woodhall (Democratic Services Officer), S G Hill (Senior Democratic Services Officer) and R Harris (Democratic Services Assistant)

20. WEBCASTING INTRODUCTION

The Leader made a short address to remind all present that the meeting would be broadcast on the Internet, and that the Council had adopted a protocol for the webcasting of its meetings.

21. DECLARATIONS OF INTEREST

(a) Pursuant to the Council's Code of Member Conduct, Councillor J M Whitehouse declared a personal interest in agenda item 12, Adoption of the East of England Plan. The Councillor had determined that his interest was not prejudicial and would remain in the meeting for the consideration of the issue.

22. MINUTES

RESOLVED:

That the minutes of the meeting held on 9 June 2008 be taken as read and signed by the Leader as a correct record.

23. REPORTS OF PORTFOLIO HOLDERS

There were no oral reports from the Portfolio Holders on matters not already considered elsewhere on the agenda.

24. PUBLIC QUESTIONS

There had been no questions received from members of the public for the Cabinet to consider.

25. OVERVIEW AND SCRUTINY

The Deputy Chief Executive informed the Cabinet that the Overview and Scrutiny Committee had received a presentation at its last meeting from Essex County Council on youth provision within the District. The Committee was appraised on how the youth provision scheme was organised throughout the District, the sort of work undertaken, and the partnership working undertaken with outside organisations.

The Committee had also received the Cabinet's Executive Work Programme incorporating the Forward Plan. The Leader of the Council had indicated the Cabinet's overall priorities for the year ahead as well as the priority objectives for each Portfolio.

Finally, the Committee had also agreed the Terms of Reference for two new Task and Finish Panels, namely Customer Transformation and Leisure, and the two new Standing Panels, Planning Services and Safer, Cleaner, Greener.

26. ANY OTHER BUSINESS

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

27. FINANCE & PERFORMANCE MANAGEMENT CABINET COMMITTEE - 16 JUNE 2008

The Finance, Performance Management and Corporate Support Services Portfolio Holder presented the minutes from the meeting of the Finance and Performance Management Cabinet Committee held on 16 June 2008. The items that had been considered included: the updated Corporate Risk Register; the Provisional Revenue Outturn for 2007/08; the Provisional Capital Outturn for 2007/08; and the Use of Transitional Relief in 2008/09. Other items that had been noted by the Cabinet Committee included: the Review of the ICT Service; and Key Performance Indicators – the outturn for 2007/08 and the proposed Key Performance Indicators for 2008/09.

Decision:Risk Management – Updated Corporate Risk Register

- (1) That the scores for the risks in relation to Recruitment in Key Areas (risk 1) and Key Objectives Not Delivered Due to Capacity Issues (risk 13) be reduced from B2 (High Likelihood, Critical Impact) to C3 (Significant Likelihood, Marginal Impact);
- (2) That the risk relating to the Political Balance of the Authority Affecting Decision Making (risk 6) be removed;
- (3) That the score for the risk relating to Sickness Absence (risk 15) be reduced from D3 (Low Likelihood, Marginal Impact) to E3 (Very Low Likelihood, Marginal Impact);
- (4) That the addition of an Action Plan to manage the risk relating to the Loss or Theft of Data (risk 18) be noted;
- (5) That, as no further new risks have been identified, no further additions to the risk register be made;

(6) That the current tolerance line on the risk matrix be considered satisfactory and not be amended; and

(7) That, incorporating the above agreed changes, the amended Corporate Risk Register be approved;

Provisional Revenue Outturn

(8) That the overall 2007/08 Revenue Outturn for the General Fund and Housing Revenue Accounts be noted; and

(9) That, as detailed in Appendix 2 of the report, the carry forward of £469,000 of District Development Fund expenditure be approved;

Provisional Capital Outturn and Use of Transitional Relief in 2008/09

(10) That the provisional Capital Outturn for 2007/08 be noted;

(11) That, as identified within the report, the over and under spends in 2007/08 on certain specified capital schemes be retrospectively approved;

(12) That the carry forward of unspent capital estimates into 2008/09 for the schemes upon which slippage had occurred be approved;

(13) That the bringing forward of capital estimates from 2008/09 to 2007/08 for those schemes which had progressed more rapidly than anticipated be retrospectively approved;

(14) That the carry forward of a virement of a £20,000 saving to the General ICT budget to 2008/09 be approved;

(15) That, together with the unallocated sum in 2007/08, the carry forward of the virement equivalent to the remaining net savings of £350,000 to the General Capital Contingency Fund be approved; and

(16) That the previous approvals to use the unapplied balance of transitional capital receipts for financing contributions to affordable housing schemes be noted.

Reasons for Decision:

The Cabinet were satisfied that the Finance and Performance Management Cabinet Committee had fully addressed all the relevant issues in relation to the recommendations and that these should be endorsed.

Other Options Considered and Rejected:

The Cabinet were satisfied that the Finance and Performance Management Cabinet Committee had considered all the relevant options in formulating their recommendations. The Cabinet did not consider that there were any further options.

28. BUSINESS CONTINUITY & RESILIENCE

The Corporate Support & ICT Services Portfolio Holder presented a report concerning Business Continuity and Resilience. The Portfolio Holder informed the Cabinet of the disruption that had occurred to Council services earlier in the year as a result of interruptions to the main power supply for the Civic Offices complex. During

the first instance, the Civic Offices had remained without power for 39 hours following the damage to a high voltage 11KV cable during an excavation in Epping High Street by a third party contractor. The major disruption suffered had been the loss of the data network and computer services, although the back up generator had provided emergency power to keep a number of critical systems operating such as the fire alarms. The second incident had been caused by two appreciable power fluctuations in rapid succession over the network, which had led to a further loss of computer services for approximately 24 hours.

The Portfolio Holder reported that a subsequent meeting had taken place with the network supplier, EDF Energy, to explore ways in which resilience to the Council's power supply could be improved. A proposed solution involved changing the type of the Council's power connection from a 'T' connection to a 'ring' connection, by installing a second 11KV power supply to the Civic Offices. In the event of a similar incident to the first, power would be restored much sooner, probably within an hour or so, via remote automatic switching equipment. EDF Energy had agreed to meet the cost of upgrading their switching equipment, however the Council would be liable for the cost of the installation of the new cable. Thus, a request was made for £20,000 to be allocated from the Capital Contingency Fund for 2008/09 to meet the estimated cost of these works. Normally, Contract Standing Orders required three quotations be sought for works of such value, however, as the works were to be carried out on the EDF network and EDF Energy were a statutory supplier, it was proposed to waive Contract Standing Orders accordingly and approve the works being carried out by EDF Energy.

The Portfolio Holder stated that a review was also being undertaken of those services that should have a back up power supply from the on site generator as well as the priority order and required capacity of the generator. It was intended to submit a further report in due course with any financial implications being included in the Council's Five-Year Maintenance Plan for 2009/10. The emergency contingency plans that the Council had put in place were under continuous review and further continuity issues were regularly explored.

Decision:

- (1) That an allocation from the Capital Contingency Fund in the sum of £20,000 be approved for 2008/09 in order to enable a secondary 11KV power supply to be installed at the Civic Offices complex;
- (2) That Contract Standing Orders in relation to obtaining competitive quotations for the work be waived to enable an order for the work to be placed with EDF Energy in view of their status as a statutory supply authority and the proposed work would be carried out on their network; and
- (3) That, following a review of critical services, a further report be submitted on measures to re-distribute essential supplies and increase the capacity of the on-site back up generator supply, with a view to making financial provision in the 2009/10 budget.

Reasons for Decision:

To improve the resilience of the Civic Offices from disruption to service provision as a result of disruptions to the main power supply to the complex.

Other Options Considered and Rejected:

To do nothing and accept the risk associated with the current level of resilience.

To make a bid for budget provision in the 5-year maintenance plan for 2009/10 and accept the risk associated with the current level of resilience during the intervening period until a budget is approved and the work can be carried out.

29. PRIVATE SECTOR GRANTS - CAPITAL PROGRAMME

The Housing Portfolio Holder presented a report regarding budget provision within the Capital Programme for Private Sector Grants (PSGs) and Disabled Facilities Grants (DFGs). The Portfolio Holder reported that a review had been undertaken of the capital budgets for both DFGs and PSGs, which had shown an underspend for 2007/08, and further underspends likely in 2008/09. It was anticipated that this would result in an approximate total underspend of £1.8million over a three-year period. The main reasons for the underspends were staffing shortages in relation to PSGs, funding from the Department of Communities and Local Government exceeding demand although it was anticipated that demand would increase when the staffing shortage had been addressed, and the Council not being permitted to use the PSG funding as revenue expenditure to fund the additional staffing resources being sought. A review of the Private Sector Housing Strategy had been scheduled for later in the municipal year, which would re-assess the likely amount of capital funding required. It was anticipated that this review would result in increased expenditure but still less than the current budget.

The Portfolio Holder advised the Cabinet that a re-profiling of the budget provision for both PSGs and DFGs had been proposed, which included the introduction of a Private Sector Capital Contingency of £310,000 for three years from 2009/10. This would utilise £930,000 of the projected underspend, leaving approximately £870,000. The Housing Scrutiny Panel was due to report in September on whether the Council should make available £300,000 per annum from the Housing Revenue Account for off-street parking on the Council's housing estates, in order to alleviate the problem of increasing car ownership. However, in accordance with Accounting policy, this amount would need to be match-funded with a similar amount from the General Fund Capital Programme, as 49% of all properties on the Council's housing estates had now been sold. This would equate to £288,000 per annum, and therefore, it had been proposed to utilise £864,000 of the PSG underspend to provide additional off-street parking over a three-year period from 2009/10 to 2011/12. This would result in a total annual budget for off-street parking programmes of £668,000 for this three-year period. Finally, it was felt that a further review of the budgetary position for DFGs, PSGs, the proposed Private Sector Capital contingency and off-street parking programme expenditure should be undertaken in the Autumn of 2009.

In response to the suggestion that the Council was not meeting the demand for such grants within the District, the Director of Housing stated that the demand for DFGs was certainly being met as these grants were mandatory, and if the candidate met the criteria then the Council had to provide the funding. The Council was getting numerous referrals for DFGs from Adult Social Care and Occupational Health agencies. It was acknowledged that the situation with PSGs was more problematic; more staff were required to advertise these grants and then the Council would be in a better position to meet the potential demand. The Leader of the Council reassured the Cabinet that both types of grant would be advertised more widely throughout the District when the necessary staff resources were in place.

Decision:

- (1) That the capital under-spend on Disabled Facilities Grants (DFGs) and other Private Sector Grants (PSGs) in 2007/8, and the likely under-spend in 2008/9 and future years, be noted;
- (2) That the Council's Private Sector Housing Strategy be reviewed later in the year, including a reassessment of the likely amount of capital funding required to deliver the strategy;
- (3) That the budget provision for DFGs and PSGs within the Housing Capital Programme be re-profiled as shown in the Appendix to the report, including the introduction of a Private Sector Capital Contingency of £310,000 for three years from 2009/10;
- (4) That, subject to the views of the Housing Scrutiny Panel on the use of the £300,000 per annum available resources in the HRA, £864,000 of the anticipated under-spend on DFGs and PSGs be re-allocated within the Housing Capital Programme for off street parking (£288,000 per annum from 2009/10); and
- (5) That the future budgetary position for DFGs, PSGs, the Private Sector Capital Contingency and off street parking be reviewed in October 2009 approximately.

Reasons for Decision:

It was important to ensure that the Capital Programme reflected the likely capital expenditure. The Private Sector Housing Strategy would be reviewed in the future, which might result in additional expenditure. A need had been identified to increase expenditure on providing off street parking schemes.

Other Options Considered and Rejected:

The budget could remain as previously set.

The proposed Private Sector Housing Contingency could not be introduced, or set at a lower or higher amount.

A lesser or higher amount could be utilised for off street parking.

The likely under-spend could be utilised for other capital projects, or retained in balances resulting in increased investment income.

30. ADOPTION OF EAST OF ENGLAND PLAN

The Planning & Economic Development Portfolio Holder presented a report relating to the adoption of the East of England Plan. The East of England Plan had been formally adopted on 12 May 2008, and the main implications for the District were the urban extensions to Harlow that would fall within the District and a minimum target of 3,500 new houses to be developed within the District by 2021. It was intended to fully review the Plan and roll it forward to 2031, whereby the District could expect further increases in the rate of housing provision between 2021 and 2031. In order to meet the targets within the Plan, a range of options for joint or coordinated working with adjoining authorities were outlined for the Cabinet's consideration and recommended for further exploration. In particular, it was felt that the Terms of Reference for the Portfolio Advisory Group on the Local Development Framework should be extended to consider: these options in more detail; the basic negotiating stance to be adopted

by the Council; and the procedure for negotiating with other authorities, including the involvement of Overview and Scrutiny.

The Portfolio Holder also reported that the Plan contained reduced job growth targets, and promoted the retention of town and neighbourhood centres, with a clearer definition of the role of each centre being encouraged. It was noted that the Plan made little mention of the provision of the necessary infrastructure to support the targets within the Plan. It was felt that strategic reviews of the Green Belt would be needed to accompany the growth requirements promoted by the Plan, but the District's continued location within the London Arc implied that the current policies of restraint would remain in force, with greater emphasis on the promotion of more positive management and use of the Green Belt.

The Leader of the Council stated that the East of England Plan was the most important plan for the District for a considerable time, which would involve a huge amount of work with the Council's partners. It was disappointing that there had been no timescale from the Government in respect of the required infrastructure to support the key aims of the Plan. The Cabinet were informed that the most urgent negotiations would be with Harlow and East Herts District Councils over the urban extensions to Harlow, whilst the Council would negotiate with Uttlesford District Council at a later date. The Forward Planning Manager added that the Council was working with Uttlesford District Council over some issues, whilst in respect of the urban extensions around Harlow, consultants had been engaged and would be reporting back either late this year or early next year. The infrastructure requirements would be examined and reported back to the Cabinet.

Decision:

- (1) That the adoption of the East of England Plan on 12 May 2008 be noted;
- (2) That proposals within the Plan for urban extensions to the east and, to a lesser extent, to the south and west of Harlow within this District, and extensions to the north of Harlow within the East Herts District be noted;
- (3) That, in relation to the preparation of Development Plan Documents in connection with the proposed urban extensions to Harlow:
 - (a) the requirements of the East of England Plan for "joint or co-ordinated" working be noted;
 - (b) the range of options for achieving such working between the local authorities involved be explored; and
 - (c) the terms of reference of the Portfolio Holder Advisory Group on the Local Development Framework be extended to cover consideration of:
 - (i) the form of joint or co-ordinated working which best meets the needs of this District, including the desirability of establishing a Joint Committee and Joint Sub-Committees dealing separately with areas to the east, south and west of Harlow, and to the north of Harlow;
 - (ii) the local authority membership of Joint Committees if that option is selected, and the relative powers of different authorities, e.g. the inclusion of County Councils because of their responsibilities for highways and education provision;

- (iii) the basic negotiating stance to be adopted by the Council in future meetings with the local authorities; and
 - (iv) the manner in which negotiations should be conducted with other local authorities, including the involvement of Overview & Scrutiny; and
- (4) That the housing and employment targets for the rest of the District be noted.

Reasons for Decision:

Early pressure for development around Harlow was expected, despite current economic conditions. Up to date policy guidance was needed as quickly as possible to deal with the anticipated applications. Joint or co-ordinated working was promoted by the Plan.

Other Options Considered and Rejected:

There were no realistic alternatives to those discussed in the report. The Government was intent on there being a step change in housing provision, and there was the threat in the Plan that, if little action was taken by the planning authorities, their powers could be transferred to another agency to ensure delivery of housing in appropriate numbers.

31. LOUGHTON BROADWAY TOWN CENTRE ENHANCEMENT SCHEME

The Planning & Economic Development Portfolio Holder presented a report about the Loughton Broadway Town Centre Enhancement Scheme. The Cabinet were reminded that phase II of the Broadway Town Centre Enhancement (TCE) scheme had been delayed due to the presence of a medium pressure gas main within the central reservation, however a revised methodology had been agreed with National Grid Gas and the Council was looking to enter into an agreement with the County Council to enable the works to be undertaken. The Cabinet were reminded that it had already agreed that the TCE should proceed as approved when it had considered the wider Debden Development and Design Brief.

The Portfolio Holder stated that the delay due to the gas main had already ensured that the scheme could not be completed within the current financial year, and would consequently be subject to an inflationary increase. A budget of £3,175,500 had already been approved for the scheme, but the latest estimate was anticipated to be £3,430,988, an increase of £255,388. Hence, a supplementary capital estimate in the sum of £455,500 had been requested, to include a £200,000 contingency for the scheme, and that as much of the scheme as practicably possible should be completed within the current financial year in order to reduce the financial risk to the Council.

The Portfolio Holder reported that the local traders had been very concerned about the scheduling of the scheme and the provision of adequate car parking. Therefore, it had been proposed to suspend work over the Christmas trading period, and that the previously agreed changes to the Vere Road car parks should be operational prior to commencing construction work on the eastern carriageway of the Broadway. The design brief for the Broadway regeneration had stated that the current free parking regime for on-street parking at the Broadway was of real benefit to the local traders and should be retained. Therefore, it had been proposed to rescind the Cabinet's previous decision to introduce a pay-and-display regime and retain the current free parking for one hour with no return for three hours.

The Portfolio Holder advised that there was a need for the project to be supervised on behalf of the Council and it was felt that, as the Council did not have the necessary skills in-house, Stace Management Limited be requested to fulfil this role on the Council's behalf. This would cost the Council an additional £37,000 and Contract Standing Order C4 would also require waiving as there was insufficient time to undertake a formal procurement exercise. Following negotiations, the Council had received confirmation that Essex County Council was prepared to make a £100,00 contribution to the costs of the scheme; this was wholeheartedly welcomed by the Cabinet. Finally, the Cabinet was asked to reconsider the provision of a landmark feature for the Broadway, which had been previously removed from the scheme as costs had increased. It was now felt that this decision could be revised, with a competition held to encourage the local community to design an appropriate amenity.

The Cabinet welcomed the proposals, in particular the suspension of construction activity in December and the £100,000 contribution to the scheme by Essex County Council. The Leader stated that the Council had worked closely with the Town Centre Partnership in order to deliver a viable scheme that would improve the area. The Director of Environment and Street Scene stated that as a commuted sum had not requested as part of the Section 278 agreement, it was assumed that Essex County Council would be happy to maintain the scheme once it had been completed. The Cabinet were informed that there had been no contribution to the scheme from the Housing Revenue Account and that the County Council as the Highways Authority would inform the bus companies of the construction works as a matter of course.

Decision:

- (1) That, in order to reduce financial risk to the Council and disruption to local residents and businesses, the following be agreed;
 - (a) as much of the scheme as practicable be undertaken within the current financial year;
 - (b) construction activity be suspended for the Christmas trading period; and
 - (c) construction on the east carriageway be deferred until the Vere Road car parks have been made available to the general public through a short stay pay and display regime;
- (2) That a supplementary capital estimate in the sum of £455,500 (including £200,000 contingency) be recommended to the Council for approval;
- (3) That the earlier decision to implement Pay and Display parking on the Broadway be rescinded and that the present regulatory on-street scheme of one hour parking with no return within three hours be retained;
- (4) That the existing project consultancy contract with STACE Management Limited, the Project Manager for the scheme, be amended to assign the additional duties of Project Supervisor at a cost of £37,000 and Contract Standing Order C4 (1) be waived accordingly;
- (5) That Essex County Council's offer of a £100,000 contribution towards the costs of the scheme be welcomed and accepted; and
- (6) That the provision of a landmark amenity feature on The Broadway be reconsidered and a local school competition be held for a suitable design.

Reasons for Decision:

If the Council's exposure to cost inflation was to be managed, then works needed to commence as soon as possible, whilst accommodating as far as possible the wishes of the local community to maintain continuity of trading especially during the Christmas period.

The costs of the scheme had continued to rise and given the nature of civil engineering schemes of this type, a 10% contingency was recommended.

The Debden Development and Design Brief had identified the convenient on-street parking on the Broadway as one of the strengths of The Broadway shopping centre, and it was recognised that the continuation of free on street parking would assist in supporting the local community.

Following the retirement of the Council's Resident Engineer, it was necessary to replace that responsibility through a further appointment with Stace.

The idea of an 'amenity feature' along The Broadway had been withdrawn due to cost constraints, but it was now proposed to reconsider this, dependent upon the availability of capital monies as the scheme progresses.

Other Options Considered and Rejected:

To defer the scheme's commencement until after Christmas 2008, but this would have significant cost risks and implications.

To continue with the on street pay & display, but this would be contrary to the recent design brief.

To not appoint a Project Supervisor, but this would also present significant risks to the Council especially if there were scheme delays and/or contractor claims.

To not re-consider the provision of an amenity feature within the Broadway.

To defer the scheme in its entirety and implement as part of any future wider regenerative scheme, but this would be a major disappointment to the local community and implementation would not prejudice any future regenerative proposals.

32. NON EXCLUSION OF PUBLIC AND PRESS

The Housing Portfolio Holder requested that the public and press not be excluded for the following item of the agenda, Replacement Heating and Rewiring Programme 2008/09 – Acceptance of Tenders, on the grounds that the report did not contain commercially sensitive information as originally stated on the agenda.

RESOLVED:

That the public and press not be excluded from the meeting for the consideration of the Acceptance of Tenders for the Replacement Heating and Rewiring Programme in 2008/09.

33. REPLACEMENT HEATING & REWIRING PROGRAMME 2008/09 - ACCEPTANCE OF TENDERS

The Housing Portfolio Holder presented a report concerning the acceptance of tenders for the Replacement Heating and Rewiring Programme in 2008/09. The Cabinet were advised that, in accordance with Contract Standing Orders, tenders had been sought for the contract from suitable contractors registered on Constructionline. The contract itself was initially for one year, but was renewable annually for a maximum of five years, subject to the contractors performance and quality of workmanship. Of the five tenders received, the lowest had been from Gracelands Complete Maintenance Services Ltd in the sum of £568,075.78 for the first year. This company had been successful in tendering for work with the Council in the past and had completed similar works to a high standard, thus it was recommended to award the contract to Gracelands Complete Maintenance Services Ltd. The Cabinet was also requested to note that the contract itself had been designated as a serial contract, with annual increases in the schedule of rate items in accordance with the building cost indices maintained by the Department of Business, Enterprise & Regulatory Reform.

Decision:

(1) That the tender of Gracelands Complete Maintenance Services Ltd, in the sum of £568,075.78 for the first-year of a five-year contract estimated at £2,830,000 in value be accepted as the lowest received; and

(2) That this contract be designated as a serial contract under Contract Standing Order C11 to facilitate the annual increase in the schedule of rate items in accordance with the building cost Indices maintained by the Department of Business, Enterprise & Regulatory Reform .

Reasons for Decision:

The existing warm air heating systems and boilers installed in Council owned properties were in poor condition, and had been identified within the Council's stock condition survey as being in need of replacing.

The electrical rewiring element of the work was to ensure that electrical installations in Council owned properties were maintained in a safe condition.

The programme of work was essential for the Council to achieve the Decent Homes target set by the Government for 2010.

Other Options Considered and Rejected:

To re-tender the contract on an annual basis. However, this would be time consuming and an inefficient method of procurement, which could also lead to inconsistency in the product and quality. Re-tendering would not guarantee more competitive tenders.

To undertake the Replacement Heating and Rewiring programme on an ad-hoc basis by raising individual orders for the work. However, this would not generate the cost savings associated with economies of scale and would breach Contract Standing Order C12.

CHAIRMAN