

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 13 July 2009

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.15 - 8.30 pm

Members Present: C Whitbread (Chairman), R Bassett, B Rolfe, Mrs M Sartin and D Stallan

Other Councillors: K Angold-Stephens, Mrs R Brookes, Mrs A Grigg, J Philip, Mrs P Smith, J M Whitehouse and D Wixley

Apologies: Mrs D Collins, M Cohen and Ms S Stavrou

Officers Present: P Haywood (Chief Executive), D Macnab (Deputy Chief Executive), I Willett (Assistant to the Chief Executive), R Palmer (Director of Finance and ICT), J Gilbert (Director of Environment and Street Scene), M Tipping (Assistant Director (Facilities Management & Emergency Planning)), Mrs J Twinn (Assistant Director (Benefits)), R Wilson (Assistant Director (Operations)), A Hendry (Democratic Services Officer), P Seager (Chairman's Secretary) and G J Woodhall (Democratic Services Officer)

15. WEBCASTING INTRODUCTION

The Chairman 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.

16. LEISURE & WELLBEING PORTFOLIO HOLDER

It was with regret that the Deputy Leader announced the resignation of Councillor Mrs H Harding as Leisure & Wellbeing Portfolio Holder; the Leader of the Council had appointed Councillor B Rolfe as her replacement. Councillor Mrs H Harding was thanked for her work as Leisure & Wellbeing Portfolio Holder.

17. DECLARATIONS OF INTEREST

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

18. MINUTES

RESOLVED:

That the minutes of the meeting held on 8 June 2009 be taken as read and signed by the Chairman as a correct record.

19. REPORTS OF PORTFOLIO HOLDERS

(a) Housing

Following the recent fire in Camberwell that had cost the lives of six people, the

Department of Communities & Local Government had advised all local councils of the investigation being undertaken. The Housing Portfolio Holder stated that the Council would examine the findings and determine if any further action was necessary. A leaflet would be distributed to all of the Council's tenants advising them of how to minimise their fire risks.

(b) Environment

A letter had been delivered to all residents advising them of the implementation of the revised waste management service in September. A number of roadshows had been planned for various locations throughout the District; the first would be in Loughton on 17 July 2009 and the full schedule was available on the Council's website. A list of Frequently Asked Questions would be shortly published on the Council's website and distributed to all Councillors to answer any residents' queries. The new wheeled bins and kitchen caddies were being delivered to the District and policies regarding their use would shortly be available following their consideration by the Safer Cleaner Greener Scrutiny Panel. The Portfolio Holder confirmed that residents could opt out of receiving a garden waste wheeled bin following the receipt of a letter or email by the Council.

20. PUBLIC QUESTIONS

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

21. OVERVIEW AND SCRUTINY

The Vice-Chairman of Overview & Scrutiny reported to the Cabinet on the Committee's recent meeting held on 9 July 2009.

The Committee had received two presentations. The first was on the changing role of the County Council in the provision of youth services within the District. The second was on the Government's consultation regarding flood and water management following the recent Pitt review. The Committee felt that the Council should retain its own capability to react to flooding events, and that any Government proposals should enable effective local partnering arrangements to be entered into with the County Council.

The Committee had considered the Safer Cleaner Greener Strategy and the Enforcement Policy, which would most likely be considered by the Cabinet at its next meeting in September 2009. When considering the possible rent deferment scheme for shops in the Broadway, the Committee had welcomed the other measures that had been made available to support those tenants most in need.

22. ANY OTHER BUSINESS

In accordance with Section 100B(4)(b) of the Local Government Act 1972, together with paragraphs (6) and (24) of the Council Procedure Rules, the Leader of the Council had permitted the following item of urgent business to be considered following the publication of the agenda:

- (i) Sustainable Communities Act 2007.

23. SUSTAINABLE COMMUNITIES ACT 2007

The Deputy Leader reported that at the recent Council meeting on 30 June 2009, a

motion had been adopted whereby the Council would support the aims and objectives of the Sustainable Communities Act 2007, and the Cabinet had been requested to use the Act to submit proposals for action and assistance from the Government for the benefit of the District. The Cabinet was asked to consider how the Council motion should be taken forward and felt that Overview and Scrutiny should be asked to consider possible development proposals for submission to the Government in 2010. The Vice-Chairman of the Overview and Scrutiny Committee concurred and agreed that the matter would be considered at the Committee's next meeting in September.

Decision:

- (1) That the motion passed by Council at its meeting on 30 June 2009 regarding the Sustainable Communities Act 2007 be noted; and
- (2) That the Overview and Scrutiny Committee be requested to consider the possible development proposals for submission to the Government in 2010 under the Sustainable Communities Act 2007.

Reasons for Decision:

To comply with the motion on the Sustainable Communities Act 2007 adopted by the Council on 30 June 2009.

Other Options Considered and Rejected:

To advise the Council that it was not minded to pursue the aims and objectives of the motion.

24. FINANCE & PERFORMANCE MANAGEMENT CABINET COMMITTEE - 15 JUNE 2009

The Portfolio Holder for Finance and Economic Development presented the minutes from the meeting of the Finance and Performance Management Cabinet Committee held on 15 June 2009. Recommendations had been made regarding: the Updated Corporate Risk Register; the Procurement Strategy 2009-12; the Provisional Revenue Outturn for 2008/09; and the Provisional Capital Outturn for 2008/09. Other issues that had been considered included an update on the performance of benefit claim processing.

Decision:

Risk Management – Updated Corporate Risk Register

- (1) That the updating of the Corporate Risk Register for the new Executive Priorities be noted;
- (2) That an extra risk in respect of the provision of pitches for Gypsies and Travellers within the District be examined and scored for consideration at the next meeting of the Cabinet Committee;
- (3) That the tolerance line on the risk matrix be considered satisfactory and not be amended; and
- (4) That the Corporate Risk Register be approved;

Procurement Strategy 2009-12

- (5) That the updated Procurement Strategy for 2009-12 be approved;

Provisional Revenue Outturn 2008/09

- (6) That the 2008/09 Revenue Outturns for the General Fund and Housing Revenue Account be noted; and

- (7) That the carry forward of £280,000 of District Development Fund expenditure be approved; and

Provisional Capital Outturn 2008/09

- (8) That the Capital Outturn for 2008/09 be noted;

- (9) That, as previously identified by the Cabinet Committee, the under and over spends for capital schemes in 2008/09 be retrospectively approved;

- (10) That the net carry forward of unspent capital estimates from 2008/09 to 2009/10 relating to schemes on which slippage had occurred be approved in the sum of:

- (a) £911,000 for the General Fund; and

- (b) £1.534million for the Housing Revenue Account; and

- (11) That the funding of the Capital Programme for 2008/09 be retrospectively approved.

Reasons for Decision:

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

25. HOUSING TREE MAINTENANCE BUDGET

The Housing Portfolio Holder presented a report concerning the Housing Tree Maintenance Budget. In November 2008, the Cabinet had agreed a Supplementary Estimate in the sum of £64,000 for 2008/09 funded from Housing Revenue Account balances for major tree works on housing land. Around £38,000 was allocated for work on the Shernbroke Road side of the Ninefields Estate in Waltham Abbey. It was also identified that further work to trees and shrubs would be needed in this area in 2010/11, with a further estimated cost of £38,000, which would be considered by the Cabinet in the next budget cycle.

The Portfolio Holder reported that all of the work planned for this year on the Shernbroke Road side of the Ninefields Estate had now been completed. However, to enable all of the works at the site to be completed one year earlier than originally

anticipated, a Supplementary Estimate in the sum of £38,000 for 2009/10, again to be funded from Housing Revenue Account balances, was requested to be recommended to the Council for approval.

Decision:

That, in order to complete the major tree work and shrub maintenance project on Housing-owned land at Ninefields in Waltham Abbey, a supplementary estimate for 2009/10 in the sum of £38,000, to be funded from Housing Revenue Account balances, be recommended to the Council for approval.

Reasons for Decision:

To complete much needed tree and shrub maintenance works on the Shernbroke Road side of the Ninefields Estate, Waltham Abbey, one year earlier than originally anticipated.

Other Options Considered and Rejected:

To not complete the additional tree and shrub work on the Shernbroke Road side of the Ninefields Estate, Waltham Abbey one year earlier than originally anticipated.

To make alternative amounts available for the works needed.

26. REVIEW OF OLDER PEOPLES' SERVICES

The Housing Portfolio Holder presented a report concerning the review of Older Peoples' services, which included the provision of the Scheme Manager Service and Careline. Over the last year, the service had expanded due to a substantial increase in workload, which was expected to increase further in the future. The current structure of the Section was not now considered appropriate, due to the Housing Manager (Older Peoples' Services) needing to become more involved in day-to-day work and not having sufficient time to deal with the strategic direction of the services.

The reasons for the increase in workload had been due to a number of factors including, the Supporting Peoples' Older Peoples' Strategic Review, which would bring changes to the way in which the Scheme Manager service was provided, the expansion of Careline, the possibility of linking an external alarm provider into the Careline Service and the development of Telecare which provided additional monitoring equipment for alarm users. As a result of the additional workload, it had been recommended that one full time equivalent Senior Scheme Manager post be added to the establishment in order to enable the re-structuring of the Older Peoples' service and to ensure residents in the District were able to fully benefit from this important service. Furthermore, it was also recommended that, a further report be submitted to the Cabinet to consider additional staffing implications for monitoring alarms for an external provider, should the Council be invited to tender but prior to entering into any contract.

Decision:

(1) That an additional full-time post of a Senior Scheme Manager in the Housing Directorate be agreed from 1 September 2009, funded from the Housing Revenue Account and rated at Grade 5 subject to Job Evaluation; and

(2) That a further report be submitted to the Cabinet in due course to consider additional staffing implications for monitoring alarms for an external provider, should

the Council be invited to submit a tender and prior to the Council entering into any contract.

Reasons for Decision:

The role of Housing Older Peoples' Services had continued to expand due to the increase in technology, the expansion of Careline and the requirements of Essex County Council's Supporting Team. As a result, the workload was increasing and it was therefore important to appoint a full-time Senior Scheme Manager to enable the re-structuring of the service. This would allow the Housing Manager (Older Peoples' Services) to be freed up from day-to-day duties and be in a better position to manage and oversee the changes that were needed to meet the future challenges of the Section. It would also enable the Assistant Manager (Older Peoples' Services) to be more focussed on taking forward the Telecare agenda in particular.

Other Options Considered and Rejected:

To not appoint an additional Senior Scheme Manager Post to the Housing Directorate's Older Peoples' Services Section.

To not tender to monitor alarms for any external provider.

27. LOCAL AUTHORITY REPOSSESSION PREVENTION FUND

The Housing Portfolio Holder presented a report regarding the Local Authority Repossession Prevention Fund. The Council had been notified by the Department of Communities and Local Government that it would be receiving a grant of £47,500 at the end of June 2009, to enable the Council to extend small loans to families at risk of homelessness. Under the Government's guidance, financial assistance through interest free loans, capped to a maximum of £5,000 per household, should be made available.

The Cabinet were advised that the loans would be agreed by an Officer panel, repayable by the applicant over a period of between one and five years, and would only be provided where the Council would owe the applicant a full homeless duty if they were to lose their home. There were a number of conditions which were set out in the Government's guidance. In addition to the Local Authority Repossessions Prevention Fund, the Council had received a further £7,500 grant from the Department of Communities and Local Government's "Recession Busting" fund.

The Portfolio Holder reported that the Council worked in partnership with the Epping Forest Housing Aid Scheme who assisted homeless and other housing applicants who had difficulty accessing the private rented sector because of the requirement for them to provide a rent deposit in advance. Since it was set up in 1995, the Scheme had helped over 200 homeless families, by providing rent guarantees to landlords against tenants' misconduct. In October 2008, in order to ensure that the guarantees did not over-commit the Scheme's available resources, the Housing Portfolio Holder had agreed that the Council would increase the amount it underwrote from £20,000 to £40,000 of additional rent guarantees at any one time. However, due to the number of guarantees issued, the Scheme was not in a position to assist any more applicants at the current time.

It was therefore proposed that the maximum amount covered by the Underwriting Agreement should be increased from £40,000 to £60,000, which would enable approximately a further 20 applicants to be assisted immediately. It was also further proposed that, the £7,500 grant received under the Department of Communities &

Local Government "Recession Busting" fund be passed to the Epping Forest Housing Aid Scheme for rental guarantees. The Portfolio Holder added that only 14% of the guarantees had been paid out by the Council under the scheme since 1995.

Decision:

(1) That the £7,500 "Recession Busting" grant received from the Department of Communities and Local Government be passed to the Epping Forest Housing Aid Scheme in order to assist more applicants to whom the Council owes a full homelessness duty with rental guarantees which would enable them to secure accommodation in the private rented sector;

(2) That the maximum amount underwritten by the Council in respect of rent guarantees issued by the Epping Forest Housing Aid Scheme to private landlords be increased from £40,000 to £60,000; and

(3) That the £47,500 received from the Department of Communities and Local Government's Preventing Repossessions Fund, to enable the Council to grant small loans in accordance with Government guidance to applicants who were threatened with losing their home and to whom the Council would otherwise owe a full duty under homelessness legislation, be noted.

Reasons for Decision:

Following the award of £47,500 from the Department of Communities & Local Government's Preventing Repossession Fund, the Council was in a position to offer small loans to assist applicants from losing their own homes due to mortgage or rent arrears, whom would otherwise be owed a full homelessness duty. The loans would be offered in accordance with Government guidance and would assist around 25 households. In addition, it was recommended that the £7,500 received from the Department of Communities & Local Government's "Recession Busting" fund of £7,500 be passed to the Epping Forest Housing Aid Scheme and that the amount underwritten be increased from £40,000 to £60,000 which, in total would enable the Scheme to assist a further 20 applicants with rent guarantees helping them to secure accommodation in the private sector.

Other Options Considered and Rejected:

To not use the Preventing Repossession Grant received from the Department of Communities & Local Government.

To not pass the £7,500 "Recession Busting" Grant received from the Department of Communities & Local Government to the Epping Forest Housing Aid Scheme.

To not increase the amount underwritten for the Epping Forest Housing Aid Scheme rent guarantees from £40,000 to £60,000.

28. FORESTER CONSULTATION & LOCAL STRATEGIC PARTNERSHIP

In the absence of the Leader of the Council, the Deputy Leader introduced a report concerning the recent consultation on the Forester magazine and the Local Strategic Partnership.

The Cabinet were reminded that the Forester was the magazine for residents produced by the Council four times per year. New arrangements had been implemented for delivery to all households and businesses within the District

following the transfer of the work from the Royal Mail to a private distribution company, D2D. Following the conclusion of the public consultation exercise, the Overview and Scrutiny Committee had considered the responses and made some recommendations for the future of the Forester. These included: the retention of the A4 colour format; greater use of imagery; shorter and more concise articles; retention of community news and features within the magazine; and better design of the front cover page. The Committee had also proposed to open discussions with the Epping Forest Local Strategic Partnership to explore the possible use of the Forester magazine as a platform for raising public awareness of the Partnership. The Deputy Chief Executive agreed to encourage the other organisations within the Partnership to reciprocate and raise awareness of the Council in their newsletters at the next Partnership meeting.

Decision:

- (1) That, as set out in the Overview and Scrutiny Committee report on 2 June, the completion of the Forester public consultation exercise be noted;
- (2) That the recommendations of the Overview and Scrutiny Committee be agreed, including:
 - (a) retention of the current A4 colour magazine format;
 - (b) greater use of imagery;
 - (c) shorter and more concise articles;
 - (d) retention of community news and features; and
 - (e) better front cover design;
- (3) That Officer discussions with Epping Forest Local Strategic Partnership to explore options for the use of the Forester in enhancing public awareness of the work of the Partnership be authorised; and
- (4) That a review of these recommendations be undertaken after one year.

Reasons for Decision:

To endorse the views of the Overview and Scrutiny Committee.

Other Options Considered and Rejected:

To ask the Overview and Scrutiny Committee to reconsider its recommendations to endorse the findings of the public consultation exercise on the Forester.

That the Overview and Scrutiny Committee reconsider its recommendation for Officers to be authorised to enter into discussions with the Epping Forest Local Strategic Partnership regarding the potential use of the Forester as a means of raising public awareness of the Partnership.

29. PROVISION OF SPORTS HALL - WALTHAM ABBEY SWIMMING POOL

The Leisure & Wellbeing Portfolio Holder presented a report upon the provision of a sports hall at Waltham Abbey Swimming Pool. Revised recommendations for the report had been tabled at the meeting for the Cabinet's consideration.

The Portfolio Holder reported that following the Cabinet's decision to withdraw from the Joint Use Agreement with King Harold School regarding the management of the Sports Centre at Waltham Abbey, the Leisure Task & Finish Panel was charged with considering the feasibility of constructing a replacement sports hall as part of the existing leisure complex at the Waltham Abbey Swimming Pool. Having received and considered that feasibility study, the Task & Finish Panel accepted that the proposal should be recommended and the Overview & Scrutiny Committee subsequently referred the matter to the Cabinet and Council to seek the required capital provision for the project.

The Director of Environment & Street Scene explained the background to the revised recommendations and emphasised a number of points for the benefit of the Cabinet. It was accepted that there could be a shortfall in sports facilities provision when the Council withdrew from the dual use agreement with King Harold School and a feasibility study had recommended a new sports hall at Waltham Abbey Swimming Pool. There were clear benefits for the community identified but it was not clear that the project would generate the necessary income, hence the proposal to only proceed to the pre-planning stage. The project would only proceed from this stage if it was felt that it would be at least cost neutral to the Council in the future. Negotiations with the Council's current Leisure Service provider about assuming the role of delivery agent for the proposed new sports hall would commence. The current sports hall at King Harold School might still be available for community use in the interim but it had been difficult to get the school to discuss the future of the sports hall with the Council after the end of the dual use agreement. A working relationship had already been established between Stace and Sports & Leisure Management Limited, so this aspect of the project was not considered to be problematic.

Decision:

- (1) That the endorsement of the recommendations of the Leisure Task & Finish Panel by the Overview and Scrutiny Committee be noted;
- (2) That the proposal to build a Sports Hall at Waltham Abbey Swimming Pool be progressed to the pre-planning application stage at an estimated cost of £41,000;
- (3) That Contract Standing Orders be set aside to enable the appointment of Stace to undertake this work;
- (4) That a supplementary capital estimate in the sum of £41,000 be recommended to the Council for approval;
- (5) That negotiations be commenced with the Council's leisure service providers, Sports Leisure Management Limited, in respect of:
 - (a) Sports Leisure Management Limited being the delivery agent for the proposed new Sports Hall at Waltham Abbey Swimming Pool; and
 - (b) the taking up of the optional 3 year contract extension period from January 2013
- (6) That, irrespective of the outcome of recommendation (5), the project be progressed only if the use of Capital resources and additional management fees had no subsequent adverse impact upon the Continuing Services Budget (i.e. were cost neutral); and

(7) That the indicative time frame for the project be noted, and in particular the time period between the cessation of the Joint Use Agreement with the Governors of King Harold School in January 2010 and the earliest likely date of opening of any new facility in the Summer of 2011.

Reasons for Decision:

To provide a replacement sports hall facility for the community of Waltham Abbey following the cessation of the Joint Use Agreement with King Harold School in January 2010. Although the cessation of the Joint Use Agreement did not preclude continued community use of the sports centre, there had to date been no indication by the school of its future intentions.

Waltham Abbey had been identified as having one of the worst health outcomes of any area within the District and a new facility such as that proposed could greatly benefit the longer term health outcomes of the local community.

Other Options Considered and Rejected:

To not proceed with the proposed new sports hall; or

To defer consideration until a later date.

30. RESTRUCTURE OF THE BENEFITS DIVISION

The Finance & Economic Development Portfolio Holder introduced a report regarding the restructure of the Benefits Division. The temporary "Hit Squad" funding for the Benefits Division has led to substantial improvements in performance. However, that funding had now been used up and, given the ongoing higher workload in the Division, it was necessary to consider staffing resources. The additional workload had been recognised by the Government through the provision of additional grant and it was proposed to use this grant to minimise the requirement for additional resources from the General Fund.

The Assistant Director (Benefits) added that the caseload of the section had been increasing and that the review had indicated the requirement for two new assessment posts, one Benefit Officer and one Benefit Assistant, and a new System Administrator post. The two new assessment posts would be on three year fixed term contracts whilst the new System Administrator would be a permanent member of staff. The new posts would be funded initially by the additional grant received and partly offset by the deletion of the vacant Customer Services Officer post. The Cabinet was requested to agree the proposed structure for the Benefits Division, with the proviso that it would be subject to a further review in 18 months time.

Decision:

(1) That the award of additional grant funding for Benefits Administration in the sum of £109,895 and the allocation of this funding to meet additional staffing costs be noted;

(2) That the vacant Customer Services Officer post (FBE/20) be deleted from the establishment;

(3) That the new Benefit Officer and Benefit Assistant posts be created as three-year fixed term posts, funded initially from additional grants and then a District Development Fund growth bid, subject to an update report in 18 months;

- (4) That a new permanent post of System Administration Officer be created:
 - (a) funded from additional grant funding in 2009/10; and
 - (b) a Continuing Services Budget growth bid in the sum of £4,160 be made for 2010/11;
- (5) That the establishment of the Benefits Division be accepted as outlined in the report and existing job titles be amended accordingly; and
- (6) That the workload and establishment of the Benefits Division be subject to a further review in 18 months.

Reasons for Decision:

To better match workload and staffing resources so that a good service could continue to be provided to claimants.

Other Options Considered and Rejected:

The two fixed-term posts could be made permanent, although this would increase the additional Continuing Services Budget funding required, or the fixed terms could be shortened.

31. CONSIDERATION OF A RENT DEFERMENT SCHEME FOR THE SHOPS IN LOUGHTON BROADWAY

In the absence of the Legal & Estates Portfolio Holder, the Deputy Leader presented a report concerning the consideration of a rent deferment scheme for the shops in Loughton Broadway. A motion of Council had been referred to the Cabinet to consider a rent deferment scheme for tenants of the shops at the Broadway in Loughton and to consider providing assistance to all of the Council's shops and commercial premises tenants during the recession.

The Deputy Leader felt that a deferment scheme was not the right solution for both the Council and its tenants. There was the potential risk for loss of income to the Council and that such a scheme would not necessarily alleviate the cash flow difficulties of tenants. It would only prolong the problem as the rent would have to be paid at some point in the future. The suggested scheme had a considerable cost attached to it and the option already existed for businesses to pay their rent on a monthly basis to assist with their cash flows.

The Performance Management Portfolio Holder agreed that the Council would be exposed if rent payments were deferred, and highlighted that a weekly payment option was also available for tenants. It was felt that it would be better to help tenants in this way, although it was accepted that each case should be judged on its merits.

The Housing Portfolio Holder was in favour of such a scheme and had supported the original motion at Council, whilst it was pointed out to the Cabinet by a ward member that the Housing Revenue Account was currently in a very healthy state and therefore the Council was in a position to help those traders in Loughton Broadway that had suffered during the Town Centre Enhancement scheme.

The Deputy Leader emphasised that the Estates section was doing everything possible to help businesses in Loughton Broadway, and that the Council would

continue to listen and provide further assistance as it would be more difficult to fill empty units at the current time.

Decision:

(1) That no rent deferral scheme be undertaken at the current time for Council tenants in the shops at Loughton Broadway, due to the potential risk for loss of income to the Council and such a scheme would not necessarily be the best solution for tenants to alleviate cash flow difficulties; and

(2) That every possible help be extended to tenants of the Council's commercial and industrial properties by the Estates section during the current economic downturn, including the facility to make weekly or monthly rent payments.

Reasons for Decision:

To continue with the current procedures adopted within the Corporate Support Services (Estates Section) and Finance Directorates to monitor individual tenants who were having payment difficulties and to enter into staged payments to assist with any cash flow problems.

Other Options Considered and Rejected:

To assist all tenants to remain viable until trade improves where possible during the recession via a rent deferment scheme, however there was a potential loss of income to the Council from such a scheme and it would not necessarily be the best solution to alleviate the problems of tenants.

32. EXTERNAL REVIEW OF THE ESTATES AND VALUATION SERVICE

In the absence of the Legal & Estates Portfolio Holder, the Assistant Director (Facilities Management & Emergency Planning) presented a follow-up report on the external review of the Estates & Valuation Service, after consideration of the original report at the previous meeting.

The Cabinet were reminded that an external review of the Estates & Valuation Service within the Corporate Support Services Directorate had been undertaken by the consulting arm of the Chartered Institute of Public Finance and Accountancy (CIPFA). Their brief had been to consider various options and make recommendations on how the Service could be provided in the future. The options included retaining the Service in house or outsourcing the Service either in part or in total.

The Assistant Director stated that the main priority for the Service was to manage the rent and lease renewals. CIPFA had reached their conclusions by taking into account several factors, including: looking at authorities with a similar portfolio; using accepted conventions for calculating likely external costs; the likely one-off costs of out-sourcing the Service; and the collective experience of conducting similar reviews for other Councils over many years. It was highlighted that external expertise could be utilised by the Service if the case justified it, whilst the possible creation of a training post was an exciting prospect for the Service. The report had recommended that best value would be achieved by retaining the Service in house, and the Cabinet had concurred with this conclusion provided there were no increase in the current costs of the Service. The recruitment of a permanent Principal Valuer & Surveyor had also been approved, along with the replacement of the vacant part-time post of Valuer and Estates Surveyor with a full-time graduate trainee.

Decision:

(1) That, following consideration of the external review, the conclusion of the report by CIPFA consulting whereby best value would be achieved by keeping the Estates and Valuation Service in house be accepted and agreed, subject to no increase in the current establishment costs;

(2) That the filling of the vacant post of Principal Valuer and Estate Surveyor (post CEV/01) be approved; and

(3) That the filling of the vacant post of Valuer and Estates Surveyor (part time 21.6 hours per week - Post CEV/03) by the appointment of a full time graduate trainee be approved, subject to there being no increase in the salary costs for the post.

Reasons for Decision:

To achieve best value and optimise efficiency in the management and development of the commercial portfolio in accordance with the Council's strategy as contained in the Asset Management Plan.

Other Options Considered and Rejected:

To not accept the conclusions in the external report and decide on an alternative course of action. However, CIPFA had considerable expertise and experience in conducting this type of review.

33. 1 CARTERSFIELD ROAD, WALTHAM ABBEY

In the absence of the Leader of the Council, the Assistant Director (Facilities Management & Emergency Planning) introduced a report regarding the site at 1 Cartersfield Road in Waltham Abbey and the granting of Landlord's consent for a change of use.

The Assistant Director stated that in December 2008, the leaseholder obtained planning permission to develop the site, constructing a Lidl supermarket at the front and five industrial units to the rear. The site currently had permission for light industrial use, which would have to be changed to retail use to accommodate the small supermarket and for which the Council could charge a premium. The Council's appointed agents, Bidwells, had conducted the negotiations with the lease holder and were recommending a proposal that would increase the ground rent for the site to £31,500 per annum and the levy of a premium in the sum of £175,000 for the granting of the change of use by the Landlord. It was anticipated that the Council's freehold interest in the site would rise to £595,000 from its current level of approximately £251,500.

The Assistant Director added that Lidl had indicated that they wanted a firm decision to be made by 17 July 2009, and in view of the time constraints it was proposed that the Chairman of Council be asked to waive the call-in for this particular item, and that the Director of Corporate Support Services be delegated authority to agree any last minute changes to the wording of the lease.

Decision:

(1) That, as recommended by the Council's agents Bidwells, Landlord's consent

for change of use from light industrial to retail be granted to enable the development of a Lidl supermarket at 1 Cartersfield Road in Waltham Abbey on the following terms:

- (a) an increase in the annual rent from £14,000 to £31,500 per annum; and
 - (b) the lessees making a premium payment in the sum of £175,000 to the Council;
- (2) That, in view of the time constraints relating to the contract between the lessee and Lidl, the Chairman of the Council be requested to waive the call-in arrangements for this decision; and
- (3) That authority be delegated to the Director of Corporate Support Services to agree any potential revised wording of the lease following negotiations with the interested parties.

Reasons for Decision:

To enable the site to undergo redevelopment to modern standards which would enhance the value of the Council's asset and achieve a substantial increase in the annual ground rent as well as a one off capital payment to the Council.

Other Options Considered and Rejected:

To not grant Landlord's consent. However, this might result in the site not being redeveloped to modern standards and a local employment opportunity missed.

To seek to negotiate some other premium. However, this risked the failure of negotiations and would also involve the rejection of a proposal that our external experts recommended for acceptance.

CHAIRMAN