

**CABINET**  
**Monday, 7th September, 2009**

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

**Time:** 7.00 pm

**Democratic Services Officer:** Gary Woodhall (The Office of the Chief Executive)  
Email: gwoodhall@eppingforestdc.gov.uk Tel:01992 564470

**Members:**

Councillors Mrs D Collins (Leader of the Council) (Chairman), C Whitbread (Finance & Economic Development Portfolio Holder) (Vice-Chairman), R Bassett, M Cohen, B Rolfe, Mrs M Sartin, D Stallan and Ms S Stavrou

**PLEASE NOTE THE START TIME OF THE MEETING  
THE COUNCIL HAS AGREED REVISED PROCEDURES FOR THE OPERATION OF  
CABINET MEETINGS. BUSINESS NOT CONCLUDED BY 10.00 P.M. WILL, AT THE  
DISCRETION OF THE CHAIRMAN, STAND REFERRED TO THE NEXT MEETING OR  
WILL BE VOTED UPON WITHOUT DEBATE**

**1. WEBCASTING INTRODUCTION**

- (a) This meeting is to be webcast;
- (b) Members are reminded of the need to activate their microphones before speaking; and
- (c) the Chairman will read the following announcement:

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

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

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

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

**2. APOLOGIES FOR ABSENCE**

**3. DECLARATIONS OF INTEREST**

(Assistant to the Chief Executive) To declare interests in any item on this agenda.

**4. MINUTES**

To confirm the minutes of the last meeting of the Cabinet held on 13 July 2009 (previously circulated).

**5. REPORTS OF PORTFOLIO HOLDERS**

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

**6. PUBLIC QUESTIONS**

To answer questions asked by members of the public after notice in accordance with the motion passed by the Council at its meeting on 19 February 2008 (minute 102 refers) on any matter in relation to which the Cabinet has powers or duties or which affects the District.

**7. OVERVIEW AND SCRUTINY**

To consider any matters of concern to the Cabinet arising from the Council's Overview and Scrutiny function.

**8. ANY OTHER BUSINESS**

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

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

**9. DISTRICT COUNCIL TRAVEL PLAN (Pages 7 - 10)**

(Community Safety & Transport Portfolio Holder) To consider the attached report (C-018-2009/10).

**10. TREASURY MANAGEMENT ANNUAL REPORT & PRUDENTIAL INDICATORS 2008/09 (Pages 11 - 20)**

(Finance & Economic Development Portfolio Holder) To consider the attached report (C-019-2009/10).

**11. REVIEW OF INTERIM SHARED OWNERSHIP POLICY (Pages 21 - 24)**

- (Housing Portfolio Holder) To consider the attached report (C-020-2009/10).
12. **REDEVELOPMENT SCHEME - MARDEN CLOSE, CHIGWELL ROW (Pages 25 - 32)**  
(Housing Portfolio Holder) To consider the attached report (C-021-2009/10).
  13. **WAIVER OF CONTRACT STANDING ORDERS - HOUSING CONTRACTS (Pages 33 - 38)**  
(Housing Portfolio Holder) To consider the attached report (C-022-2009/10).
  14. **FORMATION OF A LOCAL HOUSING COMPANY - SPECIALIST LEGAL ADVICE (Pages 39 - 42)**  
(Housing Portfolio Holder) To consider the attached report (C-023-2009/10).
  15. **HOUSING STRATEGY (Pages 43 - 54)**  
(Housing Portfolio Holder) To consider the attached report (C-024-2009/10).
  16. **SMALL BUSINESS ENGAGEMENT ACCORD (Pages 55 - 58)**  
(Finance & Economic Development Portfolio Holder) To consider the attached report (C-025-2009/10).
  17. **INTERNAL AUDIT - OPTIONS FOR SERVICE DELIVERY (Pages 59 - 66)**  
(Finance & Economic Development Portfolio Holder) To consider the attached report (C-026-2009/10).
  18. **EXTERNAL FUNDING - ANNUAL REPORT 2008/09 (Pages 67 - 106)**  
(Finance & Economic Development Portfolio Holder) To consider the attached report (C-027-2009/10).
  19. **PROCUREMENT PROCESS FOR MAJOR TREE WORKS CONTRACT (Pages 107 - 110)**  
(Environment Portfolio Holder) To consider the attached report (C-028-2000/10).
  20. **SAFER CLEANER GREENER STRATEGY (Pages 111 - 144)**  
(Environment Portfolio Holder) To consider the attached report (C-029-2009/10).
  21. **ENVIRONMENT & STREET SCENE ENFORCEMENT POLICY & GUIDE (Pages 145 - 164)**  
(Environment Portfolio Holder) To consider the attached report (C-030-2009/10).
  22. **RELEASE OF RESTRICTIVE COVENANTS - EPPING FOREST COLLEGE, LOUGHTON (Pages 165 - 170)**

(Legal & Estates Portfolio Holder) To consider the attached report (C-031-2009/10).

**23. WASTE MANAGEMENT POLICIES (Pages 171 - 190)**

(Environment Portfolio Holder) To consider the attached report (C-032-2009/10).

**24. PARADE GROUND SITE, NORTH WEALD AIRFIELD**

(Legal & Estates Portfolio Holder) To a report – to follow(C-033-2009/10).

**25. EXCLUSION OF PUBLIC AND PRESS**

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

<b>Agenda Item No</b>	<b>Subject</b>	<b>Exempt Information Paragraph Number</b>
Nil	Nil	Nil

The Local Government (Access to Information) (Variation) Order 2006, which came into effect on 1 March 2006, requires the Council to consider whether maintaining the exemption listed above outweighs the potential public interest in disclosing the information. Any member who considers that this test should be applied to any currently exempted matter on this agenda should contact the proper officer at least 24 hours prior to the meeting.

**Confidential Items Commencement:** Paragraph 9 of the Council Procedure Rules contained in the Constitution require:

- (1) All business of the Council requiring to be transacted in the presence of the press and public to be completed by 10.00 p.m. at the latest.
- (2) At the time appointed under (1) above, the Chairman shall permit the completion of debate on any item still under consideration, and at his or her discretion, any other remaining business whereupon the Council shall proceed to exclude the public and press.
- (3) Any public business remaining to be dealt with shall be deferred until after the completion of the private part of the meeting, including items submitted for report rather than decision.

**Background Papers:** Paragraph 8 of the Access to Information Procedure Rules of the Constitution define background papers as being documents relating to the subject matter of the report which in the Proper Officer's opinion:

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) have been relied on to a material extent in preparing the report and does not include published works or those which disclose exempt or confidential

information (as defined in Rule 10) and in respect of executive reports, the advice of any political advisor.

Inspection of background papers may be arranged by contacting the officer responsible for the item.

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## **Report to the Cabinet**

**Report reference:** C-018-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Community Safety and Transport.  
(With links also to Environment, Leisure and Wellbeing & Performance Management)

**Subject:** Epping Forest District Council Travel Plan

**Responsible Officer:** Chris Overend (01992 564247)

**Democratic Services Officer:** Gary Woodhall (01992 564470)

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### **Recommendation:**

**That approval be given to the introduction and development of a District Council Travel Plan.**

### **Executive Summary:**

A 'Travel Plan' is a general item for a package of measures tailored to the needs of individual sites and aimed at promoting greener, cleaner travel choices and reducing reliance on the car. It involves the development of a set of initiatives that, together, enable an organisation to reduce the impact of travel and transport on the environment, whilst also bringing benefits to it as an employer and to its staff. The Cabinet is asked to approve the introduction and development of a Travel Plan for the District Council.

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

Therefore apart from the intended benefits for the environment, a Travel Plan offers benefits to the organisation, its employees and the local community. For instance, it may help relieve an on-site parking or congestion problem, or it may help to improve public transport services, two particular issues faced by the District Council. In turn, it may relieve stress on employees by improving their health by encouraging walking or cycling, or through the opportunity to reduce the amount they travel, perhaps by working at home.

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

To refuse to adopt the concept of developing a District Council Travel Plan.

### **Report:**

1. A Travel Plan is a management approach looking at the key transport challenges and opportunities facing an employer. It should identify an appropriate package of measures aimed at promoting sustainable travel, with an emphasis on reducing reliance on single occupancy car journeys. A good Travel Plan addresses environmental and health issues, provides increased travel choices for staff and visitors and includes at least some of the following:

- Car sharing;
- Car Park management;
- Public transport improvements, information and fare details;

- Cycling and walking facilities and incentives;
- Flexible hours.

2. Other objectives can include:

- Improving site access and travel choice;
- Meeting an organisation's environmental standards;
- Increasing business efficiency and equality;
- Reducing congestion and demand for parking spaces;
- Ensuring adequate provision for people with disabilities;
- Providing choice and quality access to key services (such as hospitals, education and shops);
- Delivering local environmental improvements from reduced congestion, pollution and noise;
- Providing opportunities for active, healthy travel.

3. A Travel Plan is not a one-off event to be undertaken and completed, but can become a resource pack for employers and employees alike. A certain amount of good practice within the District Council already takes place. For instance, there are staff who operate "informal" car sharing agreements. Travel Plans help to bring these practices and other measures together in a co-ordinated way.

4. One of the best means of informing the process leading to the production of a Travel Plan is through a staff survey. The results of such surveys are recognised as the most appropriate means of identifying key issues to be addressed.

5. A staff travel survey was carried out in late 2008 at the District Council, in association with the Essex County Council branded site [www.essextravellBUDi.com](http://www.essextravellBUDi.com). An analysis of the results identified some of the issues which need investigating, either generally or as a specific response to the survey results:

(i) an increased use of car sharing and the allocating of dedicated spaces to those eligible for spaces who join the Car Sharing Agreement;

(ii) dedicated car parking spaces to all those who are required to have a car as part of their job;

(iii) the need for a further analysis of the car parking and travel arrangements for those working part-time;

(iv) the possibility of more home-working (where it would be of mutual benefit to staff and the District Council);

(v) developing the idea of a car pool – obtain information regarding schemes operating at other local authorities – and provide dedicated spaces to those using the car pool;

(vi) placing further limits on the type of car available through the Car Lease Scheme to encourage use of more environmentally friendly travel;

(vii) further promotion of healthy living;

(viii) where planning approval is given to developments for companies with 50+ employees, setting a requirement for them to have their own suitable Travel Plan – the best method of ensuring this takes place is probably through Section 106 Agreements;

(ix) encouraging development of Travel Plans by companies of 50+ employees already located in the District; and



(x) the need to set targets and indicators and monitor/review arrangements for the various ideas agreed and commit to looking further at other ideas such as incentives for walking, cycling, motorcycling as an alternative to the car.

6. Some of the issues concerned, for instance those in respect of the promotion of healthy living, car sharing, dedicated spaces and facilities for cycles and motorcycles, can be looked at straightaway. Indeed, in that regard, the Council has already agreed or is looking at measures which fit within the overall concept of a Travel Plan. There are others, such as the development of a car pool and further home-working, which would require more detailed investigation.

7. As their Travel Plans are implemented and developed, many organisations carry out follow-up surveys to illustrate trends and patterns and the requirement for further measures. It is suggested that a decision regarding the need for a follow-up survey could be taken, say, a year after the introduction of the first "official" measures introduced as part of the Travel Plan.

8. The Cabinet is asked to approve the development of a Travel Plan for the District Council. The various measures which might be suitable for inclusion in the Plan referred to in this report, will then be investigated further and brought forward for consideration by members at the appropriate time.

**Resource Implications:**

None at this stage. Individual elements of a Travel Plan may have resource implications, be they costs or savings.

**Legal and Governance Implications:**

Nil.

**Safer, Cleaner and Greener Implications:**

Reduced traffic congestion and resultant environmental benefits.

**Consultation Undertaken:**

The Travel Plan Survey carried out amongst District Council staff in late 2008 also provided was a form of consultation seeking the views of staff on the various elements which might be included in a Travel Plan.

**Background Papers:**

Essex Travel Plan. Results and Analysis of District Council Travel Plan Survey.

**Impact Assessments:**

The adoption of the general concept of a Travel Plan by an organisation has no specific impact. The individual elements implemented during the development of a Travel Plan will have their own impact and individual impact assessments will be carried out for each of these elements. These, if managed correctly, should generally be of benefit.

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## Report to the Cabinet

**Report reference:** C-nnn-2008/09  
**Date of meeting:** 7 September 2009



**Portfolio:** Finance & Economic Development

**Subject:** Annual Report on the Treasury Management Service and Actual Prudential Indicators 2008/09

**Responsible Officer:** Brian Moldon (01992-564455)

**Democratic Services Officer:** Gary Woodhall (01992-564470)

### Recommendations/Decisions Required:

- (1) That the 2008/09 outturn for Prudential Indicators shown within the report be approved; and
- (2) That the Treasury Management Stewardship Report for 2008/09 be noted.

### Executive Summary:

The annual treasury report is a requirement of the Council's reporting procedures. It covers the treasury activity for 2008/09, and the actual Prudential Indicators for 2008/09.

The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.

During 2008/09 the Council complied with its legislative and regulatory requirements. The actual prudential indicators for the year, with comparators, are as follows:

<b>Prudential Indicators</b>	<b>2007/08 Actual</b>	<b>2008/09 Revised Estimate</b>	<b>2008/09 Actual</b>
Actual Capital Expenditure	£10,597,000	£12,900,000	£10,474,000
Capital Financing Requirement	-£784,000	-£784,000	-£784,000
Ratio of financing costs to net revenue stream – Non-HRA	-10.73%	-10.15%	-10.37%
Ratio of financing costs to net revenue stream – HRA	-11.11%	-10.51%	-10.74%
Authorised limit for external debt	£0M	£5M	£0M
Operating boundary for external debt	£0M	£0.5M	£0M

At 31 March 2009, the Council's external debt was nil (nil at 31 March 2008) and its fixed investments totalled £55.789m (£57.25m).

The financial year 2008/09 presented difficult circumstances with regard to treasury management. The downturn in the economy, coupled with increased counterparty credit risk presented the Council with additional issues not normally encountered. The main implications of the exceptional circumstances have been:

- sums at risk with Icelandic institutions;
- declining investment returns going forward, although income in 2008/09 was in line with the revised estimates; and
- the increase in counterparty risk, with reduced counterparties that the Council could use.

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

The proposed decision is necessary in order to comply with the requirements of the CIPFA Code of Practice on Treasury management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both codes in accordance with regulations issued under the Local Government Act 2003.

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

Members could ask for additional information about the CIPFA Codes or the Prudential Indicators, but in order to comply with the regulations there are few options for action.

#### **Report:**

1. This report summarises:

- the capital activity for the year;
- how this activity was financed;
- the impact on the Council's indebtedness for capital purposes;
- the Council's overall treasury position;
- the reporting of the required prudential indicators;
- a summary of interest rate movements in the year;
- debt activity; and
- investment activity.

#### The Council's Capital Expenditure and Financing 2008/09

2. The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through capital receipts, capital grants etc.; or
- If insufficient financing is available, or a decision is taken not to apply capital resources, the expenditure will give rise to a borrowing need.

3. The Council has previously fully financed its capital expenditure and does not therefore have a current borrowing need.

4. The wider treasury activities also include managing the Council's cash flows and the investment of surplus funds. These activities are structured to manage risk foremost, and then optimise performance.

5. The actual capital expenditure forms one of the required prudential indicators. The table below also shows how this was financed.

	2007/08 Actual £'000	2008/09 Revised Estimate £'000	2008/09 Actual £'000
Non-HRA capital expenditure	4,949	4,693	3,801
HRA capital expenditure	5,648	8,207	6,673
<b>Total Capital Expenditure</b>	<b>10,597</b>	<b>12,900</b>	<b>10,474</b>
Resourced by:			
Capital receipts	4,064	3,721	2,786
Capital grants	937	1,022	1,228
Revenue	5,596	8,157	6,460
<b>Total Resources Applied</b>	<b>10,597</b>	<b>12,900</b>	<b>10,474</b>

#### The Council's Overall Borrowing Need

6. The Council's underlying need to borrow is called the Capital Financing Requirement (CFR). This figure is a gauge for the Council's debt position. This Council currently does not have an overall positive CFR (HRA and Non-HRA), and so has no underlying need to borrow for a capital purpose.

7. With effect from 1 April 2008 the CLG introduced new Minimum Revenue Provision (MRP) Guidance, which requires an MRP Policy to be approved by Members. The MRP is the mechanism for the amount to be set aside from revenue for the repayment of the debt principal. The policy for 2008/09 was approved on 19 February 2008 as part of the Council Tax setting report:

*"As the Council is currently debt-free and intends to remain so for the foreseeable future, there is no requirement to make a provision for external debt repayment. If the Council identifies a need to borrow externally, the Council will draw up a minimum revenue provision policy in accordance with proper accounting practice, and will present this to members for approval."*

8. The Council's CFR for the year is shown below:

	31 March 2008 Actual £'000	31 March 2009 Revised Estimate £'000	31 March 2009 Actual £'000
Non-HRA	22,019	22,019	22,019
HRA	<u>-22,803</u>	<u>-22,803</u>	<u>-22,803</u>
<b>Closing balance</b>	<b>-784</b>	<b>-784</b>	<b>-784</b>

#### Treasury Position at 31 March 2008

9. Whilst the Council's gauge of its underlying need to borrow is the CFR, the treasury function can manage the Council's actual borrowing position by either:

- (a) borrowing to the CFR;
- (b) choosing to utilise some temporary internal cash flow funds instead of borrowing (under-borrowing); or

(c) borrowing for future increases in the CFR (borrowing in advance of need).

10. It should be noted that the accounting practice required to be followed by the Council (the Statement of Recommended Practice or SoRP), changed in 2007/08 accounts, and required financial instruments in the accounts (debt and investments etc.) to be measured in a method compliant with national Financial Reporting Standards. The figures in this report are based on the amounts borrowed and invested and so may differ from those in the final accounts by items such as accrued interest.

11. During 2008/09 the treasury function managed the debt position to remain debt free, in accordance with established Council policy. Although the Council is debt-free and expects to remain so for the foreseeable future, there is a reducing element of debt taken out on behalf of other local authorities. This Council has repaid the underlying external debt in full from its own resources; the authorities concerned are paying the Council their share of the debt plus interest in instalments. This is shown as negative debt, as it represents income to the Council.

12. The treasury position at the 31 March 2009 compared with the previous year was:

Treasury position	31 March 2008		31 March 2009	
	Principal	Average Rate	Principal	Average Rate
<b>Total Debt</b>	<b>-£0.559m</b>		<b>-£0.534m</b>	
Fixed Interest Investments	-£57.25m	5.88%	-£55.789m	5.48%
Variable Interest Investments	-£2.055m	5.78%	£1.186m	3.79%
<b>Total Investments</b>	<b>-£59.305m</b>	<b>5.83%</b>	<b>-£56.975m</b>	<b>5.42%</b>
<b>Net borrowing/ (Investment) position</b>	<b>-£59.864m</b>		<b>-£57.509m</b>	

#### Prudential Indicators and Compliance Issues

13. Some of the prudential indicators provide either an overview or specific limits on treasury activity. These are shown below.

14. **Net Borrowing and the CFR** - In order to ensure that borrowing levels are prudent over the medium term the Council's external borrowing, net of investments, must only be for a capital purpose. Net borrowing should not therefore, except in the short term, have exceeded the CFR for 2008/09 plus the expected changes to the CFR over 2009/10 and 2010/11. Since the Council does not have a positive CFR, the Council's net investment position must be lower than the CFR. The Council has complied with this prudential indicator.

	31 March 2008 Actual	31 March 2009 Revised Estimate	31 March 2009 Actual
<b>Net borrowing/ Investment position</b>	<b>-£59.864m</b>	<b>-£63.034m</b>	<b>-£57.509m</b>
<b>CFR</b>	<b>-£0.784m</b>	<b>-£0.784m</b>	<b>-£0.784m</b>

15. **The Authorised Limit** - The Authorised Limit is the "Affordable Borrowing Limit" required by s3 of the Local Government Act 2003. The Council does not have the power to borrow above this level once set. The table below demonstrates that during 2008/09 the Council has maintained gross borrowing within its Authorised Limit.

16. **The Operational Boundary** – The Operational Boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or above the Boundary are acceptable subject to the Authorised Limit not being breached.

17. **Actual financing costs as a proportion of net revenue stream** - This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

	2008/09
<b>Original Indicator - Authorised Limit</b>	<b>£5.0m</b>
<b>Maximum gross borrowing position</b>	<b>£0.00m</b>
<b>Original Indicator - Operational Boundary</b>	<b>£0.5m</b>
<b>Average gross borrowing position</b>	<b>£0.00m</b>
<b>Financing costs as a proportion of net revenue stream</b>	
<b>Non-HRA</b>	<b>-10.37%</b>
<b>HRA</b>	<b>-10.74%</b>

#### Economic Background for 2008/09

18. The 2008/09 financial year has featured one of the most testing and difficult economic and investment environments since the 1930s. It has featured a number of very significant changes in the performance of the UK as well as global economy and beneath all of this has been the undercurrent of uncertainty and mistrust in the financial markets. This was not an easy backdrop in which to manage an investment portfolio.

19. The year opened on an uncertain note. The ongoing effects of the “credit crunch” which had started in 2007, prompted a bout of monetary policy easing in early April when the Bank of England cut its Bank Rate by 0.25% to 5%.

20. But inflation was rising sharply, courtesy of the strength of global commodity and food prices and the very steep rise in oil prices. The CPI inflation measure breached the 3% upper limit of the Governments target range in April. The Bank was concerned that these external cost pressures could eventually transform into a domestic wage/price spiral and kick start a bout of damaging inflation.

21. Rates were left on hold through the summer months and there seemed to be some signs of a gradual return to slightly more normal conditions in the money markets. But this was not to last. Mid-September saw a “sea change” in financial markets and economic policies. The collapse of US investment bank, Lehman Brothers, dealt a devastating blow to the markets. Liquidity dried up almost completely making it extremely difficult for banks to function normally. These developments culminated in the failure of the entire Icelandic banking system in early October.

22. The failure of the Icelandic banking system had a major impact on local authority investments. The Council had £2.5m of investments with Heritable Bank at that time. The creditor progress report issued by the administrators Ernst & Young, dated 17 April 2009 outlined that the return to creditors was projected to be 80p in the £ by end of 2013 with the first dividend payment of 15p in the £ due in the summer of 2009. The authority has therefore decided to recognise an impairment based on it recovering 80p in the £. The impact on the principal invested has been mitigated in the accounts according to government regulations, although all investment income from the date of administration has been fully impaired. In

calculating the impairment the authority has followed CIPFA's LAAP Bulletin 82 which was issued May 2009 anticipating a final sale of assets will take place after the books have been run down to the end of 2012. For this reason, the timing of recoveries is as follows:

- July 2009 15%;
- July 2010 30%;
- July 2011 15%;
- July 2012 10%; and
- July 2013 10%.

23. The crisis in the financial markets deepened and threatened a complete 'melt-down' of the world financial system. This, together with evidence that economies had entered recession prompted a number of significant policy changes. In the UK these featured the following:

- (a) a major rescue package totalling as much as £400bn to recapitalise the banking system;
- (b) a series of interest rate cuts down to 2% in early December; and
- (c) a fiscal expansion package, including a 2.5% cut in VAT.

24. The New Year failed to herald a change in the fortunes of the banking sector. Central banks continued to ease monetary policies in an attempt to reduce borrowing rates and hence alleviate some of the cost pressures being experienced by financial institutions and, more to the point, the corporate and household sectors.

25. With official interest rates in the US already close to zero by the end of 2008, the Bank of England was at the forefront of policy easing. Bank Rate was cut in successive monthly moves from 2% at the start of the year to the historically low level of 0.5% in March. Thereafter, the Bank resorted to the quantitative easing of monetary policy via a mechanism of buying securities from investment institutions in exchange for cash. This commenced in early March and is expected ultimately to amount to £175bn.

26. Aside from Bank of England assistance, the central government launched the second phase of its support operations for the banking industry during the second half of January. This failed to allay fears that even more aid might have to be extended to the banking industry before the crisis is over. During the course of the quarter, two major banks, RBS and Lloyds Group, needed substantial cash injections; action that led the public sector to assume near-full ownership. In addition to this, the Dunfermline Building Society was rescued from bankruptcy.

27. The problems of the financial markets since late 2007 had clearly spread to other parts of the economy. Economic data confirmed that the UK was in deep recession and the latest Bank of England Inflation Report (published in mid-February) registered a marked change in official forecasts for 2009 and 2010. Economic activity was expected to decline sharply (GDP was forecast to contract by more than 4% in 2009) and inflation was projected to fall into negative territory.

28. The generally uncertain backdrop to the UK and the financial markets prevented a marked easing in overall money market liquidity. While the situation did show some signs of improving as the financial year drew to a close, the margin between official interest rates and those quoted in the inter-bank market for periods longer than 1-month remained very wide.



### The Strategy Agreed for 2008/09

29. The strategy agreed for Treasury activities during 2008/09 was to:

(i) maintain the Council's debt-free status; and

(ii) undertake the most appropriate form of investments depending on the prevailing interest rates at the time and the Council's professional advisors' view on forecast rate movements with all investments to be made in accordance with the Council's investment policies and prevailing legislation and regulations.

### Actual debt management activity during 2008/09

30. Borrowing – no borrowing was required during 2008/09.

### Investment Position

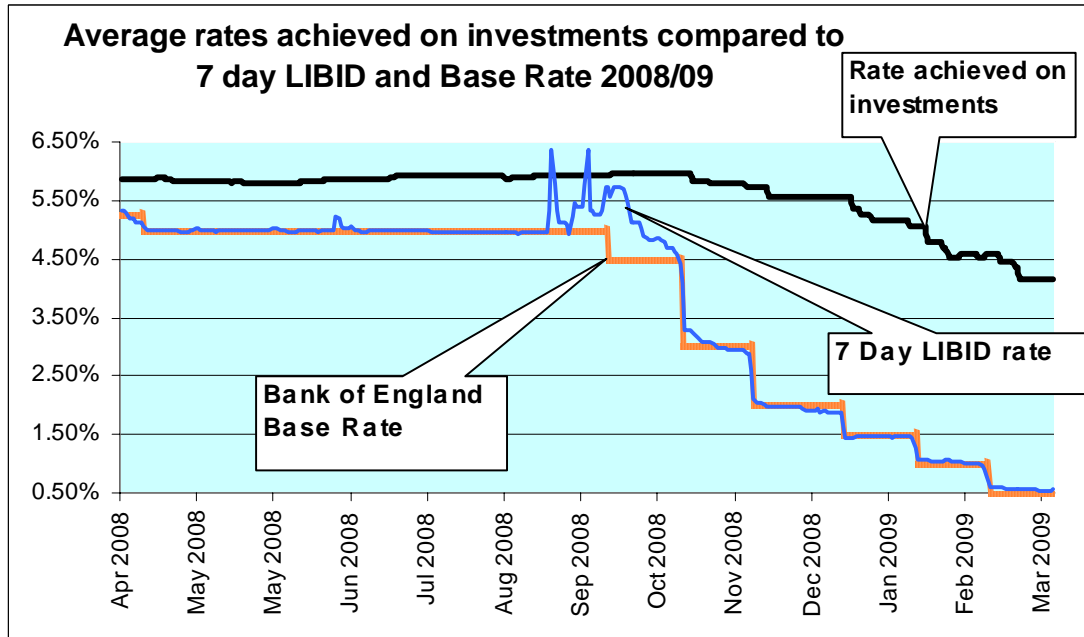
31. Investment Policy – The Council's investment policy is governed by ODPM (now CLG) Guidance, which has been implemented in the annual investment strategy approved by Council on 19 February 2008. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

32. Resources – The Council's longer-term cash balances comprise primarily revenue and capital resources, although these will be influenced by cash flow considerations. The Council's core cash resources comprised as follows, and meet the expectations of the budget:

<b>Balance Sheet Resources (£m)</b>	<b>31 March 2008 £'000</b>	<b>31 March 2009 £'000</b>
Revenue balances	13,699	14,246
Earmarked reserves	10,310	9,291
Major repairs reserve	7,290	6,919
Usable capital receipts	26,823	24,319
<b>Total</b>	<b>58,122</b>	<b>54,775</b>

33. Investments Held by The Council - The Council's investment policy does not allow the use of a wide range of higher risk investment products and therefore performance tends to be stable. In recent years performance has exceeded that of professionally managed funds, whose performance tends to fluctuate more. The Council maintained an average balance of £63.7m and received an average return of 5.42%. The comparable performance indicator is the average 7-day LIBID rate, which was 3.69%. Thus interest earnings were some £1.1m above the benchmark.

34. There were three breaches of the counterparty limits during the year. One was inadvertent due to the merging of Derbyshire Building Society with Nationwide Building Society on 1 December 2008 which resulted in our counterparty limit for Nationwide being £1m over our limit until the 22 December 2008 when we received a £1m back from Derbyshire. The other two related to confusion over the counterparty lists where Butlers had supplied a counterparty list that did not fully reflect our strategy. Both of these investments were paid back on their maturity date.



Benchmarking Information for 2008/09

35. A return has been received from the CIPFA Treasury Management Benchmarking Club. This information indicates that in addition to beating the 7-day LIBID rate the rate achieved of 5.42% is above average for the club members. The average rate achieved by club members managing their own funds was 5.16%, whilst those using external fund managers reported earnings of 5.74% before fees were deducted.

36. Data is also provided on costs, with a figure being derived for the cost per £m managed. This Council has a cost of £380 per £m managed which is below the club average of £460 per £m managed. With the average investment per club member is above £100m and EFDC average being £63m, this shows that the Council is providing a cost effective service. The average figure reported for the cost of external fund managers is £1,450 per £m managed.

Regulatory Framework, Risk and Performance

37. The Council's treasury management activities are regulated by a variety of professional codes and statutes and guidance:

- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
- The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken (although no restrictions were made in 2008/09);
- Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
- The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;

- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
- Under the Act the ODPM (now DCLG) has issued Investment Guidance to structure and regulate the Council's investment activities; and
- Under section 238(2) of the Local Government and Public Involvement in Health Act 2007 the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8 November 2007.

38. The Council has complied with all of the above relevant statutory and regulatory requirements that limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means both that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.

39. The Council is aware of the risks of passive management of the treasury portfolio and, with the support of Butlers, the Council's advisers, has proactively managed its treasury position. The Council has continued with the established policy of remaining debt free and so no borrowing has been undertaken.

40. Shorter-term rates and likely future movements in these rates predominantly determine the Council's investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult.

**Resource Implications:**

Fluctuations in interest rates allowed the revised estimate to be increased to £3.5m from £3.1m. The outturn was just £28,000 below the revised figure.

**Legal and Governance Implications:**

The regulatory framework is as set out under section 11 above.

**Safer, Cleaner and Greener Implications:**

There are no environmental implications.

**Consultation Undertaken:**

The Council's external Treasury advisers provided the framework for this report and have confirmed that the content satisfies all regulatory requirements.

**Background Papers:**

None.

**Impact Assessments:**

Equalities

There are no equalities impacts.

## Risk Management

As detailed above, a risk averse position is adopted to minimise the chance of any loss of the capital invested by the Council.

## **Report to the Cabinet**

**Report reference:** C-020-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Housing  
**Subject:** Six-Month Review of Interim Shared Ownership Policy  
**Responsible Officer:** Alan Hall (01992 564004).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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

- (1) That the Council's Interim Shared Ownership Policy agreed by the Cabinet in March 2009 continues; and**
- (2) That the Interim Policy be reviewed again in six month's time.**

### **Executive Summary:**

The report reviews the need for a continuation of the Council's Interim Shared Ownership Policy, in the light of the current property market.

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

At its meeting in March 2009, the Cabinet agreed to review the position in six month's time.

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

To discontinue with the Interim Shared Ownership Policy.

To amend the Interim Shared Ownership Policy.

### **Report:**

1. At its meeting on 9 March 2009, the Cabinet considered a report from the Housing Portfolio Holder on a suggested interim policy with regard to shared ownership schemes, bearing in mind the current housing market. The Cabinet had previously agreed a Shared Ownership Policy, requiring 30% of properties within affordable housing developments to be provided in the form of shared ownership.

2. However, one of the effects of the current economic climate and property downturn is that housing associations are finding it difficult to sell shared ownership properties. Therefore, the Cabinet agreed that properties ordinarily required as shared ownership could be provided either as social rented properties and/or through "Rent now – Buy later" Schemes. Such schemes would allow applicants to rent newly-built properties at "intermediate rents", on the basis that they were able to purchase equity tranches in the property at a later date, up to full ownership.

3. It was also agreed that this approach be reviewed every six months, until the economic situation improves and mortgages for first time buyers are more readily available.

4. Since the introduction of the Interim Shared Ownership Policy, no housing associations have requested a change in approach to a Rent now – Buy later Scheme for either completed or proposed shared ownership developments. However, there are a number of developments in the pipeline that include an element of shared ownership, and which may need this safeguard. The following developments are either on site or have either outline or detailed planning permission and include an element of shared ownership:

Site	Housing Association	No. of S/O Properties	Status
Epping Forest College, Loughton	Home	16	On-site
Epping Forest College, Loughton	Redrow (Developer)	15	On-site
St. Margarets Hospital, Epping	East Thames	8	On-site
Merlin Way, North Weald	Home	7	Awaiting detailed planning permission
Merlin Way, North Weald	Crest (Developer)	46	Awaiting detailed planning permission
Ongar Station	East Thames	6	Has detailed planning permission. Awaiting start on-site
White Lodge/The Limes, Waltham Abbey	Not yet decided	38	Has detailed planning permission. Awaiting start on-site
St Johns School, Epping	Not yet decided	11	Has detailed planning permission. Awaiting demolition of existing school
Acres Avenue, Ongar	Estuary	12	Has detailed planning permission. Awaiting completion of legal agreements
Church Hill, Loughton	Not yet decided	10 (estimate)	Has outline planning permission. EFDC currently seeking interest from retail developers
<b>Total</b>		<b>169</b>	

5. In accordance with its previous decision, the Cabinet is asked to review the current position with regard to the Interim Shared Ownership Policy and consider whether the Interim Policy should continue. Whilst there appears to have been some improvement in the property market, first time buyers are still finding difficulty obtaining mortgages and accessing the property market. Therefore, it is recommended that the Interim Shared Ownership Policy continues and is reviewed again in six month's time.

**Resource Implications:**

Nil.

**Legal and Governance Implications:**

Section 106, Town and Country Planning Act 1990.

**Safer, Cleaner and Greener Implications:**

None.

**Consultation Undertaken:**

All of the Council's Preferred RSL Partners were consulted on the report to the March meeting of the Cabinet. They welcomed and supported the proposals at that time, and there is no reason to think that their view will have changed in the meantime.

**Background Papers:**

None

**Impact Assessments:**

The Interim Policy enables a wider pool of people to be considered for affordable housing.

The only risk to the Council is in relation to developments on Council land. In the current economic climate, developers and housing associations are more likely to buy Council-owned land for affordable housing if it is provided either for social rent or through a "Rent now – Buy later" Scheme, since the viability of the development is not affected by market conditions.

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## **Report to the Cabinet**

**Report reference:** C-021-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Housing  
**Subject:** Redevelopment Scheme – Marden Close, Chigwell Row  
**Responsible Officer:** Alan Hall (01992 564004).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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

- (1) That, subject to appropriate terms being agreed with the City Parochial Foundation (CPF) and the Secretary of State's consent, the Council surrenders its lease for land at Marden Close, Chigwell Row;
- (2) That competitive tenders be sought from the Council's five Preferred RSL (housing association) Partners to enter into a long lease with the CPF for the land at Marden Close (on similar terms, but with the period to be agreed with the CPF), and to convert the 20 existing bedsits into 10 self-contained one bedroom flats, to let on assured tenancies to non-elderly couples registered on the Council's Housing Register;
- (3) That the selected housing association be required to submit a capital funding bid to the Homes and Communities Agency to assist with the capital costs;
- (4) That the existing tenants of Marden Close be required to transfer to alternative suitable Council or housing association accommodation, with an option to return to the converted flats once completed;
- (5) That the Council meets the reasonable removal costs of the existing tenants;
- (6) That, if the highest tender received results in a positive net present value (NPV) valuation;
  - (a) the Housing Portfolio Holder be authorised to accept the tender and approve the proposed refurbishment scheme without any further reference to the Cabinet; and
  - (b) the resultant capital receipt be utilised as social housing grant, to be allocated to a housing association to assist with the cost of providing affordable housing at a development elsewhere in the District;
- (7) That if the highest tender valuation received results in a negative NPV valuation, the Housing Portfolio Holder reports to the Cabinet in order to seek appropriate capital funding;
- (8) That, if Chigwell Parish Council expresses an interest, Faversham Hall be leased to the Parish Council for a period of 99 years for letting to local community groups, subject to the lease being completed by 6 October 2009, unless there are

**delays outside of the control of the District Council or Parish Council;**

**(9) That the lease includes the following key terms:**

**(a) the Parish Council would be charged the full market value of the premium and annual rental;**

**(b) the District Council would use the income received from the premium and annual rental (less the cost of insurances) to fund community development/activities on the Limes Farm Estate, Chigwell;**

**(c) the District Council would be responsible for insuring the Hall;**

**(d) existing fixtures, fittings and furniture in the Hall would be included within the lease;**

**(e) the District Council would be responsible for the maintenance and repair of the building's structure (including external decoration), and the Parish Council would be responsible for the maintenance and repair of all other matters (including internal decoration);**

**(f) the Parish Council would be prohibited from letting the Hall for parties and the playing of music after 9pm; and**

**(g) the District Council would retain the freehold of the building, including the retention of the first floor flat; and**

**(10) That, if Chigwell Parish Council does not express an interest in leasing Faversham Hall, or fails to complete the lease by 6 October 2009 (unless there are delays outside of the control of the District Council or Parish Council) the conversion of the Hall into 2 self contained flats be included within the tender arrangements and subsequent refurbishment scheme at Marden Close, with the Hall being leased to the selected housing association for the same period as the lease with the CPF for Marden Close.**

#### **Executive Summary:**

The Council currently leases land at Marden Close, Chigwell Row, from the City Parochial Foundation, on which 20 Council bedsits were built around 1960. The flats are of poor quality and are difficult to let. The report proposes a refurbishment scheme by a housing association to convert the bedsits into 10 self contained flats.

Chigwell Parish Council has been asked if it would like to lease Faversham Hall, adjacent to Marden Close, to let to community groups, with the District Council using the income to fund community development/activities on the Limes Farm Estate, Chigwell. If it is not interested, the report proposes that Faversham Hall be included within the proposed refurbishment scheme.

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

The recommendations would result in the provision of much better accommodation for couples registered on the Council's Housing Register. The Hall could benefit local community groups or could be converted into 2 flats.

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

To maintain the status quo.

The Council to undertake the refurbishment scheme itself.

Not to lease Faversham Hall to Chigwell Parish Council.

To lease Faversham Hall on different key terms.

Not to include Faversham Hall within the proposed refurbishment scheme.

### **Report:**

1. In November 1962, the former Chigwell Urban District Council leased an area of land at Marden Close, Chigwell Row from the City Parochial Foundation (CPF), for a period of 99 years from June 1959, for a rent of £160 per annum. As the successor authority, Epping Forest DC has taken over this lease, which expires in 2058.

2. Chigwell UDC built 20 bedsits on the land for occupation by older people. The bedsits have a combined living room and bedroom. EFDC has provided a visiting scheme management (warden) service and emergency alarm system for many years. The Council receives all of the rent.

3. For many years, the bedsits have provided poor quality accommodation for older people, and have been very difficult to let; indeed, most lettings have been to housing applicants from outside the District in lower priority bands of the Council's Housing Allocations Scheme. As a result, only 4 bedsits are currently occupied, with 16 bedsits (80%) vacant. Due to the dwindling numbers of residents, in 2008, on-site scheme management that provided daily visits was replaced by a mobile scheme management service visiting three times each week (with residents considered to be "at risk" being called daily by Careline).

4. In view of the properties' poor condition and the difficulty in letting, the Director of Housing has been considering a refurbishment scheme to convert the existing bedsits into self-contained accommodation. A feasibility study has established that 10 one-bedroom flats could be provided. Due to the relative low levels of need for sheltered housing in the area, in view of their generous size, the refurbished flats would be ideal for non-elderly couples (as opposed to single people).

### The City Parochial Foundation and Legal Issues

5. The CPF is an independent charitable foundation established in 1891, which aims to "enable and empower the poor of London to tackle poverty and its root causes, and to ensure that (its) funds reach those most in need". The CPF achieves this aim by funding charitable work and making grants and funding special initiatives.

6. The lease between EFDC and the CPF includes the following provisions relevant to a possible refurbishment:

- (a) the Council is responsible for all repairs;
- (b) the Council cannot erect any new building on the land, without consent; and
- (c) the Council cannot carry out any structural alterations without consent.

7. Discussions have been held with the CPF about the future of the buildings. They have been advised that the quality of the accommodation is poor and difficult to let, and that the Council (or a housing association – see below) would like to convert the buildings to provide decent, self contained accommodation for couples in housing need. The CPF has been very understanding and co-operative; indeed their Trustees undertook a site visit with the Director of Housing to view the condition. However the CPF has been concerned to safeguard its position and its long term interest in the land. In particular, it wants to minimise the opportunity for occupants to purchase any converted properties, or to enfranchise (to collectively buy the freehold interest of the building(s) with some or all of their co-lessees).

8. Discussions with the CPF have been protracted (but good natured), and has involved receipt of Counsel's opinion by both the Council and the CPF (which has been shared by both parties). However, the CPF has now agreed in principle to the bedsits being converted into one bedroom flats for general needs housing applicants, provided that this undertaken by a housing association, and not the Council. The reason for this is that if the self contained flats are occupied by non-elderly *Council* tenants, the tenants would have the right to buy (lease) the flats, and would then also have the right of enfranchisement, which could result in the CPF losing the freehold interest. However, if the resultant flats are occupied by non elderly *housing association* tenants, they would not have the right to acquire (which is similar to the right to buy, but for housing association tenants), since the right to acquire does not apply where the freeholder is not a housing association. They would therefore also not have the right of enfranchisement. Moreover, Counsel has advised that a subsequent lease between the CPF and a housing association could be drafted in such a way that could disallow the housing association itself from enfranchising.

9. Therefore, agreement has now been reached in principle, subject to satisfactory terms, to a refurbishment scheme that would be undertaken as follows:

(a) The remaining 4 residents would transfer to alternative Council accommodation (see below for more details), providing vacant possession of the 20 bedsits;

(b) The Council would select a housing association to undertake the conversion works and to become the new landlord (see below for more details);

(c) The housing association would apply for capital funding from the Homes and Communities Agency (HCA) to help meet the cost of the works;

(d) Subject to the outcome of a tendering exercise and the receipt of any HCA funding, either the Council will pay the housing association or the housing association will pay the Council a sum of money (see below for more details). This will be based on a cash flow valuation, which could either result in a positive or negative valuation, dependent on the cost of the conversion works;

(e) The Council would seek the Secretary of State's consent to surrender its lease in the land, in accordance with the requirements of the Housing Act 1985. Once received, the surrender would be executed;

(f) Simultaneously, the CPF would enter into a lease with the selected housing association, on similar terms to the current lease but for a longer term (the period is still to be agreed with the CPF), with a provision allowing permission for the 20 bedsits to be converted into 10 self-contained one bedroom flats;

(g) A break clause would be included in the new lease, to take effect from June 2058 (when the Council's existing lease expires);

(h) The CPF would either be paid an additional premium, or increased rent, by the selected housing association, in recognition of the grant of a longer lease period; and

(i) The selected housing association would undertake the conversion works. On completion, the self contained flats would be advertised to couples on the Council's Housing Register, through HomeOptions (the Council's Choice Based Lettings Scheme), and let on assured tenancies. The housing association would receive the rental income and be responsible for all repairs.

### Existing Residents

10. In order for the refurbishment to proceed, it will be necessary for the remaining four residents to move to alternative Council or housing association accommodation. Individual home visits have been made to the remaining tenants, to explain the proposals and to discuss their individual requirements for alternative accommodation. The residents have raised no objections to moving; two residents have requested the option to return to a refurbished one bedroom flat at Marden Close, once the conversion works have been completed.

11. It is proposed that the Council meets the residents' reasonable removal costs and, if requested, arrange the removal and packing process. If required, one of the Council's scheme managers will also provide advice, support and assistance with the removal process, which can be quite daunting for older people.

### Selecting the Housing Association

12. It is proposed that a competitive tendering exercise be undertaken amongst the Council's five Preferred RSL (housing association) Partners to select the housing association to enter into the proposed lease with the CPF and undertake the refurbishment works. The housing associations will carry out a valuation to calculate the net present value (NPV). NPV represents the value of income and expenditure received/incurred in later years as of today's date. As a simple example to demonstrate the effect of NPV, the NPV of £1 is the amount that needs to be invested now, in order to accumulate £1 over a given period at compound interest. The valuation will take into account the cost of the refurbishment, loan interest, management and maintenance on the expenditure side, and the rental income (based on "affordable rents"), private loan facility and any HCA grant on the income side.

### Financial Considerations

13. It is not known at this stage whether or not the most competitive valuation will be positive (resulting in a capital receipt for the Council) or negative (resulting in the Council having to make a capital payment to the housing association). However, if the valuation is negative, the capital cost to the Council of providing the required dowry to the housing association will still be significantly less than the capital cost if the Council undertook the refurbishment works itself.

14. If the tender/valuation is positive, it is suggested that the resultant capital receipt be utilised as social housing grant, to be allocated to a housing association to assist with the cost of providing affordable housing at a development elsewhere in the District

15. Although the Council will lose the rental income (currently £52.40 per week for a bedsit, which would increase to around £70 per week for a one bedroom flat – based on existing rents in the locality), it will not incur the cost of management and maintenance, nor the cost of loan repayments (if the Council borrowed finance to fund the capital works). It should also be borne in mind that, currently, the Council is only receiving £10,900 per annum from the four occupied bedsits. In addition, the Council's HRA has to pay Council Tax on the

empty properties, since they have been vacant for in excess of six months. This amounts to £960 per property per annum, totalling £15,360 for all 16 vacant properties.

### Faversham Hall

16. Adjacent to Marden Close, the Council owns Faversham Hall – a communal hall for use by the older residents of Marden Close, neighbouring Faversham Close and others living in the locality. However, due to the dwindling number of older residents, the Hall is now only used twice a week for a residents' coffee afternoons. It also provides a laundry, mainly for the use of the Marden Close residents, who have insufficient space in their bedsit kitchens. Above the Hall is a flat, occupied by the former Scheme Manager for Marden Close (who now works at Careline).

17. In view of the Hall's low usage, the Council's architect has established that, subject to planning permission, the Hall could be converted to provide two additional one bedroom flats, which could be incorporated within the refurbishment scheme, with a long lease being provided to the selected housing association and the former Scheme Manager's flat remaining in the Council's ownership.

18. However, informal discussions with some members of Chigwell Parish Council has raised the possibility of, instead of the District Council converting the Hall into flats, the Hall being leased to the Parish Council, to let the Hall to community groups. Therefore, the Parish Council has been consulted on its views about the proposed conversion scheme for Marden Close and whether or not it would want to have a lease of Faversham Hall.

19. It is proposed that, if the Parish Council accepts an offer to take on a lease for the Hall, the lease includes the key terms set out in the recommendations, in particular, that the Parish Council be charged the full market value of the premium and annual rental, but that the District Council uses the income received from the premium and annual rental (less the cost of insurances) to fund community development/activities on the Limes Farm Estate, Chigwell. It is also proposed that, since the Hall is located at the end of a cul-de-sac comprising properties occupied by older people, the Parish Council be prohibited from letting the Hall for parties and the playing of music after 9pm.

20. The District Council's Estates and Valuations Division has been asked to provide a valuation of the premium and annual rental, based on the proposed terms. It is hoped that the valuation will be available in time for the Cabinet meeting, in which case it will be reported orally.

21. A response will not be received from the Parish Council before the Cabinet meeting, since its next meeting is not until 9 September 2009. It is suggested that, if the Parish Council expresses an interest in leasing and letting the Hall on the proposed terms, that this option be pursued. However, if it is not interested, the conversion of the Hall into 2 flats be included within the refurbishment scheme of Marden Close.

22. In order to ensure that this issue is progressed expeditiously, if the Parish Council expresses an interest in leasing Faversham Hall, it is also suggested that a deadline of 6 October 2009 (around 6 weeks from the expiry of the Cabinet Call-In Period) be set for the lease to be completed, subject to any delays outside of the control of the Parish or District Council. This will enable the option to convert the hall into residential units to be able to be included within the proposed package of improvements works, if there are any undue delays with any proposed lease with the Parish Council.

### Consideration of Tenders

23. It is proposed that the outcome of the tenders from housing associations be reported

to the Housing Portfolio Holder. It is suggested that, if the highest tender (valuation) is positive, the Housing Portfolio Holder be authorised to accept the tender and approve the proposed refurbishment scheme without any further reference to the Cabinet. However, if the highest valuation is negative, it is suggested that the Housing Portfolio Holder report to the Cabinet to seek appropriate capital funding.

**Resource Implications:**

If the tendering exercise results in a positive valuation, the Council will receive a capital receipt. If a negative valuation results, a further report will be submitted to the Cabinet to seek the required capital funding.

The Council will lose the current rental income from the bedsits, amounting to around £10,900 per annum.

**Legal and Governance Implications:**

Section 32, Housing Act 1985.

**Safer, Cleaner and Greener Implications:**

The refurbishment scheme will result in much higher quality accommodation, with higher energy efficiency levels.

**Consultation Undertaken:**

The remaining 4 residents have been consulted – as set out in the report.

Chigwell Parish Council has been consulted on the proposal, and whether it would wish to lease Faversham Hall – as set out in the report.

The local ward member, Cllr Brian Sandler, has been consulted on all the proposals. His comments will be reported orally at the meeting.

**Background Papers:**

Housing Policy File H445

**Impact Assessments:**

The need for an Equalities Impact Assessment has been considered but deemed unnecessary.

The risk of the proposal is far less than if the Council undertook the refurbishment itself.

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## **Report to the Cabinet**

**Report reference: C-022-2009/10**  
**Date of meeting: 7 September 2009**



**Portfolio: Housing**

**Subject: Waiver of Contract Standing Orders – Housing Contracts**

**Responsible Officer: Paul Pledger (01992 564248).**

**Democratic Services Officer: Gary Woodhall (01992 564470).**

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

- (1) That the requirements of Contract Standing Orders C6 – C12 continue to be waived to allow the Housing Directorate to:**
- (a) use specialist contractors to undertake a variety of specialist works for the Housing Directorate without undertaking the full tendering processes required by Contract Standing Orders, subject to - in respect of all individual jobs exceeding £1,000 in value - either:**
- (i) quotes being obtained; or**
- (ii) works benchmarked and let based on the current schedule of rates used by the BMWU; and**
- (b) use the specialist service providers listed in the report for services in excess of £10,000 without competition, for the reasons given in the report; and**
- (2) To note the use of specialist contractors and suppliers by the Housing Directorate in 2008/9, where Contract Standing Orders C6 – C12 were not followed as previously agreed by the Cabinet, for the reasons given in the report.**

### **Executive Summary:**

The report explains the need to continue to have waivers of Contract Standing Orders for specialist repairs work in excess of £50,000 in value – for which alternative competition arrangements have been used - and for suppliers of other specialist services in excess of £10,000, and asks the Cabinet to note the use of such specialist contractors and suppliers in 2008/9.

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

With 16 Framework Agreements in place, and plans in place to let a further 6 contracts, it can be seen that expenditure with contractors not in contract with the Council has reduced and will continue to reduce. Until such time as all repairs work that are not undertaken by the BMWU are let through formal contracts, Contract Standing Order C6 (Contracts Exceeding £50,000) needs to be waived and the Cabinet receive regular progress reports on expenditure with contractors.

It is necessary and appropriate for the Council to use other specialist service providers, for services in excess of £10,000, without undertaking competitive tendering.

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

To reduce the level of expenditure with each contractor and/or supplier to a level that complies with Contract Standing Orders. This would mean having to spread the work out between more contractors and/or suppliers, which will be more time consuming and will likely lead to higher costs to the Council.

To undertake formal competitive tendering for works in excess of £10,000 and £50,000 as appropriate, but that would severely affect repairs response times, which are already too long.

#### **Report:**

1. The Cabinet, at its meeting in September 2008, considered a report on the future of the Building Maintenance Works Unit (BMWU). As part of that report, the Cabinet agreed to retain but downsize the BMWU in a structured way and to increase the use of contractors to undertake responsive repairs, as and when the need arises - either through existing or new framework agreements, in accordance with Contract Standing Orders, Leasehold Legislation and EU legislation.

2. At that meeting, the Cabinet also agreed that Contract Standing Order C6 (Contracts exceeding £50,000) be waived for a range of responsive repairs work that will be undertaken by private contractors and not by the Building Maintenance Works Unit, to the aggregated value of around £750,000 per annum. This is until such time as new framework agreements can be tendered in accordance with EU legislation, leasehold legislation and Contract Standing Orders. In addition, it was agreed that value for money tests continue to operate and that an annual report be presented to the Cabinet setting out progress in respect of setting up contracts for responsive repairs and reporting expenditure with contractors.

3. Since September 2008, the Housing Directorate has reviewed the ways in which work is allocated to the BMWU's contractors, and has either allocated work to existing Framework Contractors or has put in place new framework agreements. To date, a total of 16 Framework Agreements have been let, and plans are in place to let a further 6 contracts. These will include for general repairs, damp-proofing and voids, drainage repairs, asbestos removal, uPVC window maintenance and lift maintenance and door entry maintenance.

4. The Council's Chief Internal Auditor has previously advised that any individual or serial contracts let to specialist providers for more than £50,000 per annum, without competition, should be reported to the Cabinet annually.

5. The table below illustrates the total expenditure with the BMWU's contractors in 2008/9, and gives their projected expenditure for 2009/10:

<b>Sub-Contractor</b>	<b>Amount (08/09)</b>	<b>Specialism</b>	<b>Projected Spend (09/10)</b>
B Adams	52,908	General repairs & voids	32,000
G A & D Perry	62,709	General repairs & voids	55,000
J McIntock & Sons Ltd	35,441	General repairs & voids	17,000
Lisnick Property Services	123,760	General repairs & voids	78,000
Tarbrook Construction Ltd	36,554	General repairs & voids	9,000
Waltham Forest Fencing	50,759	Fencing	19,000
Cartel Security Systems Ltd.,	64,759	Door Entry Maintenance	0
JAC Technical Consultants Ltd	80,791	Consultant Surveyors (Insurance Work)	26,000
Lamoura Associates Ltd.,	258,316	General Builders and Damp Specialists	349,000
Abbey Drains Ltd	42,775	Drainage repairs	52,000
Environmental Drainage Services	27,945	Drainage repairs	58,000
OTIS Plc	12,260	Lift Maintenance	42,000
Pollock Lifts	0	Lift Maintenance	31,000

6. In order to test value for money, where individual jobs exceed £1,000 in value, alternative quotes are obtained or works are benchmarked and let based on the current schedule of rates used by the BMWU.

7. In addition to the above table of contractors, the Housing Directorate has also placed orders, without competition, with the following specialist service providers in 2008/09, and will continue to use these services in 2009/10, where the expenditure was - and will be - in excess of £10,000. The paragraphs following the table provide the detail:

<b>Supplier</b>	<b>Expenditure (08/09)</b>	<b>Specialism</b>
Mobile Trackyou Ltd	30,051	Vehicle trackers for Council vans
Technical Resourcing Solutions	58,939	Recruitment Agency
TMP Worldwide Ltd	60,833	Recruitment Services
Tunstall Telecom Ltd	178,792	Emergency monitoring equipment and services

#### Vehicle Trackers

8. As part of the review of the Building Maintenance Works Unit, it was recognized that in order to provide improved monitoring of the Council's fleet vehicles, tracking devices should be installed in all of the fleet vehicles used by the Building Maintenance Works Unit. Three quotes were obtained, based on a 36-month lease. The total cost over that 36-month period is reported in the table above. This is not a breach of Contract Standing Orders.

#### Recruitment Services and Recruitment Agencies

9. TMP Worldwide Ltd provide a corporate recruitment advertising service, and the expenditure recorded above relates to orders placed by the Housing Directorate. It should be noted that there are plans in place to join an Essex-wide framework Agreement for all

recruitment services from one supplier.

10. In July 2008, the Housing Portfolio Holder agreed a waiver of Contract Standing Orders for the appointment of two Agency employees through Technical Resourcing Solutions. Whilst tenders were sought, the process defined by Contract Standing Orders could not be followed due to the inexperience of the tenderers.

#### Tunstall Telecom Emergency Control

11. In June 1984, the Council decided to set up and run a 24-hour emergency alarm service for vulnerable people in the District. The Council approved Tunstall Telecom as the sole supplier of its emergency alarm equipment and associated IT systems (Piper Network Controller). Again, this equipment needs to be maintained and kept up to date; therefore the Council has a service agreement with Tunstall Telecom to cover the ongoing maintenance costs, installation costs and repairs. However, some of this cost is recovered from the users through the fees and charges associated with the dispersed alarms.

12. The quality of the service provided by Tunstall Telecom is monitored on a quarterly basis against the Service Agreement, through management performance indicators. The response times for repairs and the quality of the service provided continues to be very good.

13. The review of the Careline Service was reported to the Cabinet in 2008, and it was agreed that the service be retained and extended.

#### **Resource Implications:**

Around £5.5m within the HRA and £6m within the Capital Programme for all planned maintenance and responsive repairs to HRA properties.

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

EU legislation, Leasehold legislation, Housing Act 1985, Financial Regulations and Contract Standing Orders

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

None.

#### **Consultation Undertaken:**

None.

#### **Background Papers:**

Purchase and Works Orders.

#### **Impact Assessments:**

The need for Equalities Impact Assessments has been considered but deemed unnecessary.

The main risk to the Council are that:

(i) Orders are given to specialist contractors and suppliers, when similar works and supplies which meet the Council's requirements could be obtained from other contractors and suppliers at a lower cost. However, in respect of the use of specialist contractors, this does

not arise since alternative arrangements are put in place for works in excess of £1,000.

(ii) In respect of specialist suppliers, there is the potential for fraudulent orders being provided. However, in view of other controls in place (including the need to report such use to the Cabinet on an annual basis) this risk is severely mitigated.

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## **Report to the Cabinet**

**Report reference:** C-023-2009/10  
**Date of meeting:** 7 September 2009



**Portfolio:** Housing  
**Subject:** Formation of a Local Housing Company – Specialist Legal Advice  
**Responsible Officer:** Alan Hall (01992 564004).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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

- (1) That the feasibility of the Council setting up a Local Housing Company to purchase properties off the open market to let at market rents, funded by a loan from the Council, be investigated further;
- (2) That specialist solicitors, Trowers and Hamlin, be appointed to advise the Council on the legal issues involved;
- (3) That a more detailed financial appraisal be undertaken by the Director of Finance and ICT on the financial issues involved, based on the legal advice obtained;
- (4) That a virement of £6,000 be agreed from the District Development Fund Budget for Private Sector Housing Assistance Policy, held by the Housing Portfolio, to fund legal and financial fees; and
- (5) That a further report be considered by the Cabinet in due course, setting out the legal, financial and other issues and whether the initiative should be considered further.

### **Executive Summary:**

The report proposes the undertaking of a feasibility study into the formation of a local housing company to purchase open market properties to let at market rents, funded by a loan provided by the Council. This would require specialist legal advice.

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

The Council may be able to obtain a higher financial return from funding a local housing company to purchase private properties, than from its usual investment sources.

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

Not to proceed with the feasibility, or to undertake the feasibility in a different way than proposed.

## Report:

1. In the current economic climate of low interest rates, the Leader and Deputy Leader of Council have been considering ways of increasing income for the Council from its investments. At present, the highest level of interest being received from the Council's investments is around 1%.

2. It is possible that the level of return could be increased if the Council used some of its usable capital receipts to purchase properties on the open market, and then let them at market rents, which could produce a rental yield of around 5%. If the number of properties involved was sizeable, it could result in significantly increased income for the Council.

3. However, since the Council would be the landlord, the tenants would have to be provided with secure tenancies (unless the tenants were formerly homeless people) (Housing Act 1985), with all the rights associated with secure tenancies. In addition, the rents would have to be provided at "affordable" levels, in accordance with CLG guidance on rent levels, and not (much higher) market rents, which would result in lower income and obviate the financial benefit.

4. The Leadership and the Housing Portfolio Holder have therefore given initial consideration to the possibility of the Council setting up a Local Housing Company, which could purchase the properties and let them at market rents, with a loan from the Council. In addition to the Council receiving the loan interest (currently around 4%), any surplus rental income (after the deduction of the loan interest and other costs such as a legal, management and corporation tax) could also be returned to the Council through a legal agreement. The Directors of the Company would be Council members.

5. Initial costings by the Asst. Director of Finance & ICT (Accountancy) suggest that, for every 10 properties purchased and let in this way, the Council could receive additional investment income (currently) of around £57,000 per annum from that obtained from normal investments. Moreover, the properties could be let to homeless applicants and other applicants on the Council's Housing Register, who would normally be unable to access the private rented market, due to the need to fund rent and deposits in advance.

6. However, such an arrangement would be fairly unique and, in the first instance, it would be necessary to obtain specialist legal advice on, amongst other things:

- (a) how the company would have to be set up;
- (b) how the company would operate;
- (c) the legal powers available;
- (d) the required consents; and
- (e) initial tax advice.

7. In addition, it would be necessary to undertake a more detailed financial appraisal of the potential costs and income, and whether the initiative would be financially viable.

8. Once the Council has this information, it would be in a position to make a prudent decision on whether or not to proceed with such an arrangement and, if so, in what way. If the scheme was to go ahead, a decision would need to be made on the level of loan that should be provided to the Local Housing Company.



9. The Asst. Director of Corporate Support Services has made contact with a legal firm that specialises in this area, Trowers and Hamlin, who have agreed to investigate and report on the relevant issues for £1,500 plus disbursements. They have also suggested that, subject to certain assumptions, their fees for putting a scheme in place would be between £5,000 - £7,000.

10. Since there is no General Fund revenue funding available for the legal and any necessary financial fees, it is suggested that a virement of £6,000 be agreed from the un-utilised District Development Fund Budget for Private Sector Housing Assistance Policy, held by the Housing Portfolio. This would cover the initial legal fees, with some additional funding available to meet any other initial feasibility costs, which may include specialist tax advice.

11. It is proposed that a further report be considered by the Cabinet once the initial feasibility has been undertaken.

**Resource Implications:**

Up to £6,000 at this stage, funded by a virement from the District Development Fund Budget for Private Sector Housing Assistance Policy

**Legal and Governance Implications:**

To be investigated as part of the subsequent feasibility report.

**Safer, Cleaner and Greener Implications:**

None.

**Consultation Undertaken:**

None.

**Background Papers:**

None.

**Impact Assessments:**

If the Council proceeds with the proposed initiative, it will be necessary to undertake an Equalities Impact Assessment.

The subsequent report to the Cabinet will also set out the risks.

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## **Report to the Cabinet**

**Report reference:** C-024-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Housing  
**Subject:** Housing Strategy 2009-2012  
**Responsible Officer:** Alan Hall (01992 564004).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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

- (1) That the final version of the Council's Housing Strategy 2009-12, attached to the Supplementary Agenda, be recommended to the full Council for adoption for a period of three years;**
- (2) That further Key Action Plans be produced and updated on an annual basis for approval by the Cabinet; and**
- (3) That the Housing Scrutiny Panel reviews progress with the annual Key Action Plans after six months of approval by the Cabinet.**

### **Executive Summary:**

The Council has consulted widely on its draft Housing Strategy 2009-12. The report gives the background to the Housing Strategy, explains the consultation process and the outcome of the consultation, and recommends the final version to the Council for adoption.

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

The Council's current Housing Strategy is now out of date and a new Strategy is required. An extensive consultation exercise has been undertaken on a draft version. Under the Council's Constitution, the final version of the Housing Strategy must be adopted by the full Council.

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

The Cabinet could amend any of the wording within the proposed final version.

### **Report:**

1. The Council's Housing Strategy was last produced in May 2003 and was assessed at that time as being fully "fit for purpose" by the Government Office for the East of England (GO-East). The Council was only the second local authority in the country to achieve the fit for purpose standard.
2. While there is now no requirement for local authorities to produce their own Housing Strategies, in July 2008, within its document "Creating Strong, Safe and Prosperous

Communities” the Government made reference to the future of housing strategies and stated that:

“Refreshed housing strategies should:

- *fully reflect the wider vision of the authority and its partners;*
- *reflect a clear and evidenced approach;*
- *provide a strong focus on how partners will deliver their commitments, including on the infrastructure needed to support housing growth”.*

3. A Housing Strategy should set out a district’s housing plans for the medium term (i.e. the next 3-5 years). However, these plans can also be formulated with regard to the housing objectives for the long term which, in some cases, can span a period of 30 years.

4 The London Commuter Belt (LCB) Housing Sub-Region, within which the District sits, is one of the largest sub-regions in the country, comprising 5 local authorities in Essex and all 10 local authorities in Hertfordshire. The local authorities and RSLs within the Sub-Region have previously worked in partnership to produce a Sub-Regional Housing Strategy, which forms a part of the Regional Housing Strategy. Council officers have actively engaged with sub-regional working and have contributed towards the delivery of the Sub-Regional Housing Action Plan.

5. The latest Sub-Regional Housing Strategy was produced in October 2004 and the local authorities and RSLs are now working together to produce a new Sub-Regional Housing Strategy in 2009/10. In order to assist in this process, all the local authorities in the LCB Housing Sub-Region have agreed to produce their own housing strategies for their district to a common format.

#### Housing Strategy 2009-2012

6. The Council’s latest proposed Housing Strategy for the three-year period 2009-2012 has been produced in this common format and is attached to the Supplementary Agenda for this meeting.

7. The Housing Strategy complements the current Sub-Regional Housing Strategy, Regional Housing Strategy and also meets national housing objectives. The main aspects of national housing policy and Regional and Sub-Regional Strategies are included in the appendices to the document. The appendices also include the London Commuter Belt Strategy Grid, which summarises the strategic approach and position at district level for each of the local authorities in the Sub Region.

8. The Housing Strategy assesses the District’s current and future housing needs - having particular regard to a recently completed Strategic Housing Market Assessment produced by six local authorities in the eastern part of the LCB Sub-Region - and sets out the Council’s approach to meeting those needs. As well as taking account of national, regional and sub-regional priorities, it also links with other Council and non-Council strategies that both influence, and are influenced by, the Housing Strategy.

9. The Strategy also includes a Key Action Plan at Appendix 1, which sets out the proposed actions to be taken by the Council to contribute towards the achievement of the housing objectives over the next 1-3 years.

#### Consultation Exercise

10. In view of the strategic importance of the Housing Strategy, initially, a “Consultation

Draft" Housing Strategy was produced. This was considered in detail by the Housing Scrutiny Panel, which approved the document for consultation.

11. A major Consultation Exercise was then undertaken with the Council's partners, key stakeholders and the public over a three-month period earlier in 2009, closing on 5 June 2009. Around 155 partners and other organisations, with different interests in the District's housing, were consulted on the Consultation Draft. A copy of the Consultation Draft was published on the Council's website and readers invited to submit responses on line. A press release also invited members of the public to comment.

12. Having regard to best practice set out in the Audit Commission's Key Lines of Enquiry (KLOE) for the inspection of local housing strategies, a one-day conference was held during the consultation period on the proposals within the Consultation Draft, to which all the consultees were invited. Presentations were given, and three workshops held, on the key issues and proposals, in order to fully brief consultees and to help inform their responses.

### Outcome of the Consultation Exercise

13. Disappointingly, by the end of the consultation period, only 7 formal responses were received (with one of those respondents not making any comments). A summary of all the responses received is provided at Appendix 1, of this report which also gives the comments of the Director of Housing on each of the responses and any changes made to the final version as a result.

### Other Changes Made to the Final Version

14. For information, in addition to the changes made as a result of the consultation, the following main changes have also been made to the attached final version:

- Inclusion of a list of adopted Housing Service Strategies;
- Information on gypsies and travellers has been updated to reflect the current position, including the recently-produced Essex Gypsies and Travellers Accommodation Assessment, undertaken by Fordhams Consultancy, on behalf of all Essex local authorities;
- Updated information on current affordable housing developments has been provided;
- The results of the final version of the Strategic Housing Market Assessment (SHMA) has been included;
- Updated information related to homelessness has been provided, to reflect the Council's latest Homelessness Strategy and the recent additional Government funding received;
- An updated Key Action Plan, including additional and revised actions and revised target dates;
- Updated figures throughout – especially those relating to 2008/9 and April 2009 (replacing figures for 2007/8 and April 2008 given in the Consultation Draft); and
- Updated chapter on Resources, providing the latest information in respect of the Council's Capital Programme.

15. The Cabinet is asked to consider and recommend the adoption of the final version of the Housing Strategy 2009-12 to the full Council (as required by the Council's Constitution) for a period of three years. It is also recommend that Key Action Plans be produced and updated on an annual basis for approval by the Cabinet, with the Housing Scrutiny Panel reviewing progress with the annual Key Action Plans after six months of approval, in accordance with its current Terms of Reference.

**Resource Implications:**

As set out in the Resources Chapter of the Housing Strategy.

**Legal and Governance Implications:**

Section 8 of the Housing Act 1985 requires local housing authorities to periodically review housing conditions and housing needs in the District.

**Safer, Cleaner and Greener Implications:**

A number of the proposals within the Housing Strategy contribute towards a safer, cleaner and greener District.

**Consultation Undertaken:**

As set out in Paragraphs 10-13.

**Background Papers:**

Responses received from consultees.

**Impact Assessments:**

In view of the importance and wide-ranging nature of the Housing Strategy, an Equalities Impact Assessment has been undertaken, which has been taken into account in the production of the final version, and is available on request.

The key risk relating to the Housing Strategy is that the Council's Corporate Risk Register refers to the risk of failing to meet the housing need in the District. The proposals within the Housing Strategy go some way towards mitigating this risk.

Formal Comments Received and Officer Responses to  
Housing Strategy 2009-2012 Consultation

Name of Respondent	Summary of Response(s)	Director of Housing’s Comments	Changes made to Final Version
Abbess Beauchamp and Berners Roding Parish Council	(1) The actions in the Action Plan are not numbered	It is agreed that it would be clearer if the actions were numbered	All actions in Action Plan numbered
	(2) Only one action relating to rural housing – action is long out of date. Add an action:  “Fulfil the proven affordable housing need in Abbess Beauchamp and Berners Roding by pro-actively assisting Hastoe Housing Association and the Parish Council to obtain planning approval for the chosen site”	The proposal is agreed in principle – EFDC has been working with the Parish Council and Hastoe to provide a rural housing scheme in the Parish and warrants specific reference, since a site has been identified.	An additional action has been added to Action Plan:  “Work with Abbess Beauchamp and Berners Roding Parish Council and Hastoe Housing Association to provide an affordable rural housing scheme in the Parish, utilising EFDC’s Planning Exceptions Policy”
North Weald Bassett Parish Council	(1) Section 1.5 (Consultation and Partnerships) omits reference to residents groups or associations	Recognised tenants and leaseholders associations, the Epping Forest Tenants and Leaseholders Federation, voluntary organisations and Voluntary Action Epping Forest were all consulted, and included in the list at Section 1.5. It was not felt necessary to extend the consultation further	No change.
	(2) There is no mention of village design statements, even though they are recognised by EFDC	It is agreed that village design statements (sometimes referred to as Community Led Plans) are relevant to the Housing Strategy.	An additional Section added within Section 5.2 - “Housing Growth in the District” on “Community Led Plans and Village Design Statements”, which includes reference to the Thornwood Village Design Statement.
	(3) The 5 key objectives are endorsed	No comment	No change.

	<p>(4) Section 3.2 (Affordable Housing) - allows <i>on an exceptional basis</i> certain planning applications which infringe the Green Belt. EFDC should define the trade-off</p>	<p>It is not thought necessary to set out in the Strategy when such developments will be agreed. The Strategy explains that it will be on an exceptional basis and only if high levels of affordable housing (at least 80%) is provided and it is considered suitable for residential development. The reports to EFDC's Area Plans Sub-Committees will explain in detail the proposed reasons</p>	<p>No change.</p>
	<p>(5) Section 3.5 (Gypsies and Travellers):</p> <ul style="list-style-type: none"> <li>• The aims are acceptable</li> <li>• The stated objective to “minimise the impact of the sites on the countryside and the settled communities” should be a prime consideration</li> <li>• Objective (e) should be deleted, as it is included in (c)</li> </ul>	<p>Whilst the sentiment about impact is understood and acknowledged, a number of the other objectives are considered to be equally important. In any event, none of the objectives stated throughout the Strategy are ranked, and such an approach in this section would be inconsistent.</p> <p>Objective (e) is considered to be quite separate from Objective (c)</p>	<p>No change.</p>



	<p>(6) Section 3.5 (Gypsies and Travellers) – Key Issues:</p> <ul style="list-style-type: none"> <li>• The data on existing sites are incomplete</li> <li>• The Area Suitability Study has been heavily criticised on the grounds of flawed methodology, due to almost exclusive reliance on a few relatively unimportant criteria, to which a numerical value can be attached, at the expense of Objective (d)</li> <li>• The “Call for Sites” was directed at all developable sites and not focussed on G&amp;T potential. The Myriad consultation with travellers has not produced any statistically valuable data. The outcome measure of reduced evictions is valid</li> </ul>	<p>The information on the numbers of existing sites and pitches has been updated in the Housing Strategy.</p> <p>Although criticism has been received, EFDC does not agree that the Area Suitability Study was flawed</p> <p>It is agreed that it should be made clear that the “Call for Sites” was for any proposed development sites, and that this was also used to identify potential gypsies and travellers sites.</p>	<p>Reference in the Key Issues section to the “Call for Sites” has been clarified to explain that it was made for any proposed development sites, but that this was also used to identify potential gypsies and travellers sites.</p>
	<p>(7) Section 3.6 (Supported Housing for Older People and Other Vulnerable People) – Commended</p>	<p>No comment</p>	<p>No change</p>
	<p>(8) Section 3.10 (Rural Housing) – This envisages small scale incursion into the Green Belt; probably in-fill into historic irregularities. Important to recognise that green field is not necessarily synonymous with Green Belt. The need to involve parish councils is commended</p>	<p>The planning exceptions policy does (only) relate to Green Belt sites (which may be “brownfield” or “greenfield” sites).</p>	<p>No change</p>
	<p>(9) Section 5.3 (Housing Mobility) - Commended</p>	<p>No comment</p>	<p>No change</p>

	(10) Appendix 1 (Key Action Plan) – The Director of Planning and Economic Development appears to have minimal involvement in the Key Action Plan	The responsibilities relate to the officers who have responsibility to lead the identified projects. The Director of Planning and Economic Development’s responsibility is more usually to respond to land-related proposals and to advise members of EFDC’s Area Plans Sub Committees.	No change
Parish Councillor Richard Spearman – North Weald Parish Council	(1) Found the Consultation Conference useful and informative	No comment	No change.

	<p>(2) Section 3.2 (Affordable Housing) – The proposed 80% affordable housing (on exceptional Green Belt sites) is extremely high; land-owners would have difficulty meeting, accepting the economic consideration</p>	<p>The proposed objective can be economical to the developer. EFDC has received a number of proposals from developers proposing the provision of 80%-100% affordable housing in the Green Belt. EFDC has accepted two to date – 80% affordable housing at White Lodge / The Limes, Sewardstone Road and 100% at Albion Terrace, Sewardstone Road.</p> <p>In the former case, the developer has also agreed to provide a number of other community benefits (including a shop, community centre, free bus passes and donation of land to the Corporation of London)</p>	No change.
	<p>(3) The completed Thornwood Common Village Design Statement has been approved by Essex County Council, which desires an expansion in the number of homes within the village confines, to help bring improved facilities. This cannot happen with the existing level of housing in the village – only a sensible and relatively substantial expansion of development will enable this to happen. Any development within Thornwood Common would require the release of Grant Belt land – Therefore, suggest an exemption from the 80% special exemption requirement and require a 40% provision</p>	<p>For the reasons given above, it is unnecessary to reduce the required affordable housing provision on Green Belt sites.</p> <p>It should be noted that this is a separate issue to the need to allocate land for residential housing within the new Local Development Plan. This process may result in some land being removed from the Green Belt in a planned way (especially around Harlow to assist with the Town's growth). The requirement for such land would be the provision of 40% affordable housing, as set out in the Housing Strategy</p>	No change.

<p>Fyfield Parish Council</p>	<p>(1) Principally agrees with the Housing Strategy, but is concerned at the lack of policy to meet rural housing needs (no mention of Fyfield or Willingale).</p> <p>The need for affordable housing for local people in rural areas is ever growing and is vital to protect village life for the future.</p>	<p>There is a whole section (Section 3.10) in the Strategy that sets out the proposed approach to rural housing. Completed schemes at Willingale and Fyfield are referred to.</p> <p>The last paragraph of this section explains that EFDC is working with Hastoe Housing Association and a number of parish councils to help assess their local housing needs and to provide more rural housing schemes. It is not considered necessary to list these parish councils, since they may change over the period of the Strategy.</p> <p>The need for affordable housing in villages is accepted and recognised within the Housing Strategy.</p>	<p>No change.</p>
	<p>(2) The Strategy is generalised and has an emphasis on urban-based development. There is insufficient potential for rural areas and village residents.</p> <p>The Strategy should reflect a better balance in the communities or rural areas to mitigate against the demise of rural communities.</p>	<p>It is not accepted that the Strategy has an emphasis on urban-based development. Indeed, whilst there is a section on Rural Housing in the Strategy, there is no specific section on Urban Housing.</p> <p>However, it is inevitable that the majority of new development will be in urban areas, due to the Green Belt constraints around villages.</p> <p>It is felt that the section on Rural Housing demonstrates EFDC's commitment to increasing the provision of affordable housing in rural areas.</p>	<p>No change.</p>

	(3) Young people born into rural communities need to become independent within their own communities and should be able to find affordable homes and not be forced to move away. This is a vital component of protecting village life for future generations	This is accepted. Hence the reason for EFDC adopting its Planning Exceptions Policy in rural areas, which (unlike in urban areas) requires that the affordable housing is allocated to local people from within the village or surrounding villages.	No change
Protection of the Roydon Area (PORA)	(1) Not qualified to comment in general on the document – which seems thorough and sound	No comment	No change
	(2) Fear that because the early provision of infrastructure to meet the perceived need for more housing, including the extension of Harlow, is unlikely, it will lead to piecemeal developments. Areas on the borders of Harlow will be most vulnerable where housing within Harlow come close to the border. Such tacking onto existing estates would be tempting but in total contradiction of the principles of sustainable communities.	The East of England Plan makes it clear that Epping Forest District must provide an unspecified number of homes to contribute towards the expansion of Harlow.  The Housing Strategy explains that EFDC will work with Harlow DC to ensure that such homes are provided in the most appropriate location.	No change
	(3) One of the aims of the Growth Fund Programme is to uphold the alignment of housing, employment and infrastructure. We urge that this principle be honoured.	The Housing Strategy refers to the Government's Growth Fund. The allocation of funding for Harlow will be utilised by Harlow DC and Harlow Renaissance. However, EFDC will endeavour to influence how and where the money is spent.	No change
Adult Health and Community Wellbeing - Essex County Council	(1) Very accessible format and presentation	No comment	No change

	<p>(2) Section 3.6 (Supported Housing for Older and other Vulnerable People) notes that there is no need for any more rented accommodation for older people in the District, but that there may be a need for an extra care scheme. Would welcome further discussion on (the future of) Jessopp Court</p>	<p>EFDC Housing is already in discussion with Adult Health and Community Wellbeing about the future of Jessopp Court, which is referred to in the Action Plan.</p>	<p>No change.</p>
	<p>(3) Suggest that more than one extra care housing scheme would be needed in the District, as we seek to enable more older people to live independently in their own home, rather than registered care. These people are unlikely to be reflected in housing need surveys and Epping Forest currently has 5.4% of the over-65 population living in registered care, compared to the national average of 2.5%. Extra care schemes can assist with the predicted rise in older people with dementia.</p>	<p>The need is uncertain, but there may be a need for more than one extra-care scheme</p>	<p>The useful statistical information provided by Essex County Council has been included in Section 3.6.</p> <p>Reference to extra-care housing now refers to the possibility of a need for “one or more” such schemes to be provided</p>
	<p>(4) Note that there is no reference to people with mental health problems</p>	<p>This is because there appears to be limited information available on the housing need for people with mental health problems in the District, and no proposals have been provided by the North Essex Partnership NHS Foundation Trust to meet the housing need.</p>	<p>A new sub-section has been added within Section 3.6, referring to the limited information available and the need to liaise with the NHS Foundation Trust on the current position and future housing needs.</p> <p>A new action has also been added to the Key Action Plan</p>
<p>Epping Town Council</p>	<p>The Committee has considered the consultation document and resolved that no comment be made</p>	<p>No comment</p>	<p>No change.</p>

## **Report to the Cabinet**

**Report reference:** C-025-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Finance and Economic Development  
**Subject:** Small Business Engagement Accord  
**Responsible Officer:** Chris Overend (01992 564247)  
**Democratic Services Officer:** Gary Woodhall (01992 564470)

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

**That approval be given to the Council becoming a signatory to the Small Business Engagement Accord.**

### **Executive Summary:**

The Small Business Accord is a voluntary code of practice for local authorities in the East of England which seeks to encourage a more productive dialogue with local businesses. The Accord brings together various aspects of consultation best practice, as well as specific proposals from the Federation of Small Businesses (FSB) designed to improve the level of participation by businesses in local democracy. The FSB has approached the District Council, inviting it to become a signatory to the Accord. It is recommended that the Council become a formal signatory as requested.

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

The Accord represents a commitment by local authorities to taking a productive approach to engage with businesses so that they are given the fullest opportunity to participate in the decision-making process, and to fully understand the reasons behind the final decisions taken.

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

To refuse to become a signatory to the Accord. This would result in a lost opportunity to engage further with the local business community and would be at odds with the recent action taken by the District Council and its partners in response to the economic situation, and the decision to appoint the Finance and Economic Development Portfolio Holder as the Local Business Champion.

### **Report:**

1. Local authorities are increasingly being asked to identify new methods to develop more constructive relationships with their local business community. Too often, businesses feel that decisions made by local authorities are being agreed behind "closed doors" and the consultation process is too complex and confusing. The value of good local authority consultation with the business community must not be underestimated. Poor consultation fosters mistrust amongst businesses and this, in turn, makes any future business

engagement with local authorities very difficult.

2. The District Council, along with other local authorities in the Eastern Region, has been invited to become a signatory to the Small Business Engagement Accord. The purpose of the Accord is to address the issues that can sometimes alienate the business community from the decision-making process. It is seen as a means of engaging with local partners, building alliances and securing support for joint priorities.

3. The Accord is owned and signed by its signatories. It is designed to ensure that effective consultation with the business community becomes a mainstream feature of all future consultations, rather than an optional extra. It has the following 14 principles:

(i) councils should nominate representatives to be "business engagement champions" whose role will be to ensure that the views of the local business community are considered at every stage of any consultation exercise;

(ii) council "business engagement champions" should be tasked with creating effective links with all sections of the business community;

(iii) councils should identify business owners that can be "engagement champions" within their local business community;

(iv) councils should look to "front load" consultations to ensure that engagement with the business community happens at the earliest stages of any consultation exercise;

(v) local authorities must use recognised business organisations when consulting with small businesses;

(vi) councils must not regard consultation with just one business or business organisation as an adequate consultation;

(vii) local, regional and central government should make consultation documents easier to understand and easier to respond to;

(viii) consultation documents should use the correct language for the relevant audience;

(ix) councils should employ a range of communication tools to promote better business engagement in consultations, including, for example utilising consultation documents, newsletters, information on web sites, text messages, local media, or staff directly working with businesses;

(x) to increase attendance at consultation events, local authorities should give greater notice periods in advance of any meetings;

(xi) consultation with the business community should not be limited to formal consultation exercises but should be an ongoing dialogue - councils should therefore look to hold at least one open meeting per quarter with local businesses and business organisations to encourage an open two-way exchange of information;

(xii) councils should not underestimate the ability of the business community to deal with strategic issues and, therefore, there should be genuine consultation on an annual basis with small businesses to examine council spending plans for the following financial year;

(xiii) effective consultation should demonstrate to business owners the outcomes and the rationale behind the final decisions; and



(xiv) councils should work with Local Strategic Partnerships (LSPs) to ensure that they communicate and consult with their local small businesses and business representative organisations and take on board good practice examples from well run, existing LSPs.

4. Whilst the Council could review any procedures in the areas set out in paragraph 3 above, it already operates in accordance with most, if not all, the principles, set out. As such, agreeing to become a signatory will in no way place onerous responsibilities on the Council. Rather, it will formalise existing commitments and enhance the relationship with the business community.

5. In terms of Essex, the Accord has been signed by Chelmsford Borough Council, Colchester Borough Homes, Essex County Council and Uttlesford District Council. Dates have been set for 'Signing Ceremonies' by Basildon District, Brentwood Borough and Tendring District Council.

6. The District Council, both by its own independent decisions and through working in partnership with others such as the Epping Forest LSP, has shown its commitment to tackling the adverse effects of the economic situation and specifically, in assisting small businesses and individuals. The Council, for example, recently partnered with Business Link and many other organisations to host a successful business support event at Loughton Cricket Club and has agreed other measures to better signpost businesses to the support that is available. Other recent initiatives include working closely on a variety of schemes with each of the 6 Town Centre Partnerships, increased publicity to encourage Small Business Rate Relief take up, tendering to local businesses where possible and practical, a decision to freeze parking charges in the 2009/10 financial year and the appointment of a member as Local Business Champion, Signing the Accord would be a further step by the District Council in recognising the need to support local businesses.

#### **Resource Implications:**

There are no specific resource implications at this stage. A review of the arrangements in place reflecting the principles set out in the Accord might lead to enhancements which have resource implications. For instance, there will be costs associated with holding open meetings on a regular basis. There is sufficient budgetary provision to cover such arrangements in 2009/10.

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

The Accord formalises the Council's commitment to communicating and consulting with the business community and other partners.

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

All partners signed up to the Accord (including the FSB and its individual members) are committed to sound environmental practices and to working together on community safety matters (e.g. through the development of Business Crime Forums).

#### **Consultation Undertaken:**

Ongoing liaison between FSB and the District Council.

#### **Background Papers:**

Small Business Engagement Accord produced by FSB.

**Impact Assessments:**

The signing of the Accord will enhance existing arrangements and should, in no way, have an adverse impact or result in additional risks to the District Council.

## **Report to the Cabinet**

**Report reference:** C-026-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Finance and Economic Development  
**Subject:** Internal Audit – Options for Service Delivery  
**Responsible Officer:** Peter Haywood (01992 564080).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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### **Recommendations:**

- (1) To agree in principle to supplement the resources of the in-house Audit Team within the approved budget, by engaging an external audit provider to undertake an agreed schedule of audits up to 31 March 2011.
- (2) To delegate to officers authority to appoint the preferred audit provider on the basis of the most economically advantageous tender.

### **Executive Summary:**

In recognition of the importance of the internal audit function and the previous problems experienced in recruiting and retaining staff when vacancies have arisen, the Cabinet is requested to consider a report on the options for the provision of the internal audit service.

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

The Council's Internal Audit team has lost two fully qualified accountants in recent months and is vulnerable to further reductions in qualified and experienced staff. A viable solution needs to be found in order that the governance arrangements of the Council are maintained.

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

The options to retain the existing Internal Audit arrangements fully in-house, or to fully outsource the service, are considered in the report.

### **Report:**

1. The Internal Audit Team is managed by the Chief Internal Auditor, who reports to the Chief Executive. This approach is in line with good practice, as it maintains the independence of Internal Audit from the services that it reviews. The work of Internal Audit is within the remit of the Portfolio Holder for Finance and Economic Development, and is reported to the Audit and Governance Committee.

### Context

2. The purpose of Internal Audit is to provide the Council, through the Audit and Governance Committee and the officer Corporate Governance Group, with an independent and objective opinion on the effectiveness of the Authority's control environment in support of the achievement of the Authority's key objectives.

3. Internal Audit is a statutory function required under The Accounts and Audit Regulations 1996. These Regulations place a duty upon the Authority to provide an adequate and effective internal audit function. The current cost of the Division including overheads is approximately £297,000 (2009/10 estimates). The Section has an establishment of 4.8 full time equivalent staff. At the time of writing this report, there were 3.8 full time staff in post, supplemented by a temporary agency auditor. The current budget is broken down as follows:

<b>Description</b>	<b>Budget Allocation 2009/10</b>
	<b>£</b>
Employee Costs	221,630
Contract Staff/Consultants	17,250
Training Costs	3,940
Travel & Subsistence	5,130
Computer Costs	16,910
Books & Publications	620
Telephones	2,880
Printing/Photocopying	710
Other Supplies & Services	1,110
Accommodation	17,220
Central Services	9,360
<b>Total Expenditure</b>	<b>296,760</b>

#### Options for the future delivery of the Internal Audit Service

4. Essentially there are three options for the future delivery of the internal audit function, to provide an internal audit service using council employed staff, to appoint an external service provider, or a combination of the two. Various models are in operation across Essex.

#### In-house Provision

5. Traditionally, internal audit at district council level has been provided by relatively small in-house teams, led by a Chief Internal Auditor or Audit Manager. The size of the teams can result in a lack of service resilience, and the work plan could be disrupted where there was long-term sickness or if a member of the team left. This situation has occurred at EFDC on occasions in recent years, but the Audit Plan has been sufficiently flexible to ensure that the main finance systems audits were carried out to the satisfaction of the Council's External Auditors.

6. Furthermore, the size of the teams creates little opportunity for the development of specialisms, potentially a lack of development opportunities and a limited career structure. In recent years there have been increasing expectations placed on Internal Audit, with the service being in a position to make a significant contribution to improved governance arrangements, with enhanced and higher profile reporting to the Audit and Governance Committee. The CIPFA Audit Code of Practice also sets high standards for the provision of the internal audit service.

7. Increasingly the external auditors expect a high quality of internal audit to be in place so that they can place reliance on the work of Internal Audit. Where this is not the case the external auditors will undertake more work with a subsequent increase in the annual external audit fee. In recent years the Council's external auditors have been able to place reliance on the work of the EFDC Audit Team for the purposes of their statutory audit.

8. The performance of the in-house team improved in 2008/09, mainly as a result of

reduced sickness levels providing a base for the completion of a greater percentage of the planned audits. The following table illustrates the improving trend in recent years:

	<b>Actual 2006/07</b>	<b>Actual 2007/08</b>	<b>Target 2008/09</b>	<b>Actual 2008/09</b>	<b>Target 2009/10</b>
% Planned audits completed	82%	89%	90%	95%	90%
% chargeable "fee" time	67%	68%	70%	71%	72%
Average cost per audit day	£314	£307	£320	£309	£320
% User satisfaction	83%	81%	83%	85%	85%

9. The establishment of the Audit Team comprises a Chief Internal Auditor, a Senior Auditor, one full time Auditor and three part time Auditors. Only 3.8 posts have been filled during 2009/10 as a result of a part time Auditor post becoming vacant on 31 March 2009, and the Chief Internal Auditor leaving his position in April and subsequently providing temporary part time assistance from May. Temporary (3 month) cover was in place for the Auditor post from the end of June through to the end of September. The former Senior Auditor was promoted to the Chief Auditor role with effect from 3 August 2009.

10. Few skills gaps have been identified other than for specialist IT audits, although the Council has benefited in the past from external reviews of some finance and procurement functions. In these cases the reports and findings have generally been of a similar nature to those identified by the in-house team and no issues have been identified in relation to the quality of work undertaken on these audits previously by the in-house staff.

11. There are operational benefits in retaining a knowledgeable and suitably qualified in-house team, and this approach has served the Council well in recent years, as reflected in the raised profile of the Team and its work, and improved performance as shown in the local performance indicators. Previous consultations on the quality of the in-house work have demonstrated that clients feel that the quality and standard of the audit work is good. There is a danger that this could be lost if the work was fully outsourced.

12. The past improvement in performance does not, therefore, obviously lead to a conclusion that a change in the current arrangements is necessary. However, the creation of a partnership for Internal Audit with an external provider may offer the opportunity to create a forward thinking, progressive internal audit team and an improved service to the Council.

### Outsourcing

13. Some authorities have sought an external solution linked to testing value for money, or when there has been a failing internal audit service, or through difficulties in being able to recruit to small teams. On occasions, an adverse external audit assessment has also led to consideration of outsourcing.

14. The full or partial appointment of an external audit service provider shifts some responsibility for resourcing the service to the supplier, and can result in frequent changes in personnel. However there is the potential to benefit from having access to a pool of skilled auditors and to benefit from best practice elsewhere. This option has the potential to be more expensive but costs can be controlled through the annual assessment of the service required.

15. A contract with a private sector firm could mean limited or no onsite presence at certain times as staff move between contracts and clients. Issues such as attendance on site and continuity of staff would need to be dealt with in service level agreements or within

contract documentation.

16. When using the private sector, authorities tend to base the outsourced work around the more straightforward audit subjects, for example the financial systems such as payroll or payment of creditors, etc. The firms would lack, at least initially, valuable local background knowledge in carrying out more Council specific audits, e.g. Building Control, Licensing, Section 106 Agreements, Waste Collection etc. The value of retaining a core in-house team to undertake these audits, and to maintain a continuous advisory presence for all aspects of internal control, should not be underestimated, particularly in the context of the Council's overall risk management arrangements.

17. Another issue that has arisen when using the private sector is the use of junior auditors supervised remotely by the firms' supervisors and managers. The main on-site presence tends to comprise trainee auditors at various stages of the career ladder. This is partly in recognition of the budgets available to local authorities to resource the work. EFDC has used a number of external providers to undertake specific audits on an ad hoc basis in the past. Whilst the experience has generally been very positive, there have been occasions when intervention by the Chief Internal Auditor has been required, particularly in quality assuring the final audit report after it has been through the firm's quality assurance process. This is sometimes a result of the lack of local knowledge of Directorate structures etc, which should be easier to overcome if there is continuity in the external provision.

18. When the private sector has been engaged in other authorities, there is usually a need to continue to employ an in-house officer to manage the contract on the Council's behalf. Because of the specialist nature of the job, the officer has tended to be the Head of Internal Audit who acts as the in-house quality control, reviewing the work of the private sector team before reports are issued within the authority. At EFDC the Chief Internal Auditor has managed any arrangements with external firms, as well as quality assuring the final audit reports. For day to day management of the contract arrangements it would be beneficial at EFDC for another officer (the Senior Auditor) to act in a support role, as well as that post having a quota of service audits to undertake. It is doubtful whether cost efficiencies would be realised from the total outsourcing of the work to be undertaken by the remaining pool of 2.8 full time equivalent established posts.

### Working in Partnership

19. The in-house team has lost two of its three fully qualified accountants in the past few months, and while the remaining staff have a good level of qualification and/or experience, the Team is now vulnerable to further reductions in staffing levels. As an alternative to full outsourcing, another option in considering the best way of maintaining the level of service achieved in recent years could involve the engagement of external expertise working in partnership to complement the experience and knowledge of the in house team.

20. Under such an arrangement the options would include a form of partnership with one or more councils, or the appointment of a recognised private sector firm. Partnering with one or more neighbouring district councils could provide the opportunity to share specialist skills, of, for example a computer auditor, with the added benefit of possible savings resulting from shared management costs. It has to be recognised however that a small partnership, formed with another district council, could suffer recruitment problems, and this approach was considered some years ago by EFDC without fruition. A separate request by EFDC to share IT audit resources with another Essex District failed several years ago when the member of staff left the other Authority and was not immediately replaced. For these reasons it is not proposed to pursue the option of seeking a partnership with another district at this stage.

21. As indicated above, the Council has previously engaged consultancy or agency staff to fill resource or skills gaps, and the process has generally been successful with reports well received by management. It is however felt that the local knowledge and experience of a core

in-house team is important in minimising risk, as well as maintaining the reliance placed by the External Auditor on Internal Audit's work as a way of reducing external audit fees.

22. The option of partnership working between the in-house team and an external commercial provider is considered a viable alternative approach at EFDC, as this is an extension of the past ad hoc approach to outsourcing specific audits at times of staff shortage which has been adopted successfully in the past. With this option the Council would retain the in-house expertise to deal with the full range of systems audits and ad hoc work including investigations that arise from time to time. This resource could be complemented by outsourcing an identified part of the audit work plan in a more structured way, to cover specific audit topics, including where specialist knowledge was deemed beneficial.

23. The Internal Audit budget would be restructured and a vacant part time auditor post deleted to enable the existing agency budget to be supplemented to meet the cost of the outsourced element. The overall budget for the externalised work would be in the region of £37,000 in both 2009/10 and 2010/11, but there is potential for a saving to be achieved through competitive tendering.

### Proposal

24. In view of the loss of qualified in-house staff it is considered timely to seek an external supplier to work in partnership with the in-house team, to assist in the completion of the agreed Audit Plan in the second half of 2009/10, in particular the core financial systems and ICT audits. The exact composition of the specification will be dependent upon the level and range of audits the in-house team are capable of conducting, which is primarily a capacity issue. At this stage it is further proposed that the external provision be for an initial period for approximately sixteen months through to the end of 2010/11, in order to make it commercially attractive. This would allow the Council to consider the options available to it for 2011/12 and later years once it has the benefit of experience of the joint working arrangements.

25. It is further proposed that until the appointment of an external supplier to undertake the package of audits to be identified, the service continues to use consultancy or agency staff as necessary to ensure the progress of the Audit Plan in 2009/10.

26. All contractual arrangements would be subject to competition as set out in Contract Standing Orders. It is proposed to delegate to officers authority to select the preferred audit provider on the basis of the most economically advantageous tender for the Council, using a combination of price and quality, within the available budget.

27. At present there is a broad and visible level of audit coverage across all Directorates as reflected in the Annual Audit Plan. There are no proposals to significantly reduce the number of audits at this stage, as this would dilute the level of assurance that could be given by the Chief Internal Auditor on the adequacy of the Council's internal control environment.

### Financial Implications

28. In sourcing fully managed audits from external providers on an ad hoc basis in the past, the average daily rate has been in the region of £330 per day for a finance systems audit. Assuming some economies of scale, the available budget of £37,000 per annum would equate conservatively to approximately 125 audit days and would provide for at least eight of the planned finance system and ICT audits to be undertaken in both 2009/10 and 2010/11. This would equate to approximately 40% of the allocated time provision for the main Finance and ICT systems audits. The Audit Plan schedule, indicating the audits that could be outsourced, is attached at Appendix 1. The budget available over the two financial years is approximately £74,000. As indicated earlier in this report, it is assumed that savings would be achieved on this budget through competitive tendering.

29. The current daily cost of outsourced work for finance systems audits (£330) compares with the cost of the existing in-house team of around £320 per audit day including overheads such as office accommodation, IT, telephones etc (approx. £240 per audit day excluding overheads). The Council would still have to bear the fixed overhead element of £80 per day within the in-house cost, at least in the short term, if work is outsourced. The overall cost of the outsourced work has therefore previously been higher than for the in-house team, but this has been on the basis of quotes for ad hoc pieces of work. It is expected that savings will arise by inviting tenders for a package of audit work. The overall costs and benefits of the proposed partnership approach should be reviewed towards the end of the initial contracting period in March 2011, when consideration is given to Audit delivery options beyond that date.

**Resource implications:**

From existing resources and as detailed in the report.

**Legal and Governance Implications:**

No specific implications other than included in the report.

**Safer, Cleaner and Greener Implications:**

No specific implications.

**Consultation Undertaken:**

Corporate Executive Forum.

**Background Papers:**

The CIPFA Code of Practice for Internal Audit in Local Government in the United Kingdom.

**Impact Assessment:**

Internal Audit is a key contributor to the Council's governance arrangements, providing an independent appraisal function to assess the adequacy of the controls that have been put in place to manage the risk to the successful delivery of corporate and service objectives.

It is essential for the Council to provide an appropriate level of resources to maintain an Internal Audit service, capable of delivering the approved work plan. Failure to do so will impact on the governance arrangements of the Council and will lead to criticism by the External Auditor.



**Audit Plan 2009/10  
Status Report at 30 June 2009**

Appendix 1

<b>Audit area</b> (L denotes past limited assurance audit rating)	<b>Audit type</b>	<b>Days allocated</b>	<b>Days spent 1 April – 30 June</b>	<b>Completed/ Provisional Timescale</b>	<b>Auditor</b>
<b>FINANCE AND ICT</b>					
<b>Finance</b>					
Bank Reconciliation (L)	system/follow up	15	2	in progress	SL
Sundry Debtors	system/follow up	20	-	Qtr 3	contractor
Creditors (L)	system/follow up	20	-	Qtr 3	contractor
Treasury Management (L)	system/follow up	15	-	Qtr 3	SL
Payroll	system/follow up	25	-	Qtr 2	temp
Budgetary Control (capital and revenue)	system/follow up	10	-	Qtr 4	contractor
Risk Management and Insurance	system/follow up	15	-	Qtr 4	NH
Main Accounting and Financial Ledger	system/follow up	15	-	Qtr 3	contractor
Housing Benefits	system/follow up	25	-	Qtr 3	SL
Council Tax	system/follow up	25	-	Qtr 3	contractor
National Non Domestic Rates	system/follow up	15	-	Qtr 2	SL
Cash receipting and Income control	system/follow up	15	-	Qtr 3	NH
Cash receipting IT system	IT	5	-	Qtr 4	contractor
Provision for 'top up' testing	systems	15	8	Qtr 4	All
Cash Office spot checks	verification	5	-	Qtr 3	NH
<b>ICT</b>					
Data (L) and Network Security	system/follow up	20	-	Qtr 4	contractor
IT Procurement	system	10	-	Qtr 4	contractor
Revenues and Benefits IT system	follow up	5	-	Qtr 3	tba
IT System Logs (L)	follow up	5	-	Qtr 3	tba
<b>TOTAL</b>		<b>280</b>	<b>10</b>		
<b>PLANNING AND ECONOMIC DEVELOPMENT</b>					
Building Control (L)	system	20	12	in progress	in progress
Countrycare	system	7	-	Qtr 3	NH
External Funding and Housing/Planning Delivery Grant (L)	follow up	6	-	Qtr 2	NH
Strategic Housing Assessment	system	3	3	in progress	BB
<b>TOTAL</b>		<b>36</b>	<b>15</b>		
<b>ENVIRONMENT AND STREET SCENE</b>					
Waste Management (L) and Recycling	system/follow up	25	-	Qtr 4	tba
Public Health	system	15	13	in progress	BB
Licensing Enforcement	system	12	-	Qtr 2	temp
Pest Control	system	10	-	Qtr 2	DP
Car Parking (L)	follow up	7	3	in progress	DP
Waltham Abbey Sports Centre (L)	follow up	5	-	Qtr 2	NH
<b>TOTAL</b>		<b>74</b>	<b>16</b>		
<b>HOUSING</b>					
Housing Rent Collection and Arrears	system/follow up	25	-	Qtr 3	DP
Private Renewal Grants/DFG/'CARE'	system	25	22	completed	SL
House Sales and Leaseholder Services	system	20	-	Qtr 4	SL
Depot (L)	system/follow up	15	-	Qtr 4	DP
Housing maintenance contract	contract	10	-	Qtr 2	BB
Stores - Depot stock take (L)	stocktake	4	4	completed	BB
Stores - Parsonage Court stock take (L)	stocktake	2	2	completed	DP
Housing Repairs Working Group	management review	5	-	-	BB
Sheltered Housing establishments	establishment	-	-	reserve	-
<b>TOTAL</b>		<b>106</b>	<b>28</b>		
<b>PARTNERSHIPS AND VOLUNTARY SECTOR</b>					
Local Area Agreements	system	15	-	Qtr 4	BB
Grants to Voluntary Organisations (L)	follow up	7	2	in progress	temp
<b>TOTAL</b>		<b>22</b>	<b>2</b>		

<b>Audit area</b>	<b>Audit type</b>	<b>Days allocated</b>	<b>Days spent 1 April – 30 June</b>	<b>Completed/ Provisional Timescale</b>	<b>Auditor</b>
<b>COMMUNITY SERVICES AND CUSTOMER RELATIONS</b>					
Arts and Sports Development	system	20	-	Qtr 4	NH
Bookings and Cash collection (L)	system/follow up	7	4	completed	SL
Information Desks	system	-	-	reserve	-
<b>TOTAL</b>		<b>27</b>	<b>4</b>		
<b>CORPORATE SUPPORT SERVICES</b>					
<b>Human Resources</b>					
Recruitment and Selection	system	15	-	Qtr 3	tba
Management of Sickness absence	system	10	12	completed	DP
Travel and Subsistence claims (L)	follow up	10	10	completed	NH
HR/Payroll Integration (L)	follow up	6	-	Qtr 3	NH
Health and Safety Policy	system	5	-	tba	tba
<b>Estates/Facilities Management/Other</b>					
Commercial Property portfolio (L)	system/follow up	20	-	Qtr 4	tba
Licensing	system	15	-	Qtr 2	temp
Asset Management system	system	8	-	Qtr 2	SL
Facilities Management (Mech. And Elec.) (L)	follow up	5	-	Qtr 3	tba
Non-HRA Repairs (L)	follow up	5	-	Qtr 3	NH
Fleet Operations (L)	follow up	5	-	Qtr 3	tba
Reprographics (commenced 2008/09)	vfm/systems	10*	10	completed	BB
<b>Legal</b>					
Land Charges	system/vfm	15	-	Qtr 4	DP
Land Charges Data Quality	verification	10	-	Qtr 2	tba
* 10 days from contingency to facilitate completion					
<b>TOTAL</b>		<b>139</b>	<b>32</b>		
<b>MISCELLANEOUS</b>					
<b>CPA and BEST VALUE</b>					
Key and Local Performance Indicators	verification	15	-	Qtr 2	NH
Business Plans (L)	verification	7	5	completed	DP
<b>CONTRACTS</b>					
Contract Compliance (L) - commenced 2008/09	system	7	7	completed	SL
Contract Compliance 2009/10	system	13	-	Qtr 4	SL
<b>CORPORATE</b>					
Corporate Procurement (L)	system/follow up	10	-	Qtr 4	contractor
Use of Consultants (L)	follow up	8	-	Qtr 3	NH
Gifts and Hospitality (L)	system/follow up	6	3	in progress	temp
Governance Statement	management review	5	1	Qtr 4	BB
Use of Resources work plan	management review	5	-	ongoing	JA/BB
Review of financial regulations and internal controls	management review	3	-	Qtr 3	BB
Inventory Control (L)	follow up	8	-	Qtr 2	NH
Email, Internet and Telephone usage (L)	follow up	8	7	completed	SL
Use of Regulation of Investigatory Powers Act	system	5	6	completed	BB
Follow up of Priority 1 Audit recommendations	follow up	6	-	ongoing	CIA
<b>FRAUD AND CORRUPTION</b>					
National Fraud Initiative (NFI) - 2008	c/fwd	15	13	in progress	NH
<b>TOTAL DAYS ALLOCATED</b>					
		<b>805</b>	<b>149</b>		
Contingency/Spot checks/Minor investigations		<b>30</b>		ongoing	All
Corporate/Service Advice		<b>65</b>	11	ongoing	JA/BB
<b>TOTAL</b>		<b>900</b>	<b>160</b>		

## **Report to the Cabinet**

**Report reference:** C-027-2009/10  
**Date of meeting:** 7 September 2009



**Portfolio:** Finance and Economic Development  
**Subject:** External Funding - Annual Report 2008/9  
**Responsible Officer:** Ian Willett (01992 564243).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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

- (1) To note the publication of the first Annual Report on the Council's external funding activities;**
- (2) To note that this has been made available via the Council's website; and**
- (3) To note that work is continuing to integrate external funding with the Council's budget process and the Authority's corporate priorities.**

### **Executive Summary:**

This report submits the first Annual Report on external funding activities. The report relates to the financial year 2008/9 and derives from an internal audit report in 2007 which called for a clear policy for external funding, clear controls on the preparation and approval of funding applications and the establishment of links with the Council's corporate objectives and budgets.

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

To notify the Cabinet of the action taken in respect of external funding and the overall position achieved.

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

None.

### **Report:**

1. The Annual Report on external funding is attached as an Appendix to this report. The report originates with an internal audit study in 2007 which commended the considerable success of the Council in achieving funding from external sources but highlighted:
  - (a) the need for an external funding policy;
  - (b) the need for clear corporate controls on the compilation and approval of such applications;

- (c) the need for external funding to be part of the budget process; and
  - (d) the importance of external funding efforts to be linked to corporate objectives.
2. The Council agreed an External Funding Policy in March 2008. The current Annual Report has been compiled by an Officer Working Party and refers to the first year of the operation of that policy, namely 2008/9.
3. Corporate controls now operate in relation to external funding bids. These are carefully set out in a section of the External Funding Policy called the "Toolkit". Notable among these controls are:
- (a) the need for liaison with Accountancy Division Officers by Service Departments - this ensures that not only is income from this source included in the budget but also that the implications for matched funding are taken into account;
  - (b) the importance of bids being carefully compiled and for conditions governing award of funding being met; and
  - (c) planning for the impact on the Council when external funding comes to an end.
4. The Officer Working party, working under the authority of the Corporate Executive Forum, has established a network of service representatives who are there to give day-to-day advice to their colleagues. Those service representatives from the membership of the working party membership.
5. An IT system called "Grantfinder" has been purchased for a trial period of one year to assist staff in researching sources of external funds. If this proves useful, it is hoped that this can become a permanent facility although funds have yet to be identified to enable this to happen.
6. The Annual Report has several appendices, not all of which are reproduced with this report. The most important one has been included, namely the schedule showing the Council achievements in this area. For the sake of completeness, projects which do not meet the strict definition of external funding in the Council's policy have been included. Thus there are some listed which have not been achieved after a competitive process.
7. The report has been published on the website as part of the 'E' Annual Report.

**Resource Implications:**

As set out in the schedule to the Annual Report.

**Legal and Governance Implications:**

The policy and toolkit address the legal and governance issues.

**Safer, Cleaner and Greener Implications:**

Extending funding is used for a number of projects which contribute to this initiative.

**Consultation Undertaken:**

None.

**Background Papers:**

None.

**Impact Assessments:**

Covered by Toolkit guidance.

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**EPPING FOREST DISTRICT COUNCIL  
EXTERNAL FUNDING ACTIVITIES**

**ANNUAL REPORT  
2008/09**

*Epping Forest District Council*  
[www.eppingforestdc.gov.uk](http://www.eppingforestdc.gov.uk)



## **1.0 INTRODUCTION**

1.1 This report is prepared in accordance with Section 1 (e) of the Terms of Reference for the Council's External Funding Working Party. Its focus is on the District Council's external funding activities during 2008/09. There is additional information on the background to the establishment of the Working Party and the production of the External Funding Strategy. Some of the work in connection with took place in the preceding years.

## **2.0 INTERNAL AUDIT REVIEW OF EXTERNAL FUNDING 2006/07**

2.1 A review of procedures and controls in place for the management and administration of external funding was undertaken as part of the 2006/07 Internal Audit Plan. The report presented the findings of a high level review of the Council's approach to external funding compared with best practice defined by CIPFA and the Audit Commission. It presented an aspirational view as to where the Council should be aiming, identifying a number of major issues for the attention of senior management as the main priority, other issues for local management attention as the second priority, and minor matters as the next priority. A summary of the findings and recommendations of the Audit Report is attached as Appendix 1.

2.2 In considering the audit report, the then Management Board, at its meeting on 29 November 2006, established the Working Party, requiring it to produce an External Funding Strategy. The basis of the strategy was to establish a review process where, when potential opportunities were identified for funding in respect of proposed schemes, an appropriate group of officers should be convened to take the proposal forward in accordance with policy guidelines. The Working Party's Terms of Reference, whilst in essence similar to those agreed at its inception, have been modified and extended in the light of experience and, moreover, to reflect the requirements of new roles following the adoption of the strategy. A copy of the updated Terms of Reference is attached at Appendix 2.

2.3 It was agreed that the Working Party should consist of a representative from each of the directorates/service areas who had an active involvement with or specific responsibility for external funding matters as part of their role, and for acting as a conduit for the dissemination of information between the Working Party and their directorates. These arrangements remain in place, with there now being a representative from each of the new directorates forming the new organisational structure implemented in April 2008 i.e. one representative from each of The Office of the Chief Executive, The Office of the Deputy Chief Executive, Environment and Street Scene, Finance, Housing, Internal Audit and Planning and Economic Development.

2.4 The Chairman of the Working Party is determined by the Corporate Executive Forum and the Assistant to the Chief Executive has been the Chairman of the Working Group throughout its period of operation.

2.5 The Working Group's first meeting took place on 7 February 2007 and a further 12 meetings were held between that date and 31 March 2009.



Its work will continue into the future and further dates are already scheduled in 2009/10.

### **3.0 EXTERNAL FUNDING STRATEGY**

- 3.1 At the commencement of its work, the Working Party noted that there were numerous officers in different service areas involved in external funding activities, in identifying potential sources and in seeking to secure funding for specific projects. However, the work tended to be an 'add-on' to the everyday role, with funding applications taken on by individual officers in addition to their daily workload. There were instances arising of officers having difficulty taking potential funding bids forward through lack of specialist knowledge but the overriding issues centred around capacity and the lack of a coordinated approach set out within a written strategy. A strategic approach involving central coordination and dedicated financial and staffing resources and a framework for securing and managing external funding were regarded as key.
- 3.2 The development of a corporate External Funding Strategy was seen as a vital step towards a coordinated and consistent approach across the Council. The development of such a strategy had previously fallen within the remit of the post of External Funding Officer but when the post-holder had left the employ of the Council in 2001, the post had been removed from the establishment, with the consequence that no formal strategy had been developed. Within the 'Use of Resources' process carried out at similar time to the Internal Audit Review, the Audit Commission had commented to the effect that the Council should 'develop and implement the external funding strategy to ensure sustainable and cost effective use of resources'.
- 3.3 A number of 'good practice' strategies produced by other local authorities were drawn from during the production of the District Council's strategy. Two in particular were used extensively, these being those of Darlington Borough and Wyre Forest District Council. Consequent upon an extensive period of consultation and review, the District Council External Funding Strategy was finalised and adopted by the Council in March 2008. A copy is attached at Appendix 3.
- 3.4 The strategy document is divided into two main parts, namely the strategy itself and the toolkit. The strategy provides a definition for external funding, sets out objectives, identifies the potential benefits, opportunities and pitfalls, identifies how it links to the Council's performance framework and strategic objectives, legal implications and the need for continuity, reporting and monitoring in relation to projects for which funding is secured. The toolkit has a dual purpose. It provides a corporate advice resource and assists staff involved, in any way, in the process of securing or seeking to secure external funds. A copy of the toolkit is attached as Appendix 4.

### **4.0 DEFINING EXTERNAL FUNDING**

- 4.1 There were considerable discussions regarding what amounted to 'external' funding and defining the term proved difficult. In particular, there was a debate on whether it should include funds secured for projects by others in the District where the Council was not the direct beneficiary but had played a part in securing funds e.g. where funds were received by partner organisations through the Local Area Agreement process, or individual voluntary or community groups as recipients of funding through the Council's own Grant Aid Scheme. There were also discussions regarding which elements of funding received by the Council should be classed as external given that, in a sense, many central government grants (the Revenue Support Grant for example) are from external funding sources. The Working Party decided that, for the purposes of the strategy, a narrower definition was applicable, one similar to that put forward by CIPFA, with the focus being on funds secured by the District Council beyond those which would normally be available to it:

'External funding could be defined as any money which the Council secures extra to its annual allocation from central government or would normally be available to it, and the money it raises through council tax, fees and charges, either by itself or in partnership. Typically these resources might be secured through competitive bidding'.

- 4.2 Having defined the term, the Working Party prepared a schedule, based on information provided by directorate representatives, on funds secured from external sources, together with prospective projects, grants and bids for 2008/09. For completeness, the information relates to all external funds i.e a wider definition than that set out in 4.1 above. A copy of the schedule is attached at Appendix 5.

## **5.0 TOOLKIT**

- 5.1 The toolkit contains information about different sources of funding available at a national and local level from both the public and private sectors, how to prepare a suitable bid and the project management of a scheme once a successful bid has been made. It was put together following an analysis of good practice measures elsewhere within external funding strategies. It is an aide memoire for all those involved in the external funding process be that in the bidding, the management of funded projects or activity, and the management of budgets secured from external sources. The toolkit is also freely available, via the Council's website, to other bodies and individuals.

## **6.0 BUDGET PROCESS**

- 6.1 For each project in respect of which funding is secured, it was agreed that a cost centre or budget code shall be produced. This will enable project activity and expenditure to be easily identifiable for claims and monitoring purposes. It was further agreed that a summary should be produced as part of the preparatory work for the subsequent financial year's budget, describing the scheme (whether the grant has been secured or a decision is pending) and the sum approved/requested. This summary will be used to inform both the budgetary process and

the external funding strategy itself. All those involved working on the the project are required to be involved in the monitoring process.

- 6.2 There is a recognition, both within the budget and the strategy, that the ability to secure funds from one source may be dependant on a successful bid to another source, on a match, joint or 'up front' funding basis.

## **7.0 COMPARISONS WITH OTHER LOCAL AUTHORITIES**

- 7.1 Until 2008, CIPFA gathered statistics on an annual basis providing comparative information on the performance of local authorities in respect of external funding. The statistics looked at various aspects such as the number of successful bids and funds received (taking account of factors such as population and the Indices of Deprivation where appropriate), the existence of a documented strategy, officers with specific roles and responsibilities in the area of external funding, bid tracking and monitoring systems.
- 7.2 The District Council, through the Working Party, responded to the more recent surveys. However, CIPFA has now ceased compilation of the statistics in view of the poor response rate and reservations about the usefulness of the statistics. Nonetheless it is recognised that there is value in making comparisons with other local authorities in terms of external funding both from the point of view of funds received and in the exchange of information and advice about good practice associated with external funding policies and procedures. As such, the Working Party is looking at the possibility of the District Council being involved in benchmarking either through joining an existing club or through the establishment of a new one.
- 7.3 A copy of the CIPFA statistics for 2008 is attached at Appendix 6. Although these have now been discontinued, those for 2008/09 indicate that the total amount of funding obtained from external sources by the Council was £2,338,000 (from 39 bids, all of which were successful). This compared with £1,624,000 (33 bids of which 31 were successful) in 2007/08.

## **8.0 FINANCIAL REGULATIONS**

- 8.1 One particular issue raised through the production of the statistics was the issue of whether all external funding bids should be approved and signed by the Director of Finance. Many other local authorities include this provision within their Financial Regulations. This matter has been referred to the Working Party on Financial Regulations, Contract Standing Orders and Delegated Authorities with a view to this provision being added to the Council's Financial Regulations as part of the 2009/10 review.

## **9.0 GRANTFINDER**

- 9.1 Grantfinder is a comprehensive database of United Kingdom and European Union funding initiatives, ranging from grants and loans to

advisory schemes. It comprises over 6,000 programmes covering eligibility, application procedures and deadlines. The main feature of the Grantfinder system, in addition to the database on existing and future funding opportunities, is the ability for users to carry out project searches to identify funding programmes which match the criteria of the projects concerned.

9.2 Approval was given to the purchase of the Grantfinder package on a one year trial basis at a cost of £3,750. The licence agreement provides for named individuals within the different directorates to be able to access and disseminate up-to-date information on available funding sources which will be especially useful with regards to projects falling within their own sphere of responsibility or the in respect of which they have an involvement. For the benefits of Grantfinder to be realised the system has to be put to good and extensive use and it is hoped that information provided on a timely basis this way will lead to the accessing of funds totalling in excess of the cost of the Council's outlay on Grantfinder. If the licence is to be maintained in 2010/11 and thereafter specific provision within the Council's budget will be required.

## CONTENTS

	<b>PAGE</b>
1. Introduction	2
Part 1 - Strategy/Strategic Elements	
2. Scope	3-6
3. Objectives	7
4. Reflecting Strategic Priorities	8
Part 2 - Toolkit	
5. Information on Sources of Funds	9-11
(a) General	
(b) National Lottery	
(c) Government Grants	
(d) European Funding	
(e) Trusts	
(f) Sponsorship	
6. Putting Together a Suitable Bid	12-18
7. Project Management of Successful Bids	19-21
APPENDICES	
A Role of External Funding Working Party	A1
B Legal Implications	B1
C Further Information on National Lottery	C1-2
D Further Information on Government Grants	D1-13
E Further Information on Trusts	E1-3
F Sample - Identified Risks for External Funding	F1
G Sample - Risk Management Matrix	G1
H Sample - Risk Management Action Plan	H1

## **1. Introduction**

- 1.1 Recent years have seen a significant trend away from direct grant provision by central government to local government. We are witnessing the emergence of an ever increasing number of grant funds through which local authorities are required to channel applications or submit bids as a means of maximising funding opportunities e.g. National Lottery, SRB, City Challenge, Home Office funds and opportunities available through Britain being a member of the European Community. All the evidence suggests that this trend is set to continue.
- 1.2 We recognise that, to achieve our goal in achieving best value, we need to combine economy, efficiency and effectiveness in the services we provide. Indeed there will be increased pressure on our financial position in the years to come with the need to keep close control over spending to minimise the use made of balances. Good use of external funding sources can reduce that pressure and allow us to continue developing our services for the benefit of local people. However, external funding is not and should not be considered as a means of simply reducing the Council's core expenditure, as funding bodies are committed to the principle of additionality.
- 1.3 The purpose of this strategy is to set out the principles, processes and procedures for ensuring maximum use is made of the funding opportunities available to the Council be it as a potential recipient or supplier of funds and, once they have been secured, that the funded project is properly managed. The implementation of such a strategy was recommended in the Internal Audit Report on External Funding issued in November 2006.
- 1.4 The Strategy is focused on the Council and its own procedures. However, those procedures do not exist in isolation. They impact on other internal procedures and they on it. The nature of local government activities and responsibilities now and indeed those of other public bodies is such that account needs to be taken, within those procedures, of the wider partnership implications.
- 1.5 This document also sets out general information on the various alternative sources of funding and advice on putting together a suitable bid for funding.
- 1.6 In our community wellbeing role we also fund a number of community and leisure groups through the Grant Aid Scheme.

## **Part 1 - Strategy/Strategic Elements**

### **2. Scope**

#### **2.1 Definition**

2.1.1 External Funding could be defined as any money which the Council secures extra to its annual allocation from central government or would normally be available to it, and the money it raises through council tax, fees and charges, either by itself or in partnership. Typically these resources might be secured through competitive bidding.

#### **2.2 Projects**

2.2.1 As external funding is defined as being extra to its annual allocation, it is assumed that the majority of activities which external funding is sought for can be defined as distinct projects. Inevitably there will be occasions when external funding is sought for an existing service or activity, but the fixed term nature of external funding often dictates a time limited, distinct project. For the purposes of this guide the definition of a project is taken as:

2.2.2 A distinct piece of work to be carried out, which is additional to the usual day-to-day activity of the organisation.

#### **2.3 The Benefits of External Funding**

2.3.1 Organisations in the Epping Forest District bring in a significant amount of external funding each year. This provides the opportunity to run trial projects, deliver services in targeted areas, address new agendas and engage in activities with partners, which would otherwise be restricted by a lack of core funds. The Government in particular, has been increasingly linking specific funding pots to policy initiatives, in an attempt to improve performance in key areas, and it is anticipated that the number of areas in which organisations are bidding for funds will increase further. This will inevitably lead to more people within organisations becoming involved in bidding for funds and utilising the benefits of external resources.

#### **2.4 Performance Framework and Strategic Objectives**

2.4.1 It is important that all external funding should be clearly linked to one or more of the Council's key policy objectives. Opportunist bids for funding can often result in predetermined aims not being achieved because staffing and other resources are diverted to objectives which are not corporate and are not priorities. This means that external funding proposals must be reflected in service plans through to the Council Plan (and, if necessary, the Community Strategy) and throughout the performance management framework. Similarly, the expected funding must be properly reflected in the annual process for compiling Council budgets and monitoring expenditure.

#### **2.5 Legal Implications**

2.5.1 Award of grant usually comes with conditions. It is necessary to be aware of these conditions and the legal liabilities which follow. Further information on the legal implications is set out in Appendix B.

## 2.6 **Role of External Funding Working Party**

The External Funding Working Party has a vital role to play in coordinating the external funding process. Further information on this role is set out in Appendix A.

## 2.7 **The Responsibilities of External Funding**

2.7.1 Once external funding has been secured, there are a number of ongoing responsibilities which organisations will need to be aware of, whether they are the co-ordinator of a particular fund, or just delivering a service which has been funded through external sources:

### **(a) Not Just Free Money**

Any money which comes from an external source will have 'strings attached'. External funding is often viewed by budget holders as an increase in a core budget and is spent without regard to the aims or rules of the fund. It is important when using external funding that everyone involved in the spending of the money, delivery of the activity and management of the process is aware of their responsibilities and that the money is part of a 'deal' for which the organisation must fulfil its part.

### **(b) Budget and Financial Control of External Funding**

The funding provided from external sources should be recorded as a DDF item as part of the initial budget planning process. Once the external funding has been secured it should be managed in the same way as any other Council CSB/DDF budget by being incorporated with the budget for the related Service area. The relevant Spending Control Officer (SCO) will receive monthly financial monitoring reports, together with transaction reports, and will need to monitor and report on significant variations relating to the project, in accordance with financial regulations.

Any conditions attached to the grant will need to be targeted, monitored and any necessary actions, recorded so that verification can be made to the external funder as necessary.

Any external funding will be accompanied by terms and conditions specifying how the funding should be used, but existing organisational policies and procedure will be overriding and will not be replaced.

The project will ultimately be audited as there will need to be confirmation that the organisation's procedures have been followed.

### **(c) Monitoring**

Frequently, when securing external funding, there will be a series of targets or outputs to be achieved with it. This is effectively what the funding body has purchased from the organisation with their grant. Ensuring that these targets and outputs are delivered to the satisfaction of the funder, is often the most complex part of using external funding. The appropriate monitoring procedures need to be put in place to track progress from the beginning, otherwise funding can be lost and the organisation's reputation damaged.



#### **(d) Reporting**

The funders providing external resources will have a regular reporting schedule, which needs to be adhered to. Providing them with the correct information when required should always be the responsibility of a named individual. It is also important that the appropriate reports are circulated internally to allow others to monitor the project's progress and link it to the organisation's performance management framework.

#### **(e) Continuity**

Owing to the nature of external funding and the opportunities it presents, the person writing the initial bid may not be the same person managing the resultant budget, delivering the activity or monitoring and reporting back to the funding body. This can lead to any of the problems identified above being exacerbated, especially if someone involved in the project moves on. It is therefore important that everyone involved in externally funded projects is fully aware of the responsibilities for monitoring, reporting and budget management, and duly records the position at any given time.

### **2.8 External Funding - Problems and Opportunities**

- 2.8.1 Progress has been made in recent years towards increasing the external funding attracted to the Epping Forest District. There are however, a number of issues potentially occurring across organisations which need to be addressed if the funding secured is to be maximised. These can include:

#### **(a) Competing Bids**

Competing bids can sometimes come from organisations working in the same field or even from within different parts of the same organisation. The latter limits everyone's chances of success and can ultimately damage the reputation of particular organisations with key funders.

#### **(b) Strategic Direction**

Bids are sometimes being submitted to funders without due consideration of appropriate priorities or strategic direction. This leads to bids not having sufficient demonstrable support or which are opportunist in nature, shifting the focus of work away from the Council's priorities.

#### **(c) Sustainability**

Bids can be submitted where the consequences of securing the funding have not been fully thought through. This can lead to problems during the delivery of projects and puts pressure on organisational budgets to 'rescue' projects or provide continuation funding.

#### **(d) Delivery**

The Council may be securing external funding without a full appreciation of the requirements placed on it by the funding body or its responsibilities for monitoring and reporting.

**(e) Match or Joint Funding**

Often the criteria for funding schemes encourage contributions from other sources. Indeed, obtaining match or joint funding might be a compulsory requirement in some instances and could certainly be the difference between whether or not a scheme gets the go-ahead. So it is important to be both mindful of and realistic about the availability of match funding prior to the development and submission of bids.

Some or all of these issues may need to be addressed within individual organisations and across the District as a whole, to enable the external funding brought in to be maximised and to ensure the effectiveness of how it is utilised, once secured.

**(f) Risk Analysis**

It is vital that a full risk assessment is carried out of the consequences of an external funding bid not being successful. This assessment should include identified risks (vulnerability, trigger, consequences) the risk matrix and an action plan, samples of which are attached at Appendices F-H, using an example of a funding bid in respect of homelessness prevention.

### **3. Objectives**

3.1 To achieve the aim of optimising funding opportunities it will be necessary to:

- Research and report on all areas of funding development.
- Liaise with and maintain relationships with other agencies and internal service users to develop an information base against which future levels of funding activity can be assessed.
- Establish effective information communication systems with internal and external groups regarding funding.
- Develop the processes and procedures through which we can secure the maximum level of funding for the Epping Forest District community.
- Establish an information database on funding opportunities.
- Develop a fund finding advisory service to establish sources of and secure external funding.
- Provide a knowledge base on fund availability and access to information on application procedures.
- Assist with project management, identify additional opportunities and help generate innovative ideas.

#### **4. Reflecting Strategic Priorities**

- 4.1 The Local Strategic Partnership Community Strategy outlines a collective vision for the District over the next 20 years. The District Council has committed itself to deliver aspects of this joint action through its own policies and strategies, evaluation progress through its Performance Management Framework. External funding can be of valuable assistance in achieving strategic priorities, as it introduces additional resources to enable higher levels of quality to be achieved or timescales accelerated.

## Part 2 - Toolkit

### 5. Sources of Funds

#### 5.1 General

5.1.1 There is a wide range of *potential* funders to a particular project, each with different characteristics, each having a different motivation, each with their own preferred way of giving, each having different criteria and a route by which they can be assessed. It is important for the fundraiser to have a clear idea of their project, of whom they plan to approach and how they propose to attract support.

Broadly speaking, the sources can be broken down into the following types:

- National Lottery
- Other Government Funds
- European Funding
- Grant-making Trusts
- Sponsorship

#### (a) National Lottery

Further information on how the Lottery operates and opportunities arising through the different distributors is set out in Appendix C.

#### (b) Government Grants

Grants from government represent an increasingly important potential source of funding. It should be remembered that government grants are primarily designed to meet departmental policy and objectives and programme outcomes. These should be reflected in the published criteria for particular grants. Applications will therefore be expected to demonstrate clearly how they will help departments achieve their objectives. Another important and constraining aspect is that government funding works to an annual timetable ruled by the financial year running from 1 April to 31 March.

The different grants and financial support received can, generally speaking, be categorised, according to the government departments or non-departmental public bodies responsible. The main forms the support takes are in funding programmes, grant-in-aid, special initiatives and service contracts. Further information on the various Government Grants is set out in Appendix D attached.

#### (c) European Funding

The EU provides a huge amount of money for social and economic development in member states. The biggest proportion is available through the Social Fund, which goes to regional and local government, regional regeneration initiatives, learning and

skills councils and voluntary organisations. The top 500 charities receive significant amounts annually from Europe.

There are three main types of funding available from the EU.

- *Structural Funds.* The most important of these are the European Social Fund (ESF) and the European Regional Development Fund (ERDF). These are controlled by member governments and need to be matched by funding from within the UK.
- *Budget line funding.* There are some 150 further budget lines which offer opportunities for voluntary organisations to apply for funding, although eligibility is not necessarily limited to the voluntary sector.
- *Contract and research funding.* This is for specific work which the European Commission wishes to commission, on its own or on behalf of another government. This work is usually put out to tender and can support research across a range of issues in the areas of health, environment, socio-economic affairs, energy, transport and medicine. Getting money from Europe can be a long, slow and painstaking process. There is increasing competition for the available funds, and the programmes, priorities and guidelines are constantly changing. Each year, the EU agrees its budget. The budget year runs from 1 January to 31 December and it is important to keep up to date and to make contact as early as possible, ideally a full year in advance. Although the budget is adopted in December, it has been under discussion for the whole of the preceding year and so it is never too early to begin your research, although you will be unable to apply until an official invitation to tender has gone out. Where matching funds are required, it is necessary to ensure these are committed before an application is made.

#### **(d) Trusts**

Further information on how trusts operate and on some of the trusts active in the District is set out in Appendix E.

### **5.2 How grant decisions are made**

5.2.1 Most trusts respond to the requests they receive for support, rather than seeking out projects they would like to support. So the first stage in the grant-making process is receiving a proposal from an applicant. What happens next depends on the size of the trust. Larger trusts will have a procedure for assessing applications, which could include:

- the trust director or a specialist grants officer assessing the application and making a recommendation;
- a site visit or a meeting with the applicant;
- engaging a consultant to investigate and report (which would only be done for very large applications).

5.2.2 A report with recommendations is prepared for the trustees, with the final decision being made at the next trustees' meeting. Some of the very large trusts allow their staff discretion to decide smaller grants without reference to the trustees.

5.2.3 Smaller trusts tend to do everything through the trustees. They read all the applications they receive, reject clearly inappropriate ones and discuss together which they will support based on the information in your application.

**(f) Commercial Sponsorship**

Many businesses are prepared to sponsor events for either philanthropic reasons, to generate good public relations or to increase sales within a specific market. Care needs to be taken by the Council in seeking private sector sponsorship to avoid any possible conflict of interest or potential challenge, for example, in relation to potential future planning applications. Similarly, the Council would wish to avoid association with products or services not considered to be in the best interest of the health of our community i.e. Alcohol and Tobacco.

## **6. Putting Together a Suitable Bid**

### **6.1 Principles and Stages**

6.1.1 Once a project has been clearly and fully formulated, a bid for resources needs to be made. This section sets out the key principles of a good funding bid and offers tips on how best to write a bid to maximise the chances of its success. The principles covered are relevant to almost all types of bids and funding sources.

6.1.2 Preparing a bid can be looked at in five stages:

- Planning the bid
- Writing the application
- Preparing the financial package
- Preparing supporting documentation
- Submission of the bid

### **6.2 Planning the Bid**

6.2.1 When preparing a bid for external funding it is vital that you plan thoroughly for each step in the process. Poor planning will inevitably lead to problems further along, or at the end of the process, could compromise the quality of the bid or even prevent its submission.

6.2.2 Key elements of the planning process include:

#### **(a) Reading the guidance**

Although an obvious point, it is often something that is overlooked until someone sits down to actually write the bid. Bidding guidance regularly contains a number of steps which applicants must go through prior to submitting a bid. Applicants may be requested to submit an initial outline of proposals, undergo eligibility checks or submit an expression of interest prior to receiving further detailed guidance on the final bid. Careful consideration of what steps the funder requires can have a great impact on the timing of a bid. It is essential to read the guidance thoroughly prior to embarking on a funding bid.

#### **(b) Step by step planning/timetabling**

Planning out the various steps in the process, in the form of a project plan should provide clarity on what is required. This is especially important when preparing the bid involves co-ordinating the contributions of many individuals or organisations. Ensuring that the process is mapped out against an appropriate timetable is also important, as slippage often leads to key elements being overlooked or the opportunity to review the bid prior to submission being lost.

#### **(c) Tactics**

Depending on the funding body or the type of arrangements being used to stimulate bids, there may be an issue of how much to request. Calls for projects where large amounts of money are available over a long period of time may allow more speculative or aspirational projects to be submitted, where overbidding is almost expected. Bids to smaller, more focused funds will demand a more realistic approach, requiring a demonstration of value for money and clear budgeting.



Unless the amount to bid for becomes a tactical issue, the best approach to follow is to be realistic and bid for the actual cost of a project. An unrealistically high or low bid may lead to an unnecessary failure.

**(d) Find out what you are likely to get**

Depending on the funding body, there may be an opportunity to discuss the proposals with them at an early stage. This can often lead to advice as to how much they are likely to put into a project (either as a % or an actual amount), subject to a suitable bid being submitted. Formal discussions with funders on the scale or a bid are often met with diplomatic, non-committal responses, but informal advice is increasingly forthcoming as funders seek to avoid raising expectations and prevent unnecessary preparatory work and bid submissions.

**(e) Bids by more than one organisation**

In circumstances where a project involves bids from more than one partner organisation, it is often advantageous to find out details of the partners' submission(s) and, moreover, the amounts others are bidding for. Working arrangements between organisations often dictate how much information is likely to be shared prior to bids being submitted. Working together to ensure complementary bids is usually beneficial to all parties.

**(f) Bids involving submissions to more than one funding body**

Where projects require the submission of bids to more than one funder, the requirements of each funder should be assessed together. Ensuring that all documentation produced meets the standards of all funders, should save time and effort. Planning the submission of multiple bids to meet the deadlines of different funders will also be crucial as each may depend on the others to commit themselves first.

**(g) Assessment Criteria**

Where scoring or other criteria are to be used by funders to assess projects, it may be possible to obtain those before writing the application. Where available, these will give an indication of what each question specifically needs to address.

**6.3 Writing the Application**

6.3.1 When writing a funding bid there are a few key points to remember, regardless of how the application form is structured or what supporting documentation is requested. These can be summarised as follows:

- never forget that to make a case for the funder to invest in the project – they must get something out of it in return.
- bids should present as a sensible business case ie the funder is being given the opportunity to purchase a set of outputs for their requested contribution. This must represent value for money for the funder.
- back up the case with appropriate facts and statistics, as this will be the only way they will be convinced that there is a need for the project.

- there can be a tendency when bid writing to plead poverty or make things look as bad as possible. This needs to be balanced up by offering a solution to the problems rather than just appealing for money. Pleading total poverty might jeopardise an otherwise potentially successful application. Once the need for the project has been demonstrated, the focus of the bid should be what the project is going to achieve.
- bids will always be assessed against the organisational priorities of the funder. Bids should aim to reflect these priorities throughout the application.
- management arrangements and how the project is to be delivered are often as important as what is being delivered. Funders need to know that their money is going to be managed effectively.
- demonstrable partnership bids are often more appealing to funders than those from a single applicant.

6.3.2 When completing an application form there is usually a set of core issues which need to be addressed, however the questions are constructed or phrased. Although the guidance notes provided with an application form will set out what is required in respect of each question, there are a number of good practice points to consider when deciding how to answer each of the following typical questions:

**(a) What are the project aims and objectives?**

Generally have one clear strategic aim for the project and up to six more specific objectives as to how the aim will be achieved.

**(b) Project description**

Describe the project in detail by considering the five Ws eg **what** is being delivered; **who** is delivering it; **why** is it being delivered; **where** is it being delivered; and **when** is it being delivered. The project description must show a clear progression from activity to achievement of outputs.

**(c) What is the need for the project?**

Alongside the obvious demonstration of why the project is needed, the bid needs to demonstrate why their funding is needed to solve the problem.

**(d) What is the strategic context of the project?**

List strategies and quote which sections link to specific elements of the project. Use most relevant national, regional, sub-regional and local strategies to demonstrate links at all levels.

**(e) What consultation has taken/will be taking place?**

The bids needs to give the funder confidence that the bid has the full support of the community, and that they will have some ongoing input into the project. Demonstrate all consultation, including partner organisations, and not just the wider community.

**(f) What measures will be in place to enable successful monitoring?**

The bid needs to show how activity can be tracked from action to output/outcome. How monitoring information is to be used also needs to be explained.

**(g) What are the outputs and outcomes of the project?**

The funder wants to see what practical outputs can be directly achieved as well as what the overall outcomes will be for the area, and how the two are linked.

**(h) What alternative options have been considered and why have they been rejected?**

Outline other methods of delivering the same types of outputs/outcomes and conclude why the chosen option demonstrates better value for money. Capital projects sometimes require costed options to be included.

**(i) What is the exit/continuation strategy for the project?**

Demonstrate how the funder's money will not have been wasted if the project comes to an end. If the project is to continue, sustainability needs to be demonstrated without compromising the need for the money in the first place.

**(j) Identify potential risks to the project?**

Identify risks and outline contingencies in relation to: legal; financial; management; organisational capacity; funding package; consents required etc.

**(k) How does the project offer value for money?**

Demonstrate how the unit costs for outputs compare favourably with other projects or alternative ways of achieving them or explain the reasons why, if they don't.

**(l) How does the project complement existing/planned activity?**

Show how the project adds value and how funding would provide for the additional element. It is also important in some cases to demonstrate statutory support for the project and show where the line between statutory provision and added value exists.

## **6.4 Preparing the Financial Package**

6.4.1 The finances of a project are often the area scrutinised the most, yet are often poorly defined or thought through when putting a bid together. As with writing the application form, there are a number of key principles to consider when developing the financial information for a project:

- develop a clear cash flow to demonstrate the organisation can afford to take the project on, remembering that most grants are paid in arrears.
- the funding package for a project needs to be complete. Bids should never be submitted unless the other sources of funding for the project have been defined and that all contributions added together will meet the total project cost. This may need to be evidenced with copies of other funders' offer letters.

- all matched funding for the project should be included, indicating whether it is cash or in kind. The degree to which the matched funding is secured will strengthen or weaken the case for the project considerably.
- all financial tables must add up correctly and must match project cost tables exactly, thereby guarding against any unnecessary delays in the application process.
- external funding can be in respect of purely capital items, purely revenue items, or a combination of both. Where necessary the bid should differentiate between capital and revenue items, as it is common practice for funders to offer successful projects a capital allocation and a revenue allocation, with little flexibility between the two.
- 'double funding' should be avoided. The bid should be clear as to who is paying for what and that the funding being requested is not available from anywhere else.

## 6.5 Preparing Supporting Document

6.5.1 Depending on the size and type of bid being made, a number of supporting documents may be required. Generally, any large capital project will require a business plan to demonstrate long term sustainability. This should contain similar information to the application form, but in greater detail. Although the exact requirements of a business plan are usually defined by the funding body, the standard format for a business plan is as follows:

- Executive Summary
- Introductory Statement
- Purpose of the Project
- Project Description
- Target Area and Population
- Analysis of Need
- Current Provision
- Sustainable Delivery
- Organisational Information
- Management Arrangements
- Key Partners
- Timetable/Project Plan
- Finance
- Assumptions
- Monitoring and Evaluation
- Risk Assessment
- Links to other Activity
- Community Participation
- Marketing Plan
- Forward Strategy

6.5.2 Funders may also ask for documents such as constitutions and accounts as well as job descriptions and professional indemnity certificates.

## 6.6 Submission of the Bid

- 6.6.1 Once a bid has been written there are usually a number of processes to go through prior to submission. This will normally be the Head of Service in consultation with the Head of Finance. However, reference also needs to be made to the District Council's Contract Standing Orders and Financial Regulations in terms of "thresholds"; and any specific requirements of the funding body in terms of the necessary signatories. The most important of these is to get the bid read through by a 'critical friend' to ensure that the questions have been answered fully, and in accordance with the guidance. Time needs to be allowed for this to take place and for any comments or revisions to be incorporated. As bids which are poorly planned are often completed and submitted right on the deadline, this is often an area where mistakes and inaccuracies are overlooked, leading to a weakened bid.
- 6.6.2 The bid will need to be signed by the appropriate person within the organisation prior to submission. This can cause delays if the appropriate person is unaware of the project or is unavailable at the time the signature is required. Good planning at the start of the bidding process should ensure that this does not occur. Liaise with the signatory well in advance to identify and set aside a date and time for the bid to be signed.
- 6.6.3 On top of any internal approval required before the bid can be submitted, the funder may require further approvals from other partner organisations. They may also require letters of confirmation to be produced by other parties contributing funding to the project. Again, time for this needs to be incorporated into the overall bidding timetable.
- 6.6.4 Although funders will state that presentation is not important in their assessment of a bid, it is a key element in convincing them that the bid is part of a co-ordinated approach, from a professional organisation and that the bid fits within the organisation's overall framework. The quality of the presentation required will be dictated in most cases by the size of the bid and the amount of supporting documentation accompanying it. The better the presentation, the greater the clarity of bid and the less the likelihood of unnecessary queries and delays.
- 6.6.5 Basic advice to follow would include:
- Allow time for submissions to be professionally printed;
  - Front covers should be presented in a corporate style, in keeping with other linked documents;
  - Supporting documentation should be presented in a style in keeping with the bid document to reinforce the impression that the project has been well considered;
  - Photos, maps, diagrams, tables and other supporting information should be used where appropriate, particularly where they strengthen the bid.

### **Ten Tips for Successful Bid Writing**

- **Read the guidance carefully**
- **Talk to the funding body**
- **Find out what others are doing**
- **Match the funders priorities**
- **Develop strong management arrangements**
- **Make sure it adds up**
- **Get someone else to look at it, but not too late**
- **Make sure it's complete**
- **Presentation does matter**
- **Provide relevant supporting documents**

## **7. Project Management of Successful Bids**

### **7.1 Introduction**

- 7.1.1 Once a bid has been submitted and notification of success has been received, there are a number of issues which need to be considered by the organisation before progressing with the project.

### **7.2 Accepting an Offer**

- 7.2.1 Before accepting an offer of external funding, the arrangements for managing the project should all be in place and the appropriate people involved in its management and delivery should be fully aware of what they are taking on. Using the correct project development processes up to this point would ensure that these issues have already been addressed.
- 7.2.2 Once an offer letter has been received, it will need to be signed and returned to the funding body before the project can begin, and no expenditure should be committed prior to this. Offer letters received should also be signed by someone with the appropriate financial authority within an organisation, and not just by person submitting the original bid.

### **7.3 Financial Management**

- 7.3.1 Organisations receiving external funding should ensure that they are subject to the same processes as the organisation's normal expenditure, enabling consistent, robust financial management. Depending on the financial systems in place within individual organisations there are likely to be a number of issues which project managers will need to address before funding can actually be committed, including preparing budget forecasts and securing internal approval for cash flow, when grants are to be claimed in arrears.

### **7.4 Cost Centres**

- 7.4.1 A specific cost centre or budget code should be established for each project, within the organisation's budget management structure, to enable project activity and expenditure to be easily identifiable when required for interim claims or monitoring exercises. A summary should be produced as part of the preparatory work for subsequent financial years budget indicating grants being sourced, a contact officer, their service area, a description of the grant and the sum requested/approved. This summary could be used to assist in reporting on and reviewing the external funding strategy, as well as informing the budgetary process

### **7.5 Grant Conditions**

- 7.5.1 Although any external funding secured will be accompanied by terms and conditions specifying how the funding should be used, these should not replace existing organisational policies and procedures. Procurement is often an area where funding guidance will specify a particular process by which contracts should be awarded or equipment purchased, but these should be viewed as being in addition to, and not instead of, standard organisational procurement practice.

## 7.6 Monitoring

- 7.6.1 Once a project has commenced, there will be strict monitoring procedures to be followed, which will require the involvement of everyone working on the project. The processes to be followed will be stipulated in the grant offer letter and are likely to revolve around the achievement of outputs or outcomes. These requirements can only be satisfied if a robust system is put in place to track activity and expenditure through to demonstrable results, and this should also be developed prior to commencing any expenditure.

## 7.7 Double Counting

- 7.7.1 As most externally funded projects require the recording of outputs, and some projects will involve more than one funding source, it is important to be clear about which grant is achieving which results. In general, the same outputs should not be reported to multiple funding sources as being achieved by their funds alone. This is known as 'double counting', and is a particular problem when using more than one source of government funding, as the results reported to each funder will be aggregated at regional or national level to present a distorted picture.
- 7.7.2 Some funders will use a formula based approach to determine what their 'share' of the project's outputs are, depending upon the proportion of the total funding they have put in.

## 7.8 Audit

- 7.8.1 The monitoring and financial management procedures prescribed by a funder within an offer letter, will allow a certain amount of discretion and flexibility for delivery organisations in how they design and apply their own local systems. In most cases, however, the project will ultimately need to be audited by the organisation's external auditors or by someone appointed by the funder. This audit will need to confirm that the organisation's procedures have been followed throughout and that the processes used are appropriate for the scale of activity occurring as a result of the project.

## 7.9 Evaluation

- 7.9.1 Once a project has been completed, there may be a requirement to carry out, or commission an evaluation. Although some of the focus will be on whether the project met all of its output targets and spent the required amount of funding, it should primarily look at the overall impact of the project and ask the question **was it worthwhile?** In the interests of impartiality and to avoid any potential conflict of interest which may come about through an organisation evaluating its own projects, it is standard practice to have projects evaluated by an external body.
- 7.9.2 One cost-effective way of doing this is to invite a partner organisation to evaluate a project, with a reciprocal arrangement in place to give an independent view of their projects when required. Although not appropriate in every case, this is often a cost-effective way of carrying out a project evaluation, and one which can avoid the expensive background research and familiarisation work needed by specialist consultants.



**External Funding Checklist - Issues to be Considered  
(For Lead Officers use only)**

	<b>Establishing Initial Controls</b>	<b>Tick</b>
1.	Approval for the project should be received from the funding organisation before any spending is committed	
2.	A budget holder/project manager should be clearly identified	
3.	One cost centre should be established for each project, within the organisation's budget management structure	
4.	A financial coding structure should be set up to match the budget headings in the contract with the funding organisation	
5.	An annual budget of all expected expenditure and receipt of grant should be produced	
6.	All project procurement should be carried out in line with the organisation's financial regulations	
7.	Identify key elements of the funding scheme and ensure that they are clearly understood by all those responsible for incurring expenditure, including: <ul style="list-style-type: none"> <li>• Definitions of eligible expenditure</li> <li>• Any different rates at which expenditure will be reimbursed</li> <li>• The limit/cap on funding</li> <li>• The financial information to collect in evidence of claims</li> <li>• The non-financial evidence, i.e. proof of outputs that must be collected</li> <li>• The timetable for submission of claims, and the possible penalties for delayed submissions</li> <li>• Other terms and conditions of the grant, e.g. publicity requirements</li> <li>• Establish systems for identifying any changes to the terms of the grant</li> </ul>	
	<b>Ongoing Monitoring</b>	<b>Tick</b>
8.	Regular budget management reports will be produced as per normal revenue and capital expenditure, and should be completed by the relevant budget manager	
9.	All estimates of grant income due should be based on forecasts of activity rather than maximum entitlement	
10.	Maintain a claims register and review regularly against timetable to ensure up-to-date	
11.	Monitor outputs of the project against the predicted levels	
12.	Report any changes to the project as necessary	
	<b>Matched Funding</b>	<b>Tick</b>
13.	Monitor matched funding expenditure in line with expected amounts	
14.	Report any significant changes to the awarding body. If for any reason the match funding amounts change, then it is likely that the grant will need to be changed in line with this	
15.	Match funding letters of confirmation should be maintained on the project files for audit purposes	

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## SUMMARY

Current

DRAFT Update 25 June 2009

APPENDIX 5

Directorate	Responsible Officer	GRANT BEING SOURCED	DESCRIPTION OF GRANT/CONDITIONS ATTACHED	SUM REQUESTED	DATE APPLICATION SUBMITTED	SUM APPROVED	PERIOD FUNDS AVAILABLE (DATES)	EFDC BUDGET IMPLICATIONS	COST CENTRE CODE EXP	COST CENTRE CODE INCOME	NOTES	Competitive Bids
Deputy Chief Exec	Gill Wallis	Big Lottery -Childrens Play	Grant to improve play facilities and awareness of the importance of play for children and young people 0-16 years	£243,871	August 2007	£243,871	2008 - 2010	None	94301& RS406	99053& RS406	Some funding already received.	yes
	Tony O'Connor	Heritage Lottery Fund	Central Govt Grant entitled Renaissance in the Regions.For Museum exhibitions. New post of Asst Exhibitions & Collections Officer 18 mnth fixed term contract.	£30,000 & £60,000	August 08	£30,000 & £60,000	2008/09 & 2009/10	£20,000 match funding	CH113	CH113	£30,000 has previously been approved with no match funding. The new offer of grant for museum exhibitions of £60,000 over 2 years is to be match funded by £20,000, from within the Museum budget.	yes
Page 99	James Warwick	Big Lottery via Age Concern 'Fit as a Fiddle'	Project called 'Active Health' and it's aim is to provide and promote physical activities and healthy eating activities to those aged 50+ in Epping.	£157,929	1-May-07	£157,929	Oct 2007 - Sept 2012	None	RS409	RS409	EFDC is the lead Authority for delivering the project along with Harlow , and Uttlesford.	yes
	James Warwick	Essex Football Association	development of Ongar Campus Fields	£200,000	Autumn 2008	£200,000		£507k Match Funding across whole project cost of £1,454,000			Capital sum approved by Cabinet Oct'08	yes
	James Warwick	The Football Foundation	Development of Ongar Campus Fields	£727,000	Autumn '08	n/a	Change in FF Funding criteria bid withdrawn	As above				yes
	Tony O'Connor James Warwick Vicky Willis	European Funding	Cycling Tourism Bid, as part of East Anglia and Flanders programme	£131,000	Dec '08/Feb '09			IN kind support, through staffing and management				This is a tri-partite service area bid, inc conjunction with East of England Tourist Board
James Warwick	Children, schools and families - Essex County Council	Physical activity programme across the District and take over and develop Nacro sessions throughout the District	£14,700	1-Jun-08	£14,700	2009/10	NONE	05209	5209.0	Grant approved. Grant will be received 3 Oct 08 & 3 Apr 09.	yes	
Julie Chandler	Essex County Council - Extended Schools Capital Funding	Feasibility/Options study in relation to the potential development of a new community facility on Limes Farm	£20,000 Revenue, £250,000 Capital	31-Jan-09	£20,000 Revenue, £250,000 Capital	2009/2011	Report to Cabinet July 09 requesting £1m Capital		Not known at present.		Capital funding for rebuild /improvement of Limes Farm Hall to enable a multi-agency facility to be realised.	yes
James Warwick	PRG Funding	Funding for Provision of young people's activities in Ninefields, W Abbey	£21,000	1-May-09		2009/2011			Not known at present.		This funding is for 18 months of delivery	yes

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	James Warwick	Sport Unlimited Sport Essex	Multi Sports Sessions provided on an early evening basis across the district	£28,757	June and september 2009		2009/10/11	In kind Officer time	05211	05211	Sessions delivered in rural areas of the district.	
	James Warwick	PRG Funding	Targeted Trampolining sessions for children with additional needs.	£26,140	1-May-09		2009/11	In kind Officer time			This is a bid to deliver targeted work to improve self esteem and wellbeing of children with additional needs in mainstream schools.	
	James Warwick	Sport England - Rural Fund	Development of Ongar Campus fields	£700,000 Capital, £150,000 Revenue over 3 Years	1-Jun-09		2009/10/11	In kind Management time			Funding application to replace expected Football Foundation Funding.	
	Julie Chandler	DCSF Co - location of services	Funding for Co-location of services	£1,350,000	6-Apr-09	Bid not successful	2009/2011					
Planning & Economic Development	Paul Hewitt	Country Side Stewardship Rural payments agency	10 Year Annual Grant flood meadow LNRs	£1,042	Oct 02	£1,042	until 2010/11			E11313740PM37		yes
	Paul Hewitt	Forestry Commission English Woodland Grant Scheme	5 Year Annual Grant Chigwell Row,Wood	£793	01/11/2006	£793	until 2010			E11313740PM38		yes
Housing	Haydn Thorpe	HELP Programme	Funding of energy efficiency works to EFDC properties	£83,500	2006/07 2007/08	£75,000	£68,994 2008/09	964,618,410.00		990409991x021	50% Funds from British Gas -	Yes
	Russell Wallace	Homeless Prevention	Epping Forest Grant Aid Scheme( Previously Recession Impact Funding.)	£30,000	2009/10	£30,000		EFDC share £7500		HL1003720	Shared between Harlow, Chelmsford,Brentwood, & EFDC	No
	Russell Wallace	CLG Local Authorities Repossession Prevention Fund		£47,500	1-Jun-09	£47,500	2009/10			HL1009010H016		No
	Russell Wallace	Homelessness Prevention	Previous performance on homelessness	£120,000	2006/07 2007/08 2008/09	£120,000	60,000 received for 2008/09			150759090.0	Performance related for staff for homelessness prevention.	No

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	Sandy Lindsay	Supporting People	Provision of supported housing services	£400,000	2007/08	£400,000	407,088.83 2007/08 412,494.32 2008/09			YR5109221 YR5509221	Funding for adequately housing and monitoring older peoples. Performance related.	No
	Denise Pegler	Telecare Equipment	Installation and monitoring charge for dispersed alarms	£75,000	0-Jan-00	£75,000	38,600 2008/09 56,400 2009/10			Yr310	ECC grant - NO bid. Actual 2008/09 36,800 - Estimate 2009/1056,400	NO
	Sally Devine	Go East Grant	Private Housing Sector. Grant in respect of renovating empty props. Funding Package with four other Authorities involved PLACE SCHEME	3.5 0Million available from 2006/07 Joint award held by Chelmsford	2008/09 Group Bid involving EFDC, East Herts, Uttlesford, Chelmsford, & Harlow Councils	3.50 Million Maximum available	Ongoing 2009/10 & 2010/11	Existing staff resources 2009/10 & 2010/11			The funding available is a pot that has been jointly awarded for renovating private sector houses that have been empty for some time, and is designed to bring the property up to an acceptable Decent Homes Standard, using the funding pot. A 3 year lease can then be entered into with the RSL and the tenant. The RSL would receive the rental income for 3 years . There has been no call on the funds to date.	NO
Page 101	Lyndsay Swan	Go East	Disabled Facilities Grant	£289,000 2008-2009		£289,000 2008-2009	240,000 2009/10			97 914	Annual allocated grant. The subsidy given on the basis that it is spent or committed during the financial year. Subsidy not used will have to be paid back to GO EAST in 2010. Similarly in	No
	Lyndsay Swan	Go East	Decent Homes Funding	£216,800 2008-2009		£216,800 2008-2009				97 916 (SWA) 97 917 (DHA) 97 918 (TCG)	Annual Allocated grant	NO
	Lyndsay Swan	Go East	Improve Thermal Comfort	£3 million between 15 Authorities	1-Aug-08	£6,627,066	2009/10 & 2010/11				Bid Successful and higher than sum initially requested	No
	Lyndsay Swan	E.C.C.	C.A.R.E. Supporting People	£31,499 2008-2009		£31,499 2008-2009	31814 2009-10			PH 130	Annual Allocated grant	No
	Lyndsay Swan	E.C.C.	C.A.R.E. Handyperson funding from E.C.C.	£11417.48 2008/09		£11417.48 2008/09	11,417 2009-10			PH 135	Grant agreed by Service level agreement - up to 2010	NO

Directorate	Responsible Officer	GRANT BEING SOURCED	DESCRIPTION OF GRANT/CONDITIONS ATTACHED	SUM REQUESTED	DATE APPLICATION SUBMITTED	SUM APPROVED	PERIOD FUNDS AVAILABLE (DATES)	EFDC BUDGET IMPLICATIONS	COST CENTRE CODE EXP	COST CENTRE CODE INCOME	NOTES	Competitive Bids
	Lyndsay Swan	E.C.C.	Promoting Independence funding from E.C.C	£14,206.50 2008/09		£14,206.50 2008/09	14,207.20 2009-10			PH 130	Grant agreed by Service level agreement - up to 2010	No
Environment & Street Scene	Caroline Wiggins	Safer & Stronger Communities Area Based Grant	3 Phase renewal of Buckhurst Hill CCTV	£10,159.00	3-Dec-08	£10,159	Until April 2009(extended with permission from Essex police Authority)	£14,159	CY100 3032			yes
	Caroline Wiggins	Epping Forest LSP Performance Reward Grant	Feeling Safe LI 7.2 Website and booklets	£20,000.00	1-Aug-08	£20,000	Until March 11	nil				yes
	Caroline Wiggins	Epping Forest LSP Performance Reward Grant	NI 17 ASB CCTV overhaul	£35,000.00	1-Aug-08	£35,000	Until March 11	nil				yes
Page 102	Jim Nolan	DEFRA GRANT	for equipment for air monitoring and modelling	£24,000.00	22-Apr-08	£19,595.00	39692	100% grant, however ongoing service contract and electricity supply required once installed.		EH110 3420 D423	EFDC are accountable to defra on how the grant has been spent 14 k carried forward. There is a new bid for 25k	yes
	Alan Clear	Government funding for the over 60 public swimming	To pay for the costs of free swimming entry for the over 60 at the Leisure Facilities. This has to be accounted for by number of participants.	£38,950.00		£38,950.00	2009/10 & 2010/11	Nil, but possible issues after 2011 if the funding is stopped.	RS100 RS120 RS 25 9210 d426		Will be sent to LESIURE Mnaagement Contractor in monthly installments . Legal preparing agreement	NO
	Quasim Duranni	E.C.C.	Broadway enhancement works	£100,000		£100,000	May 2009		91007 9210		Streetscape improvements contribution for upgrading of the Broadway Debden	no
	Quasim Duranni	E.C.C.	Bid for bins	£25,000.00		£25,000.00				WC2009060		no
	Phil Hawkins	ECC	To contribute to the Roding Valley Lake project to put in a disabled fishing platform and contribute to some reed planting	£16,000	2008/09	£16,000.00	2008/09 and 2009/10	nil at present but report will be completed requesting future funding for the project		151059210.0	The funding ia part of the Quality of life competiton 10k and additional ECC funding of 6k. 9K SPENT 2008/09	Part
	Phil Hawkins	Environmental Agency	To contribute to the Roding Valley Lake project to contribute to some reed planting	£10,000	2008/09	£10,000.00	2009/10	nil at present but report will be completed requesting future funding for the project		151059210.0		No

Epping Forest District Council  
 External Funding Applications  
 Grant Monitoring Schedule

SUMMARY  
 Finalised and Completed

UPDATED 16 June 2009

Directorate	Responsible Officer	GRANT BEING SOURCED	DESCRIPTION OF GRANT/CONDITIONS ATTACHED	SUM REQUESTED	DATE APPLICATION SUBMITTED	SUM APPROVED	PERIOD FUNDS AVAILABLE (DATES)	EFDC BUDGET IMPLICATIONS	COST CENTRE CODE EXP	COST CENTRE CODE INCOME	NOTES	Competitive Bids
Deputy Chief Exec	Frlcity Hall	Arts Council	Border Dialogues - Transitions	£15,000	Part of 3 yr bid	15,000	2008	Exisiting resources				
	James Warwick	Sport England's CIF (Community Investment Fund)	Community sport network: 'Active Epping Forest' - Money to be used to provide sport and health activities to increase participation in sport	£26,000	1-Mar-08	26,000	April 2008 - March 2009	None		5211.0	Approved with funding yet to be received.	
	James Warwick	CDRP	Social inclusion project in partnership with Tottenham Hotspur Foundation to deliver football/dance sessions to young people on Limes Farm Estate	£2,000	1-Oct-07	2,000	1 YEAR	NONE		15100.0	Grant has been spent	
	James Warwick	BLF -Essex County Council	Health education project with THF, West Essex School Sports Partnership and WEPCCT	£1,200	1-Jun-08	1,200	1 YEAR	NONE		15208.0	Grant received.	
	James Warwick	High Sherriff Award	Street Dance project at Limes Farm	£1,000	Spring 2008	1,000	2008/09	NONE			£1000 awarded for social inclusion model @ Limes Farm, CHigwell	
Planing & Economic Development	Paul Hewitt	Green Arc	Veteran Tree Project	£41,500	01/10/2007	41,000	to 31/03/08 COMPLETED	DDF 2007/08 Revised		EI 131 9090	£47,000 rec'd in 2007/08. Balance of £3,000 exp in DDF 2008/09	
	Paul Hewitt	Green Arc	Chigwell Row Wood Veteran Tree Survey	£7,000	03/12/2007	Awaiting confirmation	to 31/03/08 COMPLETED	100% grant		EI 131 9090	To go in DDF.	
	Paul Hewitt	Essex County Council	Community Tree Planting Grant 2007	£1,957	26 Oct 2007	1,957	to 31/03/08 COMPLETED	100% grant		EI 131 9090		

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	Paul Hewitt	ECC Natural Environment, Environment, Sustainability & Highways	Essex County Council Landscape Conservation Grant	£2,500	September 2008	4,500	Until march 09	100% Grant		Ei131 3080		
	Paul Hewitt	Essex CC Highways	Parish Paths Partnership grant for works on	£5,000	April 2008	5,000	Until March 08	100% grant		Ei131 3080	Not in DDF?	



Directorate	Responsible Officer	GRANT BEING SOURCED	DESCRIPTION OF GRANT/CONDITIONS ATTACHED	SUM REQUESTED	DATE APPLICATION SUBMITTED	SUM APPROVED	PERIOD FUNDS AVAILABLE (DATES)	EFDC BUDGET IMPLICATIONS	COST CENTRE CODE EXP	COST CENTRE CODE INCOME	NOTES	Competitive Bids
Housing	Roger Wilson	Sub- Regional Choice Based lettings scheme	Joint Funding Herts & Essex Housing Options Consortium	(EFDC Element 16,000) 96000	2006/07	96,000	2006/07	one sixth EFDC			Bid by EFDC on behalf of the Consortium.	
	Russell Wallace	Rental Loan	Good performance on prevention work	£10,000		10,000				HL1003720	For preventing homelessness. Loans to homeless for deposit to rent Private sector housing.	
	Derek Pinner	Utility Provider for voids	Funding available for signing up with gas & elec providers	£15,300	2008/09	5,500				YR450	Arrangement with gas provider to transfer post void supplies to Scottish & Southern on reletting of units.	
	Sandy Lindsay	Home Office Grant	Mobile Camera	£10,000		10,000					Bid by CDRP to pay for a mobile Camera for exclusive Housing use.	
Page 105	Lyndsay Swan	GO East	Decent Homes projects	£5 million between 15 Authorities	1-Aug-08	Nil	2009/10 & 2010/11				Bid Unsuccessful	
Environment & Street Scene	Paul Hewitt	Essex CC Tree Planting Initiative	Bobbingworth Tip- Trees to plant	£20,000	May 2008	20,000	Until March 2009	Part of Capital Expenditure on Bobbingworth Tip Project		99030.0	Part of the landscaping scheme for the Capital project for Bobbingworth Tip.	
	Paul Hewitt	Essex CC Natural Environment, Sustainability and Highways	Essex County Council Landscape and Countryside Conservation Grant ref 22 123 p189/18	£3,000	September 2008	2,500	Until march 09	Part of Capital Expenditure on Bobbingworth Tip Project		90930.0	Part of the landscaping scheme for the Capital project for Bobbingworth Tip.	
	Caroline Wiggins	Safer & Stronger Communities Area Based Grant	ASB Database - Safer communities Team	£8,100	1-Apr-07	8,100		Training costs IT				
	Caroline Wiggins	Safer & Stronger Communities Area Based Grant	Pilot Hate Crime Reporting Training	£2,625		2,625		£500 contribution from HR £234.00 Safer Comms Team				
	Caroline Wiggins	Home Office Alcohol Related Partnership Activity (ARPA)	DrinkWatch Campaign	£10,350	1-Oct-08	6,300	Until march 09	£50	CY1003850 CY04			
	Caroline Wiggins	Safer & Stronger Communities Area Based Grant/Essex Police BCU	CCTV Workstation	£6,000	05.01.09	6,000	Until march 09	nil				

Directorate	Responsible Officer	GRANT BEING SOURCED	DESCRIPTION OF GRANT/CONDITIONS ATTACHED	SUM REQUESTED	DATE APPLICATION SUBMITTED	SUM APPROVED	PERIOD FUNDS AVAILABLE (DATES)	EFDC BUDGET IMPLICATIONS	COST CENTRE CODE EXP	COST CENTRE CODE INCOME	NOTES	Competitive Bids
	Caroline Wiggins	Safer & Stronger Communities Area Based Grant	Re-Deployable Dome Camera	£5,000	05.01.09	5,000	Until march 09	£7,000	CY100 3010			
	Caroline Wiggins	Home Office Go EAST	Not in my Neighbourhood Week	£1,000	28-Oct-08	£1000 subject to confirmation	2008/09					

## **Report to the Cabinet**

**Report reference: C-028-2009/10**

**Date of meeting: 7<sup>th</sup> September 2009.**



**Epping Forest  
District Council**

**Portfolio: Environment.**

**Subject: Procurement Process for Major Tree Works Contract.**

**Responsible Officer: John Gilbert (01992 564062).**

**Democratic Services: Gary Woodhall (01992 564470).**

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

**To agree the timetable, procedure and evaluation criteria for the major tree works contract.**

### **Executive Summary:**

The present contract for major tree works is due to end in July 2010. The procurement exercise is underway and this reports sets out the proposed timetable and evaluation criteria.

The contract will be for 5 years with an option to extend for 2 years, and has an estimated value of around £250,000 per year.

This is a key decision.

*“A safe, healthy & attractive place” – “maintain the special character and advantage of the District, and address local environmental issues”*

### **Reasons for Decision:**

To enable the procurement process to be undertaken in the time required and to ensure value for money continues to be obtained for the service.

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

To continue the present contract. The present contractor has given very good service and value and has previously had the contract extended following consideration by the Cabinet. However, it is now recommended to test the market to ensure that the most cost effective contract terms are obtained.

Bring the service back in house. Since this service has been outsourced for a number of years and it would be cost prohibitive to now provide new resources to create suitably qualified and equipped teams to undertake this work.

### **Report:**

1. The major tree works contract is due to expire in July 2010. The contract specification covers major works on trees within the District which are in ownership of the Council or those which are managed by the Council for other public bodies, for example the County Council's highway trees.

2. The present contract has been extended twice by Cabinet and although the present contractor has proved very competent and has a good working relationship with the Council, it is now time to test the market to ensure future value for money.

3. The Essex Procurement Hub has been requested to assist with the procurement exercise. The recommended work timetable is set out below:-

Expressions of interest return	19 August 2009
Sending out Pre Qualification Questionnaire (PQQ)	21 August 2009
Closure for return of PQQ	16 September 2009
Suppliers shortlisted and Invitation to tender issued	12 October 2009
Tender submission close date	4 December 2009
Tender evaluation completed	29 January 2010
Cabinet APG	22 March 2010
Outcome recommended to Cabinet	April 2010
Contract starts	August 2010

4. The returned PQQs will be evaluated against the following criteria:

- Company and Personnel Information;
- Financial Standing;
- Insurances;
- Equal Opportunities and Environmental policies;
- Business Continuity Plans;
- Health and Safety;
- Qualifications; and
- Quality systems and /or accreditation.

5. Critical elements will be a simple “pass” or “fail” whereas others will be subject to a scoring system where 0 is lowest and 5 highest. The overall scored components will be averaged and only those companies whose average score exceeds 3 and have no “fails” will be allowed to proceed to the next stage, tender submission.

6. The received tenders will be evaluated on a price:quality split of 60:40, meaning that price is a more important factor than quality. The tenderer with the lowest price will be scored at 100, and the next lowest scored at the relevant percentage to the lowest. The Schedule of Rates submitted will also be tested against the work and quantities carried out in 2008/09. The quality evaluation will also be scored, against a suite of criteria. The detailed scoring matrix is still in development with the Procurement Hub.

7. The core quality criteria are:

- Ability to fulfill all work within the Schedule of Rates;
- Qualifications and experience of the workforce;
- Resourcing of emergencies;
- Response time to emergencies;
- Plant, equipment and machinery standard and maintenance;
- Health and Safety of work force, e.g. PPE etc;
- Arboricultural Codes of Practice; and
- Bond / Parent Company Guarantee.

8. The tenderer with the highest overall score, based on the price:quality split will be offered the contract award. The outcome of this process will be presented to Cabinet in April 2010 for its consideration.

### **Resource Implications:**

The total tree maintenance budget available is as set out below. However, the successful contractor will only get the work that comes under the schedule of rates included in the contract. One off works outside the schedule of rates will, subject to their estimated value, be procured in accordance with Contract Standing Orders.

The current budgets are:

Highways:	£110,000
Housing:	£106,000
Leisure:	£ 44,000

Highways budgets have been 'frozen' and therefore works will be reduced / amended in order to stay within the budget provided. If, when budgets have been exhausted, an emergency arose, the County would be required to provide that emergency funding.

**Legal and Governance Implication:**

The Council manages its own and other Authority trees as part of its Grounds Maintenance Service. The service undertakes small scale works using its own workforce, but because of the nature of works to larger trees and the specialist knowledge and equipment required, this work is contracted out to a specialist contractor. In letting and managing this contract, there is a duty to ensure that the works are undertaken in a safe manner and represents best value for the local taxpayers.

**Safer, Cleaner and Greener Implications:**

The Council, through its Housing and Environment Directorates owns and manages some 16,000 trees which must be maintained to preserve the district's assets. This maintenance should accord with best practice to ensure that the trees remain in good condition and are able to play a key role in ensuring that the District remains a safe, healthy and attractive place.

**Consultation Undertaken:**

Essex Procurement Hub  
Essex County Council Highways

**Background Papers:**

OJEU Notice  
PQQ  
Specification Documents  
Contract Documents

**Impact Assessments:**

The trees which come under this Contract must be maintained to ensure that they remain healthy and do not cause health and safety issues to the District's residents and visitors. Trees will also be maintained to ensure that those persons with a disability are not adversely affected by either the condition of any tree or any works being undertaken to trees.

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## **Report to the Cabinet**

**Report reference:** C-029-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Environment

**Subject:** Safer, Cleaner, Greener Strategy

**Responsible Officer:** John Gilbert (01992 564062).  
Jim Nolan (01992 564083).

**Democratic Services Officer:** Gary Woodhall (01992 564470).

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

**To adopt the “Safer, Cleaner, Greener” strategy document.**

### **Executive Summary:**

The “Safer, cleaner, greener” (SCG) initiative was adopted by Cabinet in February 2008 as part of the corporate restructure which was being undertaken at that same time. The strategy was endorsed (with some minor amendments) by the Council’s Safer, Cleaner, Greener Scrutiny Standing Panel and Overview and Scrutiny Committee earlier this year.

This report asks Cabinet to formally adopt the Safer, Cleaner, Greener Strategy which outlines the approach of the Council to the initiative

This is a key decision.

“A safe, healthy & attractive place” – *“create safer communities”*  
*“maintain the special character and advantage of the District, and address local environmental issues”*

Council Plan 2006-2010 “Homes & Neighbourhoods” – *“We want to continue to improve local environmental standards through the use of locally based cleansing teams and the new enforcement powers available to local authorities” (Action HN6)*

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

In order to put in place a strategy document which sets out the Council’s approach to its “Safer, Cleaner, Greener” strategy.

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

Not to adopt the strategy. This cannot be recommended since it is critical to have in place an overarching strategic document setting out how the Council is to approach the SCG initiative

Further amend the Strategy and refer back to Scrutiny – will cause further delays in publication, and put back beyond the formal launch date for the service.

## Report:

1. The “Safer, Cleaner, Greener” (SCG) initiative was adopted by Cabinet in February 2008 alongside the corporate restructure which was being undertaken at that same time. The initiative was a response to residents’ concerns raised through a range of different media (e.g. Forester, BVPP resident questionnaires etc.), where concerns about the following had been raised:

- (a) environmental standards (especially street cleansing);
- (b) levels of crime & disorder and anti-social behaviour;
- (c) the need to react to climate change and related issues; and
- (d) waste management.

2. The corporate restructure resulted in the formation of the Environment & Street Scene Directorate, the intention being to better integrate street scene related issues, pulling together into the one Directorate (amongst other things):

- waste management;
- environmental & public health;
- safer communities; and
- grounds maintenance.

3. It also established a new Environment and Enforcement Team, with its own manager, tasked with using the powers available to the Council to ensure that the district’s environment was protected and the street scene improved. As part of this team, a new Environmental Response Unit was formed, with a dedicated vehicle, to deal with minor environmental issues such as small scale fly tips, overgrown vegetation, cleansing of street furniture – all the things which annoy residents and where a big difference could be made with relatively modest resources.

4. An enlarged Safer Communities Unit was also established, with two additional Antisocial behaviour officers and a new CCTV co-ordinator, under the management of a Safer Communities Manager. All sustainability and bio-diversity issues were grouped together within the newly formed Directorate of Planning & Economic development

5. In mid April 2008 the Audit Commission undertook an inspection of the Council’s waste management service, which also included broader environmental issues. One of the criticisms the Commission put forward was that whilst the Council clearly had the intent, through the SCG initiative, to deliver environmental improvements, it could not demonstrate that intent through formal documentation and associated action plans. Whilst this criticism was considered unreasonable given the timing of the inspection against the corporate restructure, the need for a formal strategy was however recognised. This overarching document is the first stage. It will be supported by individual service and action plans setting out in more detail what is planned for the future. Progress against the strategy will be reported back regularly to the Safer, Cleaner, Greener Standing Scrutiny Panel.

6. The Strategy document has been considered in detail by the Safer, Cleaner, Greener Standing Scrutiny Panel and the Overview & Scrutiny Committee. The document appended to this agenda incorporates all the suggested changes put forward.



**Resource Implications:**

There are no resource implications, all being contained within present revenue and capital budgets.

**Legal and Governance Implications:**

There are a range of powers available to the Council to enable it to undertake the work required in support of its Safer, Cleaner, Greener strategy. These include the Public Health Acts, the Environmental Protection Act 1990 and the Crime & Disorder Act 1988. The strategy can only be delivered through partnership working with the Local Strategic Partnership and the Safer Communities Partnership.

**Safer, Cleaner and Greener Implications:**

The strategy document sets out the Council's overarching approach to its Cleaner, Safer, Greener initiative.

**Consultation Undertaken:**

Safer, Cleaner, Greener Scrutiny Standing Scrutiny Panel and Overview and Scrutiny Committee.

**Background Papers:**

Strategy document  
Reports to the Safer, Cleaner, Greener Scrutiny Standing Scrutiny Panel and Overview and Scrutiny Committee  
Reports to cabinet on the SCG initiative and corporate restructure

**Impact Assessments:**

There are no financial risks associated with the recommendation.

The Strategy will embrace the newly adopted Environment & Street Scene Enforcement Policy which when implemented will ensure openness and fairness to all in the community when they come into contact with the Directorate's officers undertaken enforcement action as part of the adopted Strategy.

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**Epping Forest District Council**

Environment and Street Scene,  
Civic Offices, High St, Epping. CM16 4BZ

**Tel:** 01992 564900

**Email:** [contacts@eppingforestdc.gov.uk](mailto:contacts@eppingforestdc.gov.uk)

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

# SAFER CLEANER GREENER



A Strategy for the Future



 Epping Forest  
District Council

# CONTENTS

Introduction	1
What is Safer, Cleaner, Greener?	2
Why Safer, Cleaner, Greener?	3
Local Context	4
What do we mean by safer?	7
Safer - now and the future	8
Safer - not only but also	10
What do we mean by cleaner?	11
Cleaner - now and the future	12
Greener - Issues	14
Greener - now and the future	15
Legal Framework	17
How do we get there?	19
A Strategy for the future	20
And finally...	23
Context of the Strategy	25

safer  
cleaner  
greener





# **INTRODUCTION**

FORWARD FROM THE LEADER + PHOTO

INTRODUCTION FROM CE + PHOTO

# WHAT IS SAFER CLEANER GREENER?

When you ask people what they want from their local Council they will say things like:

*"We want our streets and open spaces to be clean and safe"*

*"We want to keep the trees and woodland that make our District special"*

*"We want to see less rubbish and litter"*

*"We want you to do something about anti-social behaviour"*

*"We want less graffiti"*

*"We want our district to be a safe place for ourselves and our children"*

The standards of common living spaces we share with our fellow citizens, the places we visit & eat in and the places we go to enjoy ourselves, are indicators of how we view our district.

**Quite simply what people want is:**

**"SAFER, CLEANER, GREENER."**

# WHY SAFER CLEANER GREENER?

## STRATEGIC CONTEXT:

The Government is committed to action to make public spaces safer, cleaner and greener to enhance the quality of life in our neighbourhoods, towns and cities. It will do this by:

- Establishing an inter-departmental Ministerial team for improving coordination of policies and programmes across Government that will deliver safer, cleaner and greener public spaces for everyone;
- Ensuring that funding for these policies and programmes is in place and delivers the outcomes required against a rigorous system of performance measurement;
- Making the legislation fit for its purpose - balancing rights and responsibilities with the power to deliver and the possibility of redress;
- Making sure that public spaces are accessible to all members of our society, able and disabled, young and old.

“The quality of public spaces affects all of us wherever we live and work. Safe, well-maintained and attractive public spaces have a critical role in creating pride in the places where we live which, in turn, is essential to building community cohesion and successful communities.”

*Living Spaces - Cleaner, Safer, Greener, 2002 - a report which sets out the Government's approach to making cleaner, safer, greener public spaces.*

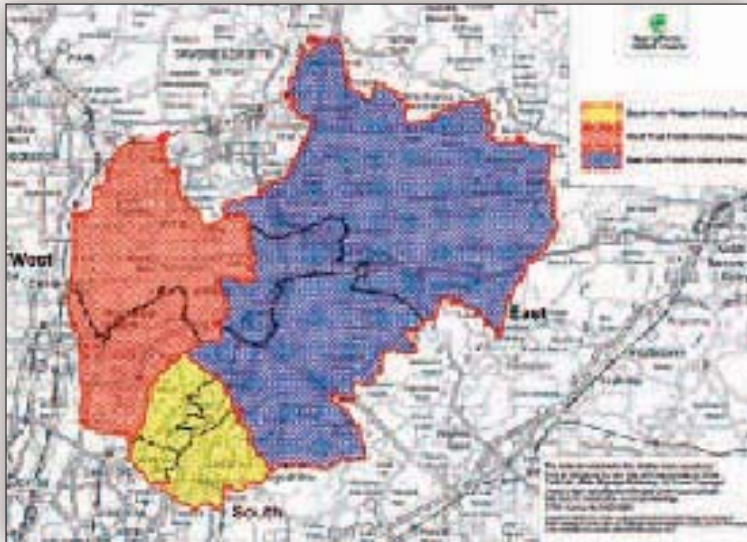


# LOCAL CONTEXT

The Council has made it clear that it wants the Safer, Cleaner, Greener agenda taken forward as a priority. There are a number of initiatives which will enable this including:

- the provision of our Neighbourhoods Team with its own Team Manager;
- enabling our Environment and Neighbourhood Officers to take more enforcement action;
- making enforcement officers clearly identifiable;
- establishing a clear distinction between contract compliance and environmental enforcement roles;
- involving other Directorates in the reporting of environmental problems;
- the formulation of a Local Biodiversity Act Plan;
- the formulation of a Climate Change Strategy;
- the introduction of local tree strategies;
- Countrycare partnership projects;
- new food recycling service;
- Joining the SCG network with the County Council and other Essex districts.

A key element of the Directorate structure is for certain services to be delivered on a locality basis. Given the geography of the district, it was considered that for neighbourhood services to be delivered effectively, the district should be divided into three Area Problem Solving Groups - East, West and South.



*Area Problem Solving Groups*

## POLICY

**Safer:** We will work with our partners to provide a safer district. We will tackle issues of anti social behaviour using early intervention and employing Anti-Social Behaviour Orders and Acceptable Behaviour Contracts where necessary.

We will provide education to our younger residents through our crucial crew and reality road show events.

**Cleaner:** We will continue to improve our green open areas and public spaces by dealing with environmental crimes such as fly tipping, graffiti, dog fouling and other types of anti-social behaviour.

We will achieve this through partnership working, education and enforcement. We will reduce the amount of waste found in the district by removing it ourselves or causing it to be removed as soon as possible.

**Greener:** We will ensure that a sustainable approach is taken in all our activities and encourage others to do the same. We will manage and deliver our services in an environmentally friendly way.

# LOCAL CONTEXT

It is clear that the public wish and indeed expect to see environmental problems dealt with as quickly as possible.

Our “Environmental Response Unit” enables us to provide a service in respect of issues such as small fly tips, cutting back of encroaching vegetation, cleansing of street furniture, graffiti removal and fly posting / illegal advertisement removal.

Through this approach it is intended that by dealing quickly with smaller scale environmental problems, residents will see a difference in how the district looks and communities will be encouraged to keep their own areas clean. This helps to foster some additional “civic pride” and make the district both cleaner and greener.

Public expectation of the ability of the Council to react positively to issues such as crime and disorder and anti-social behaviour continues to grow as does the government’s requirements for Councils to work closely with the other enforcement agencies in dealing with these matters. Our two Anti-social Behaviour Investigators enable the Safer Communities Team to do this.

The Council has a new formal CCTV policy and operational framework which is already seeing success in assisting the Police deal with criminal activity.



Our CCTV Operations Officer whose role is to develop policies and operational procedures and to ensure that all the CCTV systems within the district are effective and properly co-ordinated, will do this.

*Jointly funded CCTV surveillance van*



# WHAT DO WE MEAN BY SAFER?



One common thread, which runs through the safer agenda, is the fear of crime. Contrary to public opinion many crimes are decreasing in number.

## What is it that makes our residents feel unsafe?



High on the list is anti social behaviour. Many people fear groups of youngsters on the streets, when in fact all they need is somewhere to go and socialise with their friends.

The increase in drug abuse and the rise in the culture of binge drinking linked with crime in general are also given as reasons for not feeling safe. We have listened to Central Government but have included other aspects of our enforcement role in the definition of "safer". We feel that to properly address the "safer" agenda a wider view is more appropriate.



Consequently our strategy has regard to our licensing function together our roles in ensuring health & safety and food safety.

Our Environment and Neighbourhood Officers are our front line in this area but we also encourage all our officers to be our "eyes and ears" on the district.



# SAFER – NOW AND THE FUTURE



**Epping Forest District Safer Communities Partnership (SCP) is a collaboration of organisations and groups working together to make Epping Forest District a safe and pleasant place to live. It forms part of the Epping Forest Local Strategic Partnership.**

The Partnership is required by law to carry out an annual strategic assessment of crime and disorder in the District. The assessment enables the SCP and its partner agencies to execute various options for enforcement, early intervention, education, prevention, deterrence and public reassurance.

The assessment takes into account crime data from the police and other partner organisations. We also consulted with residents of Epping Forest, stakeholder organisations and community groups.



We identified our priorities by an examination of level of crime, including changes in those levels over time. We also took account of the concerns expressed by the community and partners.

Our baseline figures are taken from 2007 Home Office statistics. As a result we set our priorities for 2009/10 to reduce:

- robbery by 5%;
- domestic violence by 5%;
- hate crime by 12.5%;
- assaults by 5%;
- serious violent crime by 5%; and
- domestic burglary by 5%.

In addition we aim to reduce anti-social behaviour by 5% and to target substance misuse.

# SAFER – NOW AND THE FUTURE



Partnership funded Smart cars

**Police intelligence has revealed that known offenders carry out a large proportion of crime.**

We will target our most prolific offenders (adults and young people) living within the District with the aim of stopping their criminal behaviour. This will have a positive impact on the crime rates in Epping Forest District.

We aim to target the fear and perception of crime. The fear of crime and disorder is disproportionate to the actual amount of crime in Epping Forest District and this has a negative impact on quality of life. Press releases will be issued to publish SCP achievements and details of good work being carried out in the District.

Our anti social behaviour investigators and CCTV operations officer will build on the past successes of the Safer Communities Team.

This will help us to target anti social behaviour more effectively and to consolidate our CCTV systems.



Safer Communities Team



It is essential that we engage young people in our agenda. We have already made contact with the Youth Council and we stage the annual crucial crew event for year 6's school pupils. We have already piloted on one Reality Roadshow event and we hope to offer more events to other schools in the district for Year 10 students. We will also engage our young people by the use of other diversionary activities where possible.

# SAFER – NOT ONLY BUT ALSO



**There is more to “safer” than just crime and anti-social behaviour related matters.**

Environmental Health staff keep you safer by undertaking routine food hygiene inspections of all local food businesses. We investigate complaints of dirty conditions, poor food handling practices and food poisoning.

We offer advice to traders and in some instances ensure works are carried out to raise the standards of the premises. In the most severe cases we will prosecute rogue traders in the Courts.

We also undertake a programme of food hygiene training aiming to raise standards by education.

Officers are also responsible for health and safety inspections in the majority of workplaces in the district. We undertake inspections to ensure reasonable standards are being maintained and that all legal requirements are adhered to.



We undertake investigations of workplace accidents with a view not only to finding out what happened but also to preventing them happening again.

Safer also means maintaining the District’s flood alleviation schemes, providing a 24/7 emergency response service for dealing with flooding incidents, assisting residents of the district by providing sand bags, investigating the causes of flooding and taking enforcement action when required.



# WHAT DO WE MEAN BY CLEANER?



## Fly tipping is a modern day scourge.

It is dangerous, anti social and expensive to clear up (with the cost of clearance often falling to the innocent landowner). We encourage members of the public to supply us with information if they see fly tipping occur. In the last year we had over 1300 instances of fly tipping in the district.



Dog fouling can be hazardous to health and is generally offensive. Whilst the majority of dog owners are responsible a small number allow their dogs to foul our open spaces without clearing up the mess after them.



Over the years we have provided numerous bins in most of our open spaces for dog owners to use.

Fly posting is big business with posters being placed on empty shop windows, lampposts, other street furniture and bus shelters.

The Clean Neighbourhoods and Environment Act gives us powers to tackle this growing problem.

Graffiti, apart from being anti social, can be offensive especially if its intention is to enflame hatred. It is difficult and expensive to remove and because it affects the whole look of an area it encourages other types of anti social behaviour as well.





# CLEANER NOW AND THE FUTURE



*Environmental Response Unit*

## What can be done?

We are already working with our waste management contractor to raise the standards of cleanliness of our streets and our waste officers work to ensure that waste is disposed of correctly. We have a team of Environment and Neighbourhood Officers who will respond to many of the problems we encounter. These uniformed officers will be empowered to serve fixed penalty notices and will be a visible presence on our streets.



We have an environmental response unit, which will respond to the everyday problems that our residents tell us about such as small fly tips, graffiti, fly posting etc.

Using this approach they will see an improved and timely resolution to many of their complaints.



*Graffiti cleaning contractor*

We regularly employ a graffiti removal contractor to clean council controlled areas. However, if the graffiti is on private property we do not normally remove it unless it is of an extremely offensive nature.

# CLEANER NOW AND THE FUTURE



*Graffiti removal before and after*

We are working in partnership with other agencies and businesses to achieve real results and improvements to our environment. Our partnership with Virgin Media to remove graffiti from their street cabinets is the first of what is hoped to be many such partnerships.

As part of the agreement Virgin Media supply the materials and pay the Council an amount per cabinet cleaned and we supply the labour. The money we receive is ploughed back into removing more graffiti from other areas.

# GREENER ISSUES



## GREEN AND SUSTAINABLE

**In deciding what we can do to make the District greener we consider two separate but linked kinds of activities.**

These are firstly actions to conserve and enhance the living environment; the trees, shrubs, grasses, herbs crops and water bodies which form the habitats on which everything else depends.

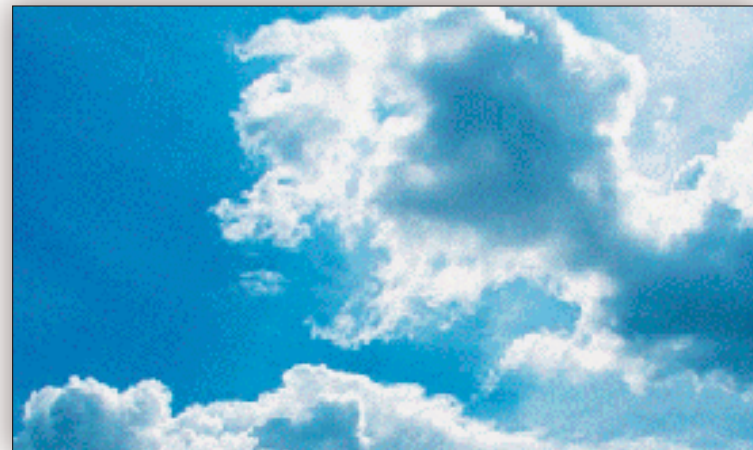
The second activity relates to sustainability, where we are thinking of the range of actions which we have to take to keep our world safe and healthy, for ourselves and future generations.

To face up to our responsibilities we are changing both our policy framework and the way we act.

A green and sustainable future depends on all of us making our own contributions. This, together with those of industry and government, can add up sufficiently to make a real and sustainable change in the impact that we have on our environment.

Climate change is, perhaps, the major issue of sustainability. The evidence of the importance of climate change as an issue and a threat to our future world being seems to be increasingly solid.

However, there are also other issues that we all have to solve including pollution of the land, water and air by chemicals, quite separately from global warming.



# GREENER NOW AND THE FUTURE

## ACTION FOR BIODIVERSITY

**Biodiversity, as well as being valuable for its own sake, can be seen as a core component of sustainable development, underpinning economic development, community well-being and local quality of life.**

A rich and healthy natural environment contributes to the delivery of key services such as food production, provision of clean air and water and flood management and adds considerably to our sense of enjoyment and well-being.

To make sure we take the most critical actions we have helped to produce the Epping Forest Biodiversity Action Plan, which gives a brief introduction to the biodiversity of the District and establishes a five year action plan

For many years we have been very careful to consider planning applications for their impact on nature conservation, landscape and trees. Damaging applications are refused, but where possible we ensure that changes are made and conditions imposed for protection and planting of trees, the conservation of habitat etc. We have also worked in partnership with local communities to produce, a series of four local tree strategies and action plans. Through Epping Forest Countrycare we undertake many community projects every year often in partnership with local organisations, planting hedges and improving local habitats for wildlife and plants.



In 2008 we published a revised version of our tree strategy, “Trees : Information, Objectives and Policies” to guide the Council’s established work looking after its own trees as well as its planning responsibilities. This has now been linked to wider environmental action through the establishment of a Green Infrastructure Working Group.

As well as looking after street trees, trees on open spaces and a variety of small local nature reserves, we contribute to the management of the Roding Nature Reserve, together with the Essex Wildlife Trust.

# GREENER NOW AND THE FUTURE



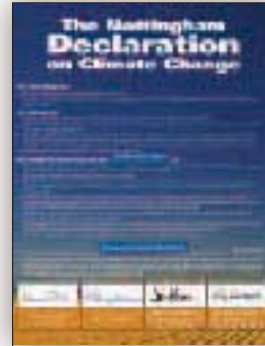
## SUSTAINABILITY

**We already make an important contribution to a sustainable future through ensuring the construction of new dwellings that are more energy efficient, and improvements to the existing housing stock .**

Our Building Regulations team are charged with bringing into practice the Government's policy of greener and more thermally efficient buildings, both domestic housing stock and commercial.

This policy reflects the commitments made in the Kyoto Protocol agreement of 1997 (legally binding in the UK in 2005).

As well as being a major contribution to cutting down on emissions of carbon dioxide into the atmosphere, action to cut energy use is also likely to lead to significant cost savings. Improving the energy efficiency of dwellings also help alleviate fuel poverty.



In October 2007 Epping Forest District Council signed the Nottingham Declaration on Climate Change.

The Declaration is a tool to secure commitment from UK Councils to tackle the causes and effects of climate change.

We have developed a climate change strategy which will help us fulfil this commitment and address the causes of effects of climate change in our District.



The first Green Festival first took place in Buckhurst Hill in September 2006, and it has since then been an annual event. The event is organised by the Council and Buckhurst Hill Town Centre Partnership and the local businesses in the area with the main objective being to promote a more environmentally friendly life style and the local businesses in the area. The number of people attending the event has increased every year making it a successful community event."

# LEGAL FRAMEWORK

## CLEAN NEIGHBOURHOODS AND ENVIRONMENT ACT – OUTLINE OF MEASURES

**Crime & Disorder:** Ensures that local Crime and Disorder Reduction Partnerships will take anti-social behaviour into account when producing strategies and gives local authorities new, more effective powers to deal with alleyways affected by anti-social behaviour.

**Fixed Penalty Notices:** Makes greater use of fixed penalties as an alternative to prosecution and gives parish councils the power to issue fixed penalties for litter, graffiti, fly posting and dog offences.

**Fixed penalty notices can be issued for the following offences:**

- Nuisance parking
- Abandoning a vehicle
- Dropping Litter
- Graffiti and fly-posting
- Failure to produce waste carrier's licence
- Failure to furnish waste transfer notes
- Offences in relation to waste receptacles

- Offences under Dog Control Orders
- Failure to nominate key holder (within an alarm notification area)
- Noise from dwellings
- Noise from licensed premises

**Nuisance and Abandoned Vehicles:** Gives local authorities the power to remove abandoned cars from the streets immediately and creates two new offences to help local authorities deal with nuisance parking.

**Litter:** Makes it an offence to drop litter anywhere, including private land and rivers, ponds and lakes and gives local authorities new powers. The Act strengthens existing powers for local authorities to require local businesses to help clear up their litter. It confirms that cigarette butts and discarded chewing gum are litter.

**Graffiti and fly-posting:** Extends removal notices to include fly-posting and improves local authorities' powers to tackle the sale of spray paints to children. It strengthens the legislation to make it harder for beneficiaries of fly posting to evade prosecution.

# LEGAL FRAMEWORK

**Waste:** Amends provisions for dealing with fly-tipping. Gives local authorities the power to issue fixed penalty notices. Introduces a more effective system for stop, search and seizure of vehicles used in illegal waste disposal and enabling courts to require forfeiture of such vehicles.

**Dogs:** Replaces dog byelaws with a new, simplified system which will enable local authorities and parish councils to deal with fouling by dogs, ban dogs from designated areas, require dogs to be kept on a lead and restrict the number of dogs that can be walked by one person. Gives local authorities, rather than police, sole responsibility for stray dogs.

**Noise:** Added powers to reduce nuisance caused by noise by giving local authorities powers to deal with burglar alarms and impose fixed penalty fines on licensed premises that ignore warnings to reduce excessive noise levels.

**Miscellaneous:** Enables local authorities to recover the costs of dealing with abandoned shopping trolleys from their owner. Extends the list of statutory nuisances to include light pollution and nuisance from insects.

**Natural Environment and Rural Communities Act 2006:** In Part 3 of the Act we have a duty to conserve bio-diversity, including conserving natural habitats. The duty is one for a Council as a whole; the Act says that we must bear the need to protect bio-diversity in mind as part of everything we do, providing that this does not actually prevent us fulfilling our other functions.

**Town and Country Planning Act 1990:** Under this Act we have a particular duty to look after trees in relation to planning decisions; we also have powers to make Tree Preservation Orders. More generally when carrying out our planning function we have specific policies designed to protect and enhance the natural environment.”

**The Building Act 1984, and Building Regulations 2000:** The Building Act 1984, and associated regulations create the legal framework for Local Authorities to control the standards of building to improve safety, but increasingly to promote much more efficient use of energy.”

# HOW DO WE GET THERE?



*Jointly funded CCTV surveillance van*

## **We must work together to drive down crime.**

From instances of minor anti-social behaviour to serious crime and disorder, we must raise awareness of the problems and have the means in place to effectively deal with them.



*Crucial Crew Event*



*Blue Box Recycling*

**We must strive to recycle more, use less energy and look for the more environmentally friendly choice.**

How many of us could go that extra mile perhaps by using energy efficient bulbs or leaving the car at home once in a while.

Safer, Cleaner, Greener and fitter!

## **We must educate our citizens starting with our young people.**

We must try to instil a sense of civic pride in our district. As adults we must lead by example and not accept a lowering of standards.



# STRATEGY ACTION PLAN

## ACTION:

To ensure that all identified hot spot areas in the district are patrolled by environment and neighbourhood officers at least once a week

To launch the Neighbourhood team and “Environmental response line”

To organise and stage a crucial crew and a reality road show event each year

To develop a coherent CCTV policy for the district

To lead the safer communities partnership by engaging with our partners and attending partnership meetings

To ensure that all offensive and racist graffiti is removed within 48 hours of receipt of notification

To organise and stage “feeling good, feeling safe” events for older people to help prevent them from becoming victim of crime

To work with our partners to reduce:

robbery by 5%;

domestic violence by 5%;

hate crime by 12.5%;

assaults by 5%;

serious violent crime by 5%;

domestic burglary by 5%.

anti-social behaviour by 5%

To implement and monitor the actions in the Council’s draft Climate Change Strategy

To introduce fixed penalty notices as an enforcement tool

To implement and monitor the actions in the Local Biodiversity Action Plan

## TARGET DATE:

November 2009

September 2009

Annual

September 2009

On going

On going

April - September 2009

March 2010

Annually

November 2009

Annually

# STRATEGY ACTION PLAN

## WHAT CHANGE WILL YOU SEE?

**As a result of the formation of the Environment and Neighbourhoods team you will see uniformed officers out and about in the district.**

You can phone the Environmental Response line (01992 564900) to contact the team. Details of your call will be relayed to the team out on the district.

People who are caught persistently fly tipping, dropping litter, fly posting etc. will be issued with a fixed penalty notice.

The CCTV policy will ensure that our use of CCTV across the district is coordinated this will mean that we will get more value for money and our systems will be used more effectively. You will see an increased number of problems solved by the use of CCTV.

You will see our mobile response unit in our area. You will see many of the environmental problems you bring to our attention resolved quickly.

Our aim is to respond to most complaints within three working days and we will always endeavour to resolve the situation promptly.

# A STRATEGY FOR THE FUTURE

## **The Council is taking a strategic approach to the Safer, Cleaner, Greener agenda.**

Street scene and related services are considered as key to the way the district is seen and perceived by its residents, working population and visitors and Members wished to see, amongst other things, the better co-ordination of all street scene related services and the integration of the existing enforcement activities with those available under new environmental legislation. The structure helps us to deliver these key principles.

Our approach to 'neighbourhoods' is key in the delivery of a "Safer, Cleaner & Greener" Epping Forest. Through these and future arrangements it will be possible for real improvements in street scene to be achieved and for problems to be rapidly identified and dealt with.

One of the frequent criticisms received from the public and elected Members is that they have difficulty in determining who they should be talking to when they need a matter of concern or complaint to be resolved. To overcome this within the Environment and Street Scene Directorate each Assistant Director has assumed responsibility for a defined geographical part of the district.

Our Council has a reputation for not using its enforcement powers excessively. However, it is clear that the public and central government expect us to react quickly and effectively to deal with issues and to take a firmer approach to the use of the powers it has available to it to achieve real and visible improvements.

Members have provided a lead by requiring officers to set up a Safer, Cleaner, Greener Scrutiny Standing Panel with a remit to closely examine the initiative.

# AND FINALLY...

## **SAFER, CLEANER, GREENER STANDING SCRUTINY PANEL:**

**The Safer, Cleaner, Greener Standing Scrutiny Panel consists of a group of Councillors whose remit is to deal specifically with these issues.**

This group meets regularly to discuss current issues and to provide a steer for officers. The minutes of these meetings and the action plan for the panel are available on our website.

**Neighbourhood Locality Areas:** As has been mentioned our district has been divided into three areas. In order to provide consistency each area has been assigned to an Assistant Director.

We would encourage people to go through the normal channels in the first instance, however, if you are experiencing difficulties please contact the appropriate Assistant Director.

**East area:** Qasim (Kim) Durrani - 01992 564055

**South area:** Jim Nolan - 01992 564083

**West area:** Laura Macneill - 01992 564223

We would value your contribution. If you have any views or thoughts about this strategy or the Safer, Cleaner, Greener agenda in general, please share them with us using the form at the end of this document.

We have found that by working in partnership with other organisations and individuals helps to improve the quality of the work we do.

### **Please contact:**

The Director of Environment and Street Scene,  
Epping Forest District Council, Civic Offices, High Street,  
Epping, CM16 4BZ.

**Telephone:** 01992 564000

**Email:** [contactus@eppingforestdc.gov.uk](mailto:contactus@eppingforestdc.gov.uk)

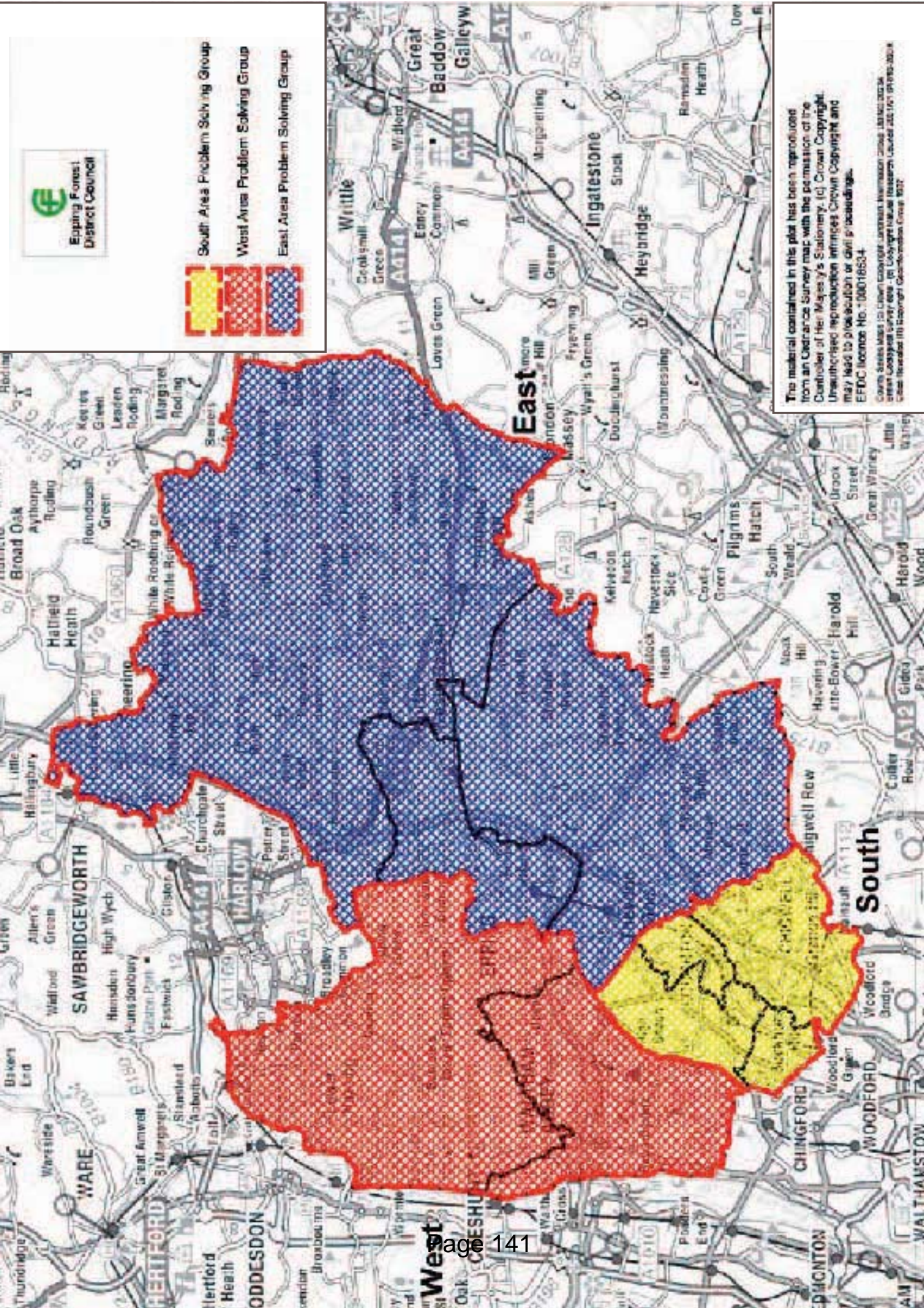
If you wish to report a problem please use our dedicated environmental response line: 01992 564900



South Area Problem Solving Group

West Area Problem Solving Group

East Area Problem Solving Group



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Ordnance Survey Map 1:50,000 (OS 250K) Epping Forest District. Ordnance Survey Map 1:50,000 (OS 250K) Epping Forest District. Ordnance Survey Map 1:50,000 (OS 250K) Epping Forest District. Ordnance Survey Map 1:50,000 (OS 250K) Epping Forest District.

safer  
cleaner  
greener



 Epping Forest  
District Council

## CONTEXT OF THE STRATEGY

This strategy should be seen in the context of the many supporting documents which underpin it.

You may find it helpful to refer to:

- The Essex Local Area Agreement
- EFDC Community Plan
- Epping Forest District Community Strategy 2004 - 2021
- EFDC Best Value Performance Plan 2007-08
- Comprehensive Performance Assessment Improvement Plan 2006
- Environment and Street Scene Business Plan 2008-09
- Essex Joint Municipal Waste Management Strategy
- Epping Forest Crime and Drugs Strategy 2005-08
- Local Biodiversity Action Plan
- Epping Forest District Safer Communities Partnership Strategic Assessment

# WHAT CAN I DO?

As citizens we all have a responsibility for our environment. Everyone can help by:

- actively setting an example;
- educating our children to be responsible for their actions;
- by example, making it socially unacceptable to drop litter or allow a dog to foul without clearing up after it;
- reporting incidents to the Council.

If you witness an incident please try to get as much information as possible. Information such as vehicle registration numbers, descriptions of person or dogs, time of day etc can be very useful in tracing the culprits. Having said this please do not put yourself in danger.

## WHO SHOULD I CONTACT?

Please contact the Council. We have a dedicated response line for environmental problems:

**01992 564900**

Or you can write to us at: Epping Forest District Council  
Environment and Street Scene, Civic Offices, High St,  
Epping. CM16 4BZ

Or Email: [contacts@eppingforestdc.gov.uk](mailto:contacts@eppingforestdc.gov.uk)

# HAVE YOUR SAY...

If you would like to comment on this strategy please complete this form and send it to the address on the back page.

Your comments:

Although it is not necessary, if you fill in your name and address we can provide you with feedback on your comments.

**Thank you.**

Name: ..... Address: .....

..... Postcode: .....

Tel: ..... Email: .....



## **Report to the Cabinet**

**Report reference:** C-030-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Environment

**Subject:** Environment and Street Scene Directorate Enforcement Policy and Guide

**Responsible Officer:** John Gilbert (01992 564062).  
Jim Nolan (01992 564083).

**Democratic Services Officer:** Gary Woodhall (01992 564470).

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

**That the updated version of the Environment and Street Scene Directorate Enforcement Policy and new Guide be approved and adopted.**

### **Executive Summary:**

From time to time the Council is required to revise and update its policies. On this occasion, whilst revising the Environment & Street Scene Directorate enforcement policy it was felt that in addition to the main policy document a shorter, easier to understand guide should also be produced.

The policy, with minor amendments, has been endorsed by the Safer, Cleaner, Greener Scrutiny Standing Panel and the Overview and Scrutiny Committee earlier in the year. The policy sets out how the Directorate will undertake its enforcement role and in particular how officers will deal with those in the community when enforcement activities are undertaken. It is important that this policy is updated, ahead of the new Environment & Neighbourhoods Team completing their Essex Police accreditation training and commencing their work out in the District.

This is a key decision.

*“A safe, healthy & attractive place” – “create safer communities”*

*“maintain the special character and advantage of the District, and address local environmental issues”*

*Council Plan 2006-2010 “Homes & Neighbourhoods” – “We want to continue to improve local environmental standards through the use of locally based cleansing teams and the new enforcement powers available to local authorities” (Action HN6)`*

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

In order to keep the Directorate’s policy up to date and to ensure that all who interact with the Directorate during enforcement activities are fully aware of what to expect from its officers and to be satisfied that they will be treated fairly and proportionately.

The shorter guide is intended more for the general public.

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

Not to adopt the policy and guide. This course of action would leave the Council open to criticism. We are already a signatory to the Government Cabinet Office Enforcement Concordat which requires that we demonstrate openness and fairness in our approach to enforcement.

### **Report:**

1. As part of the Council's commitment to fair and equitable enforcement activity, an enforcement policy for environmental health was developed and put into practice. The policy was written in accordance with the Government's Cabinet Office Enforcement Concordat, published by the Cabinet Office in 1998 and adopted by this Council.

2. The policy is based on the principle that those in the community who find themselves dealing with receipt of Council Environmental Health services should:

(a) receive clear explanations from enforcing officers of what they need to do and by when;

(b) have opportunities to resolve differences before enforcement action is taken - unless immediate action is needed; and

(c) receive an explanation of their rights of appeal in the event of enforcement action being taken.

3. Since the publication of that original enforcement policy the Government has published the Hampton Review – "Reducing Administrative Burdens: Effective Inspection and Enforcement" in March 2005 and the Rogers Review of "National Enforcement Priorities for Local Authority Regulatory Services" in March 2007. As a consequence it was necessary to review and update that policy to reflect those reviews, minor legislative amendments, the Council's restructure and the adoption of the "Safer, Cleaner, Greener" initiative.

4. The new policy, which is attached, sets out exactly what can be expected in the event that the Directorate finds it necessary to embark upon any form of enforcement action against an individual or organisation. It is based around the five key principles of the Enforcement Concordat, namely:

(a) openness – plain advice, be available to explain etc;

(b) helpfulness – to assist people to comply with the law rather than wait for them to break it and then enforce;

(c) dealing with complaints – having a clear published complaints procedure;

(d) proportionality – that the level of enforcement envisaged accords with the seriousness and nature of the offence allegedly committed; and

(e) consistency – being fair and even handed to all, and training officers accordingly.

5. The main policy is a complex document although every effort has been made to use plain English and ensure that it is easy to read and understandable. Nevertheless, it is more appropriate for local businesses and organisations which should already be familiar with the enforcement roles of local authorities. Therefore, a smaller more general purpose guide has also been produced which sets out the core principles without all the detailed accompanying

policy statements. This should enable anyone with an interest in how the Directorate uses its enforcement powers being able to understand the basic concepts which are applied. This is also attached to the agenda.

#### **Resource Implications:**

There are no budgetary implications for the production and publication of the policy and short guide, all costs are contained within current budgets

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

The adoption of the revised policy will ensure that enforcement activities within the Environment & Street Scene Directorate are fair and consistent and meet the principles of the Enforcement Concordat. This is particularly important ahead of the possible introduction of the use of fixed penalty notices and increased enforcement activity arising from the Safer, Cleaner, Greener initiative and the new Environment & Neighbourhoods enforcement team.

There are other Directorates within the Council which undertake enforcement activities. Directors will, over a period of time, be bringing forward reviews of their Directorate enforcement policies, including the overarching corporate enforcement policy.

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

Intrinsic element of the Safer, Cleaner, Greener initiative.

#### **Consultation Undertaken:**

Safer, Cleaner, Greener Standing Scrutiny Panel  
Overview and Scrutiny Committee

#### **Background Papers:**

Reports to the Safer, Cleaner, Greener Standing Scrutiny Panel and Overview and Scrutiny Committee  
Enforcement policy and guide.  
Government Cabinet Office Enforcement Concordat

#### **Impact Assessments:**

The adoption of the enforcement policy will ensure fair and equitable treatment of all those in the community who are subject to enforcement activity by the Environment & Street Scene Directorate. The policy statement will enable business and those with a more specialist interest to understand the detail behind the policy whilst the shorter guide should enable the more lay reader to understand the basic policies.

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# Environment and Street Scene Directorate

## Enforcement Policy



## **INTRODUCTION**

The Environment and Street Scene Directorate provides a diverse range of services to a large customer base. The services include:

- Food Law Enforcement
- Health & Safety Law Enforcement
- Health Education
- Infectious Disease Control
- Animal Welfare
- Pest Control
- Air Quality
- Noise Control
- Public Health
- Street Scene Enforcement
- Safer Communities
- Land and Private Sector Drainage
- Contaminated Land
- Leisure Client Services
- Parking
- Waste Management
- Grounds Maintenance

### **Aims and Principles**

We will uphold the rights of all those we have dealings with.

We aim to safeguard and improve the health, safety and environment of our community by delivering a wide range of enforcement services in a fair and consistent way.

We have adopted the Government's Enforcement Concordat and fully support its principles of setting standards, being open, helpful, consistent, proportional and dealing with complaints effectively.

We understand the needs of our citizens and businesses and we will work closely with both groups to help them to comply with the law.

We will, when necessary, take firm action against those who commit serious offences, or those who consistently breach the law.

This policy has been written having regard to the Statutory Code of Practice for Regulators issued by the Department for Business Enterprise and Regulatory Reform (BERR).

### **Standards**

We will set clear standards of service and performance so that everyone knows what to expect of us. Where appropriate, we will consult with our public, businesses and all other interested parties. We will publish our standards on our website and we will measure ourselves against those standards.

## **Openness**

We will publish accessible information and advice in plain English. This will be available on our website and in leaflet form. Where necessary, we will translate relevant documents into languages other than English so that all sections of our community may have access to them. If requested to do so we will make information available in Braille or in an audio format.

We will be open about the way we do things, the way we set our charges and what we expect from the people we deal with. We will make ourselves available to talk to those in need of advice, at all reasonable times.

## **Helpfulness**

Our aim is to help people to comply with the law, rather than catch them out whilst breaking it. We will be courteous at all times and expect the same in return. Our staff will identify themselves by name and carry identity cards. All the people we deal with will be given a contact number to use in any future dealings with the Directorate.

In all our dealings we will try to work to our response time targets and in the most cost-effective way. All applications for approval of establishments, licences, registrations, etc., will be dealt with efficiently and promptly.

We will try, whenever we can, to bring together services so that unnecessary duplication and time delays are avoided.

## **Complaints about our service**

We have a well publicised and effective compliments and complaints procedure, which is easily accessible to businesses, the public, employees and consumer groups. In those cases where we cannot agree, any right of complaint or appeal you may have will be explained with details of the process and the likely time scales involved. A copy of the complaints procedure is available from us at our offices or on our website.

## **Proportionality**

We will always make sure that any action taken by our Directorate is proportional to the risk present (see decision making below). So far as the law allows, we will take account of the circumstances of each case and the attitude of the offender and victim when considering action. We recognise that a key element of our activity is to allow and encourage economic development and therefore we will only intervene when there is a clear risk to others. We will always endeavour to recover our expenses in relation to legal action from the offender.

## **Consistency**

We will carry out our enforcement duties in a fair, even and consistent manner while exercising discretion in individual cases. We will adopt arrangements to promote consistency, including liaison with other enforcement authorities and agencies. We will ensure consistency among our officers through the use of effective management, training and development and wherever appropriate we will use standard letters and phrases.

## **Procedures**

We will provide clear simple advice setting out the difference between legal requirements and best practice. Before formal enforcement action is taken, our officers will fully discuss alternative courses of action in order that points of difference may be resolved.

Where our officers consider that immediate action is necessary, they will give an explanation of why such action is required at the time and this will be confirmed in writing within 5 working days, unless legislation dictates a shorter period.

Where someone has a right of appeal against action taken by this Directorate, we will ensure that they get advice on the appeal mechanism and this will be clearly set out in writing at the time the action is taken.

Irrespective of whether or not a right of appeal to law exists, there is always the option of using the Council's own complaints procedure.

## **Decision Making**

Prosecutions will only be authorised by the Director of Environment and Street Scene or an experienced officer nominated by him/her.

As part of the decision making process for any of the actions we may undertake, others may be consulted. These may include scientific and legal advisors. The lead or primary authority will be consulted if applicable.

We recognise the importance of achieving and maintaining consistency when making decisions which concern enforcement action including prosecution. In coming to any decision we will consider, amongst other things the seriousness of the offence, the past history, the officer's confidence that remedial action will be taken, the consequences of non-compliance, the views of the victim and the likely effectiveness of the various enforcement options.

No decision on prosecution will be taken without making reference to the "Code for Crown Prosecutors" (available from HMSO).

## **Enforcement Options**

Directorate officers who are authorised can enter and inspect premises, procure samples, examine records and processes, and issue formal notices and orders.

In general we will issue an inspection report to all businesses following all programmed inspections. If we think that a follow up letter is appropriate we will ensure that it contains all the information necessary to understand what work is required and why it is necessary.

In addition the letter will indicate the regulations contravened and the measures which will enable compliance with legal requirements and that other means of achieving the same effect may be chosen.

Furthermore, we will ensure that a clear distinction is made between a legal requirement and a recommendation.



Whether we are dealing with a business or an individual we will ensure that the action we propose is fully understood and confirmed in writing.

The outcome options open to us are:

- to take no action;
- to take informal action;
- to issue statutory notices, fixed penalty notices or orders;
- to revoke, suspend or change licences, licence conditions, registrations and prior approvals;
- to use formal cautions;
- to prosecute ;
- to obtain Court injunctions ;
- to undertake works in default and recover the costs;
- to seize and/or detain articles and materials;
- to agree Acceptable Behaviour Contracts; and/or
- to apply for Anti-Social Behaviour Orders.

Not all of the above options are available to every officer in every instance.

The outcome options are set out in more detail as follows.

### **Take no action**

Where nothing is wrong no action will be taken.

### **Informal Action**

Informal action to secure compliance with legislation includes offering advice, verbal warnings, the use of letters and the issue of inspection reports. We will use informal action in one or more of the following instances:

- the situation is not serious enough to warrant formal action;
- from past experience we think that informal action will achieve compliance with the law;
- confidence in the business's management is high;
- the consequences of not doing what we ask will not pose a significant risk to public health.

### **Statutory notices, fixed penalty notices or orders**

#### *Improvement Type Notices*

We will only consider the issue of improvement notices where:

- there are significant contraventions of the legislation;
- we believe that there will not be an adequate response to an informal approach;
- there is a history of non-compliance following previous informal action;
- standards are generally poor with little awareness of statutory requirements;
- the consequences of non-compliance could be potentially serious to public health;

- although it is intended to prosecute action also needs to be taken as quickly as possible; and/or
- conditions that are serious or deteriorating need to be remedied quickly.

In certain instances we have a statutory duty to serve a notice if a nuisance exists.

We will follow all relevant guidance in statutory codes of practice and other guidance notes. Our officers will always:

- place realistic time limits on notices (usually agreed with the person on whom the notices is to be served as achievable and appropriate);
- discuss the works that will be specified (if time allows); and
- fully consider the availability of other solutions.

#### *Prohibition Type Notices*

We will serve a prohibition notice which will have immediate effect in one or more of the following circumstances, where:

- an imminent risk of injury to health can be demonstrated. This might include evidence from relevant experts;
- there is no confidence in the integrity of an unprompted offer made by a person to voluntarily close premises or cease the use of any equipment, process or treatment associated with the imminent risk; and/or
- a person is unwilling to confirm in writing his/her unprompted offer of a voluntary prohibition.

We will only authorise officers to serve emergency prohibition notices if they are competent, fulfil the qualification requirement referred to in the relevant statutory code of practice and have considerable experience in enforcement activity.

In accordance with the Code of Practice is issued under section 40 of the Food Safety Act 1990, where emergency prohibition action involving chemical contamination is being considered we will seek medical or other expert advice before a final enforcement decision is taken. Where an emergency prohibition notice has been issued we may advise other authorities or bodies of any action.

#### *Abatement Type Notices*

Where there is a serious risk of pollution or risk to public health an abatement type notice may be served requiring that something is stopped and that its recurrence is prevented.

#### *Remediation Notices*

In some cases where land is found to be contaminated we may serve a remediation notice to remove the contamination or deal with the risk to health caused by the contamination.

In general we will take action in Court if statutory notices are not complied with.

Where legislation requires it we will keep a register of notices served which will be available for public reference.

#### *Fixed Penalty Notices (FPN)*

Authorised officers have the power to issue fixed penalty notices in accordance with the schedule of delegations provided to them. Depending on the seriousness of the offence it is our policy:

1. to issue a FPN for other serious cases (e.g. fly tipping, graffiti) or where the offending behaviour has been repeated;
2. in lesser cases to give a verbal warning and require corrective action;
3. to issue a FPN if no corrective action is taken.

Furthermore, it is our policy to pursue the recovery of all outstanding FPN debts.

The issue of Penalty Charge Notices is dealt with in the Council's Parking Enforcement Policy available online at:

[http://www.eppingforestdc.gov.uk/Library/files/environmental\\_services/EFDCii.pdf](http://www.eppingforestdc.gov.uk/Library/files/environmental_services/EFDCii.pdf)

#### **The revocation, suspension or alteration of licences, licence conditions, registrations and prior approvals**

Authorised officers have the power to apply for revocation, suspension or an alteration to a licence, licence conditions, registrations or prior approval. There is a right of appeal against those decisions, which in the first instance is to the Council's Licensing Sub-committee and if still not resolved then to the Magistrates' Court.

#### **Formal Cautions**

Under some circumstances we may consider issuing a formal caution as an alternative to prosecution as outlined by Home Office Circular 016/2008.

The purpose of the formal caution is:

- to deal quickly and simply with less serious offences;
- to divert less serious offences away from the Courts;
- to reduce the chance of the offence being repeated.

To safeguard the suspected offender's interests, the following conditions must be fulfilled before a formal caution is administered:

- there must be evidence of the suspected offender's guilt sufficient to give a realistic prospect of conviction in Court;
- the suspected offender must admit the offence; and
- the suspected offender must understand the significance of a formal caution and give an informed consent to being cautioned.

In the particular case of action taken under health and safety legislation the issue of a formal caution will only be considered in exceptional circumstances.

The Director of Environment and Street Scene and officers nominated by him/her are authorised to issue formal cautions.

Since the issue of a formal caution is an alternative to prosecution in the Courts, should a formal caution be declined, we will proceed with a prosecution in the Courts.

Should a formal caution be issued by us, other relevant bodies may be informed.

### **Prosecution**

We regard prosecution as a very significant step and will in general restrict prosecution to those who blatantly disregard the law, refuse to achieve even the basic minimum legal requirement, or put others at serious risk.

We will consider prosecution when one or more of the following criteria exist:

- where the alleged offence involves a breach of the law such that public health is or has been put at risk;
- where the alleged offence involves a failure to correct an identified serious potential risk having been given a reasonable opportunity to comply with the lawful requirements of an authorised officer;
- where the offence involves a failure to comply in full or in part with the requirements of a statutory notice;
- where there is a history of similar offences giving rise to a risk to public health.

Before proceeding with a prosecution we will satisfy ourselves that an offence has been committed by an identifiable person or company, there is relevant admissible and reliable evidence and that there is a realistic prospect of conviction.

Unless exceptional circumstances exist we will always prosecute for non payment of a fixed penalty notice.

When a decision is being taken on whether to prosecute the guidance contained in the relevant code of practice will be followed and factors which may be taken into consideration include:

- the seriousness of the alleged offence;
- the previous history of the party concerned;
- the likelihood of the defendant being able to establish a defence of "due diligence"
- the likelihood of the party being able to establish a defence based upon "best available techniques not entailing excessive cost" (BATNEEC)
- the willingness of the party to prevent a recurrence of the problem;
- the probable public benefit of a prosecution and the importance of the case;
- whether other action such as issuing a formal caution in accordance with home office circular 59/1990 or an improvement notice or imposing a prohibition would be more appropriate or effective;
- the deterrent effect;
- personal circumstances;
- any explanation offered by the person who may be prosecuted.

We will always seek to recover the costs associated with a prosecution if the case is proven.

If we feel that it is the public interest, we may advise other relevant bodies of the results of prosecutions.

### **Court injunctions**

In serious cases where urgent action is needed we may apply for an injunction. This a Court order which requires that action be taken or that an activity be stopped. Breaching an injunction is potentially a contempt of Court which can lead to arrest and a prison sentence

### **Works in default and cost recovery**

Where works required by a formal notice have not been carried out, are not likely to be carried out or where immediate works are necessary, we may carry out the work on behalf of the person whose duty it is to carry out the work and recover the cost at a later date as a civil debt. This may mean recovering a proportion of the cost from more than one person.

### **Seize and/or detain articles and materials**

If during an inspection we come across an activity which poses an imminent danger or food which we consider to be unfit for human consumption we are empowered to seize or detain equipment and food while further investigations are carried out. If we have to take this course of action the relevant parties will be kept fully informed about what is happening.

### **Acceptable Behaviour Contracts**

Acceptable Behaviour Contracts (ABCs) are written agreements between us and a person in which the person agrees not to carry out a series of identifiable behaviours which have been defined as antisocial and to undertake positive steps to correct their behaviour. When we propose an ABC we will consult with all relevant bodies and in the case of a young person, their parents.

### **Anti-Social Behaviour Orders**

Anti-Social Behaviour Orders (ASBOs) are civil orders that exist to protect the public from behaviour that causes or is likely to cause harassment, alarm or distress. An order contains conditions prohibiting the offender from specific anti-social acts or entering defined areas and is effective for a minimum of two years. The orders are not criminal penalties and are not intended to punish the offender. When we apply to the Court for an ASBO we will consult with all the relevant bodies and parents if applicable.

### **Inspections**

From time to time we will carry out inspections of premises. Examples of the types of inspections we carry out include:

- food hygiene;
- sampling;

- health and safety;
- Environmental Protection Act authorised processes;
- animal welfare;
- licensing enforcement;
- drainage;
- infectious disease;
- nuisance;
- drinking water quality;
- contaminated land;
- planning application consultations;
- waste (compliance with legislation); and
- pest control etc.

This list is not exhaustive.

### **Who will carry out inspections**

Authorised Environment and Street Scene Officers have the right to enter and inspect premises at all reasonable times. Officers do not have to make an appointment and officers will usually visit without advance notice. This will enable officers to make a reasonable assessment of the premises and practices under normal operating circumstances.

Officers may take samples and photographs and may also inspect your records. However, you will not be required to give unnecessary information. It is a serious offence to obstruct an officer in the course of his or her duty, although in the case of inspections of residential properties, there is a right to refuse entry unless twenty four hours notice has been given, in writing.

Where officers have a reasonable suspicion that entry may be refused or where giving notice of entry would defeat the object of the inspection, they can apply to a Magistrate for a warrant to enter the premises using reasonable force if necessary.

You are likely to meet Environment and Street Scene Officers in one of the following ways:

- during an inspection of your premises;
- when we are investigating a complaint;
- when you apply for a licence;
- whilst we are patrolling the district; and/or
- when you seek our advice or assistance.

The time taken for an inspection will vary depending on the size, nature and extent of the business. We will use a system of comprehensive risk assessment to concentrate resources in the areas that need them most. This means that if the activities on a premises are considered to be high risk, they are likely to be subject to inspection more frequently. We will not carry out an inspection without a good reason.

At the end of the inspection the officer's findings will be made available and a report or a letter will follow shortly afterwards.

We will always be courteous and we will always show you our identification card.

## **Complaint investigation policy**

This section refers to complaints given to us to investigate and not complaints about our service.

When we receive a complaint we will check that it relates to an area of work for which this Directorate has responsibility. Where this is not the case we will refer it to the appropriate Directorate and advise the complainant accordingly.

When deciding whether to investigate a complaint we will give consideration to whether there is sufficient information to be able to carry out a meaningful investigation. This may not always be the case when an anonymous complaint is received.

An investigation may be carried out in a number of ways. In some cases, a telephone call may be sufficient whilst other complaints will require an inspection. Where an inspection is carried out following a complaint it is likely to concentrate on a particular area of concern rather than a full inspection.

The complainant's details will always remain confidential. The complainant will be kept informed of the progress of the complaint investigation. The person or premises which is the subject of the complaint will be advised of any action that they may need to take. They will also be notified when the complaint investigation is over.

## **Food Sampling policy**

Sampling of foods may be carried out for the following reasons:

- National, regional and local co-ordinated programmes.
- Complaint investigations
- Investigations into food poisoning incidents
- As part of a routine inspection
- Process monitoring
- Special local projects

Samples may be taken either formally and informally. When the results may be used for enforcement purposes, samples will always be taken formally. This means that the sample will be taken, handled and transported in a controlled and documented manner. In general, routine food sampling, in accordance with the agreed sampling programme, will be carried out informally.

We will contribute to the sampling programme agreed annually by the Essex Environmental Health Management Group Food Group. Samples will usually be procured from as many different premises as possible. However, in the case of food safety concerns or previous poor sampling results, repeat samples may be taken.

In the event of unforeseen circumstances occurring, the agreed sampling programme may be changed, e.g. a food safety emergency.

Where the results of an examination of an informal sample show the food item to be unsatisfactory or unacceptable, further formal samples may be taken. These results may then be used in formal action, e.g. prosecution, improvement notice etc.

All samples (formal and informal) will be sent to an accredited laboratory.

Although we are able to “take” samples we will always offer to pay for a sample. In all cases, the sampling officer will issue a receipt. Where the quantity or frequency of sampling is likely to give rise to significant financial consequences for the owner of the food, an ex gratia payment may be made if the samples are not purchased. In certain circumstances, it may be appropriate to purchase the samples anonymously. In other circumstances, it will be necessary for the enforcement officers to identify themselves for example in some of the national and regional projects which require additional information relating to the operation of the food business.

### **Seeking Our Advice**

Our officers will always offer advice on all aspects of the work we undertake. We do not charge for advice given.

### **Food Hazard Warnings**

Occasionally we will contact food businesses regarding a food hazard warning which has been issued nationally. This will usually be by telephone or may sometimes be by letter. In these instances we will be seeking urgent co-operation in removing a product from sale. However we may have no alternative but to take formal action and seize the offending material.

### **In General**

All information gained by us during our inspections and conversations is treated as confidential. However we cannot control information available in the public domain such as the Magistrates' Court. From time to time we receive requests for information under the Freedom of Information Act, and in those instances we will ensure that any information issued is appropriately anonymised in accordance with the requirements of the legislation.

We will target our resources primarily on those whose activities give rise to the most serious risk or where the hazards are least well controlled. We will endeavour to ensure that action is focused on those who are responsible for the risk and who are best placed to control it.

In some situations there will be a shared enforcement role (e.g. with Essex County Council Trading Standards). In these cases the appropriate authorities will be consulted/informed of our actions.

We will seek to prevent breaches of the law by the application of this policy and we will carry out all legal action in accordance with current statutes, codes of practice and other recommendations and guidelines of relevant bodies.

Following our inspections a percentage of the people we have had dealings with will be sent a form to fill in which gives them the opportunity to tell us what they felt about the inspection. The sample will be calculated using the Governments published national indicator 182.

We will always treat every situation equally and fairly, however if you feel that we have failed, you are at liberty to use the Council's complaints procedure, a copy of which is available on request.



If you have any complaint or comment, favourable or otherwise concerning our work please contact the Director of Environment and Street Scene or the Assistant Director (Environment and Neighbourhoods) in order that we can improve our service by constantly reviewing its effectiveness.

You may discuss this or any other document which the Council publishes by writing to us at: Epping Forest DC, Civic Offices, High Street, Epping, Essex, CM16 4BZ, or by telephoning 01992 564000.

This policy has been developed in consultation with our internal and external partners

### **Internal Partners**

EFDC Overview and Scrutiny Committee  
EFDC Safer, Cleaner, Greener Scrutiny Standing Panel  
EFDC Corporate Executive Forum,  
EFDC Management Board,  
EFDC Members,  
Officers within this and other Directorates.

### **External Partners**

Essex Environmental Health Management Group  
Essex Police.  
Essex Fire and Rescue.  
Local Parish/Town Councils.  
Epping Forest Primary Care Trust.  
Chamber of Commerce.  
Conservators of Epping Forest.  
Health and Safety Executive.  
Food Standards Agency.  
Environment Agency.  
Fifty local businesses chosen at random from the environmental health database.  
Epping Forest Local Strategic Partnership  
Epping Forest District Safer Communities Partnership

The policy will be reviewed at least annually and more frequently if circumstances dictate.

The policy incorporates the food sampling and complaint investigation policies and forms a part of the strategic approach to the environment and street scene.

### **Useful links**

Epping Forest District Council

<http://www.eppingforestdc.gov.uk>

Statutory Code of Practice for Regulators issued by the Department for Business Enterprise and Regulatory Reform (BERR):

<http://www.berr.gov.uk/files/file45019.pdf>

Code for Crown Prosecutors

[www.cps.gov.uk/Publications/docs/code2004english.pdf](http://www.cps.gov.uk/Publications/docs/code2004english.pdf)

Home Office Circular 016/2008

<http://www.homeoffice.gov.uk/about-us/publications/home-office-circulars/circulars-2008/016-2008/>

## What is an Enforcement Policy and why do we need one?

An Enforcement Policy is a document which sets out in clear terms how we carry out the enforcement of the wide range of legislation we are responsible for on a day to day basis.

Our first priority is always to protect the public and others whilst acting in a fair and consistent manner. Good, fair enforcement promotes a thriving economy and enables local businesses to carry on their activities knowing that all in the district will be dealt with in the same, even handed manner.

It is very important that businesses and individuals who are subject to the legislation we enforce know what to expect when we decide to take action. Similarly, those who we seek to protect have an expectation that companies and individuals who do not meet the standards required by legislation are required to put right any shortcomings.

## How do we ensure fairness?

We have adopted the Government's Enforcement Concordat and fully support its principles of setting standards, being open, helpful, consistent, proportional and dealing with complaints effectively. What does this mean in practice?

**Standards** - We will set clear standards of service and performance so that everyone knows what to expect of us.

**Openness** - We will publish accessible information and advice in plain English (and other languages when required).

**Helpfulness** - Our aim is to help people to comply with the law, rather than catch them out whilst breaking it.

**Proportionality** - We will always make sure that any action taken relates to the risk.

**Consistency** - We will carry out our enforcement duties in a fair, even and consistent manner while exercising discretion in individual cases.

## How do we decide what action to take?

In coming to any decision we will consider, amongst other things, the seriousness of the offence, the past history, our confidence that remedial action will be taken, the consequences of non-compliance, the views of the victim and the likely effectiveness of the various enforcement options.

## What enforcement options do we have?

Some of the the options available to us are:

- to take no action;
- to take informal action;
- to issue statutory notices, fixed penalty notices or orders;
- to revoke, suspend or change licences, licence conditions, registrations and prior approvals;
- to use formal cautions;
- to prosecute;
- to obtain Court injunctions;
- to carry out works in default and recover the costs;
- to seize and/or detain articles and materials;
- to agree Acceptable Behaviour Contracts; and/or
- to apply for Anti-Social Behaviour Orders.

## When will we prosecute?

We will consider prosecution when one or more of the following criteria are met:

- where the alleged offence involves a breach of the law such that public health is or has been put at risk;
- where the alleged offence involves a failure to correct an identified serious potential risk having been given a reasonable opportunity to comply with the law;
- where the offence involves a failure to comply in full or in part with the requirements of a statutory notice;
- where there is a history of similar offences.

## What if I'm not satisfied with your enforcement decision?

We have a well publicised and effective compliments and complaints procedure, which is easily accessible to all. In those cases, where we cannot agree, any right of complaint or appeal you may have will be explained with details of the process and the likely time scales involved. A copy of the complaints procedure is available from us at our offices or on our website.

Where someone has a right of appeal to a Court or Council body in respect of enforcement action, we will ensure that they get advice on the appeal mechanism and this will be clearly set out in writing at the time the action is taken.

## Our Aim

**We will enforce the law so as to provide a safer and healthier environment for everyone who lives, works in or visits our district.**

**We will do this in accordance with this Policy which commits us to open and fair enforcement practices and procedures.**

**For a copy of the full policy and to see our service delivery standards please visit our website or write to the Director of Environment and Street Scene at the address below.**



**Epping Forest District Council  
Civic Offices,  
High Street,  
Epping,  
Essex CM16 4BZ  
Tel: 01992 564000  
Fax: 01992 561016  
Email: [contactus@eppingforestdc.gov.uk](mailto:contactus@eppingforestdc.gov.uk)  
Visit our website:  
[www.eppingforestdc.gov.uk](http://www.eppingforestdc.gov.uk)**

## A Guide to the Environment and Street Scene Directorate Enforcement Policy



## **Report to the Cabinet**

**Report reference:** C-031-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Legal & Estates  
**Subject:** Release of Restrictive Covenants – Epping Forest College,  
Loughton  
**Responsible Officer:** Mark Scott (01992 564407).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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

- (1) That the release of the right of pre-emption in respect of the subject land be recommended to the Council for approval;
- (2) That the release of the right of pre-emption to be conditional upon the construction of the new sports facilities, the means of achieving this to be agreed by the Director of Corporate Support Services;
- (3) That the restrictive covenant in respect of the subject land be released and replaced with a new restrictive covenant permitting residential care home use and education use only; and
- (4) That authority be delegated to the Director of Corporate Support Services to agree minor variations.

### **Executive Summary:**

The Council has previously agreed the variation of the restrictive covenant and the release of the deed of pre-emption in respect of the Loughton Hall site. Epping Forest College now wish to sell adjoining land for residential care home development in order to provide sports facilities for the college, and it is envisaged, the local community.

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

To permit the sale in order to finance sports facilities for the benefit of Epping Forest College and, it is envisaged, the wider community.

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

Not to agree the variation to the deed of covenant and release of the right of pre-emption.

### **Report:**

1. In 1998 the Council agreed to Epping Forest College's request to release a restrictive covenant free of charge from surplus land, comprising 7.9 acres/3.2 hectares. On 10 April 2006 the Cabinet further agreed to release the same covenant from an additional 5.93 acres/2.4 hectares to facilitate residential development and investment of the capital receipt

into the redevelopment of the College Campus.

2. On 8 October 2007 the Cabinet decided that the release of the Council's right of pre-emption to purchase Loughton Hall and the library site adjoining Epping Forest College be recommended to the Council for approval. This land is shown by black hatching on the plan. It agreed to the release of the restrictive covenant affecting Loughton Hall, within the grounds of Epping Forest College, and, inter alia, the following new covenants were imposed:

(a) prohibiting the use of the Hall for any purpose other than residential care home, community, education or health purposes; and

(b) specifically prohibiting the use of the Hall for any residential purpose other than as residential care home.

3. Furthermore, on 18 December 2007 the Council resolved that the Council's right of pre-emption not be exercised.

4. At its meeting on 9 June 2008 the Cabinet agreed that nursing home use be included in the restrictive covenant in addition to the residential care home, community, education or health purposes previously agreed by the Cabinet.

5. In addition, that a variation of the pre-emption clause be agreed to assist Epping Forest College with the agreed sale of Loughton Hall. The Council decided not to exercise its right of pre-emption on this occasion. The basis of valuation was varied so that the current value of the premises be calculated upon the basis of terms to be approved by the District Valuer in accordance with the statutory basis of compensation applicable to a compulsory purchase transaction between two local authorities. Under the original basis of valuation, the Council would, in the case of the Hall, have had to pay market value for the land and buildings. The variation means the Council would have to pay an additional sum in respect of the goodwill for the business. Therefore if the Council ever did decide to exercise its right of pre-emption it would be required to pay more for the premises than under the original basis of valuation.

6. The College site was transferred in 1952 to Essex County Council (ECC) by the then London County Council (LCC). The benefit of the LCC covenant is now vested in Epping Forest District Council (as successors to the LCC) and the ECC interests are vested in the Epping Forest Further Education Corporation. The remainder of the site was retained by ECC for the library development.

7. More particularly the covenants restrict use of the college site as follows:

*"Not without the previous written consent of the Council to use or allow to be used the land hereby conveyed or any part thereof for any purpose other than the purpose of the Education Act 1944 and/or the National Health Services Act 1946", and*

*"not to erect any buildings on that part of the campus save in accordance with layout and site plans first submitted to and approved by the Council". However no approval is needed for the elevation of such buildings save that EFDC have the opportunity to examine the character of the proposed development".*

8. In 1998 the Council sought specialist advice from Montagu Evans Chartered Surveyors on the removal of the restrictive covenant relating to the use of the land. A compensation payment would normally be payable to reflect the increase in the value of the land resulting from the development potential. The advice confirmed that if the Council

refused to release the covenant, the matter would be referred to the Lands Tribunal who would be likely to agree to the release. The level of the compensation would be restricted to the difference in the value of the land with and without the covenant when the transfer took place in 1952. Accordingly it would be nominal.

9. Essex County Council also agreed to sell the land back to the LCC in accordance with this right of pre-emption. If land affected is sold at any time during the pre-emption period – the life of the Late Majesty King George the Fifth or within 21 years after the death of the last survivor – the vendor must offer land back to the Council at the current market value.

10. Epping Forest College now wish to dispose of the land shown by black verge only on the Ordnance Survey extract attached at Appendix 1 and comprising a site area of approximately 0.95 acres/0.38 hectares. The proceeds of sale would be used to facilitate development of land to the south of Borders Lane for the provision of a sports hall, all weather pitches and the finishing of surroundings to new buildings. The proposed development would be for the benefit of both the college, and it is envisaged, the wider community. The College have been approached by a health care provider, who wishes to purchase this land in order to provide a residential health care facility for the elderly. They are aware of the similar use for Loughton Hall. No planning application has been made. This will require the release of the existing covenant and replacement by one permitting residential care use.

11. The existence of the right of pre-emption is of particular concern to the college, especially within the context of the weak property market. This clause imposes additional uncertainty to both potential purchasers and financial institutions, required to fund development of the site. The site contains life expired and obsolete sports facilities and would be redeveloped to provide the desired buildings. Should the Council wish to exercise its right of pre-emption at any time in the future they would be required to purchase the land and buildings at market value. It is unlikely that the buildings provided on site would match any future requirement of the Council so any purchase of the site by the Council would be unlikely to represent best value.

12. During previous negotiations with the College regarding Loughton Hall there were many detailed changes requiring amended reports for submission to Cabinet. Accordingly it is recommended that minor variations be decided by the Director of Corporate Support Services.

#### **Resource Implications:**

##### Finance

None.

##### Personnel

Valuation and Estate Management Service.

##### Land

Covenant and right of pre-emption interest only.

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

Section 123 Local Government Act 1972 – best consideration for the land and property assets.

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

Life expired and obsolete buildings to be replaced by new facilities to modern energy standards.

**Consultation Undertaken:**

None.

**Background Papers:**

Report to Cabinet 8 October 2007  
Report to Council 18 December 2007  
Report to Cabinet 9 June 2008

**Impact Assessments:**

Risk Management

Loss of new sports facilities fro the college and wider community if agreement not reached.

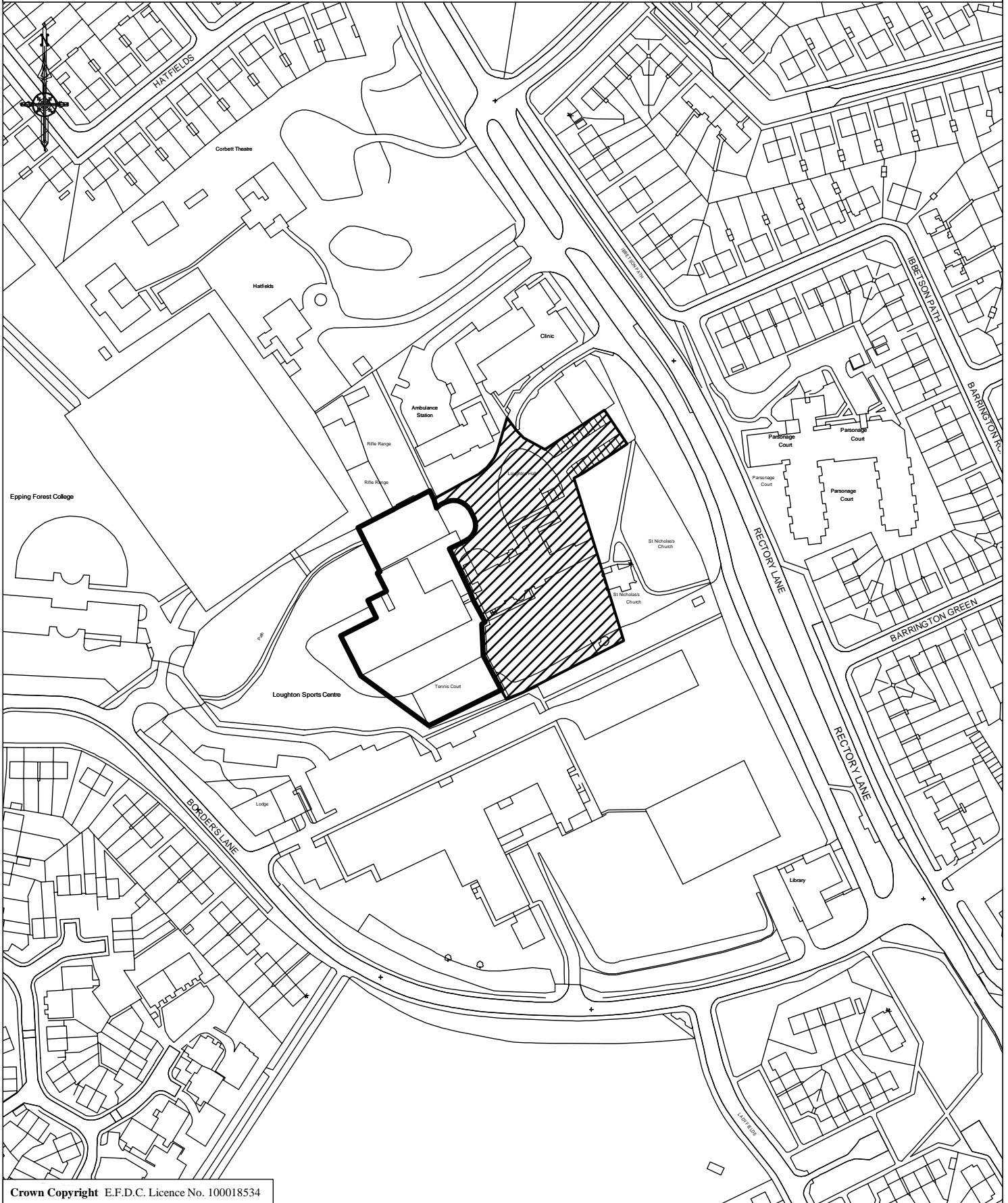
Equalities Assessment

No equality issues.





# EPPING FOREST DISTRICT COUNCIL



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John Gilbert M.C.I.E.H.M.R.S.H.  
Director of Environment & Street Scene  
Civic Offices,  
High Street  
Epping, Essex,  
CM16 4BZ  
Tel. 01992564000

Project

Drawing No.

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Page 169

Content

Epping Forest College Land  
Adjoining Loughton Hall

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## Report to the Cabinet

**Report reference:** C-032-2009/10  
**Date of meeting:** 7 September 2009



**Epping Forest  
District Council**

**Portfolio:** Environment  
**Subject:** Waste Management Policies  
**Responsible Officer:** John Gilbert (01992 564062).  
**Democratic Services Officer:** Gary Woodhall (01992 564470).

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### Recommendations/Decisions Required:

- (1) To agree and adopt the new waste management policy statements numbers (1) to (6);
- (2) To agree waste policy (7) noting that the part referring to additional capacity has yet to agreed; and
- (3) That, subject to recommendation (2) above to defer consideration of the policy relating to additional garden waste capacity to a future meeting alongside policy 8 on flats and communal buildings.

### Executive Summary:

The Council has a place a number of waste management policies introduced following the implementation of the original wheeled bin service. These polices deal with issues around the size of containers, closed lids and contamination. With the implementation of the new waste management service in September 2009, it is essential that these policies are reviewed and amended to reflect the new service and current operational circumstances.

This is a key decision

*“A safe, healthy & attractive place” – “create safer communities”*

*“maintain the special character and advantage of the District, and address local environmental issues”*

Council Plan 2006-2010 – “Green & Unique” – *“we want to improve our recycling performance to exceed statutory targets by completing the introduction of new waste management arrangements across the District.....”*

Cabinet Priorities 2009/10 – Environment – *“with the Council’s contractor Sita, to commence the implementation of the agreed changes to the waste management service by September 2009”*

### Reasons for Proposed Decision:

To have in place new and amended waste management policies in time for the introduction of the new waste service in September 2009.

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

The only alternative options are to:

- (i) retain the existing policies;
- (ii) amend the proposed policies; or
- (iii) manage the service with no policies

None of the above can be recommended, since it is critical to the success of the new scheme that residents, the contractor and waste management officers have a clear set of operational policies agreed and in place.

### **Report:**

1. The new waste management service, agreed by Cabinet at its special meeting in January 2009 is in the process of being rolled out across the district, with the new wheeled bins and caddies being delivered to residents. These deliveries are being supplemented by the provision of a wide range of supporting documentation and local roadshows where residents can talk to officers about the new service. The new service is scheduled to commence on 7 September 2009.

2. The Council already has in place a number of policy documents which deal with matters such as:

- containers;
- which materials should go into particular containers;
- assisted collections;
- collection locations and times; and
- contamination of containers

3. For the new service to be successful it is important that residents, Sita (the Council's contractor), waste management officers and the officers dealing with resident enquiries are clear about how the new service operates. It is therefore necessary for the existing policy documents to be reviewed and updated to reflect the new service and the current legislative environment.

4. The proposed policy documents are appended to the agenda. They are in some cases more restrictive than their predecessors, reflecting the need for residents:

- (i) to be more particular around the separation of recyclable materials from that destined for landfill thus avoiding the rejection of recyclable materials at the processing plant; and
- (ii) to reuse and recycle as much as they can through reductions in capacity for certain waste streams.

5. There are 8 policy documents covering the following core issues:

- (i) type of containers;
- (ii) container capacity;
- (iii) suitability of properties for wheelie bins;
- (iv) contamination of containers;
- (v) collection of side waste;

- (vi) exemptions;
- (vii) exceptions; and
- (viii) flats & communal buildings.

6. Two of the above policies are not yet complete, these being the policies on exceptions, and flats & communal buildings. That part of the exceptions policy referring to additional capacity for garden waste is still under consideration.

7. With respect to the exceptions policy, there are some residents who have expressed concern about the perceived reduction in capacity for garden waste arising from the change from sacks to a wheelie bin. However, each resident will have more than 300 litres of capacity since the garden waste bin is to be collected weekly. The analysis of last year's questionnaire indicated that the average number of sacks put out was 4 or 5 per fortnight, and the capacity of the new arrangements is sufficient to deal with this level of waste. Whilst it is the case that garden waste has made a useful contribution to improving levels of recycling, the Council could not continue with the previous 'free for all' arrangement, especially given that the garden waste will now be composted using in vessel technology (along with waste food) rather than the previous simpler open windrow arrangements. The law relating to waste collection places a statutory duty upon the Council to collect garden waste as ordinary household waste. However, the law also empowers the Council to levy a fee for this collection, as indeed many councils do. The proposed policy suggests that the Council will continue to collect, free of charge, garden waste which is contained within the provided wheelie bin, but Cabinet will have to consider, at some point in time, how it wishes to approach the matter of residents seeking additional garden waste capacity. It is suggested that this decision be deferred until the scheme has commenced and the autumn and winter period have been managed, so that officers will have an opportunity to determine the scale of the demand for additional capacity.

8. With respect to the policy on flats & communal buildings, there are complex issues to sort through before a policy document can be brought forward. Since these premises are, by and large, unaffected by the new service, consideration of this policy can also be deferred.

#### **Resource Implications:**

There are no additional resource implications arising from this report and its recommendations; the implementation of the new service is fully funded through current and future continuing service budgets

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

The delivery of the waste service is predominantly implemented under the auspices of the Environmental Protection Act 1990 and its subsidiary regulations and guidance. The collection of household waste (as defined by the Controlled Waste Regulations 1992) is a statutory duty placed upon the Council. Schedule 2 of those regulations prescribe that garden waste is, inter alia, household waste for which a charge for collection may be made.

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

The development of the waste service is seen as a key element of the Council's Safer, Cleaner, Greener Strategy. The increase in recycling performance is also a key component of meeting the Council's obligations within the recently adopted Essex Joint Municipal Waste Management Strategy. Changes to the service will also assist the Council in meeting the

criticisms contained within the Audit Commission's report on the waste service.

### **Consultation Undertaken:**

Consultation on the new service provision undertaken through the Forester and on-line. Results presented as part of report to special Cabinet on 19 January 2009.

The draft policies were published in the Members' Bulletin with a request for comments. No comments were received.

The draft policies were published on the Council's website to enable residents to make comments. No comments were received.

### **Background Papers:**

Cabinet, 19 January 2009

Reports to Safer, Cleaner, Greener Standing Scrutiny Panel

Progress reports to Waste Management Partnership Board

### **Impact Assessments:**

For the service to operate effectively and provide high levels of recycling, it is critical that policies are in place to ensure the most effective operation. Without the policies there is a risk that recyclates could become contaminated resulting in rejected loads going to landfill and the overall amount of waste collected increasing.

In providing new containers due regard is always given to the resident's ability to use them and to present them for collection. Assisted collections are available for those with disabilities or who are infirm.

The policies are designed to be fair to all elements of the community.

## **1. Container policy**



*The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy*

The council's waste contractor will only collect the official containers issued by Epping Forest District Council to that individual address for the collection of household waste.

### **The official containers for residual waste and food and garden recycling services are:**

- a wheelie bin of 180 litre capacity supplied by the Council
- manufactured by the supplier OTTO UK
- for the Residual service black/charcoal grey in colour for the bin body and lid
- for the Food and Garden service black/charcoal grey in colour for the bin body with a green lid
- embossed with an individual serial number registered to that individual address
- embossed with the Epping Forest District Council Logo and website address
- the correct registered capacity for that address

### **The official kitchen caddy and kerbside caddy for the Food and Garden service are:**

- manufactured by the supplier Straight PLC and supplied by the Council
- green in colour.
- embossed with the Epping Forest District Council Logo, website address and information.
- of 5 litre capacity for kitchen caddy, 23 litre capacity for kerbside caddy
- correctly registered to that address

### **The official container for glass collection service is:**

- a blue box of 55 litres capacity
- embossed with the Epping Forest District Council Logo and website address
- any other container other than a wheeled bin

### **The official containers for the dry recycling collection service (paper, card board, plastics etc) are:**

- the clear plastic sack as supplied by the Council at various outlets

### **Flats and similar communal buildings**

For flats and similar communal buildings please see policy number 8 (flats & similar communal buildings)

### **Exemptions and Exceptions**

For exemptions and exceptions please see policies 6 and 7

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## 2. Wheelie bin capacity policy



*The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy*

### **Residual waste wheelie bin:**

All properties other than flats & exempt properties will be issued a standard 180-litre wheelie bin with charcoal/grey lid irrespective of the number of residents living at the property.

### **Food and Garden recycling service wheelie bin:**

All properties other than flats & exempt properties will be issued with a standard 180-litre wheelie bin with green lid irrespective of the number of residents living at the property or size of the garden.

### **Resident requests for larger or smaller wheelie bin:**

All requests for a larger or smaller wheelie bin will be considered in accordance with the Council's policies on exceptions (see policy number 7)

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### **3. Suitability of property for wheelie bin policy**

*The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy*

All properties within the District, other than flats & exempt properties, will be deemed suitable for a standard 180 litre wheelie bin irrespective of the number of residents living at the property or size of the garden(s).

All properties within the District, other than flats & exempt properties, will be deemed suitable for the kerbside and a kitchen caddy.

All requests from residents for exemption from this policy will be considered in accordance with the Council's policies on exemptions (see policy number 6)

For flats and similar communal buildings please see policy number 8 (flats & similar communal buildings)

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## **4. Contamination Policy**

*The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy*

This policy is intended to ensure that only the correct materials are placed in the containers provided for collection. If a container is contaminated it may lead to the collection vehicle having its whole vehicle load rejected by the recycling reprocessor. The Council will then have to meet the costs of the re-collection and removal of all the waste and transporting and disposing to landfill. Residents will therefore be required to comply with the following requirements:

### **Residual waste**

(1) The residual wheelie bin shall only contain those items that cannot be recycled using the Council's kerbside recycling services or the County Council's civic amenity sites (household waste recycling centres). Those materials suitable for recycling can be found in the Council's waste service leaflets, calendars and on the Council's website

### **Food and garden recycling service**

(1) The food & garden recycling service wheelie bin shall only contain food and garden waste. The list of acceptable garden waste can be found in the Council's waste service leaflets, calendars and on the Council's website

(2) The kitchen caddy is for the storage of food waste only. When full the food waste should be transferred to the food and garden recycling wheelie bin or the kerbside caddy where provided. The list of acceptable food material is printed on the caddies with additional information available in the Council's waste service leaflets, calendars and on the Council's website

(3) If a kerbside caddy is provided instead of the food and garden recycling wheelie bin, it shall only be used for food waste collection.

### **Dry recycling service (clear sack and blue box)**

(1) Containers used for dry recycling should not contain any residual waste or food and garden waste. Glass shall be kept separate from all other dry recyclable materials to avoid broken glass causing contamination

### **Contaminated containers**

(1) If any container is found at the point of collection to be contaminated such that its collection may contaminate the entire load, the waste contractor will not collect the container and it will be left at the kerbside with a sticker identifying the problem. If a container is left because of contamination the resident may:

- (i) remove the contamination and represent the uncontaminated container on the next due collection day; or
- (ii) make their own arrangements for the proper & legal disposal of the wheelie bin's waste

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## 5. Side Waste Policy



*The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy*

“Side Waste” is residual or food & garden waste put out for collection which is **not contained within the official wheelie bin or kerbside caddy** issued to that residence for that service, **or**

where a sack based residual collection service is provided, any sacks exceeding 5 in number put out for a single collection.

(1) **No side waste will be collected** by the residual collection service **except** for polystyrene packaging or **following** designated holiday and religious festivals such as Christmas, Passover and Ramadan. Details of designated festivals and the dates of permitted additional collections can be found on the Council's website.

(2) **No side waste will be collected** by the food & garden recycling service.

All other recycling (glass, paper, plastic, cans etc) collection services will take any correct material that is placed out for collection.

(3) To ensure that wheelie bins and lids are not damaged during the collection and lifting process wheelie bin lids of all wheeled bins presented for collection should be fully closed.

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## 6. Exemptions Policy



*The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy*

It is recognised that there may be circumstances where a premises is not suitable for a wheelie bin or bins or inclusion in all of the available Council provided recycling services.

### **Residual waste**

A property **may** be exempt from using a wheelie bin if:

- (1) the front door opens directly onto the pavement; **or**
- (2) the front garden does not have available space of at least 1.00 square metre (10.7 square feet) **including** any space taken up by plants, pots, furniture etc; **or**
- (3) there are more than 2 steps to gain access to the public highway **and** there is no space to store it at the boundary of the property;

### **AND**

- (4) there is no alternative means of bringing the bin to the boundary for collection; and
- (5) there is no rear access to the property from an access road or the public highway

Where this exemption applies a fortnightly residual waste collection service using black sacks shall be provided. The number of sacks put out for collection shall not exceed 4, that being the equivalent of the capacity of a 180 litre wheelie bin. Any sacks above 4 will be treated as side waste and not collected (see Policy number 5 – Side Waste)

### **Food and garden waste recycling service**

(1) A property will be exempt from using the wheelie bin for the food and garden waste recycling service if it is already exempt from the use of the residual wheelie bin as set out above. In those circumstances the property will be provided with a kitchen and kerbside caddy for the storage and collection of food waste. A garden waste collection service **will not** be provided.

(2) Where a property receives the residual wheelie bin service but where the front garden does not have an additional 1.00 square metre (10.7 square feet) **including** any space taken up by plants, pots, furniture etc, it shall be exempted from the food and garden waste recycling wheelie bin but will instead be provided with a kitchen and kerbside caddy for the storage and collection of food waste. A garden waste collection service **will not** be provided.

(3) Where the garden waste collection service cannot be provided the householder will be offered a home composter at no charge

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## 7. Exception Policy



*The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy*

The previous policies set out the core arrangements for the waste service and the exemptions to those policies. However, it is recognised that there may be circumstances where special arrangements or changes to the core collection arrangements are required.

### **General**

Assisted collections will be made available to residents who, upon assessment, are deemed to be unable to use the core waste collection services without assistance from the Council or its contractor. Each case will be treated on its merits. Examples of issues requiring assisted collections include:

- disability
- age
- illness or infirmity (may require temporary arrangements)

### **Residual waste collection**

(1) Any request received for a larger wheelie bin will be assessed against the following criteria:

- the size of the household
- the ages of any children in the household and whether any are in nappies
- whether **full use** is being made of the recycling services available.
- whether there are any medical factors affecting the amount of residual waste produced

(2) The Council reserves the right to review any grant of a larger wheelie bin and to replace it with the standard 180 litre wheelie bin should it be considered that household circumstances have changed

(3) All requests for a smaller wheelie bin will be granted

### **Food and garden waste recycling service**

(1) The collection of garden waste is a chargeable service. The Council will collect, **free of charge**, any garden waste contained within the standard 180 litre wheelie bin provided for the food and garden recycling service.

(2) All requests for a smaller wheelie bin will be granted

(3) ***Policy on additional garden waste capacity to follow***

(4) if a resident chooses to opt out of the garden waste collection service, they will be able to do so and a second wheelie bin **will not** be provided.

(5) where a resident has opted out of the garden waste element of the service, they **will be required** to participate in the food waste recycling service and will be provided with a kitchen and kerbside caddy.

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## **8. Flats & Communal Buildings Policy**



*The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy*

It is recognised that the collection of residual waste and recyclable materials from flats and similar communal buildings will require different arrangements from the policies set out in policy statements 1 to 7.

**Detailed policy statements to follow.**

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