

Council Agenda



Epping Forest District Council

NOTICE OF COUNCIL MEETING

You are hereby summoned to a meeting of the EPPING FOREST DISTRICT COUNCIL to be held in the COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING at 7.30 pm on Tuesday, 22 February 2011 for the purpose of transacting the business set out in the agenda.

A handwritten signature in black ink, appearing to read 'D Macnab'.

DEREK MACNAB
Acting Chief Executive

**Democratic Services
Officer:**

Council Secretary: Ian Willett
Tel: 01992 564243 Email: iwillett@eppingforestdc.gov.uk

WEBCASTING NOTICE

Please note: this meeting may be filmed for live or subsequent broadcast via the Council's internet site - at the start of the meeting the Chairman will confirm if all or part of the meeting is being filmed.

You should be aware that the Council is a Data Controller under the Data Protection Act. Data collected during this webcast will be retained in accordance with the Council's published policy and copies made available to those that request it.

Therefore by entering the Chamber and using the lower public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings for web casting and/or training purposes. If members of the public do not wish to have their image captured they should sit in the upper council chamber public gallery area

If you have any queries regarding this, please contact the Senior Democratic Services Officer on 01992 564249.

BUSINESS

1. WEBCASTING INTRODUCTION

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

2. The Chief Executive will read the following announcement:

“This meeting will be webcast live to the Internet and will be archived for later viewing. Copies of recordings may be made available on request.

By entering the chamber’s lower seating area you consenting to becoming part of the webcast.

If you wish to avoid being filmed you should move to the public gallery or speak to the webcasting officer”

2. MINUTES (Pages 7 - 30)

To approve as a correct record and sign the minutes of the meeting held on 14 December 2010 (attached).

3. DECLARATIONS OF INTEREST

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

4. ANNOUNCEMENTS

(a) Apologies for Absence

(b) Announcements

To consider any announcements by:

- (i) the Chairman of the Council;
- (ii) the Leader of the Council; and
- (iii) any other Cabinet Member.

5. PUBLIC QUESTIONS (IF ANY)

To answer questions asked after notice in accordance with the provisions contained in paragraph 9.3 of the Council Procedure Rules of the Constitution on any matter in relation to which the Council has powers or duties or which affects the District:

- (a) to the Leader of the Council;
- (b) to the Chairman of the Overview and Scrutiny Committee; or
- (c) to any Portfolio Holder.

Questions, if any, will follow if not received in time to be incorporated into the agenda.

6. REPORTS FROM THE LEADER, CHAIRMAN OF THE OVERVIEW AND SCRUTINY COMMITTEE AND MEMBERS OF THE CABINET (Pages 31 - 40)

To receive reports from the Leader, Chairman of the Overview and Scrutiny Committee and members of the Cabinet on matters falling within their area of responsibility:

- (a) Report of the Leader;
- (b) Report of the Chairman of the Overview and Scrutiny Committee;
- (c) Report of Environment Portfolio Holder;
- (d) Report of Finance and Economic Development Portfolio Holder;
- (e) Report of Housing Portfolio Holder;
- (f) Report of Legal and Estates Portfolio Holder;
- (g) Report of Leisure and Wellbeing Portfolio Holder;
- (h) Report of Operational Planning and Transport Portfolio Holder;
- (i) Report of Performance Management Portfolio Holder;
- (j) Report of the Safer and Greener Portfolio Holder.

7. QUESTIONS BY MEMBERS WITHOUT NOTICE

Council Procedure Rule 10.6 provides for questions by any member of the Council to the Leader, Chairman of the Overview and Scrutiny Committee or any Portfolio Holder, without notice on:

- (i) reports under item 6 above; or
- (ii) any other matter of a non operational character in relation to the powers and duties of the Council or which affects all or part of the District or some or all of its inhabitants.

Council Procedure Rule 10.7 provides that answers to questions without notice may take the form of:

- (a) direct oral answer from the Leader or, at the request of the Leader, from another member of the Cabinet;
- (b) direct oral answer from the Chairman of the Overview and Scrutiny Committee or, at their request, from another member dealing with that issue as part of an Overview and Scrutiny review;
- (c) where the desired information is in a publication of the Council or other published work, a reference to that publication;
- (d) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner; or
- (e) where the question relates to an operational matter, the Leader, Chairman of the Overview and Scrutiny Committee or a member of the Cabinet will request that a response be given direct to the questioner by the relevant Chief Officer.

In accordance with the Council Procedure Rule 10.8, a time limit of twenty minutes is set for questions. Any question not dealt with within the time available will receive a written reply. The Chairman may extend this period by up to a further 10 minutes to ensure that all political groups and independent members may have their questions answered.

8. MOTIONS

To consider any motions, notice of which has been given under Council Procedure Rule 11.

Motions, if any, will follow if not received in time to be incorporated into the agenda.

9. QUESTIONS BY MEMBERS UNDER NOTICE

To answer questions asked after notice in accordance with the provisions contained in paragraph 10.3 of the Council Procedure Rules of the Constitution on any matter in relation to which the Council has powers or duties or which affects the District:

- (a) to the Chairman of the Council;
- (b) to the Leader of the Council;
- (c) to the Chairman of the Overview and Scrutiny Committee or
- (d) to any Member of the Cabinet;.

Council Procedure rule 10.4 provides that answers to questions under notice may take the form of:

- (a) direct oral answer;
- (b) where the desired information is in a publication of the Council or other published work, a reference to that publication; or
- (c) where the reply cannot conveniently be given orally, a written answer circulated later to the questioner.

Answers to questions falling within (a) and (b) above will be made available to the member asking the question one hour before the meeting. Answers to questions falling within (c) above will be circulated to all councillors.

Questions, if any, will follow if not received in time to be incorporated into the agenda.

10. REPORT OF THE CABINET - CAPITAL STRATEGY (Pages 41 - 68)

To consider the attached report.

11. REPORT OF THE CABINET - BUDGETS AND COUNCIL TAX DECLARATION 2011/12 (Pages 69 - 120)

To consider the attached report.

12. REPORT OF THE CABINET - CORPORATE PLAN 2011 TO 2015 (Pages 121 - 164)

To consider the attached report.

13. REPORT OF THE CABINET - CALENDAR OF COUNCIL MEETINGS 2011/12 (Pages 165 - 168)

To consider the attached report.

14. **REPORT OF OVERVIEW AND SCRUTINY COMMITTEE - FINANCIAL REGULATIONS - ACCEPTANCE OF E-INVOICES (Pages 169 - 172)**

(Councillor Morgan – Chairman of the Committee) To consider the attached report.
15. **REPORT OF THE OVERVIEW AND SCRUTINY COMMITTEE - REVIEW OF EXECUTIVE PROCEDURE RULE 1.6 (Pages 173 - 174)**

(Councillor Morgan – Chairman of the Committee) To consider the attached report.
16. **REPORT OF THE LICENSING COMMITTEE - TEMPORARY ROAD CLOSURES - THE ROYAL WEDDING (Pages 175 - 176)**

To consider the attached report.
17. **MEMBERSHIP OF COUNCIL COMMITTEES, CHAIRMANSHIP AND VICE-CHAIRMANSHIPS AND REPRESENTATIVES ON OUTSIDE ORGANISATIONS (Pages 177 - 178)**

(Deputy Monitoring Officer) To consider the attached report.
18. **APPOINTMENT OF DEPUTY PORTFOLIO HOLDERS AND MEMBER TO SHADOW THE AUDIT AND GOVERNANCE COMMITTEE (Pages 179 - 180)**

Recommendation:

That the decision of the Leader of the Council to appoint eight Deputy Portfolio Holders and one member to shadow the Audit and Governance Committee for the remainder of the current municipal year be noted.

(Leader of the Council) At the meeting held on the 2 November 2010 (minute 90), the Council resolved to amend the Constitution to permit the Leader to appoint up to ten Deputy Portfolio Holders.

The attached appendix sets out the appointments made by the Leader following consultation with the Conservative Group. These appointments will be for the remainder of the Council year 2010/11.

The Leader has also decided that as Councillor Green, current Chairman of the Audit and Governance Committee, will not be seeking re-election in May 2010, a member of the Conservative Group be appointed to shadow the work on that Committee of Councillor Green and Councillor Watts, the current members.

19. JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS

To receive any reports, ask questions and receive answers on the business of joint arrangements and external organisations.

20. 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):

Agenda Item No	Subject	Exempt Paragraph Number	Information
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.

EPHING FOREST DISTRICT COUNCIL COUNCIL MINUTES

Committee: Council **Date:** 14 December 2010

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.30 - 9.45 pm

Members Present: Councillors Mrs A Grigg (Chairman), K Angold-Stephens (Vice-Chairman), R Barrett, R Bassett, W Breare-Hall, Ms R Brookes, Mrs P Brooks, Mrs T Cochrane, R Cohen, Mrs D Collins, Ms C Edwards, C Finn, Mrs R Gadsby, P Gode, J Hart, Ms J Hart, Ms J Hedges, D Jacobs, D C Johnson, B Judd, J Knapman, Mrs J Lea, L Leonard, A Lion, Mrs M McEwen, G Mohindra, R Morgan, S Murray, J Philip, Mrs C Pond, W Pryor, Mrs P Richardson, B Rolfe, B Sandler, Mrs M Sartin, Mrs P Smith, P Spencer, D Stallan, Ms S Stavrou, Mrs J Sutcliffe, H Ulkun, Mrs L Wagland, Ms S Watson, A Watts, Mrs E Webster, C Whitbread, Mrs J H Whitehouse, J M Whitehouse, D Wixley and J Wyatt

Apologies: Councillors A Boyce, K Chana, J Collier, D Dodeja, A Green, Mrs S Jones, Ms Y Knight and J Markham

Officers Present: D Macnab (Acting Chief Executive), R Palmer (Director of Finance and ICT), C O'Boyle (Director of Corporate Support Services), I Willett (Assistant to the Chief Executive), G Lunnun (Assistant Director (Democratic Services)), I White (Forward Planning Manager), S G Hill (Senior Democratic Services Officer), P Seager (Chairman's Secretary) and T Carne (Public Relations and Marketing Officer)

98. WEBCASTING INTRODUCTION

The Assistant to the Chief Executive, on behalf of the Chairman of the Council, reminded everyone present that the meeting would be broadcast live to the Internet, and that the Council had adopted a protocol for the webcasting of its meetings.

99. PARISH COUNCILLOR JASON SALTER

It was with much sadness that the Chairman informed the Council of the death of Parish Councillor Jason Salter.

Members were informed that Jason Salter had been a member of the Abbess, Beauchamp and Berners Roding Parish Council and had been one of the Town/Parish Council representatives on the Standards Committee from 2001 until 2007 and from 2009.

The Chairman of the Council, Councillors D Collins, L Wagland, M McEwen, P Smith, Mr I Willett, Assistant to the Chief Executive, and Miss C O'Boyle, Director of Corporate Support Services paid tribute to the memory of Jason Salter.

The Council stood for a minute's silence in tribute to the memory of Parish Councillor Jason Salter.

100. MINUTES**RESOLVED:**

That the minutes of the Council meeting held on 2 November 2010 be taken as read and signed by the Chairman as a correct record.

101. DECLARATIONS OF INTEREST

(a) Pursuant to the Council's Code of Member Conduct, Councillors K Angold-Stephens, R Brookes, S Murray, C Pond, P Richardson and D Wixley declared personal interests in agenda item 19 (Roding Valley Recreation Area Committee) by virtue of being members of Loughton Town Council. The Councillors advised that they had determined that their interests were not prejudicial and that they would remain in the meeting for the consideration and voting on the matter.

(b) Pursuant to the Council's Code of Member Conduct, Councillors P Spencer, J Sutcliffe and S Watson declared personal interests in agenda item 19 (Roding Valley Recreation Area Committee) by virtue of being members of Buckhurst Hill Parish Council. The Councillors advised that they had determined that their interests were not prejudicial and that they would remain in the meeting for the consideration and voting on the matter.

(c) Pursuant to the Council's Code of Member Conduct, Councillor D Stallan declared a personal interest in agenda item 11 (Report of the Cabinet – Review of Executive Constitution) by virtue of having responded to the consultation exercise. The Councillor advised that he had determined that his interest was not prejudicial and that he would remain in the meeting for the consideration of voting on the matter.

(d) Pursuant to the Council's Staff Code of Conduct, Mr D Macnab, Acting Chief Executive declared a personal interest in agenda item 18 (Report of the Chief Executive Appointment Committee) by virtue of the references to him in the report. He advised that he had determined that his interest was prejudicial and that he would leave the meeting for the consideration and voting on the matter.

102. ANNOUNCEMENTS**(a) Announcements by the Chairman of the Council****(i) Attendance at Events**

The Chairman reported on her attendance at the King Harold School Presentation Evening at which awards had been presented by Mark Hunter, Great Britain Olympic Gold Medallist in rowing.

The Chairman also reported on her attendance at the Chigwell Riding Trust for Special Needs Christmas Carol and Nativity Service which had been very moving.

Councillor Mrs Grigg advised that she had been excited by her visit to the Lee Valley Whitewater Centre which was to be the venue for canoe slalom during the London 2012 Olympic Games. The Chairman advised that the Centre had been opened by HRH The Princess Royal and was the first new 2012 venue completed by the Olympic Delivery Authority.

(ii) Flowers from the Meeting

The Chairman advised that the flowers from the meeting would be sent to Chigwell Riding Trust for Special Needs.

(b) Announcements by the Leader of the Council

There were no announcements by the Leader under this heading.

(c) Announcements by Portfolio Holders

There were no announcements by Portfolio Holders under this heading.

103. PUBLIC QUESTIONS (IF ANY)

The Council noted that there were no public questions for this meeting.

104. REPORTS FROM THE LEADER, CHAIRMAN OF THE OVERVIEW AND SCRUTINY COMMITTEE AND MEMBERS OF THE CABINET

The Council received written reports from the Chairman of the Overview and Scrutiny Committee, the Environment Portfolio Holder, the Finance and Economic Development Portfolio Holder, the Housing Portfolio Holder, the Legal and Estates Portfolio Holder, the Leisure and Wellbeing Portfolio Holder, the Operational Planning and Transport Portfolio Holder, the Performance Management Portfolio Holder and the Safer and Greener Portfolio Holder.

The Chairman invited the Leader to provide an oral report and other members of the Cabinet to give an oral update of their written reports.

(a) Leader of the Council

The Leader advised that she had attended a meeting with the Leaders of other authorities in the County to discuss possible savings. In relation to parking enforcement the County Council favoured an approach of dividing the County into two areas, north and south. Under the County Council proposals this Council would be included in the north area and was one of only two authorities in that area which currently did not make a loss on the service. The Leader reported that there now appeared to be acceptance of the need to consider the outsourcing of the new contract.

Councillor Collins advised that the meeting of Leaders had been informed of the County Council's arrangements for winter gritting of highways. She advised that during the recent inclement weather the main roads of the County appeared to have been treated quickly.

The Leader advised that the meeting had also discussed working together on procurement to achieve more savings. She advised that the County Council wished to share property assets but this did not appear to be an issue for this District in view of the lack of suitable County Council accommodation. She advised that proposals for a County Waste Authority had not received support.

Councillor Collins advised that the first Local Enterprise Partnership meeting scheduled to take place in Dartford had been cancelled due to the inclement weather. She advised that together with the Deputy Leader of the Council she had

met John Spence, a business representative on the Local Enterprise Partnership. They had discussed the need to take steps to acquire funds for this District.

The Leader advised that a joint meeting of the Council's Management Board and Cabinet was to be held on the following day and that later in the week there was to be a meeting of the Cabinet, local Members of Parliament and local County Councillors.

Councillor Mrs Collins advised that she had appointed Deputy Portfolio Holders as follows:

Portfolio/Portfolio Holder	Deputy
Leader (Councillor D Collins)	Councillor James Hart
Environment (Councillor M Sartin)	Councillor S Jones
Finance and Economic Development) (Councillor C Whitbread))	Councillor D Johnson
Performance Management) (Councillor R Bassett))	
Housing (Councillor D Stallan)	Councillor W Breare-Hall
Legal and Estates (Councillor L Wagland)	Councillor B Judd
Leisure and Wellbeing) (Councillor B Rolfe))	Councillor R Gadsby
Operational Planning and Transport) (Councillor S Stavrou))	
Performance Management (Councillor R Bassett)	Councillor A Lion (Performance Management issues only)
Safer and Greener (Councillor P Smith)	Councillor R Barrett

The Leader also advised that as Councillor A Green, Chairman of the Audit and Governance Committee, would not be seeking re-election in May 2011, Councillors S Watson and A Watts would be shadowing his duties until that time.

(b) Environment Portfolio Holder

Councillor Sartin advised that she had agreed to update members on the number of fixed penalty notices issued. She reported that one notice had been issued in relation to waste. She continued that no notices had yet been issued in relation to litter.

(c) Finance and Economic Development

Councillor Whitbread referred to the tabled initial analysis of grant funding for the Council. He emphasised that the figures were provisional and were still subject to

detailed checking but they demonstrated the significant challenge facing the Authority over the next four years.

The Portfolio Holder pointed out that the Council would receive a reduction of £1.37 million (15.7%) in grant in 2011/12 and a further reduction of £0.9 million (12%) in 2012/13. He also drew attention to the funding available to Councils that chose to freeze their Council Tax in 2011/12 which had been the stated intention of this Council for some time.

Councillor Whitbread drew attention to a new funding stream with respect to New Homes Bonus, encouragement to local authorities to provide new housing. He also pointed out that revenue from Council Tax was anticipated to increase over the four year period as a result of new homes being built, not due to an increase in the level of District Council Tax.

Councillor Whitbread advised that having regard to work already undertaken the Council was on target to achieve the £557,924 of savings required for 2011/12. However in 2012/13 there would be a need to identify savings or increased income equating to approximately £1.488 million. He cautioned that as an organisation which was already lean, this would not be easy. Members would need to make some very difficult decisions about future priorities and would need to form a view about the use of balances and how much they were prepared to increase fees and charges. The Portfolio Holder pointed out that despite these challenges the advantage this Council had over many other authorities in the region was that it had more time to plan and manage any programme of efficiencies by virtue of the fact that it had already identified savings for next year.

(d) Housing Portfolio Holder

Councillor Stellan drew attention to his written report regarding the proposed withdrawal of funding by Essex County Council for Caring and Repairing in Epping Forest. He advised that he expected to receive an update of the position later in the week and that he would include details in the Council Bulletin when received.

(e) Operational Planning and Transport Portfolio Holder

Councillor Stavrou reported on the proceedings of a recent meeting of the Local Highways Panel.

She advised that a feasibility study had been carried out to evaluate the impact of providing pedestrian facilities as part of the improvements to the A1168 Chigwell Lane/Langston Road/Oakwood Hill junction. Members noted that computer modelling software and existing traffic and pedestrian counts had indicated that traffic queues on Oakwood Hill and Chigwell Lane southbound would increase significantly if pedestrian facilities were to be included. As a result a decision had been taken not to pursue the provision of pedestrian facilities.

The Portfolio Holder advised that the Panel had received an oral presentation on the County Council's winter gritting arrangements. She advised that full details of the arrangements would be appended to the minutes of the Panel meeting but pointed out that 46 parishes across the county had been included in a new pilot scheme aimed at ensuring that salt was used appropriately. Loughton Town Council, Nazeing and Theydon Bois Parish Councils had been included in the pilot and would receive initially a one tonne bag of salt. The Portfolio Holder advised that members of the Panel had raised concerns over the lack of consultation regarding this pilot

scheme and the difficulties which would be faced by town/parish councils in storing and using the salt.

(f) Safer and Greener

Councillor Smith advised that a decision had been taken earlier in the day not to close Harlow Magistrates Court. She advised that the County Court at Harlow would be closed although it was possible a facility would be included within the Magistrates Court.

105. QUESTIONS BY MEMBERS WITHOUT NOTICE

(a) Caring and Repairing in Epping Forest

Councillor Murray asked the Housing Portfolio Holder if he could give any assurances in relation to the funding of this service having regard to the proposed withdrawal of funds by the County Council.

Councillor Stallan, Housing Portfolio Holder stated that the Director of Housing was in discussions with County Council officers about the delivery of this service. Strong representations were being made for the protection of this front line service drawing attention to the impact of any reduction in the service.

(b) Health Works Project

Councillor P Brooks referred to the reduction in funding for this project and asked the Leisure and Wellbeing Portfolio Holder how this would affect the budget.

Councillor Rolfe, Leisure and Wellbeing Portfolio Holder stated that he could not provide any information on this matter at present.

(c) Caring and Repairing in Epping Forest District

Councillor J H Whitehouse asked the Housing Portfolio Holder if he agreed that it was important to retain this service at its current standard.

Councillor Stallan, Housing Portfolio Holder gave an assurance that this view would be made known to the County Council. He confirmed that as soon as he received further information from the County Council he would share this with all members.

(d) Highways – Winter Gritting Arrangements

Councillor Finn referred to the detrimental effects of using salt mixed with molasses.

Councillor Stavrou, Operational Planning and Transport Portfolio Holder noted the views of Councillor Finn but pointed out that the County Council had already made its decision in relation to the salt being used during this winter.

(e) Fixed Penalty Notices

Councillor Wixley asked why the public notice regarding the introduction of fixed penalty notices had only appeared in the Loughton and Buckhurst Hill edition of the Ilford Recorder and not in the Epping Forest Guardian.

Councillor Sartin, Environment Portfolio Holder, advised that she was not aware of the arrangements made for placing a public notice but pointed out that the public

awareness campaign had also involved the issue of press releases and publicity on the front page of the Council's website. She agreed to provide a written answer in the Council Bulletin in relation to Councillor Wixley's question.

(f) Discontinuation of the Choice-Based Lettings Free Sheet

Councillor R Brookes questioned how residents not having access to Broadband would be notified of the advertisement of available properties.

Councillor Stallan, Housing Portfolio Holder, emphasised that approximately 92% of all expressions of interest in available properties had been made via the website. He continued that the free sheets were rarely used and approximately 80% of all free sheets had to be destroyed each fortnight. He pointed out that discontinuation of the free sheets would save approximately £18,000 per annum. The Portfolio Holder confirmed that officers would print off copies of all vacancies from the website and make black and white copies available at Council Offices and Information Desks. He invited Councillor Brookes to approach officers if she had details of residents who would face difficulties with the new arrangements.

(g) Community Services – External Funding Schedule 2009/10

Councillor Wixley asked the Leisure and Wellbeing Portfolio Holder to thank officers for the external funding they had secured via competitive bidding processes.

Councillor Rolfe, Leisure and Wellbeing Portfolio Holder agreed to pass on those comments to the appropriate officers.

(h) Educational Maintenance Allowance

Councillor Murray asked the Leader of the Council if she had any intention to make representations to the Government in relation to its decision to discontinue Educational Maintenance Allowance. He pointed out that this would deter 16 year olds from low income families from staying in education.

Councillor Collins advised that she had already drafted a letter making such representations to The Rt Hon Michael Gove MP, Secretary of State for Education on behalf of Epping Forest College. She agreed to add the Council's views in that letter.

(i) Publication of Expenditure Over £500

Councillor J M Whitehouse asked what progress was being made in advertising the Council's expenditure on items over £500.

Councillor Whitbread, Finance and Economic Development Portfolio Holder advised that details would be published early in the New Year. He pointed out that although some authorities were already publishing details it had been decided to await Government guidance before providing this information.

(j) Housing Development – Millfield, High Ongar

Councillor McEwen referred to the decision of the Cabinet to develop the vacant Council-owned land to the rear of 25/29 Millfield, High Ongar for affordable housing. She stated that local residents would be surprised by this decision and asked if the development could be a rural housing scheme.

Councillor Stallan, Housing Portfolio Holder confirmed that the Cabinet had agreed that the land should be developed for affordable housing. He advised that he was not sure whether it would be possible to pursue a rural housing scheme but he agreed to discuss this matter with officers and to advise Councillor McEwen of the outcome of these discussions.

(k) Loyalty Card Initiative for the District's Town Centres

Councillor J H Whitehouse pointed out that the Finance and Economic Development Portfolio Holder had agreed to report further to this meeting on the introduction of a loyalty card initiative for the District's town centres. In view of the lack of any written report she asked the Portfolio Holder to update the Council.

Councillor Whitbread, Finance and Economic Development Portfolio Holder apologised for not providing a written report to the Council. He stated that he hoped to launch the scheme early in the New Year and that details would be made available to members in the Council Bulletin. Publicity would also be given by way of a press release and the Council's website.

(l) Park Homes

Councillor Rolfe requested an update on the consultation exercise in relation to the licensing of Park Homes.

Councillor Stallan, Housing Portfolio Holder stated that the consultation exercise would commence at the beginning of the following week. He advised that documents would be delivered by hand by Council officers to the affected residents and confirmed that all members of the Council would receive copies of the consultation document. Councillor Stallan advised that the consultation period would run until 21 January 2011.

(m) Epping Parking Review

Councillor J H Whitehouse drew attention to the consultation arrangements in relation to the Epping Parking Review. She pointed out that although the consultation period ran until 7 January 2011 the documents on deposit at the Civic Offices would be unavailable during the Christmas/New Year break. She asked what alternative arrangements would be made for residents to view the documents.

Councillor Stavrou, Operational Planning and Transport Portfolio Holder advised that the period of consultation had been extended in recognition of the Christmas/New Year break. She advised that the documents were also available for inspection at County Hall, Epping Library and on the County Council's website.

(n) Park Homes

Councillor Murray referred to the earlier response of the Housing Portfolio Holder and questioned whether a consultation exercise on such an important issue should take have been commenced immediately before Christmas. He asked the Portfolio Holder why the consultation had not been delayed until the New Year.

Councillor Stallan, Housing Portfolio Holder advised that it had been necessary to commence the consultation without delay. He accepted that undertaking the consultation period over the Christmas/New Year break was not ideal but he pointed out that a longer than normal consultation period had been allowed to reflect this situation.

(o) Park Homes

Councillor Webster asked the Housing Portfolio Holder if the consultation period could be extended until the end of January as residents might have difficulty responding as a result of being affected by inclement weather.

Councillor Stallan, Housing Portfolio Holder reported that the consultation documents had already been printed with the consultation period specified. He assured members that the consultation documents would be delivered by hand the following week irrespective of the weather. He continued that in the event of further inclement weather during December/January he would consider an extension of the consultation period if necessary.

(p) Brochure on Local Development Framework

Councillor Jenny Hart pointed out that some residents had not received this brochure early enough in order to attend the published workshops. She asked the Leader of the Council if she was aware of this situation.

Councillor Collins, Leader of the Council stated that the Council had paid for the brochures to be delivered and that if Councillor Hart could provide details of properties which had not received the brochure she would ask officers to pursue the matter.

106. MOTIONS

The Council was advised that there were no motions for consideration at this meeting.

107. QUESTIONS BY MEMBERS UNDER NOTICE**(a) Fees and Charges**

By Councillor J M Whitehouse to Councillor Whitbread, Finance and Economic Development Portfolio Holder

“With regard to the services for which the Council levies fees or charges, which services are:

- (a) operated so as to generate a surplus;
- (b) operated on the basis of full cost recovery;
- (c) operated on the basis of marginal cost recovery;
- (d) operated so that income makes a contribution to costs only?”

Response of Councillor Whitbread, Finance and Economic Development Portfolio Holder

Councillor Whitbread advised that his response had been tabled in view of the detailed figures included within it. He undertook to reproduce the full reply in the Council Bulletin and as part of the minutes of the meeting.

... The full response of Councillor Whitbread is attached as Appendix 1 to these minutes.

Supplementary Question from Councillor J M Whitehouse to Councillor Whitbread

"In the light of the Localism Bill does the Portfolio Holder have any plans to look at the Council's approach to fees and charges?"

Councillor Whitbread advised that there would be a need to look at fees and charges but this would be a careful balancing act. He emphasised that it would be necessary to commence consideration of such issues earlier than in previous years.

108. REPORT OF THE CABINET - REVIEW OF EXECUTIVE CONSTITUTION**Mover: Councillor Collins - Leader of the Council**

Councillor Collins reported that the Council was required by Sections 33 A-O of the Local Government Act 2000 (as amended) to consult the public about the form of executive constitution which the Authority intended to operate from the Annual Council meeting in May 2011. She drew attention to the results of a consultation exercise and emphasised that the Council was required to pass a resolution by 31 December 2010 to give effect to its choice of executive constitution.

Report as first moved ADOPTED**RESOLVED:**

- (1) That the Council notes the results of the consultation under Section 33 of the 2007 Act, namely that 108 persons responded, 56 of whom were in favour of the Elected Mayor and Cabinet option and 52 in favour of the current Leader and Cabinet option;
- (2) That the Council notes that 108 respondents is a very small percentage of the total population of the District and this, along with the balanced number of votes for the two options, does not present a case for pursuing the Elected Mayor and Cabinet option as this is an insufficient measure of public opinion to justify a costly referendum on a system which the Government intends to change;
- (3) That, for the reasons set out below, the Council resolves to continue the present Leader and Cabinet system from May 2011 because it is not convinced that the Elected Mayor and Cabinet option will achieve enhanced economy, effectiveness and efficiency in the provision of Council services for the following reasons:
 - (a) a referendum now would be based on an Elected Mayor option which may be superseded under new legislation;
 - (b) the cost of holding a referendum now (up to a maximum of £160,000) would not be an efficient use of Council resources in advance of the new legislation;
 - (c) that any referendum on an Elected Mayor based on new options would be more effective in gauging public opinion and more efficient in the use of Council resources;

(d) that the present Leader and Cabinet system is the only option which will enable the Council to manage services with minimum disruption in the difficult financial circumstances facing the Authority;

(e) that a change to an Elected Mayor system might divert attention from the Council's ability to achieve greater economy in service provision which the Government's Comprehensive Spending Review will require; and

(4) That the Council notes that if a verified petition for a mayoral referendum with the correct number of signatures is received, the Authority will be obliged to hold a referendum under the provisions of the 2007 Act.

109. REPORT OF THE CABINET - INTER-AUTHORITY AGREEMENT

Mover: Councillor Collins – Leader of the Council

Councillor Collins reported on the underlying principles and the outcomes contained in a Memorandum of Understanding prepared by the West Essex District Councils' Group. She sought leave of the Council to the deletion of the word "first" in the final bullet point of the Memorandum of Understanding.

Report as amended ADOPTED

RESOLVED:

(1) That the underlying principles and the outcomes contained in the Memorandum of Understanding prepared by the West Essex District Councils' Group attached as Appendix 2 to these minutes be endorsed; and

(2) That the agreement be formally approved and the Leader of the Council authorised to sign it on behalf of the Council.

110. REPORT OF THE CABINET - THE SUSTAINABLE COMMUNITY STRATEGY

Mover: Councillor Collins – Leader of the Council

Councillor Collins reported that the Council was required under the Local Government Act 2000 to agree a Sustainable Community Strategy. She advised that the strategy set out how partners from the public, private and voluntary sectors would unite together to improve the economic, social and environmental wellbeing of the local community. Members noted that the Local Strategic Partnership had drafted the strategy following data analysis and consultation.

Report as first moved ADOPTED

RESOLVED:

That the Sustainable Community Strategy 2010 to 2031 "Putting Epping Forest First" be approved.

111. REPORT OF THE CABINET - UNPLANNED EMERGENCY ITEMS - FUNDING

Mover: Councillor Whitbread – Finance and Economic Development Portfolio Holder

Councillor Whitbread reported on an increase in District Development Funding and on the need to finance one-off unplanned emergency works.

Report as first moved ADOPTED

RESOLVED:

That the increase in District Development Funding of £27,790 from the refund of National Non-Domestic Rates for Waltham Abbey Sports Centre be utilised to finance the following one-off unplanned emergency works totalling £25,693:

- (a) emergency ditch work at North Weald Airfield;
- (b) investigation of the bund at North Weald Airfield;
- (c) security at Roding Valley; and
- (d) security at North Weald Airfield (two incidents).

112. REPORT OF THE OVERVIEW AND SCRUTINY COMMITTEE - STATUTORY GUIDANCE ON DUTY TO RESPOND TO PETITIONS

Mover: Councillor Morgan – Chairman of the Committee

Councillor Morgan reported that the Overview and Scrutiny Committee had received a report from the Constitution and Member Services Standing Panel which had considered the implications of the Local Democracy, Economic Development and Construction Act 2009, and subsequent statutory guidance, in respect of the duty to respond to petitions. He emphasised that the Council was required to agree a scheme and to introduce its e-petitions system with effect from 15 December 2010.

Amendment moved by Councillor J M Whitehouse and seconded by Councillor P Brooks

“That recommendation (1)(e) be deleted and replaced by the following:

“(e) a percentage threshold of 0.75% of the District’s population (900) in terms of signatories to a petition required to trigger attendance of a “Senior Officer” at an Overview and Scrutiny meeting to give evidence on a matter”.

Lost

Report as first moved ADOPTED

RESOLVED:

- (1) That the revised petition scheme be approved as shown in the Appendix to the report incorporating the following elements:
 - (a) requirements for and arrangements for responding to petitions;
 - (b) each petition to be open for signature for a period of up to three months following its receipt by the District Council;
 - (c) involvement of partner organisations in the petitions process;

- (d) a percentage threshold of 2% of the District's population (2,400) in terms of signatories to a petition required to trigger a debate at full Council;
 - (e) a percentage threshold of 1% of the District's population (1,200) in terms of signatories to a petition required to trigger attendance of a "Senior Officer" at an Overview and Scrutiny meeting to give evidence on a matter;
 - (f) publication on the Council's website; and
 - (g) provision of a facility for making electronic petitions to be in place by 15 December 2010;
- (2) That the Assistant to the Chief Executive be authorised to publish the new petitions scheme in the Constitution together with consequential changes to the Council Procedure Rules and the Overview and Scrutiny Procedure Rules and to make other necessary amendments to the Constitution; and
 - (3) That the operation of the revised petitions scheme and its impact be reviewed in the summer of 2011.

113. REPORT OF THE COMMUNITY GOVERNANCE REVIEW COMMITTEE - COMMUNITY GOVERNANCE REVIEW - MORETON, BOBBINGWORTH AND THE LAVERS

Mover: Councillor Philip – Chairman of the Committee

Councillor Philip reported on a proposed change to the name of the Committee, its terms of reference and the current position on the review of the Moreton, Bobbingworth and the Lavers Parish Council.

Report as first moved ADOPTED

RESOLVED:

- (1) That the name of the Committee be changed to "Electoral and Community Governance Review Committee";
- (2) That the terms of reference of the Committee be extended to allow the Committee to respond directly to any proposed Parliamentary Constituency review consultation if there is insufficient time to submit recommendations to the Council, all such responses to be subject to ratification at the next available Council meeting; and
- (3) That the current position on the review of the Moreton, Bobbingworth and the Lavers Parish Council be noted.

114. REPORT OF PLANNING SERVICES SCRUTINY PANEL - NEW HOMES BONUS CONSULTATION

Mover: Councillor Philip – Chairman of the Panel

Councillor Philip reported the views of the Panel on a Government consultation on the "New Homes Bonus" Scheme.

Amendment moved by Councillor Wagland and seconded by Councillor Whitbread

“That an additional representation be made to the Government in a form to be agreed with officers drawing attention to the risk of Judicial Review if planning merits are not at the core of any decision”.

Carried

Report as amended ADOPTED

RESOLVED:

That the annotated version of the report to the Panel on 2 December 2010 by the Director of Planning and Economic Development containing suggested responses and recommendations on the comments to be made be approved subject to an additional response regarding the risk of Judicial Review.

115. REPORT OF THE CHIEF EXECUTIVE APPOINTMENT COMMITTEE

Mover: Councillor Collins – Chairman of the Committee

Councillor Collins submitted a report on procedural requirements, options for delivering the role of Chief Executive and the position of the Deputy Chief Executive.

Report as first moved ADOPTED

RESOLVED:

(1) That this Committee be delegated the task under Regulation 3(i) and Part II of Schedule 2 to the Local Authorities (Standing Orders) Regulation 2001 of notifying the Proper Officer of the person to whom it is intended to make an offer of the position of Chief Executive;

(2) That the Assistant to the Chief Executive be appointed as Proper Officer under those regulations;

(3) That the action being taken by the Committee in relation to the recruitment of a Chief Executive be noted as follows:

(a) the provisional timetable outlined in the report; and

(b) the deadline for deciding when recruitment should be launched (1 March 2011); and

(4) That Mr D Macnab's appointment as Acting Chief Executive (including Acting Head of Paid Service) be extended to 31 August 2011 on the same terms as agreed by the Council pursuant to the decisions made on 27 July 2010, subject to this appointment being terminated at an earlier date if it proves possible to appoint a Chief Executive at an earlier date or the Council decides to pursue another collaborative arrangement for a Chief Executive.

116. RODING VALLEY RECREATION AREA COMMITTEE

The Assistant to the Chief Executive reported that since the agenda for this meeting had been despatched, representations had been made on behalf of Buckhurst Hill Parish Council, namely that the Parish Council had not yet been able to reach a decision on being party to the Agreement or in joining the new Committee to manage the Recreation Area. He advised that in the light of these representations the Council had two options as to how to proceed –

(a) to establish the Committee with representatives from Loughton Town Council and this Council only with the Buckhurst Hill Parish Council joining in as and when the Parish Council had made those decisions; or

(b) to defer the establishment of the Committee until Buckhurst Hill Parish Council had resolved to join.

Motion moved by Councillor Murray and seconded by Councillor Gode

“That the Committee be established with representatives from Loughton Town Council and this Council only with the Buckhurst Hill Parish Council joining in as and when the Parish Council has made decisions on being a party to the agreement or in joining the new Committee”.

Carried

RESOLVED:

(1) That the Committee be established with representatives from Loughton Town Council and this Council only with the Buckhurst Hill Parish Council joining in as and when that Parish Council has made decisions in relation to being a party to the agreement or on joining the new Committee;

(2) That the category of appointments to be made to the Roding Valley Recreation Committee be determined as local;

(3) That Councillors K Angold-Stephens and S Murray be appointed to the Roding Valley Recreation Committee to represent the District Council for the remainder of the current municipal year.

117. LOCAL GOVERNMENT AND HOUSING ACT 1989 - NOTIFICATION OF MEMBERSHIP OF POLITICAL GROUPS

The Council was advised that one Conservative councillor had not yet signed the Conservative Group membership notification under the Local Government and Housing Act 1989.

RESOLVED:

(1) That the position be noted; and

(2) That pro rata memberships be reviewed at the next Council meeting and that in the meantime political groups and independent members be advised of the likely effect on group allocations.

118. REFERENDUM - 5 MAY 2011- APPOINTMENT OF COUNTING OFFICER

The Council noted that Clause 2(i) of Schedule 1 of the Parliamentary Voting System and Constituencies Bill stated that the Counting Officer for the Referendum to be held on 5 May 2011 was the person who was the Returning Officer for elections of councillors of a district, county or borough that formed the voting area. Members noted in accordance with that clause, Jenny Watson, Chair of the Electoral Commission and Chief Counting Officer for the Referendum had confirmed the appointment of Mr I Willett as Counting Officer (Designate) for the Epping Forest District.

RESOLVED:

That the appointment of Mr I Willett as Counting Officer (Designate) for the Referendum provided for under the Parliamentary Voting System and Constituencies Bill to be held on 5 May 2011 be noted.

119. JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS

The Council received a written report (tabled) from Councillor Webster, the Council's Olympic Champion.

Councillor Collins reported that Epping Forest College had signed a contract with Essex University regarding a new building for the Debden Acting School. She advised that although the College still faced some difficulties with capital finance on a day to day basis it had balanced its books.

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

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

Agenda Item Number	Subject	Exempt Information Paragraph Number
24	Report of the Cabinet – Supplementary DDF Estimate – Options for a Development Agreement for the potential Langston Road Project	3
25	Report of the Cabinet – Supplementary DDF Estimate – External Legal Fees	1, 3, 5 & 7

121. REPORT OF THE CABINET - SUPPLEMENTARY DDF ESTIMATE - OPTIONS FOR A DEVELOPMENT AGREEMENT FOR THE POTENTIAL LANGSTON ROAD PROJECT

Mover: Councillor Wagland – Legal and Estates Portfolio Holder

Councillor Wagland reported on the need to obtain specialist legal advice on the form of an agreement and on tax implications.

Report as first moved ADOPTED

RESOLVED:

That a District Development Fund supplementary estimate of £25,000 be approved in order to procure specialist legal and tax advice.

122. REPORT OF THE CABINET - SUPPLEMENTARY DDF ESTIMATE - EXTERNAL LEGAL FEES

Mover: Councillor Whitbread – Finance and Economic Development Portfolio Holder

Councillor Whitbread reported on the need for a supplementary DDF estimate for external legal fees in connection with the liquidation of a company providing services to the Council.

Report as first moved ADOPTED

RESOLVED:

(1) That a supplementary DDF estimate of £30,000 be approved for external legal fees in connection with the liquidation of a company providing services to the Council; and

(2) That the requirements of Contract Standing Order C4 be waived in relation to the appointment of external solicitors.

CHAIRMAN

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APPENDIX 1

FLATS OVER PREMISES

24 & 25 Fir Trees & Flat	Abridge	40 The Broadway	Debden, Loughton
		41 The Broadway	Debden, Loughton
1 Lower Queens Road	Buckhurst Hill	42 The Broadway	Debden, Loughton
4 Lower Queens Road	Buckhurst Hill	43 The Broadway	Debden, Loughton
5 Lower Queens Road	Buckhurst Hill	44 The Broadway	Debden, Loughton
8 Lower Queens Road	Buckhurst Hill	45 The Broadway & Flat 41A	Debden, Loughton
		46-48 The Broadway	Debden, Loughton
142 Loughton Way	Buckhurst Hill	47-49 The Broadway	Debden, Loughton
144 Loughton Way	Buckhurst Hill	50 The Broadway	Debden, Loughton
146 Loughton Way	Buckhurst Hill	51 The Broadway	Debden, Loughton
148 Loughton Way	Buckhurst Hill	52 The Broadway	Debden, Loughton
150 & 152 Loughton Way	Buckhurst Hill	53 The Broadway	Debden, Loughton
154 Loughton Way	Buckhurst Hill	54 The Broadway	Debden, Loughton
156 Loughton Way	Buckhurst Hill	55 The Broadway	Debden, Loughton
158 Loughton Way	Buckhurst Hill	56 The Broadway	Debden, Loughton
		57 The Broadway + Garage	
160 Loughton Way	Buckhurst Hill	292	Debden, Loughton
162 Loughton Way	Buckhurst Hill	58 The Broadway	Debden, Loughton
164 Loughton Way	Buckhurst Hill	59 The Broadway	Debden, Loughton
		60 The Broadway	Debden, Loughton
28 Parklands & Flat 38	Coopersale	61 The Broadway	Debden, Loughton
29 Parklands & Flat 36	Coopersale	62 The Broadway	Debden, Loughton
30 Parklands & Flat 34	Coopersale	64 The Broadway	Debden, Loughton
31 Parklands & Flat 32	Coopersale	65 The Broadway	Debden, Loughton
		66 The Broadway	Debden, Loughton
11-13 The Broadway	Debden, Loughton	67 The Broadway & Flat 22A	Debden, Loughton
12-14 The Broadway	Debden, Loughton	68 The Broadway	Debden, Loughton
15 The Broadway	Debden, Loughton	69 The Broadway	Debden, Loughton
16 The Broadway	Debden, Loughton	70 The Broadway	Debden, Loughton
17/19 The Broadway	Debden, Loughton	71 The Broadway	Debden, Loughton
18 The Broadway	Debden, Loughton	72 The Broadway	Debden, Loughton
20 The Broadway	Debden, Loughton	73 The Broadway	Debden, Loughton
21 The Broadway	Debden, Loughton	74 The Broadway	Debden, Loughton
22 The Broadway	Debden, Loughton	76 The Broadway	Debden, Loughton
23 The Broadway & Flat 21A	Debden, Loughton	78 The Broadway	Debden, Loughton
24 The Broadway & Flat 24 A/B	Debden, Loughton	80 The Broadway	Debden, Loughton
25 The Broadway	Debden, Loughton	82 The Broadway & Flat 80B	Debden, Loughton
26 The Broadway & Flat 61A	Debden, Loughton		
27 The Broadway	Debden, Loughton	50 The Street & Flat 48	High Ongar
28 The Broadway	Debden, Loughton		
29 The Broadway	Debden, Loughton	58 Borders Lane & Flat 78	Loughton
30 The Broadway	Debden, Loughton	60 Borders Lane	Loughton
31 The Broadway	Debden, Loughton	62 Borders Lane	Loughton
32-34 The Broadway	Debden, Loughton	64 Borders Lane	Loughton
33-37 The Broadway	Debden, Loughton	66 Borders Lane	Loughton
36 The Broadway	Debden, Loughton	68 Borders Lane	Loughton
38 The Broadway	Debden, Loughton	70 Borders Lane & Flat 90	Loughton
39 The Broadway	Debden, Loughton	72 Borders Lane	Loughton
		74 Borders Lane	Loughton
		76 Borders Lane & Flat 96	Loughton

FLATS OVER PREMISES CONTINUED

34 Pyrles Lane	Loughton	1-4 Hillhouse	Waltham Abbey
36,38,40 Pyrles Lane	Loughton	5 Hillhouse	Waltham Abbey
42 Pyrles Lane	Loughton	6 Hillhouse & Flat 13	Waltham Abbey
44 Pyrles Lane & Flat 72a	Loughton	7 Hillhouse	Waltham Abbey
46 Pyrles Lane	Loughton	8 Hillhouse	Waltham Abbey
48 Pyrles Lane	Loughton	9 Hillhouse	Waltham Abbey
50 Pyrles Lane & Flat 76	Loughton	10 Hillhouse	Waltham Abbey
52 Pyrles Land & Flat 62 & Garage	Loughton	11 Hillhouse	Waltham Abbey
		12 Hillhouse	Waltham Abbey
6 & 7 Longcroft Rise & Flat 14	Loughton		
		74 Roundhills	Waltham Abbey
20 St Peter's Avenue & Flat 22	Shellys, Ongar	76 Roundhills	Waltham Abbey
24 St Peter's Avenue & Flat 26	Shellys, Ongar	78 Roundhills	Waltham Abbey
28 St Peter's Avenue & Flat 30	Shellys, Ongar	80 Roundhills	Waltham Abbey
32 St Peter's Avenue & Flat 34	Shellys, Ongar	82 Roundhills	Waltham Abbey
15 Market Square	Waltham Abbey	113-117 Upshire Road	Waltham Abbey
16 Market Square	Waltham Abbey	119 Upshire Road	Waltham Abbey
17 Market Square	Waltham Abbey	121 Upshire Road	Waltham Abbey
18 Market Square	Waltham Abbey	123 Upshire Road	Waltham Abbey
19 Market Square	Waltham Abbey		

NO FLATS OVER PREMISES

83 Loughton Way (House)	Buckhurst Hill	70 Wellfields (House)	Loughton
Petrol Filling Station	Debden, Loughton	17 & 18 Maynard Court	Waltham Abbey
Public House Sir Winston Churchill	Loughton	548 Limes Avenue	Chigwell
Public House The Cottage Loaf	Loughton	550 556 Limes Avenue	Chigwell
Public House Gun Makers Arms	Loughton	558 Limes Avenue	Chigwell
Public House Spencers (formerly The Golden Lion)	Loughton	560 Limes Avenue	Chigwell
Public House The Black Deer	Loughton	562 Limes Avenue	Chigwell
Public House Clydesdale	Loughton		
2-18 Torrington Drive	Debden, Loughton		

SUGGESTED CONSTITUTIONAL AMENDMENTS – DEPUTY PORTFOLIO HOLDERS

1. Executive Procedure Rules

ADD New Paragraph (to be numbered).

“The Leader of the Council may appoint up to 10 Deputy Portfolio Holders who shall –

- (a) assist the designated Cabinet Member in shaping and developing the strategic priorities of the Council as it relates to the allocated portfolio.
- (b) assist the designated Cabinet Member in monitoring performance in specified areas relating to the allocated portfolio.
- (c) where appropriate and where permissible under the Council’s Constitution, represent the designated Cabinet Member at meetings or visits.

Such appointments shall be at the discretion of the Leader and shall be notified to Council at its annual meeting. The term of office of any Deputy Portfolio Holder shall be for one year from the Annual Council meeting concerned but may be varied by the Leader at any time.

Deputy Portfolio Holders shall not be members of the Cabinet, or any Cabinet Committee and may not exercise any executive powers, which shall be reserved to Cabinet members either collectively or individually.

Deputy Portfolio Holders may, however, be invited to speak at Cabinet or Cabinet Committee meetings on matters where they assisted Cabinet members but may not vote.”

2. Article 7 – The Executive

ADD New Paragraph (to be numbered 7.05):

“Deputy Portfolio Holders

The Leader of the Council shall also, at his or her discretion, appoint Deputy Portfolio Holders on an annual basis in accordance with the Executive Procedure Rules contained in the Constitution.”

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MODEL JOB DESCRIPTION FOR DEPUTIES TO CABINET MEMBERS

Purpose

To assist and work with the designated Cabinet Member with their responsibility for allocated portfolios.

Duties and Responsibilities

1. To assist the designated Cabinet Member in shaping and developing the strategic priorities of the Council as it relates to the allocated portfolio.
2. To assist the designated Cabinet Member in monitoring performance in specified areas relating to the allocated portfolio.
3. Where appropriate and where permissible under the Council's Constitution to represent the designated Cabinet Member at meetings or visits.

Skills Required

Basic

1. To show good communication and interpersonal skills.
2. To show the ability to analyse and grasp complex issues.

Developmental

3. To develop a good understanding of how local and national government operates.
4. To develop a clear understanding of the operation of the Council and ability to contribute to the work of the Cabinet generally.
5. To develop skills in chairing meetings and facilitating open discussion.

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Report to Council

Date of meeting: 22 February 2011

Subject: Overview and Scrutiny Report to Council – February 2011

Contact for further information: Councillor Richard Morgan



Recommendation:

That the Overview and Scrutiny progress report from December 2010 to the present be noted.

Report.

Overview and Scrutiny Committee Meeting – 24 January 2011.

1. At the January meeting the Committee received a call-in of a decision by the Cabinet of a Leisure and Wellbeing Portfolio Holder report (C-044-2010/11) regarding the decision for a £35,000 reduction in the Community Arts project budget including deletion of a part time Arts Administration Post. The call-in was concerned that this decision was inconsistent with the Council's stated intention to protect front-line services. After due consideration the Committee confirmed the original decision of the Cabinet.

2. They next considered a report from the Finance and Performance Management Scrutiny Standing Panel on the refurbishment of the Finance Reception area. The Panel had considered three options prepared by Norfolk Property Services for the development and improvement of the Finance Reception area after the critical comments made by the Audit Commission Inspectors. They proposed the following three separate costed options:

- Option 1 - to open things up and put in semi transparent low level barriers, take away the glass screens, put in new furniture and move the public area back. The total cost would be £200,600.
- Option 2 – as option 1 but with the addition of the extension to provide a group interview room. Total costs would be £267,266.84.
- Option 3 – as options 1& 2 but with new external glazing and sliding doors (two sets of automated doors), external roller shutters and new information screens. Total cost would be £302,255.86.

3. Off the three options, the Finance and Performance Management Standing Panel had chosen to endorse the third option, at a cost of £302,255.86. After due consideration and debate the Committee also decided to support option 3 and would recommend this to the Cabinet.

4. The Committee also received the draft Budget report, which was considered in detail the week before by the Finance and Performance Management Cabinet Committee along with members of the Finance and Performance Management Scrutiny Panel. They noted and agreed their conclusions.

5. The Committee next considered a response to a consultation document on core strategies and options for the Harlow area. This originally went to the Planning Services Standing Panel and came to us with their draft responses. They agreed with their responses but also added that they would like to see a new junction built north of Harlow onto the M11. The Committee also gave the Planning Standing Panel the discretion to reply directly to any consultations, if the timing proved impractical to bring it to the main O&S Committee for agreement.

6. Finally the Committee received two reports from the Constitution and Member Services Standing Panel, one was for the introduction of e-invoicing and the other was for amending the Constitution to remove the guillotine on Cabinet meetings and the requirement to hold a minimum of 12 Cabinet meetings a year. Both reports were agreed and they will go onto the Council for their agreement.

The Assistant Director of Housing (Property) will be giving a presentation on the new Repairs Management Contract at the meeting of the Housing Scrutiny Panel to be held at 5.30pm on Thursday 24th March 2011. Further details will be sent to all members in due course, but interested members may wish to note the date in their diary – they will not need to stay for the other Housing Scrutiny Panel business.

It is also hoped that the provisional decision on the appointment of the contractor will have been made by this date, and that a representative from the preferred contractor will also be able to contribute to the presentation from their perspective.

Funding for Caring and Repairing in Epping Forest (CARE)

At the last Council meeting, I reported that the Council received an unexpected letter in November 2010 from Essex County Council (ECC), informing us that ECC intended to cease the provision of its £46,000 per annum funding to the Council for our CARE Service, which represents a third of CARE's funding.

I also reported that, following representations from our officers and other councils, it appeared that ECC was withdrawing from this position – I agreed to keep members informed of progress on this matter.

I am pleased to report that ECC no longer intends to withdraw funding for our CARE Service, or any of the other home improvement agencies (HIAs) in Essex.

Our Director of Housing has received a letter from the Head of Supporting People at ECC stating that "Essex County Council is committed to continuing to fund HIA's in the county". It goes on to say that "we are prepared in principle to invest more funding in future in services that will support prevention, but this must be based on evidence of needs and policy and not on historic arrangements."

ECC says that it "intends to pursue an accelerated procurement now, in order to stabilise the situation over the next two years, and then to work jointly to develop new services to be in place from April 2013". If for any reason the accelerated procedure fails, however, ECC has made it clear that it may withdraw HIA funding.

A new specification for HIA services is being drawn up by ECC to "strike a balance between bringing some uniformity of specification across the county and to realise some efficiencies, on the one hand, and not creating significant changes at this point in time where there is financial uncertainty for local authorities and providers alike". ECC has indicated that one important change it would wish to make is to remove from the specification the requirement for HIAs to help clients apply for Disabled Facilities Grants and other types of Housing Assistance.

Rather than having one, or even two, contracts across Essex, ECC is currently considering how a framework agreement could be used to have preferred providers in place on a locality/district basis. Therefore, the "interim" arrangements will not be radically different in the short term. In the medium term, ECC says it will work with stakeholders to develop a blueprint for the future delivery of HIA services - which it intends to have in place from April 2013.

Since EFDC's HIA is provided in-house (through the CARE Agency), at the time of writing, ECC has said that EFDC will **not** be included within the current tendering arrangements, and that our funding for the next two years will need to be negotiated with ECC, based on the new specification. This means that the Council can continue to provide its own HIA,

without having to be subjected to a tendering exercise, but that the funding provided by ECC may reduce.

CLG Consultation Paper “Local Decisions – A Fairer Future for Social Housing”

I referred to this important Consultation Paper in my last report to Council. Probably the Government’s two most radical proposals are to give local authorities and housing associations the flexibility to introduce “fixed-term tenancies” for a minimum period of 2 years, instead of “lifetime” secure and assured tenancies, and to (effectively) require housing associations to charge “affordable rents”, of up to 80% of market rents, for all newly built affordable homes - as well as an agreed percentage of their re-lets.

The Council’s response was agreed by the Housing Scrutiny Panel at its meeting on the 11th January 2011. In view of the impact and effect that the Government’s proposals will have on the Council’s tenants, all the members of the Epping Forest Tenants and Leaseholders Federation were also invited to attend the meeting, take part in the debate and inform the Council’s response. The Federation then met separately to consider the issues raised in the Consultation Document, and whether or not its views were sufficiently similar for it to join in with the Council’s response.

In the event, a joint response was able to be sent, but the Federation wanted to include some different responses to the Council in respect of some questions.

The Housing Scrutiny Panel’s view was that, although this was an important issue that members would need to consider carefully at the appropriate time, the Council supported the proposed flexibility of councils being able to introduce the new fixed-term tenancies and that the Council would probably want to use them in some form if introduced, subject to a consultation exercise with tenants and housing applicants. However, the Scrutiny Panel felt that the minimum tenancy period should be five years and not two years, as proposed by the Government.

The Tenants and Leaseholders Federation, on the other hand, felt that fixed-term tenancies should not be introduced and, if they are used, they should be for a minimum of ten years.

With regard to the proposed introduction of “affordable rent tenancies” for housing associations, both the Housing Scrutiny Panel and the Federation were very concerned that for many people the “affordable rents” would, in fact, be unaffordable – especially if they are actually set at (the maximum of) 80% of market rents, and especially in a high cost / rent district such as in Epping Forest.

Homelessness Prevention Funding

I am pleased to report that, at a time when most Government funding to local authorities is being cut, we have received £113,000 per annum for the next two years within the Council’s Local Government Grant Settlement, in order to fund the Council’s Homelessness Prevention Service – an increase of £53,000 per annum on the previous £60,000 per annum.

At the time of writing, the Cabinet is due to consider a recommendation from me at its meeting on 31st January 2011 that £60,000 per annum of the funding be used to continue to help fund the cost of staffing our Homelessness Prevention Service, and that the remaining £53,000 per annum be used to fund - in equal amounts - the Council’s Rental Loan Scheme and the Epping Forest Housing Aid (EFHAS) Rent Guarantee Scheme, to further help to prevent homelessness.

The Cabinet will also be considering my recommendation that a progress report on the Homelessness Prevention Service be considered by the Housing Scrutiny Panel in July 2012.

Report to the Council

Committee: Cabinet

Subject: Performance Management Portfolio

Date: 22 February 2011

Portfolio Holder: Councillor Richard Bassett

Item: 6(i)

Recommending:

That the report of the Performance Management Portfolio Holder be noted.

Planned Maintenance Programmes 2011to 2015

As we are all aware the Council is under severe financial pressures to reduce and I have been working with the Finance and Economic Development Portfolio Holder to help find savings. At the Cabinet meeting on 31 January I presented the revised expenditure plans for the Civic Offices and other operational buildings. In total the reviews we have undertaken have reduced the planned expenditure down from just over £1m in FY2011-12 to £471k, a considerable saving.

The current property condition categories showed that 28% of operational property is maintained to a good standard and 72% to a satisfactory standard. No buildings were categorised as poor or bad. We could have looked at deferring any action until fabric, systems or equipment fails. This would cause varying degrees of disruption depending on the extent of failure and/or system involved and the time scale for procurement and rectification of the defect. Depending on the nature of the failure it could also lead to damage to other parts of the building fabric or services.

This would not have been a sensible long term approach and as such we have taken a balanced approach where we are concentrating on essential maintenance and also to ensure H&S requirements are met. Therefore it made sense to have a plan where we will invest if it saves us money in the long term. We have also taken a much more planned approach on our estimates for service life of equipment and as such have put estimates in future years to cover this. Officers also have done work on revising and checking our estimated costs. It is planned to use wherever possible internal resources to do planned works, such as using Building Control to do the building condition reports, saving £20k which would have gone outside consultants. We also will be using our Works Unit wherever possible to again save external expenditure.

The Civic Offices in 2009 received a Display Energy Certificate rating of G, the least efficient. Following closer monitoring and management of the energy usage and adjustments allowed under the regulations, the DEC for 2010 has improved to an E rating and was just 4 points short of achieving a D rating which is the typical rating for this size of building. This improvement does not take account of the recently completed works to the Condor Building at the Civic Offices to install a new heating system and new windows and insulating cladding. The additional savings both financial and carbon emissions will not be fully known until several months of energy bills and consumption figures have been analysed but we believe the savings will be significant.

To continue these energy rating improvements and hence make savings in our energy bills there are plans to enhance the roof space insulation of the Condor Building and for the installation of additional Smart Meters in association with an efficient energy management protocol.

Finally I would say that these expenditure projections are living documents and we will be constantly looking at how we can achieve our aims within or below our budgets. We will also need to review our budgets once we get the survey of operational buildings and commercial properties. The results of the condition survey, which clearly are not yet known, will determine the extent of the planned maintenance programmes for future years and the recommended levels of investment to maintain the condition and value of the Council's assets.

Key Objectives 2010/11 – Progress Report

The Council has sought to align the business, budget, and workforce planning and development processes over recent years, and these arrangements have provided an opportunity for the key objectives for each year to be incorporated within individual Directorate Business Plans, thereby further linking the various elements of the Council's performance management framework. The revised Key Objectives for FY11/12 were presented at the last Cabinet meeting. The Council's aims for the coming year have not changed from last year and are

- Safeguarding frontline services;
- Have the lowest Council Tax in Essex;
- Aspire to be a top performing Council in Essex;
- Improve efficiency through partnership working and use of assets;
- Community Leadership and Advocacy;

From these we have developed the Key Objectives for 2011/12. Following several revisions we have settled on 8 Key objectives which will enable us to progress our aims. These are:-

1. To review the Council's commercial landholdings in order to coordinate competing land use proposals, fulfill operational requirements, achieve value for money, and produce additional capital and revenue income to the Council.
2. To utilise existing resources to support the Government's vision for the 'Big Society', where individuals and communities have power and responsibility to create better neighbourhoods and local services;
3. To work in partnership with Essex County Council and other statutory and voluntary agencies, to ensure the effectiveness of local arrangements and services to safeguard and promote the welfare of children and young people;
4. To seek continuous performance improvement and the best use of resources, against the background of diminishing public expenditure;
5. To achieve the levels of net savings necessary to maintain the Council's sound financial position and provide the best level of service;
6. To maximise the provision of affordable housing within the district
7. To help mitigate the impact of the current economic conditions on local people and businesses, where resources permit and value for money can be achieved from the Council's activities
8. To deliver a sound Core Planning Strategy of the Local Development Framework;

If you review the objectives from FY10/11 you will see that these are an evolution of those but updated to reflect current progress, the changes of circumstances in the economy and also an update of timescales based on information learnt through the year. These will be presented to full Council for ratification.

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Report to the Council

Committee: Cabinet

Date: 22 February 2011

Portfolio Holder: Councillor C Whitbread
(Finance and Economic Development)

Item: 10

1. CAPITAL STRATEGY – 2010-2015

Recommending:

... **That the attached Capital Strategy 2010-2015 be approved.**

Background

1. Although local authorities are not required to revise the Capital Strategy annually, it is felt important to do so in order to ensure that it is up-to-date. Also, a good Capital Strategy enables the Council to make sound strategic decisions in relation to its use of capital resources and forms an important part of the Council's Performance Management and Financial Planning frameworks.
2. The Capital Strategy is a key "high level" strategic document and is linked to all other key corporate and strategic documents produced by the Council and its partners; including the Corporate Plan, the Sustainable Community Strategy, and the Asset Management Plan.
3. Each year, the Council's strategic aims and priorities are used to re-assess the key capital priorities and we have reconsidered the ranking of each key priority as part of our consideration of the Capital Strategy. The order of importance will subsequently influence future decisions regarding individual capital projects.
4. The Capital Strategy also details past capital investment achievements, looks at committed schemes over the period 2010/11 – 2014/15 and considers proposed projects over the same period. It identifies partnership arrangements with other councils and organisations, which aim to enhance the Capital Programme, and sets out the funding approved to date, having regard to forecast income generation.

Current Schemes and Expenditure Forecasts

- ...
5. The attached Capital Strategy has been updated with current schemes and expenditure forecasts as contained within the latest Capital Programme approved by us on 25 October 2010 as part of the Capital Review. Since that time, there have been some small revisions to the timing of some schemes to reflect latest predictions, these include: contributions to Affordable Housing; North Weald Market Infrastructure Improvement Works; CCTV installations at Loughton Broadway; the Limes Farm Hall Development; and the Construction of the Waltham Abbey All-Weather Pitch.
 6. A further change made since the Capital Review was agreed, is the decision to move business premises from the Housing Revenue Account into the General Fund from 31 March 2011 and this has been reflected in the Capital Programme.

7. At our meeting on 31 January 2011 we made the following further amendments:
 - (a) the approval of the planned Maintenance Programme 2011/12 to 2014/15;
 - (b) the removal of the Customer Services Transformation Programme, currently allocated £1.307 million;
 - (c) the removal of the Private Sector Capital Contingency, currently allocated £530,000; and
 - (d) the removal of the General ICT allocation for the years 2012/13 to 2014/15, currently allocated £900,000 in total, with bids to be made for funding from this time onwards.
8. We have also asked for further reports so that we can review the progress on the compulsory purchase of 8/8a Sun Street in Waltham Abbey, currently allocated £378,000 in 2011/12 and the progress of the construction of off-street parking schemes on housing estates, currently allocated £2.44 million over five years.

Key Capital Priorities

9. We have reviewed the ranking of the Council's key capital priorities in the light of fulfilling the Council's aims and objectives. The key capital priorities have been included in Section 5.1 of the Capital Strategy and it will be noted that we are not proposing any change to the ranking order.

Key Capital Schemes 2010-2015

10. Having considered various options for capital investment, the Capital Programme has been formulated to meet the key capital priorities. The proposed schemes are ranked in priority order in Section 6 of the Strategy.
11. We recommend as set out at the commencement of this report.



Capital Strategy 2010/2015



INVESTOR IN PEOPLE

January 2011

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Epping Forest District Council

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1. Key Strategic Council Documents that Complement and Link with the Capital Strategy
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 - (a) Expenditure and Funding Summary
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4. Key Partners in Delivering the Capital Strategy

1. Introduction

1.1 Epping Forest District Council is committed to providing high quality and improving services to the community and capital investment in the form of large scale one-off projects plays a vital role in achieving this objective. It is essential that a strategic approach is taken, having regard to the Council's aims and priorities, and that the Council's Capital Strategy is formulated in consultation with the community. The capital resources available to fund capital investment must also be taken into account and every effort is made to maximise the generation of income in the form of capital receipts. At the same time, projects must be properly planned, managed and reviewed to ensure that best value is achieved. This Capital Strategy has been produced to accord with the latest guidance on capital accounting arrangements for local government.

2. The Council's Medium Term Aims and Priorities

2.1 This Capital Strategy is a key "high level" strategic document that is linked to, and complements, other key corporate and strategic documents produced by the Council and its partners. The documents that influence and are influenced by the Capital Strategy are summarised at Appendix 1 and the Council ensures that the links between these documents are maintained and updated annually.

2.2 The Council has established clear aims and priorities for the District, which were agreed by the Cabinet in February 2010 in preparation for the Council new Corporate Plan 2011-2015. It is anticipated that the Plan will be adopted at the full Council meeting to be held on 15 February 2011. The Corporate Plan is being aligned to the Sustainable Community Strategy and the Core Strategy of the Local Development Framework. These plans should be read in conjunction with the Capital Strategy, (whilst accepting that they are still in development), since they are instrumental in determining the Council's strategic priorities.

2.3 The Council's vision and overall strategic aim is to promote a safe, healthy and attractive place in which to live and work through the application of the following medium term priorities:

- (a) By maintaining the special character and advantage of the District, and addressing local environmental issues;
- (b) By addressing key housing need;
- (c) By creating safer communities;
- (d) By addressing leisure need; and
- (e) By encouraging sustainable economic development.

2.4 The Capital Strategy recognises the importance played by the Asset Management Plan (AMP), coordinating and balancing asset requirement and service provision with corporate objectives and economic factors. Epping Forest District Council received a "Good" for its AMP when last assessed in 2003 and, as a consequence, there is no requirement to make further submissions for assessment. Nevertheless, the Council has continued to update the core data and national performance indicators each year, which have been forwarded to the Institute of Public Finance Asset Management Plan Network for comparison with other member authorities, and the current AMP 2007-2012 was adopted by the Council in July 2007.

3. Previous Capital Investment Achievements

3.1 The Council has a good track record of successfully delivering capital schemes, recent examples include:

- The conversion of the old weight room and squash courts to a new fitness suite and movement studio at Ongar Leisure Centre, which has greatly improved the leisure provision at this centre;

- The completion of phases 1 and 2 of the town centre enhancement works at Loughton Broadway;
- The installation of new play facilities at five locations within the District, financed by competitively secured funding of £220,000 from the Big Lottery and supported by parish councils and the Council's Housing Revenue Account.
- The successful implementation of new ICT Systems including an ICT Helpdesk, improvements in all aspects of security, further development of the Website, Planning Public Access Module, Anti Social Behaviour module, a new cash receipting system as well as continued involvement with the Capita, Revenues and Benefits, Academy System.
- The introduction of a new system of waste management, including a new food and gardening recycling system, through the investment in wheeled bins, lifting equipment and caddies throughout the District to increase the Council's recycling performance;
- An ongoing programme of capital repairs and improvements to the Council's housing stock that enabled the Council to meet the Government's target of ensuring that all the Council's homes were decent by 2010;
- An extensive capital programme of Disabled Adaptations for tenants in council accommodation and grants to residents in private housing;
- A programme of private sector Decent Homes Grants has been introduced to enable vulnerable homeowners to either improve their living conditions or bring them fully up to the Decent Homes Standard.
- The successful completion of the capital works at the former waste site at Bobbingworth and the commencement of the ongoing routine maintenance phase.
- The successful purchase of six tipper trucks as a more cost effective way of providing vehicles to meet the requirements of the grounds maintenance contract.

Formulating the Council's Key Capital Priorities – The Corporate Framework

4.1 The Council's medium term aims and priorities are set out in section 2 above. Each year, the Council re-assesses its key capital priorities on a corporate basis, having regard to:

- The Council's aims and priorities
- The Council's financial position
- The capital priorities of the Council's key partners
- The Council's ability to influence other partners' plans through the use of its capital resources
- Service Development and Improvement Plans.

4.2 It is essential that potential capital schemes that advance the Council's key capital and strategic priorities be prioritised, having regard to the capital resources available. Therefore, project appraisals are undertaken for all capital schemes in excess of £2,000,000 (and appropriate schemes of lesser amounts) that;

- Assess how the project will meet the Council's Strategic Aims
- Provide estimates of expenditure
- Examine appropriate options
- Set out any relevant consultation arrangements
- Identify the most appropriate method of procurement
- Explain the proposed method of project monitoring and review
- Provide an assessment of key risks and their management.

4.3 Capital projects that meet the Council's Aims are then selected and prioritised through detailed discussion and evaluation by the Council's Cabinet, having regard to project appraisals and other relevant information.

Revenue Implications

4.4 When appraising potential capital schemes, it is essential that the associated revenue implications be assessed, since these can be an important factor in deciding whether a scheme should be undertaken and, indeed, its relative priority compared with other projects. The project appraisals therefore require the associated revenue implications to be identified. Once identified and approved, the Council's Director of Finance and ICT incorporates the revenue implications within the Council's revenue budget and monitors expenditure accordingly.

5 The Council's Key Capital Priorities – 2010-2015

5.1 The Council has adopted the "Nottingham Declaration" and is thereby committed to managing its internal processes in a way that mitigate and adapt to the potential effects of climate change. Therefore, in considering individual capital items and the programme overall, the Council will give due consideration to the environmental consequences of its intentions in respect to issues such as sustainability, energy and waste management endeavouring at all times to reduce potential effects upon the environment. Furthermore, an ICT server virtualization project is nearly complete, which will vastly reduce the number of servers required and should provide significant savings in electricity.

5.2 Following the process outlined in Section 4 above, the Council has identified the following Key Capital Priorities, which are ranked, as shown below, in order of strategic importance to the District, having regard to the Council's aims and priorities. The abbreviations in italics cross-reference with the key capital schemes in Section 6. The priorities in brackets relate to last year's Capital Strategy:

Priority	Key Capital Priority	Abb	Main Link to Aims & Priorities
1 (1)	Meeting housing need	<i>(MHN)</i>	<ul style="list-style-type: none"> • Address key housing need
2 (2)	Improving the Council's housing stock	<i>(ICS)</i>	<ul style="list-style-type: none"> • Address key housing need • Procure services in the most beneficial and cost effective way
3 (3)	Improving quality of life	<i>(IQL)</i>	<ul style="list-style-type: none"> • Maintain the special character and advantage of the District, and address local environmental issues • Address key housing need • Address leisure need
4 (4)	Protecting the environment	<i>(PE)</i>	<ul style="list-style-type: none"> • Maintain the special character and advantage of the District, and address local environmental issues
5 (5)	Promoting economic development	<i>(PED)</i>	<ul style="list-style-type: none"> • Encourage sustainable economic development
6 (6)	Regenerating areas in need	<i>(R)</i>	<ul style="list-style-type: none"> • Address key housing need • Create safer communities • Encourage sustainable economic development • Co-operate and plan with partners
7 (7)	Delivering quality public services through e-government	<i>(QPS)</i>	<ul style="list-style-type: none"> • Develop services, staff and the working environment
8 (8)	Improving private sector housing stock	<i>(IPS)</i>	<ul style="list-style-type: none"> • Address key housing need

5.3 The Key Capital Priorities remain unchanged from last year pending consideration by Members.

5.4 Due to the amount of capital receipts that are currently being held by the Council, income from investment interest is being generated. This is beneficial to the General Fund and Housing Revenue Account, since they provide additional revenue income. However, it is forecast that capital receipts will fall to a third of their current levels by 31 March 2015 as they are used to fund capital projects over this period. There is a financial risk involved in reducing the balance of usable capital receipts and this has been recognized in the Council's Corporate Risk Register. The following potential consequences have been identified under risk no 17: loss of interest; loss of cover for contingencies; the financial strategy becoming untenable in the long run; service reductions may be required; and large Council Tax increases may be required. In order to reduce this risk as much as possible, the Council has adopted a policy of actively seeking the investment of capital resources in revenue-generating assets.

6. Key Capital Schemes: 2010- 2015

6.1 Having considered various options for capital investment, the Council has formulated its Capital Programme to meet its Key Capital Priorities. The committed and proposed schemes are set out below. The *proposed* schemes are ranked in a priority order, to assist with varying the future programme if future funding is different from anticipated, or if other schemes with higher priority are identified. The abbreviations in brackets cross-reference with Section 5 above. Schemes funded by the Housing Revenue Account are marked (*).

6.2 The Council has undertaken or will undertake the following *committed* capital projects between 2010-2015; some of these figures include slippage from 2009/10 :

- Continue to renovate and improve the Council's housing stock, through the capital investment of £5,986,000 for committed schemes in 2010/11 (ICS/IQL) (*)
- Invest £385,000 in information communications technology in 2010/11, including the capital costs of installing the Gazeteer, the Enterprise Agreement, the second phase of the Information at Work programme and completing the installation of the new cash receipting and income system (QPS).
- Invest £375,000 over the next year in developing affordable housing in the District in partnership with Estuary Housing Association (MHN/R/PE)
- Invest £186,000 in six Home Ownership Grants in 2010/11 (MHN)
- Install a CCTV system in the town centre at The Broadway, Loughton at a cost of £100,000 in 2010/11 (PED)
- Invest £1,062,000 in the development of Limes Farm Hall over the next two years ; a contribution of £260,000 has been secured from Essex County Council towards this scheme (IQL)
- Invest £800,000 at Loughton Leisure Centre in 2010/11 to make structural alterations which will generate revenue savings (IQL)
- Invest £527,000 in providing an all weather Astro turf pitch at Waltham Abbey over the next two years (IQL)
- Invest £42,000 in undertaking a feasibility scheme for future sports facilities at Waltham Abbey in 2010/11(IQL)
- Complete the purchase of remaining equipment for the new waste management service at a cost of £147,000 (PE)

- Invest £109,000 and £83,000 in fitness equipment at Ongar Leisure Centre and Epping Sports Centre respectively in 2011/12 (IQL)
- Provide £400,000 for private sector disabled facilities grants and £427,000 (*) for adaptations to Council properties in 2010/11 (IQL)
- Provide £350,000 for other private sector housing grants in 2010/11 (IPS)
- Provide £210,000 for improvements to HRA shopping areas in 2010/11 (PED)(R) (*)
- Invest £147,000 in parking and traffic associated management schemes and £26,000 in housing estate off street parking schemes throughout the District in 2009/10 (* £13,000 of the latter to be funded from HRA) (PE)
- Invest in a new toilet block at North Weald Airfield in 2010/11, at a cost of £155,000 from external funding, to provide facilities for major outdoor events, including the Saturday and Bank Holiday markets (PED)
- Invest £74,000 in 2010/11 to complete the programme of providing Children's Play Schemes financed by Big Lottery Funding, parish councils and the HRA (IQL) (*)
- Invest £87,000 in 2010/11 to finance the replacement of grounds maintenance plant and equipment to ensure an effective and efficient services (PE)
- Invest £669,000 in capital works at the civic offices as part of the improvements programme in 2010/11 (all key priorities)
- Provide £435,000 to assist home owners in the open market in 2010/11 to be financed from a contribution from McCarthy and Stone (MHN)
- Invest £212,000 and £152,000 in the purchase of 148 Brooker Road and the car park previously owned by the Black Lion Public House (all key priorities)
- Invest £120,000 in the improvement and enhancement of Bakers Lane Car Park, Epping in 2009/10 (PE)
- Spend £199,000 to fund other small capital items

6.3 The Council will undertake the following *proposed* capital projects, ranked in priority order, between 2011-2015:

- (1) Continue to renovate/improve the Council's housing stock, through the capital investment of £24,075,000 between 2011/12 and 2014/15 (ICS/IQL) (*)
- (2) Provide for the final four Home Ownership Grants under the extended scheme at a total cost of £112,000 within the 2011/12 Housing General Fund Capital Programme (MHN)
- (3) Continue to invest annual sums of around £50,000 per year in Housing DLO vehicles and £30,000 in grounds maintenance plant from 2011/12 (ICS) (*) and (PE)
- (4) Continue to provide £400,000 per annum for private sector disabled facilities grants and £400,000 (*) per annum for adaptations to Council properties (IQL)
- (5) Construct off street parking schemes on housing estates at a cost of £2,410,000 between 2011/12 and 2013/14 (*£1,231,000 from HRA funds), (IQL)

- (6) Invest £1,000,000 in the potential purchase of seven replacement refuse vehicles in 2011/12 (PE)
- (7) Complete the three parking reviews currently in progress and associated traffic management schemes within a total budget of £400,000 in 2011/12 and 2012/13 (IQL)
- (8) Invest £116,000 in improvements to HRA shopping areas in 2011/12 and £100,000 per year thereafter (PED) (R) (*)
- (9) Continue annual improvements to the infrastructure at North Weald Market , at a cost of £88,000 in 2011/12 and £63,000 per annum thereafter, using external funding (PED)
- (10) Invest £438,000 in General IT capital projects in 2011/12 (QPS)
- (11) Provide an annual sum of £350,000 for private sector housing grants from 2011/12 onwards (IPS)
- (12) Invest £573,000, £313,000 and £83,000 in capital works within the planned building improvements programme at the civic offices (all key priorities), industrial units (PED) and leisure centres (IQL) respectively between 2011/12 and 2013/14
- (13) Invest £208,000 in the installation of Solar Energy Panels at the civic offices in 2014/15 or when appropriate, in accordance with structural surveys and the technology available (all key priorities)
- (14) Invest £165,000 in regeneration schemes in Waltham Abbey from a ring fenced capital receipt (PED) (R).
- (15) Invest £47,000 in capital works and equipment to address local drainage issues (PE).
- (16) Invest £378,000 in 2011/12, if necessary, to fund a compulsory purchase order of a property in Waltham Abbey to facilitate the re-development of the area with a view to the ultimate net cost to the Council to be in the order of £28,000 on resale of the property (PED/MHN)
- (17) Invest in the development of Langston Road Depot, and provide funding for the re-provision of services at Oakwood Hill, Langston Road and Merlin Road, North Weald, as part of the Asset Management Co-ordination Group programme. It is anticipated that costs will be significant although no provision currently exists within the capital programme for these projects (PED)(R).

6.4 In addition to the above capital projects, the five year capital programme includes a General Capital Contingency of £173,000.

7. The Council's Capital Programme Forecast: 2010-2015

7.1 Having regard to the Council's Strategic Aims, the Council has formulated its five-year Capital Programme Forecast for General Fund and HRA capital projects, which totals £48,117,000 between 2010/11 and 2014/15, and is summarised below. The detailed Capital Programme is reproduced at Appendix 2 (a – c).

	2010/11	2011/12	2012/13	2013/14	2014/15	Total
	£000	£000	£000	£000	£000	£000
General Fund	4,786	6,431	2,370	1,221	1,163	15,971
HRA	6,636	6,973	6,875	5,831	5,831	32,146
Total	11,491	13,404	9,245	7,052	6,994	48,117

8. Housing Stock Options Appraisal

8.1 The Council's Cabinet selected the stock retention option after the Housing Stock Options Appraisal in November 2002, on the basis that the council would be able to meet the 2010 Decent Homes target. This target was successfully completed by March 2010 and it is proposed that the position will be reviewed.

9. Working in Partnership

9.1 The Council places great emphasis on the importance of working in partnership with other councils and organisations to meet the objectives and responsibilities of all parties. The Council regards partnerships as an effective way of achieving many of its aims and priorities and delivering service improvements or, in some cases, new services where none currently exists. Partners have three main, and important, roles:

- To provide information, views and feedback on Council proposals as part of the consultation process set out in the Council's Consultation Strategy.
- To provide required services identified and facilitated by the Council, where best value can be obtained through the provision by the partner. This may involve the provision of funding by the Council.
- To work in partnership with the Council to jointly deliver the Council's aims and priorities, where both the Council and the partner provide funding.

9.2 The Council is committed to continuing to identify and secure opportunities for best value through either an external partner undertaking capital projects or jointly funding/undertaking projects in a partnership arrangement. The Council will also consult key partners on appropriate capital projects, in accordance with the Council's Consultation Strategy, to obtain views and feedback on proposals.

Cross-Cutting Themes

9.3 The Council works effectively with its partners and has an excellent record of working in partnership with other organisations to achieve our mutual objectives and to obtain best value. The main partners with whom the Council works on capital schemes are listed at Appendix 4. Examples of cross-cutting partnership working include:

- Working with Essex County Council to redevelop Limes Farm Hall and improve facilities particularly for children, young people and families.
- A long-standing commitment to working with the District's six Town Centre Partnerships. This takes the form of officer input as well as operational resource and reflects the Council's commitment to the future vitality and viability of its town centres.
- Working with registered social landlords for the provision of new affordable housing.
- Creating and working with Town Centre Focus Groups, comprising local councils, town centre partnerships, traders associations, and voluntary organisations in the design of the town centre

enhancement schemes.

- Working with the Primary Care Trust and Parish Council to dispose of Council-owned land in North Weald to provide housing and a health centre.
- Working with Parish Councils to provide improved outdoor youth facilities by means of jointly funded schemes.
- As part of the externalisation of leisure management, the Council works closely with its partner Sports and Leisure Management Ltd (SLM) to improve leisure facilities in the District.
- Working with the Big Lottery and Play England to provide a Children's Play Strategy Programme to refurbish existing play areas and provide new play facilities within the District.
- Undertaking parking and traffic management reviews with Essex County Council.
- Working with the Environment Agency to manage flood risk to the residents of the District by management of main river watercourses and associated flood defence assets.
- As a result of the Licence Agreement with the market operator, Hughmark Continental Limited, a sum in the region of £62,000 per annum (subject to Retail Price Index increases) is invested in the infrastructure of North Weald Airfield.
- Joint Municipal Waste Management Strategy with the County and district and boroughs.
- The Portfolio Holder for Environment has begun a consultation on the establishment of a Local Liaison Group to assist with the ongoing management of the Bobbingworth Tip site.

Cross-border working

9.4 In order to meet its aims and priorities and deliver its Capital Strategy effectively, not only must the Council work in partnership with other agencies, it must also work across traditional geographical boundaries. Such cross-border working brings a more cohesive approach to achieving objectives and also benefits from economies of scale and shared expertise. Some of the initiatives relevant to this Capital Strategy are listed below:

- The Council is working collaboratively with neighboring local authorities in respect of planning and economic development in order to bring forward the Local Development Framework (LDF) and in particular, in establishing the required evidence base.
- A partnership exists with Brentwood BC, Uttlesford DC, the three Primary Care Trusts and Essex Social Care to develop a Young Parent Scheme, whereby young parents from across West Essex can receive support with parenting skills and gain mutual support from each other. By working together, we are endeavoring to meet an important need across all three areas, which would be unviable for each local district to try to meet, because of insufficient need in each individual area. Capital funding is being sought from the Housing Corporation.
- The Council has led the formation of the Herts and Essex Housing Options Consortium, comprising the Council, its five neighbouring local authorities and all the registered social landlords that work in the six districts, to jointly commission a choice based lettings scheme across the whole area.
- The Council is an active member of the Waste Management Advisory Board. The County Council with its district & borough partners is procuring long term waste management and disposal capital infrastructure via (currently) a PFI bid to government.

- The Council is working on a joint initiative, known as the PLACE Scheme, with other councils in the area including Chelmsford, East Herts, Harlow and Uttlesford in partnership with Pathmeads and Swan Housing Associations. Under the scheme, which is funded by £3,500,000 of government funding, empty properties that are in poor condition are brought back into use to provide short-term accommodation to people in housing need.
- The Council is working jointly with East Herts and Harlow District Councils to produce a Strategic Flood Risk Assessment.
- Joint Municipal Waste Management Strategy with the County and district and boroughs.
- The Council is liaising with Broxbourne Borough Council and is an active Member on the Stakeholder Group with the Lea Valley Regional Park Authority, to maximise the benefits of the Olympic 2012 White Water Canoe Venue.
- The Epping Forest District Safer Communities Partnership has been set up with the Police, Fire, Health and County Council to give people who live and work in Epping Forest an opportunity to consult on future priorities.
- The Herts and Essex Energy Partnership (HEEP) Project has been established as a two year (2009/10 - 2010/11) partnership between Climate Energy and fifteen authorities in the London Commuter Belt Sub-Region to provide energy efficiency measures to private sector homes. The partnership made a successful bid for £6.6m government funding.

10. Procurement and Use of Private Sector Initiatives

10.1 The Council generally undertakes capital projects itself, procuring the works through competition. However, opportunities for delivering and procuring capital schemes through the private sector are continually being identified and appraised where appropriate. Particular emphasis is placed on adopting the Egan principles as part of the procurement of large schemes and the Council has already adopted these principles to obtain benefits in the following ways:

- The Council has worked with a number of Registered Social Landlords and has adopted a partnering approach with developers for the procurement and provision of new affordable housing schemes
- A partnering agreement has successfully been adopted for the use of consultants to deliver the Council's increased housing maintenance and improvements programme, since 1 April 2003.
- The Council has also entered into partnering agreements with maintenance contractors to undertake the Council's
 - Kitchen and Bathroom Replacement Programme and Heating Kitchen and Bathroom Replacement Programme
 - Heating Improvement Programme
 - External Repairs and Decorations Programme
 - Servicing and repair of gas appliances in Council properties
 in order to ensure that the Government's "decent home" target is met.
- A partnering contract has been used for the leisure management contract with SLM.
- Bobbingworth former landfill site has been restored to prevent pollution of the local environment, the project having been implemented under a Target Price partnering regime.
- Loughton Broadway Town Centre Enhancement Scheme has been delivered under a partnering form of contract with a Target Price mechanism.

- A fixed term partnering contract has been used for carrying out watercourse maintenance works, the contract is subject to annual renewal based on a performance assessment.
- A Waste Management Partnership Board has been established with the Council's service provider, SITA.
- ICT belong to the EOLP (Essex On Line Partnership), the Essex Procurement Hub and the Procurement Agency for Essex, which secures large savings on IT equipment.
- The Council has entered into a contract with a single company for the installation and repair of stairlifts for the Districts' disabled residents through a ground-breaking initiative with other Essex local authorities and the Procurement Agency for Essex. As well as significant cost savings, this has resulted in improved quality of service to residents.

10.2 The Council will continue to consider the use of the Private Finance Initiative (PFI) and Public Private Partnerships (PPP) for appropriate capital schemes. It will also continue to adopt, and encourage partners undertaking capital projects to adopt, the principles relating to sustainability and the reduction of construction costs set out in Sir John Egan's Report on "Rethinking Construction" wherever possible.

11. Income Generation and Funding the Programme

11.1 There are various sources of funding for capital projects, and it is important that opportunities to maximise such funding are taken. In most cases, the ability to undertake capital projects depends on the funding available; however, in some cases, action can be taken to increase funding for key projects. It is essential that the Council accurately forecasts the likely funding to become available over the period of the Five Year Forecast, and regularly reviews those forecasts, making appropriate adjustments in the Programme. The funding forecast is detailed in Appendix 2(a.) As part of this process the Council will:

- Generate capital receipts from the sale of appropriate parcels of Council-owned land. The sale of the land at Merlin Way, North Weald and Church Hill car park, Loughton, have been put on hold pending an improvement in market conditions.
- Identify and maximise any opportunities for further capital receipts (eg through the release of restrictive covenants) and planning gain, having due regard to the effects on the local community of obtaining such windfalls and planning gains.
- Forecast the amount of usable capital receipts available to the Council over the next five-year period and estimated usage in a planned way as detailed in this Capital Strategy (see Appendix 3(a))
- Plan and monitor the use of the Major Repairs Fund for HRA capital investment (see Appendix 3(b))
- Undertake an assessment, at least quarterly, of the likely level of capital receipts and other income that will be available to fund capital expenditure over the period of the Five -Year Forecast.

11.2 Appendix 3(a) shows the latest forecast of capital receipt generation, their application and hence the likely level of resources available to fund new projects. The figures take into account the pooling arrangements, which were introduced on 1 April 2004. The appendix shows that, based on current expenditure and projected receipts, usable capital receipts will be reduced to £9,176,000 by 31 March 2015 at the end of the programme period.

11.3 Under the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, if HRA capital receipts that are not received from Right to Buy Sales are used to finance expenditure on affordable housing or regeneration, there is no requirement for them to be pooled. The Council has therefore agreed that such capital receipts should be used to help fund the required expenditure on repairs and improvements for the Council's own housing stock.

11.4 The HRA Capital Expenditure Charged to Revenue in the years 2011/12 to 2014/15 has been adjusted in line with the latest versions of the five and thirty year HRA business plan, which were amended to take into account the transfer of non-housing assets from the HRA to the General Fund.

11.5 The Five Year Capital Programme 2010-2015 will be funded as follows, subject to required annual variations to reflect actual funding availability:

	<u>£'000</u>
Grants	3,158
Charged to Revenue	10,032
Capital Receipts	13,034
Major Repairs Allow.	<u>21,893</u>
Total	<u>48,117</u>

12. Performance Measurement and Monitoring

12.1 As part of its performance management to deliver capital schemes, the Council sets appropriate targets. Progress and performance is then monitored, on an ongoing basis, from conception to completion of the project, with a formal review undertaken after completion. There are a number of targets that are applied to all capital schemes, including the following:

- Total actual out-turns for works, fees and other expenditure should amount to no more than 105%, and no less than 95%, of the project estimate formulated on receipt of tenders or confirmation of works costs.
- Works should commence no later than 3 months after the receipt of tenders.
- Final accounts should be approved no later than 9 months after practical completion.

12.2 Once capital projects have been implemented, progress against key milestones, and actual expenditure compared to budget, are monitored on a regular basis. Capital projects are also reviewed to ensure that any problems or difficulties are identified, and action taken to minimise similar problems occurring on other projects. This is undertaken through officer project teams that are established for capital projects, in excess of £2,000,000. Project teams:

- Plan, manage and review projects and ensure effective financial management.
- Monitor expenditure, estimated out-turn, variances to budget, potential claims and overspends, levels of contingencies, and implications of deviations from critical paths.

12.3 On completion of schemes, post-contract evaluation is undertaken using the methodology recommended by the Audit Commission in its "Guidance on Capital Programmes and Construction Projects".

12.4 Progress monitoring and review is not only undertaken by officers, but also by members at a strategic level. Capital projects are included within Service Business Plans, which are monitored by portfolio holders and the Overview and Scrutiny Committees. Regular monitoring reports are also provided to the appropriate "client" portfolio holder for contracts in excess of £2,000,000, comprising

information on progress, identified problems and the latest financial position. Portfolio holders are required to report to the Cabinet on any anticipated overspends in excess of 5%, giving the reasons and any available options for savings. The quarterly monitoring reports submitted to the Finance and Performance Management Scrutiny Panel now also include data on major capital schemes.

13. Rationalisation of Landholdings

13.1 The Asset Management Co-ordination Group is currently reviewing the Council's depot facilities and other land holdings within the District with a view to rationalising existing provision, disposing of site(s) surplus to requirements and re-providing suitable depot facilities for the Waste Management and Grounds Maintenance Services.

13.2 In respect of Langston Road Depot it is anticipated that a planning application will be made with Polofind Ltd, the owners of the adjoining T11 site, for a retail park (c.90,000 sq feet floor space). Work is progressing on relocating existing services from Langston Road depot to a new depot at Oakwood Hill and a temporary depot at North Weald.

13.3 Pyrles Lane Nursery will become vacant after the completion of the new Oakwood Hill Depot and proposals for residential development are being progressed towards the planning application stage.

13.4 Proposals are being progressed with Essex County Council for the St John's Road sites and alternative options will be put to public consultation in 2011.

13.5 Discussions are ongoing with Stobart Properties Ltd for the redevelopment of their Sainsbury's site at Torrington Drive and the adjoining BP petrol station. It is anticipated that a planning application will be made in 2011.

13.6 It is anticipated that there will be significant resource implications from the above changes and capital allocations will be sought once all options have been appraised and fully costed.

Corporate Plan (2011-2015): The Council's aims and medium term priorities, agreed in February 2010, will be set out in the new Corporate Plan, together with more detailed strategies for meeting the Council's priorities and outcomes. It is expected to be adopted in February 2011.

Sustainable Community Strategy: Produced by the Local Strategic Partnership and adopted on 25 October 2010, it sets out the Council's long term vision and objectives for the Epping Forest District.

Asset Management Plan (2007-2012): Adopted in July 2007, it sets out how the Council will manage its assets during this period.

Housing Strategy: Sets out the Council's main housing strategies for meeting housing need, new housing provision, associated planning policies, private sector housing, community care, housing benefits and the management and maintenance of the Council's own stock. Separate detailed Housing Service Strategies provide more detailed information in key areas.

HRA Business Plan: Produced annually, provides medium and long term financial forecasts for the Housing Revenue Account (HRA), a comprehensive stock valuation broken down into asset groups, option appraisals (where relevant) and an Asset Management Plan for the HRA, incorporating the Council's Repairs and Maintenance Business Plan.

Combined Local Plan (1998) and Alterations (2006): The adapted Local Plan together with alterations sets out the Council's policies for the control of development, makes proposals for the development and use of land, and allocates land for specific purposes. It also influences the infrastructure and economic development of the District to meet the needs of the community. Work is currently in progress to collate the evidence base that will inform the District's Local Development Framework (LDF). An Issues and Options consultation is due to take place in the summer of 2011 with a view to adopting the new Core Planning Strategy in the spring of 2014.

Consultation Strategy: Sets out how the Council will consult local residents and other stakeholders on relevant issues relating to the formulation of strategies, setting of targets, delivery of services and review of performance.

Information Technology Strategy: Sets out the Council's strategies, standards and targets for the planning, procurement and management of information technology.

Feasibility Studies: Produced for individual capital projects to ensure that all options are properly appraised.

Service Strategies/Plans: Provide detailed objectives, policies, targets, financial and human resourcing requirements and performance reviews for individual services.

Crime & Disorder Strategy: Sets out the Council's approach to reducing crime and disorder within the District.

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**CAPITAL PROGRAMME
2010/11 to 2014/15 FORECAST**

	2010/11 Original £000	2010/11 Revised £000	2011/12 Forecast £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	5 Year Total £000
EXPENDITURE							
Finance & ICT	661	408	488	50	50	0	996
Corporate Support Service	1,187	1,045	307	725	288	320	2,685
Deputy Chief Executive	2,435	255	1,437	0	0	0	1,692
Environment & Street Scene	1,948	1,455	2,181	845	133	93	4,707
Planning & Economic Development	125	65	240	0	0	0	305
Total Non-Housing	6,356	3,228	4,653	1,620	471	413	10,385
Housing GF	2,155	1,558	1,778	750	750	750	5,586
HRA	6,956	6,636	6,919	6,825	5,781	5,781	31,942
Housing DLO	0	0	54	50	50	50	204
Total Housing	9,111	8,194	8,751	7,625	6,581	6,581	37,732
TOTAL	15,467	11,422	13,404	9,245	7,052	6,994	48,117
FUNDING							
DCLG Grant for DFG	240	290	240	240	240	240	1,250
DCLG Grant for Decent Homes	239	350	20	0	0	0	370
HPDG/LABGI Capital Grants	0	14	0	43	0	0	57
Big Lottery Grant	0	60	0	0	0	0	60
ECC/Parish Contributions	250	14	260	0	0	0	274
Private Funding	112	670	138	113	113	113	1,147
Total Grants	841	1,398	658	396	353	353	3,158
Housing GF (Other Capital Receipts)	1,676	483	1,518	510	510	510	3,531
HRA (Other Capital Receipts)	0	10	0	0	0	0	10
Non Housing (Other Capital Receipts)	6,044	2,938	4,283	1,514	408	350	9,493
Total Capital Receipts	7,720	3,431	5,801	2,024	918	860	13,034
GF - RCCO	0	47	22	0	0	0	69
HRA - RCCO	1,763	1,763	2,050	2,050	2,050	2,050	9,963
HRA - MRR	5,143	4,783	4,873	4,775	3,731	3,731	21,893
Total Revenue Contributions	6,906	6,593	6,945	6,825	5,781	5,781	31,925
TOTAL	15,467	11,422	13,404	9,245	7,052	6,994	48,117

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**CAPITAL PROGRAMME
2010/11 to 2014/15 FORECAST**

	2010/11 Original £000	2010/11 Revised £000	2011/12 Forecast £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	5 Year Total £000
Finance & ICT							
General IT	454	341	438	0	0	0	779
Cash-Receipting & Income System	30	44	0	0	0	0	44
General Capital Contingency	177	23	50	50	50	0	173
Total	661	408	488	50	50	0	996
Corporate Support Service							
Civic Office Works	919	669	191	216	132	32	1,240
Building Improvement Programme - Leisure	58	12	64	0	46	0	122
Environmental Improvements to Shops	0	0	30	186	100	100	416
Upgrade of Industrial Units	0	0	0	313	0	0	313
Solar Energy Panels	0	0	0	10	10	188	208
Energy Efficiency Measures	0	0	22	0	0	0	22
Brooker Road Purchase	210	212	0	0	0	0	212
Purchase of Black Lion Car Park	0	152	0	0	0	0	152
Total	1,187	1,045	307	725	288	320	2,685
Deputy Chief Executive							
Customer Services Trans Prog	837	20	0	0	0	0	20
Limes Farm Hall Development	1,062	110	952	0	0	0	1,062
Waltham Abbey All Weather Pitch	527	42	485	0	0	0	527
Youth Sports Facilities	9	9	0	0	0	0	9
Children's Play Programme	0	74	0	0	0	0	74
Total	2,435	255	1,437	0	0	0	1,692
Environment & Street Scene							
W Abbey Sports Provision Feasibility	0	42	0	0	0	0	42
Loughton Leisure Centre:New Build	0	13	0	0	0	0	13
Loughton Leisure Centre:Modifications	800	800	0	0	0	0	800
Fitness Equipment: Epping & Ongar	130	0	192	0	0	0	192
Waste Management Vehicles & Equip't	0	147	1,000	0	0	0	1,147
Bobbingworth Tip	0	41	38	0	0	0	79
Parking & Traffic Schemes	300	147	260	140	0	0	547
Housing Estate Car Parking	572	13	527	612	40	0	1,192
Bakers Lane Car Park	0	7	0	0	0	0	7
N W Airfield Market Improvements	62	155	88	63	63	63	432
Safer Cleaner Greener	0	3	0	0	0	0	3
Flood Alleviation Schemes	47	0	47	0	0	0	47
Grounds Maint Plant & Equip't	37	87	29	30	30	30	206
Total	1,948	1,455	2,181	845	133	93	4,707
Planning & Economic Development							
Loughton Broadway TCE	25	25	0	0	0	0	25
Loughton Broadway CCTV	100	25	75	0	0	0	100
Waltham Abbey Regeneration Schemes	0	0	165	0	0	0	165
Planning Services Capital Schemes	0	15	0	0	0	0	15
Total	125	65	240	0	0	0	305
TOTAL NON-HOUSING PROGRAMME	6,356	3,228	4,653	1,620	471	413	10,385

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**CAPITAL PROGRAMME
2010/11 to 2014/15 FORECAST**

	2010/11 Original £000	2010/11 Revised £000	2011/12 Forecast £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	5 Year Total £000
Housing General Fund							
Affordable Housing Contrib to Hsg Assoc	375	187	188	0	0	0	375
Disabled Facilities Grants	400	400	400	400	400	400	2,000
Other Private Sector Grants	350	350	350	350	350	350	1,750
Private Sector Capital Contingency	180	0	0	0	0	0	0
Home Ownership Grants Scheme	272	186	112	0	0	0	298
Open Market Shared Ownership Scheme	200	435	350	0	0	0	785
CPO 8/8A Sun Street, W. Abbey	378	0	378	0	0	0	378
TOTAL HOUSING GENERAL FUND	2,155	1,558	1,778	750	750	750	5,586
Housing Revenue Account							
Springfields, Waltham Abbey	0	58	0	0	0	0	58
Heating/Rewiring	1,539	1,611	1,708	1,726	1,685	1,685	8,415
Windows/Roofing/Asbestos/Water Tanks	877	761	951	1,034	859	859	4,464
Other Planned Maintenance	476	319	368	385	454	454	1,980
Total Planned Maintenance	2,892	2,749	3,027	3,145	2,998	2,998	14,917
Structural Schemes	400	407	400	400	400	400	2,007
Small Capital Repairs	685	900	632	464	493	493	2,982
Kitchen & Bathroom Replacements	1,548	1,699	1,672	1,520	1,204	1,204	7,299
Environmental Improvements	949	409	718	826	216	216	2,385
Disabled Adaptations	450	427	450	450	450	450	2,227
Other Repairs and Maintenance	32	45	20	20	20	20	125
TOTAL HRA	6,956	6,636	6,919	6,825	5,781	5,781	31,942
Housing DLO Vehicles	0	0	54	50	50	50	204
TOTAL DLO	0	0	54	50	50	50	204
TOTAL HOUSING PROGRAMME	9,111	8,194	8,751	7,625	6,581	6,581	37,732

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CAPITAL RECEIPTS
2010/11 to 2014/15 FORECAST

	2010/11 Original £000	2010/11 Revised £000	2011/12 Forecast £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	5 Year Total £000
Receipts Generation							
Housing Revenue Account	1,080	706	930	1,168	1,166	1,165	5,135
General Fund	0	15	0	0	0	0	15
Total Receipts	1,080	721	930	1,168	1,166	1,165	5,150
Receipts Analysis							
Usable Receipts	273	201	235	295	294	294	1,319
Payment to Govt Pool	807	520	695	873	872	871	3,831
Total Receipts	1,080	721	930	1,168	1,166	1,165	5,150
Usable Capital Receipt Balances							
Opening Balance	20,118	21,091	17,661	12,095	10,366	9,742	21,091
Usable Receipts Arising	273	201	235	295	294	294	1,319
Transfer to Pension Fund							
Capital Reserve	0	(200)	0	0	0	0	(200)
Use of Other Capital Receipts	(7,720)	(3,431)	(5,801)	(2,024)	(918)	(860)	(13,034)
Closing Balance	12,671	17,661	12,095	10,366	9,742	9,176	9,176

MAJOR REPAIRS RESERVE
2010/11 to 2014/15 FORECAST

	2010/11 Original £000	2010/11 Forecast £000	2011/12 Forecast £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	5 Year Total £000
Opening Balance	5,194	5,730	5,791	5,867	6,120	7,510	5,730
Major Repairs Allowance	4,844	4,844	4,949	5,028	5,121	5,216	25,158
Use of MRR	(5,143)	(4,783)	(4,873)	(4,775)	(3,731)	(3,731)	(21,893)
Closing Balance	4,895	5,791	5,867	6,120	7,510	8,995	8,995

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Key Partners in Delivering the Capital Strategy

General	Town and parish councils Contractors Consultants Primary Care Trust Local Strategic Partnership
Loughton, Ongar, Epping Leisure Centres And Waltham Abbey Swimming Pool	Sports and Leisure Management Ltd. (SLM) Football Foundation Essex Football Association
Children's Play Schemes	The National Lottery
Town Centre Enhancements	Loughton Town Centre Partnership Loughton Broadway Town Centre Partnership Buckhurst Hill Town Centre Partnership Loughton Town Council Buckhurst Hill Parish Council Essex County Council East of England Development Agency Business Development Board Chambers of Commerce Local traders and businesses Essex Police Disabled access groups
Social Housing	Housing Corporation GO-East Registered social landlords
Improvements to the Council's Housing Stock	Epping Forest District Tenants and Leaseholders Federation
Disabled Facilities Grants / Private Sector Housing Grants	Caring And Repairing in Epping Forest (CARE) Essex County Council DCLG GO-East Epping Forest Primary Care Trust
Parking & Traffic Calming	Essex County Council Town and parish councils Essex Police
Economic Strategy Schemes	East Herts DC Uttlesford DC Harlow DC Essex Economic Partnership
Flood Risk Management	Environment Agency



**Epping Forest
District Council**

Civic Offices, High Street
Epping, Essex CM16 4BZ
Telephone: 01992 464000

Report to the Council

Committee: Cabinet

Date: 22 February 2011

Portfolio Holder: Councillor C Whitbread

Item: 11

BUDGETS AND COUNCIL TAX DECLARATION 2011/12

Recommending:

(1) That the list of CSB growth and savings for the 2011/12 budget (set out in Annex 1) be approved;

(2) That the list of District Development Fund items for the 2011/12 budget (set out in Annex 2) be approved;

(3) That the revenue estimates for 2011/12 and the draft Capital Programme for 2011/12 be approved as set out in Annexes 3, 4 (a-i) and 5 including all contributions to and from reserves as set out in the attached Annexes;

(4) That the medium term financial forecast be approved as set out in Annexes 8 a and 8 b;

(5) That the 2011/12 HRA budget be approved and that the application of rent increases and decreases in accordance with the Government's rent reforms and the Council's approved rent strategy, resulting in an average increase of 7.2% from £76.66 to £82.19, be approved.

Declaration of Council Tax

(6) That it be noted that on 9 November 2010, the Finance and Economic Development Portfolio Holder in consultation with the Chairman of the Overview and Scrutiny Committee calculated the following amounts for the year 2011/12 in accordance with regulations made under Section 33(5) and 34(4) of the Local Government Finance Act 1992:

(a) 54,609.2 being the amount calculated by the Council in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 as the Council Tax Base for the year;

(b) Part of the Council's Area	Tax Base No.
Essex County Council (General Expenses)	54,609.2
Essex Police Authority	54,609.2
Essex Fire Authority	54,609.2
Epping Forest District Council (General Expenses)	54,609.2
Abbess, Beauchamp & Berners Roding	199.7
Buckhurst Hill	5,301.8
Chigwell	5,983.1
Epping Town	5,110.8
Epping Upland	414.9
Fyfield	410.4
High Ongar	575.0

Lambourne	936.6
Loughton Town	13,038.3
Matching	333.9
Moreton, Bobbingworth and The Lavers	669.1
Nazeing	2,108.1
North Weald Bassett	2,569.2
Ongar	2,767.9
Roydon	1,326.5
Sheering	1,367.4
Stanford Rivers	364.9
Stapleford Abbotts	512.4
Stapleford Tawney	72.3
Theydon Bois	1,979.7
Theydon Garnon	66.5
Theydon Mount	108.4
Waltham Abbey Town	8,145.1
Willingale	247.2

being the amounts calculated by the Council in accordance with Regulation 6 of the Regulations as the amounts of the Council Tax Base for the year for dwellings in those parts of the area to which one or more special items relate;

(7) That the following amounts be now calculated for the year 2011/12 in accordance with sections 32 to 36 of the Local Government Finance Act 1992:

- (a) £116,779,498 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2) (a) - (e) of the Act;
- (b) £98,161,497 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3) (a) - (c) of the Act;
- (c) £18,618,001 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) calculated by the Council in accordance with Section 32(4) of the Act as its budget requirement for the year;
- (d) £7,386,942 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed Non Domestic Rates and Revenue Support Grant and increased by the amount the Council estimates will be transferred in the year from its Collection Fund to the General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 and the amount which the Council estimates will be transferred from the Collection Fund to the General Fund pursuant to the Collection Fund (Community Charges) (England) Directions 1994 made under Section 98(4) of the Local Government Finance Act 1988;
- (e) £205.66 being the amount at (c) above, less the amount at (d) above, all divided by the amount at (6)(a) above, calculated by the Council in accordance with Section 33(1) of the Act as the basic amount of its Council Tax for the year;
- (f) £3,106,848 being the aggregate amount of all special items referred to in Section 34(1) of the Act;
- (g) £148.77 being the amount at (e) above, less the result given by dividing the amount at (f) above by the amount of (6) (a) above, calculated by the Council in accordance with Section 34(2) of the Act as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates;

(h) Part of the Council's Area	Amount £
Abbess, Beauchamp & Berners Roding	173.81
Buckhurst Hill	218.02
Chigwell	185.20
Epping Town	232.61
Epping Upland	176.49
Fyfield	174.17
High Ongar	172.25
Lambourne	180.65
Loughton Town	197.95
Matching	180.22
Moreton, Bobbingworth and The Lavers	168.63
Nazeing	183.15
North Weald Bassett	200.23
Ongar	218.67
Roydon	170.50
Sheering	171.92
Stanford Rivers	180.83
Stapleford Abbotts	161.72
Stapleford Tawney	167.84
Theydon Bois	200.94
Theydon Garnon	163.36
Theydon Mount	162.67
Waltham Abbey Town	243.23
Willingale	166.97

being the amounts given by adding to the amount at (7)(g) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (6)(b) above, calculated by the Council in accordance with Section 34(3) of the Act as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate;

(i) the amounts shown in Annex 6 to this report, being the amounts given by multiplying the amounts at (7)(h) above by the number which is the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band, divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council in accordance with Section 36(1) of the Act as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands;

(8) That it be noted that for the year 2011/12 the major precepting authorities have stated that the amounts shown in Annex 7 Part A (tabled) are the precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown;

(9) That, having calculated the aggregate in each case of the amounts at (7) (i) and (8) above, the Council in accordance with Section 30(2) of the Local Government Finance Act 1992 hereby sets the amounts in Annex 7 Part B (tabled) as the amounts of Council Tax for the year 2011/12 for each of the categories of dwellings shown;

(10) That the Council's policy of retaining revenue balances at no lower than £4.0M or 25% of the net budget requirement whichever is the higher for the four year period to 2013/14 be amended to no lower than £4.0M or 25% of the net

budget requirement whichever is the higher during the four year period up to and including 2014/15;

(11) That the recommendations included in the report on the Prudential Indicators and the Treasury Management Strategy for 2011/12 (set out in Annex 9) be approved; and

(12) That the report of the Chief Financial Officer on the robustness of the estimates for the purposes of the Council's 2011/12 budgets and the adequacy of the reserves (see Annex 10) be noted.

General Fund Budget Guidelines

1. The annual budget process commenced with the Financial Issues Paper being presented to the Finance and Performance Management Cabinet Committee on 27 September 2010. The paper was prepared against the background of anticipated cuts in public expenditure, ongoing difficulties within the economy and highlighted the uncertainties associated with:
 - a) Likely reductions in grant as part of the next Comprehensive Spending Review (CSR)
 - b) Changes in the block grant allocation formulas
 - c) Effects of the "Credit Crunch" and reduced activity in the housing market
 - d) Transfer of commercial property from the Housing Revenue Account to the General Fund
 - e) Using up of capital reserves on non-revenue generating assets
 - f) Next triennial pension valuation
 - g) Capitalisation of pension deficit payments
 - h) Public sector re-organisation/shared services
2. There is now greater clarity on some of these issues, but several of them will not be resolved for some time. The key areas are revisited in subsequent paragraphs.
3. In setting the budget for the current year Members had anticipated using £544,000 from the general fund reserves. It was felt that, given the strength of the Council's overall financial position, it was able to sustain a deficit budget to support the local economy and that net spending could be managed down over the medium term.
4. The revised four year forecast presented with the Financial Issues Paper took into account all the additional costs known at that point and highlighted the likely reduction in grant support of 25% over the next CSR period. This projection showed a need to achieve savings of £500,000 on the 2011/12 estimates, £900,000 in 2012/13, £500,000 in 2013/14 and £400,000 in 2014/15 to keep revenue balances above the target level at the end of 2014/15.
5. Members adopted this measured approach to reduce expenditure in a progressive and controlled manner. It was felt that a reduction was needed in the budget figures for 2011/12 as the first step in this process, followed by increased savings in 2012/13 to give time for an in depth public consultation to inform decisions on future service provision.
6. The budget guidelines for 2011/12 were therefore established as:
 - i. The ceiling for CSB net expenditure be no more than £17.1m including net growth/savings.
 - ii. The ceiling for DDF net expenditure be no more than £0.9m.
 - iii. The District Council Tax to be frozen.

The Current Position

7. The draft General Fund budget summaries are attached as Annexes 4a to 4i. The main year on year resource movements are highlighted in the CSB Growth and DDF lists, which are attached as Annexes 1 and 2. In terms of the guidelines, the position is set out below, after an update on each of the key areas highlighted in the Financial Issues Paper.

a) Likely Reduction in Grant as part of the next CSR

8. The Financial Issues Paper was written before the headline figures for the CSR were announced in mid October and anticipated grant reductions of 9% in 2011/12 followed by reductions of 8% in 2012/13 and 2013/14. The actual reductions were only announced in mid December and covered only the first two years of the CSR. After removing items like concessionary fares funding to get a "like for like" figure the actual reductions in block grant are 15.2% in 2011/12 and 12.1% in 2012/13. In monetary terms the actual grant for 2010/11 of £9.4m is reduced to an adjusted figure of £8.7m and then to £7.4m for 2011/12 and £6.5m for 2012/13.
9. The funding picture is complicated by two additional funding streams, firstly additional grant for Councils that freeze Council Tax and secondly the New Homes Bonus. If a Council decides not to increase its Council Tax for 2011/12 it is eligible for a grant equivalent to a 2.5% increase in Council Tax. This funding appears to be available for 2011/12 and 2012/13 but beyond that the announcements from the DCLG are somewhat vague. Members had previously stated that Council Tax would be frozen for 2011/12 and the Financial Issues Paper was written on that basis.
10. The New Homes Bonus provides an incentive for Councils to encourage residential development in their areas. Grant will be payable to Councils based on the year to year increase in their tax base, the amount of grant is likely to be payable for six years and should commence from 1 April 2011. However, the consultation on the calculation of the bonus and how it is to be shared between district and county levels only closed on 24 December and no firm date has been given by DCLG for confirming the details of the scheme. Whilst such uncertainty exists over the calculation and the amounts payable it is not prudent to build this income into the MTFs. Another separate issue with the scheme is the extent to which it could open up Councils to challenge on planning decisions if it appears that planning permission for a scheme has been awarded to obtain New Homes Bonus and proper planning considerations have been compromised. This is an issue that DCLG do not appear to have thought through, as a situation can be envisaged whereby legal costs on planning appeals and judicial reviews could be greater than any bonus.

b) Changes in the block grant allocation formulas

11. As part of the consultation on changes to the grant allocation formulae DCLG provided four different scenarios to show the possible effects of the transfer of concessionary fares funding from the district level to the county level. These scenarios were highlighted in the Financial Issues Paper as two left this authority approximately £100,000 worse off and two left this authority approximately £1m worse off. Thankfully the actual outcome was not as bad as anticipated with the loss only being in the order of £20,000.
12. Another area of concern with changes to the grant formulae was the possible removal of floors. Floors have remained part of the system but have been complicated as the single level of floor support has now been replaced with four different levels. Level 1 authorities, such as Tendring, receive most protection while level 4 authorities, such as Brentwood and Uttlesford, receive least protection. Epping Forest District Council is a level 3 authority, as are Harlow, Braintree and Colchester. The extent of the various levels of "protection" for 2011/12 is illustrated by the varying reductions in

grant, Tendring as a level 1 authority has a grant reduction of 13.8% whilst Brentwood as a level 4 authority has a reduction of 16.8%. Generally level 3 authorities appear to have suffered a 1% lower reduction in grant than those at level 4.

c) The "Credit Crunch" and Reduced Housing Market Activity

13. The Council's CSB contains a number of income streams that have been adversely affected, to varying degrees, by the current state of the housing market. With recent surveys giving little encouragement, banks remaining cautious with mortgage funding and developers waiting for better rates of return any recovery in the housing market still seems some way off.
14. The main areas of income related to the housing market are land charges, building control and development control. For 2010/11 land charges income had been estimated at £177,300, consistent with the actual of £183,000 for 2009/10 but less than half the 2006/07 figure of £394,000. At the end of December the cumulative income achieved was less than £100 behind the estimate. Building Control fees are still well short of the estimate but officers are hopeful of securing a major scheme in the south of the district. Without allowing for the major scheme income could fall £125,000 short of the £642,000 estimate. Development Control income will also fall short of the original estimate with the outturn likely to be closer to £500,000 than the £605,000 originally estimated.
15. It is worth noting that some of the Council's other income streams are doing well. The MOT income from Fleet Operations may exceed the estimate of £292,000 by £30,000. Total licensing income is also ahead of expectations and should exceed the estimate of £256,000 by £40,000.
16. Adjustments have been made to CSB income levels where the changes are thought to be ongoing and where it is more likely that a change will not be sustained the adjustment has been made to the DDF.
17. The Council's interest earnings have also been hit by the "Credit Crunch". Earlier in the crisis in 2008/09 as banks struggled for liquidity they were prepared to pay high interest rates to borrow from the Council. This position has now reversed and the base rate has remained at 0.5% for a year and a half with no imminent sign of any upward movement. The original estimates were prepared using the interest rate predictions of the Council's previous treasury management consultants, who had anticipated an increase in interest rates. The outturn is likely to be £303,000 short of the original estimate of £0.897m, although a large portion of this is credited to the HRA. The Medium Term Financial Strategy (MTFS) has taken a prudent view on future interest rate movements, based on advice from the Council's new treasury management consultants.

d) Transfer of commercial property from the Housing Revenue Account to the General Fund

18. On 2 November 2010 Council decided that the commercial property held in the Housing Revenue Account (HRA) should be transferred to the General Fund. This transfer will take place on 31 March 2011, subject to approval from the Secretary of State.
19. An updated valuation of the commercial property is still being worked on and it is this valuation that will determine the amount of interest payable from the General Fund to the HRA. It is anticipated for 2011/12 that the rental income of £1.4m will be off-set by an interest payment of £0.3m, giving the General Fund a net benefit of £1.1m.

e) Using up of Capital Reserves on Non-Revenue Generating Assets

20. In recent years the Capital Strategy has stressed the need for capital projects to be used to improve the Council's revenue position, either by saving costs or increasing revenues. This issue has also been recognised on the Council's Corporate Risk Register. Capital receipts generate investment income and so if they are used up on non-revenue generating assets there is a double impact whereby the Council loses out on income and takes on additional costs.
21. The updated Capital Strategy was approved by Cabinet on 31 January and includes spending of £48.1m over five years. Of this spending, £35m is funded from revenue or grants but the remainder will reduce the balance of capital receipts from £21.1m to £9.2m. This is before any allowance has been made for the costs of the potential retail development at Langston Road, and the associated costs of re-providing depot accommodation. In view of this Members should carefully consider whether existing schemes are essential and any additional schemes should only be approved where there is a positive revenue contribution, after allowing for any loss of investment income.

f) Next Triennial Valuation of the Pension Scheme

22. The outcomes of the valuation as at 31 March 2010 were reported to the Finance and Performance Management Cabinet Committee on 22 November 2010. The valuation revealed that the improvement in funding level between 2004 and 2007 had been reversed and the scheme was now back at the 71% level (the value of the scheme's assets only cover 71% of the liabilities). Essex County Council stated that the reduction in funding level was largely due to the performance of the Fund's investments since 1 April 2007. There is some good news as the County has confirmed there is no need for any further increase in ongoing contributions, with a small reduction from 13.1% to 13%.
23. Previously deficit contributions were calculated to recover the deficit over 20 years, with the maximum period currently allowed under the draft 2010 Funding Strategy being 30 years. Rather than move immediately to this position, and thereby limit any future flexibility, the County has calculated extended deficit contribution periods based on maintaining stable contributions. For this Council the suggested period is 27 years. Cabinet endorsed the decision of this Committee to move to the 27 year recovery period, with the deficit payments being stepped over the next three years.

g) Capitalisation of Pension Deficit Payments

24. Capitalisation applications for 2010/11 for both the general fund (£1,187,000) and the housing revenue account (£557,000) were submitted to the DCLG. The DCLG announced their decision on capitalisation applications on 24 December 2010. This was a month earlier than previous years and so this was helpful, although the decisions themselves were less than helpful.
25. This Council has followed a policy of capitalising a proportion of the deficit payments since 2005/06. The only year in which directions have been rationed was in 2006/07 when Councils were only given directions for 57% of what they had applied for. For 2010/11 directions for pension deficit payments have been limited to 38% of the amounts applied for. This takes into account the Secretary of State's consideration of the effect on the national economy and sets a limit at the level the Secretary of State considers prudent. As the regulations require capital payments for pension deficits to be funded from capital receipts and not borrowing it is difficult to see what effect on the national economy the Secretary of State is concerned about.
26. As the value of the directions applied for were the full value of the deficit payments, rather than the amounts budgeted for capitalising, the restriction to 38% of what was applied for is not as bad as it could have been. Because of the restriction an amount

of £176,000 will be charged to the DDF in respect of the General Fund and £82,000 will be charged to the HRA.

27. Some authorities have been given less than the general guidelines suggest. Essex County Council applied for £8.9m of directions (including £4.2m for redundancies) and has not been allowed to capitalise any expenditure, similarly Uttlesford applied for £402,000 and received no authorisations.

h) Public sector re-organisation/shared services

28. This was highlighted in the Financial Issues Paper as an area likely to impact on budgets in future years. It remains the case that over the life of the MTFS changes are likely to services and how they are provided, although at this time this is still an emerging issue.

The ceiling for CSB net expenditure be no more than £17.1m including net growth

29. Annex 1 lists all the CSB changes for next year. Some of the growth items listed are for sums agreed as part of previous year's budgets but most are new for next year. There are few significant growth items for next year; the largest single item is £63,000 for the increase in non-domestic rates on Council buildings.

30. When writing the Financial Issues Paper the effect of the removal of concessionary fares from districts was unclear and so both the grant and expenditure were left in the financial model. Therefore it is necessary to adjust the £17.1m target by £0.65m to revise the target to £16.45m. The CSB total is £0.56m below the adjusted target at £15.89m. The main reasons for this are the targeting of budgets that had been under spent in the past and the fact that the reduction in benefit administration subsidy has not been as bad as anticipated.

The ceiling for DDF net expenditure be no more than £0.9m

31. The DDF net movement for 2011/12 is £1.104m; Annex 2 lists all the DDF items in detail. The largest cost item is £395,000 for work on the Local Development Framework (LDF). The LDF is a substantial and unavoidable project and in 2010/11 and the subsequent two years DDF funding of £0.971m is allocated to it. The Director of Planning and Economic Development has been asked to provide regular updates to Cabinet to monitor this project and the expenditure incurred on it.

32. Other significant items of expenditure include £363,000 for reduced investment income and £65,000 for essential works to the Civic Offices. Allowance has also been made for residual items relating to concessionary fares, although confirmation is still awaited from Essex County Council of their requirements for 2011/12.

33. At £1.104m the DDF programme is £243,000 above the target for 2011/12. However, the target was based on DDF spending of £2.389m in 2010/11, and this is now predicted to be £1.906m. If spending for the two years is combined the total now proposed for 2010/11 and 2011/12 is £288,000 lower than that anticipated in the Financial Issues Paper. The DDF is predicted to remain viable without support from the General Fund Reserve through to the end of the MTFS and therefore it is not felt necessary to reduce the proposed DDF programme.

The District Council Tax be frozen

34. The updated MTFS assumes there will be no increase in the Council Tax in either 2011/12 or 2012/13.

That longer term guidelines covering the period to March 2015 provide for

The level of General Fund revenue balances to be maintained within a range of approximately £4.0m to £4.5m but at no lower level than 25% of net budget requirement whichever is the higher;

35. Current projections show this rule will not be breached by 2014/15, when reserves will have reduced to £5.909m and 25% of net budget requirement will be £3.676m.

Future levels of CSB net expenditure being financed predominately from External Funding from Government and Council Tax and that support from revenue balances be gradually phased out.

36. The outturn for 2009/10 used £135,000 of reserves and for 2010/11 a further reduction of £309,000 is anticipated. This would leave the opening revenue reserve for 2011/12 at £7.991m and although the estimates for 2011/12 show a reduction of £171,000, reserves would still be above £7.8m. The MTFs at Annex 8 shows deficit budgets for the entire period of the forecast. The level of deficit peaks at £772,000 in 2013/14 and reduces to £512,000 in 2014/15, although this is achieved through CSB savings of £1.3m in 2012/13, £750,000 in 2013/14 and £500,000 in 2014/15.

The Local Government Finance Settlement

37. Following the headline CSR announcements in mid October the Government then left everyone in suspense for another two months before giving the detailed grant figures in mid December. A four year CSR settlement had been anticipated but the Government have stated that they want to radically amend the grant allocation system for 2013/14 and so have only provided grant figures for 2011/12 and 2012/13.
38. The table below sets out the Council's amounts in each of the four blocks for the next two years and the current CSR. The Relative Needs Amount (what the Government believes the Council needs to spend) has reduced by £1.162m for 2011/12 whilst the Relative Resource Amount (a negative amount to reflect the ability to raise income from Council Tax) has reduced by £2.114m. This improvement of £952,000 is eliminated by the reduction in Central Allocation of £2.648m and worsened by a change in the net Floor Damping position of £332,000.

	2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m
Relative Needs Amount	5.455	5.457	5.464	4.302	3.901
Relative Resource Amount	-5.228	-5.096	-4.956	-2.842	-2.810
Central Allocation	8.793	8.834	8.871	6.223	5.611
Floor Damping	0.302	0.173	0.036	-0.296	-0.249
Formula Grant	9.322	9.368	9.415	7.387	6.453

39. The figures shown above represent a poor CSR for the Council with grant reductions of 15.2% (against the adjusted 2010/11 figure) for 2011/12 and a further 12.1% (against the adjusted 2011/12 figures) for 2012/13. As stated above, this Council is a level 3 authority and so this was not the worst possible settlement. If this Council had been designated as a level 4 authority, instead of level 3, the grant reduction in 2011/12 would have been approximately £85,000 worse.

	2008/09 £m	2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m
Formula Grant (adjusted)	9.322	9.368	9.415 (8.710)	7.387 (7.340)	6.453
Increase/(Decrease) £	0.093	0.046	0.047	(1.323)	(0.887)
Increase/(Decrease) %	1.0%	0.5%	0.5%	(15.2%)	(12.1%)

40. The reductions in grant over the two years are approximately £100,000 worse than

the MTFS produced with the Financial Issues Paper had anticipated over four years. As the Government are re-working the grant allocation model for 2013/14 it is difficult to predict with any degree of certainty what the levels of grant will be beyond 2012/13. For the purposes of the MTFS it has been assumed that grant will be reduced in 2013/14 and 2014/15 by the headline reductions given for the CSR in October.

The 2011/12 General Fund Budget

41. Whilst the position on some issues is clearer now than it was when the Financial Issues Paper was written there are still significant risks and uncertainties for 2011/12. Signs of improvement in the economy are mixed and weak overall. The improvements seen so far may be reversed if the Government's public spending cuts prove to be too soon or too much. The effects of the recession are clear and as well as impacting on many of the Council's revenue streams it has placed additional demands on services such as benefits and homelessness. It is still possible that the country may fall back into a recession that may last some years. If this is the case then the adjustments made to property related income and investment income will need to be revised.
42. An area mentioned in the Financial Issues Paper, but only briefly touched on earlier in this report, is public sector re-organisation/shared services. To achieve the savings needed for 2012/13 difficult decisions will be needed on what services the Council will continue to provide, the level they will be provided at and who will provide them. In these ever more challenging circumstances can the Council continue to subsidise other organisations like Essex Police Authority, by funding police community support officers, or Essex County Council, by funding enhanced levels of verge maintenance?
43. The starting point for the budget is the attached Medium Term Financial Strategy, Annex 8. Annexes 8a and 8b are based on the current draft budget, no Council Tax increase (£148.77 Band D) for 2011/12 and 2012/13 with subsequent increases of 2.5% per annum for each of the following two years in accordance with the strategy of not increasing Council Tax by more than this amount.
44. Members are reminded that this strategy is based on a number of important assumptions, including the following:
 - Future Government funding over the next CSR will reduce in line with the amounts announced to date.
 - CSB reduction has been achieved and the savings target for 2011/12 has been exceeded. Known growth and savings beyond 2011/12 have been included but will be subject to a further review to help identify additional savings.
 - All known DDF items are budgeted for, and because of the size of the LDF programme the closing balance at the end of 2014/15 is anticipated to reduce to £216,000.
 - Maintaining revenue balances of at least 25% of NBR. The forecast shows that the deficit budgets for the period will reduce the closing balances at the end of 2014/15 to £5.909m or 40% of NBR for 2014/15, although this can only be done with further substantial savings throughout the life of the strategy.

The Housing Revenue Account

45. The balance on the HRA at 31 March 2012 is expected to be £5.4m, after deficits of £127,000 in 2010/11 and £582,000 in 2011/12. This is primarily due to the transfer of the commercial property from the HRA to the General Fund.
46. The rent increase is set with reference to an individual property's formula rent but subject to various constraints. This process of Rent Restructuring to bring Council rents and Housing Association rents more in line with each other still needs to be addressed. The rent increase for 2011/12 is likely to see a narrowing of this gap

between Council and Housing Association rents, with an average rent increase of 7.2% for Council dwellings.

47. An update to the current five-year forecast will not be prepared until a clearer picture emerges on the reform of the HRA and the introduction of self financing. The replacement of the housing subsidy system was proposed by the previous Government and the new Government has indicated that they will continue with these reforms. It is likely that this Council will be required to take on approximately £200m of debt in order to avoid annual payments of £11m of subsidy. There are also concerns about how the reforms will be implemented and possible unintended negative consequences on the General Fund. These issues were raised in the Council's consultation response but it remains to be seen whether the Government will make appropriate allowances.
48. The HRA has had substantial balances for some time and this position is not expected to change in the short term. Financial modeling on the self financing system suggested that in the medium to long term the HRA would be able to repay the debt and accumulate substantial balances. Members are recommended to agree the budgets for 2010/11 Probable Outturn and 2011/12 and to note that although deficit budgets are proposed the HRA has substantial ongoing balances.

The Capital Programme

49. The Capital Programme at Annex 5 shows the expenditure agreed by Cabinet as part of the Capital Strategy on 31 January. Members have stated that in future priority will be given to capital schemes that will generate revenue in subsequent periods. This position has been stated in previous Capital Strategies and has been reinforced by the increasing awareness that capital spending reduces investment balances and thus impacts on the general fund revenue balance through lower interest earnings.
50. Annex 8b sets out the estimated position on capital receipts for the next four years. Members will note that even with a substantial capital programme, which exceeds £48m over five years, it is anticipated that the Authority will still have nearly £9.2m of usable capital receipt balances at the end of the period. It is not anticipated that further disposals of surplus land will take place during 2011/12, or in the medium term until market conditions have improved. However, it should be noted that officers are currently reviewing the development potential of a number of sites.

Procurement Savings

51. Previously procurement savings have been reported via the Finance and Performance Management Cabinet Committee and reflected on the growth and savings lists for each individual directorate. During the budget process this year a request was made for savings to be grouped and reported as part of this report.
52. The report to the Finance and Performance Management Cabinet Committee on 23 November 2009 gave part year savings for 2009/10 as £227,752. The final procurement saving figure for 2009/10 was £304,458, of which £83,525 related to revenue spending and £220,933 to capital. Savings so far in 2010/11 total £156,548, of which £130,355 relates to revenue spending and £26,193 to capital. Current work in progress includes procurement exercises for refuse freighters, a housing stock condition survey and bed and breakfast accommodation.

Risk Assessment and the Level of Balances

53. The Local Government Act 2003 (s 25) introduced a specific personal duty on the "Chief Financial Officer" (CFO) to report to the Authority on the robustness of the estimates for the purposes of the budget and the adequacy of reserves. The Act requires Members to have regard to the report when determining the Council's budget

requirement for 2011/12. If this advice is not accepted, this should be formally recorded within the minutes of the Council meeting. The report of the Chief Finance Officer is set out at Annex 10, Members will note the following conclusions:

- (i) the estimates as presented to the Council are sufficiently robust for the purposes of the Council's overall budget for 2011/12; and
- (ii) the reserves of the Council are adequate to cope with the financial risks the Council faces in 2011/12 but that savings will be needed in subsequent years to bring the budget back into balance in the medium term.

The Prudential Indicators and Treasury Management Strategy 2011/12

- 54. Since 2004/05 it has been necessary to set affordable borrowing limits, limits for the prudential indicators and a Treasury Management Strategy. These elements of the budget requirements will be set out in a separate report as Annex 9.
- 55. During 2010/11 the Council changed treasury management consultants and appointed Arlingclose to replace Butlers. Arlingclose have a more prudent view on counter party requirements and this has been reflected in the proposed strategy. There are no other significant changes to bring to Member's attention.

Council Tax

- 56. The revenue and capital budgets of the various spending portfolios are set out in Annexes 4(a)-(i). Annex 3 summarises the overall budget for the Council for the General Fund and the HRA and is grossed up for the effects of local parish and town council precepts. Annex 5 summarises the Council's Capital Programme. The budget as submitted produces a District Council Tax (Band D) of £148.77 for 2011/12 (£148.77 for 2010/11), which represents a 0% increase. The average (Band D) Council Tax including local Parish/Town Council precepts will be £205.66 (£205.20 in 2010/11), which represents an increase of less than 0.5%.

Council Tax Declaration

- 57. Under Recommendations (1) – (4) which include Annexes 1, 2, 3, 4(a)-(i) the Council will agree its budget for the next year. The Authority must then proceed to declare a Council Tax. The appropriate technical recommendations are set out in Recommendations (6) onwards. These follow the standard form of declaration recommended by the Local Government Association in consultation with the Secretary of State. They are designed to avoid the possibility of legal challenge to the declaration of the Council Tax.
- 58. The Council Tax bases for each band in each area of the District were approved by the Finance and Performance Management Portfolio Holder in consultation with the Chairman of the Overview and Scrutiny Committee. These are reproduced in Recommendation (6)(b) and form part of the ensuing calculations. The amounts to be levied within the District in respect of Essex County Council, Essex Police Authority, Essex Fire Authority and Parish and Town Councils are notified to this Authority and are matters on which the District Council has no discretion.
- 59. However, the precepts of Parish and Town Councils are levied on the District Council and then taken into account in the General Fund. Details relating to the District Council precept together with the precepts in respect of Parish and Town Councils are set out in the recommendations and analysis in Annex 6.

Guide to the Council Tax Calculation

60. The figures in Recommendation (7) draw on calculations contained within the report as follows:
- 7(a)** is the total of the revenue expenditure items shown in Annex 3 summary of revenue including the total of the Parish/Town Council precepts;
 - 7(b)** is the total of the revenue income items shown in Annex 3;
 - 7(c)** is the difference between the revenue expenditure and income as shown in Annex 3 (in simple terms it represents the net budget requirement of the District Council plus Parish and Town Council precepts);
 - 7(d)** is the figure in Annex 3 for Exchequer support from the Government to the General Fund together with a transfer of surpluses from the Collection Fund;
 - 7(e)** is obtained by dividing 7(d) by the Council Tax Base; this represents the average Band 'D' Council Tax for the District and Parish/Town Councils only;
 - 7(f)** as shown in Annex 3 is the total of Parish/Town Council precepts; and
 - 7(g)** represents the equivalent of dividing 7(f) by the Council Tax Base, the resulting figure being deducted from the figure shown in 7(e); this provides the average Band 'D' Council Tax for the District Council only.
61. This process culminates in the figures shown in Annex 6, which are the Council Tax amounts for the District Council and the Parish/Town Councils for each valuation band for 2011/12. To these amounts are added Council Tax figures supplied by the major precepting authorities and which are further summarised as the total Council Tax due for each valuation band in Part B of Annex 7.
62. Annex 7 relating to the precepts of various parts of the District will be tabled at the meeting.

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Council : 22 February 2011

List of Annexes:

- Annex 1 CSB Growth/Savings List**
- Annex 2 DDF List**
- Annex 3 Revenue Expenditure, Income and Financing Summary**
- Annex 4 Budgets (a –i)**
- Annex 5 Capital Budgets and Financing**
- Annex 6 District & Parish Council Tax Rates**
- Annex 7 Major Precepting Authorities Analysis (Tabled)**
- Annex 8 Medium Term Financial Strategy (a & b)**
- Annex 9 Prudential Indicators Report**
- Annex 10 Chief Finance Officers Report on the Robustness of the Estimates within the 2011/12 Budget**

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CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service	Original	Revised	Estimate	Estimate	Estimate	Estimate
		2010/11 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's
Chief Executive	Democratic Services						
	Civic & Member						
	Subscriptions						
	Electoral Registration						
	Directorate Savings						
	Total Chief Executive		(5)	(24)	0	0	50
Corporate Support Services	Human Resources						
	Local Land Charges						
	Local Land Charges						
	Hackney Carriages						
	Industrial Estates- Brooker Rd						
	Industrial Estates- Oakwood Hill						
	Industrial Estates- O Hill Workshops						
	Fleet Operations						
	Civic Offices						
	Civic Offices						
	Offices & Depots						
	Langston Road Depot						
	Business Premises						
Directorate Savings							
Total Corporate Support Services		(37)	(156)	(1,343)	0	0	0
Deputy Chief Executive	All Weather Pitch						
	Community Arts/Public Relations						
	Museum						
	Directorate Savings						
Total Deputy Chief Executive		0	(27)	(117)	(18)	0	0

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service		Original	Revised	Estimate	Estimate	Estimate	Estimate
			2010/11 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's
Environment & Street Scene	Waste Management	Changes to Service	(51)	42				
	Waste Management	Reduction in Weedspraying - expenditure		(10)				
	Waste Management	Reduction in Weedspraying - income		10				
	Waste Management	Wheeled Bin Maintenance			8			
	Industrial Activities - Regulated	Reduction in Registration of Commercial Properties		7				
	Safer Communities	Reduction of 2 PCSO's			(29)			
	Safer Communities	Reduction in Contributions		6	1			
	Leisure Facilities	Loughton Leisure management fee reduction		(25)	(75)			
	Leisure Facilities	Epping Sports Centre management fee reduction			(11)	(12)		
	Leisure Facilities	Ongar Leisure Centre management fee reduction			(7)	(23)		
	North Weald Airfield	Increase in Market rent			(41)			
	Waltham Abbey Sports Centre	Cessation of joint use agreement	(192)	(192)				
	Off Street Parking	Fluctuations in NDR	(6)	(8)	15			
	Off Street Parking	Changes to allocations		(50)				
	On Street Parking	Changes to allocations		(36)				
	On Street Parking	Changes to allocations		36				
	Off Street Parking	Additional Penalty Notice Charges		(50)				
	On Street Parking	Additional Penalty Notice Charges		(55)				
	On Street Parking	Additional Penalty Notice Charges		55				
	Off Street Parking	Loss of income through VAT increase			4	12		
	Off Street Parking	Closure of Parking Shop	(24)	(23)				
	On Street Parking	Closure of Parking Shop	(24)	(23)				
	On Street Parking	Closure of Parking Shop	24	23				
Directorate Savings	General		(66)	(18)				
Total Environment & Street Scene			(273)	(396)	(104)	(35)	0	0
Finance & ICT	Finance Miscellaneous	Increase in Employers Pension Conts (Act Val 2007)	92	92				
	Finance Miscellaneous	Decrease in Employers Pension Conts (Act Val 2010)			(10)			
	ICT	Mobile telephones - contract increases	2	10				
	Housing Benefits/Local Taxation	Replacement Revenues & Benefits System			25	25		
	Housing Benefits	Housing Benefit Admin Subsidy settlement reductions	39	60	25			
	Council Tax Collection	Reduction in court cost income		21				
	NNDR	Reduction in court cost income		10	2			
	Insurance Services	Savings on Premium	(45)					
	Directorate Savings	General		(48)	(24)			
Housing Benefits	Limes Farm Area Office			7				
Total Finance and ICT			88	145	0	25	0	0
Housing	Bed and Breakfast	Reduction in Bed and Breakfast Income		25				
	Bed and Breakfast	Reduction in Bed and Breakfast Expenditure		(12)				
	Directorate Savings	General		(3)	(15)			
	Total Housing				10	(15)	0	0

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service	Original	Revised	Estimate	Estimate	Estimate	Estimate
		2010/11 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's
Planning & Economic Development	Development Control						
	Building Control Ring Fenced						
	Building Control Ring Fenced						
	Planning Policy & Conservation						
	Building Control Ring Fenced			114			
	Building Control Ring Fenced			(114)			
	Development Control			90			
	Development Control					(100)	
	Countrycare			(6)	(7)		
	Directorate Savings			(40)			
		Total Planning & Economic Development	0	44	(107)	(100)	0
Other Items	Investment Interest			292			
	Investment Interest				278	108	155
	All Services		(10)	(10)			77
		Total CSB	(237)	(122)	(1,408)	(20)	205

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DISTRICT DEVELOPMENT FUND			<i>Original</i>	<i>B/F from</i>	<i>Revised</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>	<i>Estimate</i>
Directorate	Service		2010/11	2010/11	2010/11	2011/12	2012/13	2013/14	2014/15
			£000's	£000's	£000's	£000's	£000's	£000's	£000's
Chief Executive	Elections	Government Referendum on the Voting system				160			
	Elections	Government Referendum on the Voting system- Re-imburement				(160)			
	Grants to Voluntary Orgs	Furniture Exchange Scheme	20		20				
	Members	Standards Committee additional investigations	10		10				
	Total Chief Executive		30	0	30	0	0	0	0
Corporate Support Services	Estates & Valuation	Consultant's Fees & site surveys Langston Rd Depot		16	16				
	Estates & Valuation	Consultant's fees Legal & Taxation-Langston Rd Project			25				
	Estates & Valuation	Council Asset Rationalisation	195		160	35			
	Estates & Valuation	Council Asset Rationalisation HRA Contribution	(60)		(60)				
	Other Land & Property	Greenyards-Reduced Rental Income			10				
	Facilities Management	Quality Assurance & Accreditation BS EN ISO 9001		16	16				
	Human Resources	Training Budget Underspend/E Learning		8	8				
	Industrial Estates- Brooker Rd	Reduced Rental Income			20				
	Legal Services	Computerisation of Land Terrier records	28		2				
	Legal Services	Registration of Unregistered Titles	2	5	5				
	Local Land Charges	Removal of Personal Search chges (LLC Amendment Rules 2010)			100				
	Local Land Charges	Removal of Personal Search Income Govt Grant			(100)				
	Non HRA Building Maintenance	Consultant's report for 5 year programme				20			
	Non HRA Building Maintenance	Planned Building Maintenance Programme	147	28	147	(5)	45	19	10
	Civic Offices	Climate Change Smart-metering				6			
	Office Accommodation	Essential Work to Civic Offices		18	20	65	0		
	Office Accommodation	Potential Accommodation Changes		45	45				
	Total Corporate Support Services		312	136	414	121	45	19	10

DISTRICT DEVELOPMENT FUND

Directorate	Service		Original 2010/11 £000's	B/F from 2009/10 £000's	Revised 2010/11 £000's	Estimate 2011/12 £000's	Estimate 2012/13 £000's	Estimate 2013/14 £000's	Estimate 2014/15 £000's
Deputy Chief Executive	Public Relations	Improvements to Main Reception Area	12	(6)	3	3			
	Public Relations & Information	Website Officer	23	(2)	24	25	25		
	Deputy Chief Executive	Externally Funded Projects	63	39	74	75			
	Deputy Chief Executive	Externally Funded Projects	(63)	(39)	(74)	(75)			
	Museum	NNDR Refund			(5)				
	Youth Council	Youth Council	12		12	12			
	Limes Farm Hall	Costs of Management/Admin/Mtc/Repairs	27	14	22	19			
	NWA Strategy Action Plan	North Weald Airfield Action Plan.	50		48	2			
	NWA Strategy Action Plan	Aviation Consultant	20			20			
	Total Deputy Chief Executive		144	6	104	81	25	0	0
Environment & Street Scene	Pollution Control	Air Quality Modelling				9			
	Pollution Control	Air Quality Modelling Grant				(9)			
	Neighbourhoods / Rapid Response	Safer, Cleaner and Greener		5		4			
	Pest Control	Income			(10)				
	Waste Management	Waste containers spare parts		8		8			
	Waste Management	Changes to Service	(119)		(132)	(102)			
	Abandoned Vehicles	Advertising				3			
	Contaminated Land	Bobbingworth Tip Maintenance	5			5			
	Contaminated Land	Contaminated Land Investigations		31		130			
	Contaminated Land	Contaminated Land DEFRA grants			(120)				
	Land Drainage	Remedial Works Principal Ordinary Watercourses	35	14		49			
	Safer Communities	Safer Communities Project HO Funded	3	(2)					
	Safer Communities	Protective clothing	3			1			
	Safer Communities	Police Community Safety Accreditation	2			2			
	Leisure Facilities	Loughton Leisure Centre - Mediation		15		15			
	Leisure Facilities	Free Swimming Programme - Over 60's				13			
	Leisure Facilities	Free Swimming Programme - Over 60's				(13)			
	Leisure Facilities	NNDR Refund Waltham Abbey Swimming Pool				(4)			
	Leisure Facilities	Olympic Officer Post				5	10	5	
	Parks & Grounds	Security				3			
	North Weald Airfield	Other Maintenance				12			
	North Weald Airfield	Security				13			
	Waltham Abbey Sport Centre	NDR Refund				(28)			
	Parks & Grounds	Roding Valley Lake - Disabled Projects		26	23	3			
	Parks & Grounds	Roding Valley Lake - Disabled Projects		(26)	(23)	(3)			
	North Weald Airfield	Extra week (week 53) market				(18)			
	North Weald Airfield	Loss of Income - Hangar 5			43	34	24	14	4
	North Weald Airfield	Transformer - Sub 'X'	5		5				
	Off Street Parking	Freezing of car parking charges				(40)			
	Off Street Parking	Staffing			(11)				
	On Street Parking	Staffing			(14)				
	On Street Parking	Staffing			14				
	Off Street Parking	Mobile Phones	3	(3)					
	On Street Parking	Mobile Phones	2	(2)					
	On Street Parking	Mobile Phones	(2)	2					
	Total Environment & Street Scene		(63)	68	(10)	(113)	29	14	4

DISTRICT DEVELOPMENT FUND

Directorate	Service		Original	B/F from	Revised	Estimate	Estimate	Estimate	Estimate	
			2010/11 £000's	2010/11 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	
Finance & ICT	Concessionary Fares	New National Scheme - Costs	141	47	116	72				
	Concessionary Fares	New National Scheme - Grant	(111)		(99)					
	Concessionary Fares	Contribution from ECC re admin costs of issuing passes				(50)				
	Council Tax Collection	Legal Fees re Baliffs in Liquidation			30					
	Finance Miscellaneous	Asset Register		4	4					
	Finance Miscellaneous	Asset Register - HRA contribution		(2)	(2)					
	Finance Miscellaneous	Finance System Outstanding Commitments	5							
	Housing Benefits	Hit squad to improve performance		34	34					
	Housing Benefits	Temporary Accommodation Subsidy - Costs	6		0					
	Housing Benefits	Temporary Accommodation Subsidy - Grant	(6)		0					
	Housing Benefits	Staff restructuring not funded by specific grant				15	20			
	NNDR	Business Rates Deferral Scheme - Costs		9	9					
	NNDR	Business Rates Deferral Scheme - Grant								
	NNDR	New Burdens Small Business Rate Relief Costs			9					
	NNDR	New Burdens Small Business Rate Relief Grant			(9)					
	Audit/BankCharges	Additional audit fees re HB/CTB grant claims			10					
	Procurement	Essex Procurement Hub			(12)	(10)				
		Total Finance & ICT		35	92	90	27	20	0	0
	Housing	Homelessness	Essex Rental Loan Scheme	11			26	26		
Homelessness		Essex Rental Loan Scheme	(11)			(26)	(26)			
Homelessness		ECC - EFHAS			(6)	26	26			
Homelessness		ECC - EFHAS			6	(26)	(26)			
Private Sector Housing		House Condition Survey	55		13	52				
Housing Strategy		Consultant Housing Company	5	6						
Private Sector Housing		Technical Officer	27		27	27	27			
Private Sector Housing		Handyperson Scheme	(15)		(15)					
Private Sector Housing		Handyperson Scheme	15	17	5	15	12			
Handy Person Scheme		ECC re. Mobile Homes/Sites Improvements			(20)					
Handy Person Scheme		ECC re. Mobile Homes/Sites Improvements			10	10				
	Total Housing		87	23	20	104	39	0	0	

DISTRICT DEVELOPMENT FUND

Directorate	Service		Original	B/F from	Revised	Estimate	Estimate	Estimate	Estimate	
			2010/11 £000's	2009/10 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	
Planning & Economic Development	Development Control	Consultants								
	Development Control	Contingency for Appeals	82	(2)	31	51				
	Development Control	Reduced Income resulting from reduction in applications				44				
	Economic Development	Chamber of Commerce				5				
	Economic Development	Developing Business Networks	2	2	4					
	Economic Development	Enhanced Business Contacts	2	2	0	4				
	Economic Development	Town Centre Manager	36	3	50	9				
	Economic Development	LABGI regeneration				12				
	Economic Development	Economic Development Strategy			3	3				
	Conservation Policy Enforcement	Technical Support Officer -Conservation				10				
	Forward Planning	Blunts Farm Golf Course		2						
	Forward Planning	Administration Assistant	22							
	Forward Planning	Local Development Framework	400	115	120	395	456			
	Forward Planning	Printing underspend		10	10					
	Forward Planning	Senior Planner	39		30	35				
	Planning Services	File retrieval & checking & destruction		30	30					
	Planning Services	Housing and Planning Delivery Grant	(55)							
	Planning Services	Planning Delivery Grant 2	10							
	Planning Services	Planning Delivery Grant 4		25	18	7				
	Planning Services	Planning Delivery Grant 5		10						
	Tourism	Tourism Summit	2	2	4	0				
	Town Centre Enhancements	Improvements Grant Waltham Abbey TC	6		6	0				
	Town Centre Enhancements	Town Centre Support	22	8	18	12				
	Town Centre Enhancements	Waltham Abbey Tourist Information Centre			5	5				
	Total Planning & Economic Development			568	207	378	543	456	0	0
	Total Service Specific District Development Fund			1,113	532	1,026	763	614	33	14
	Other Items	Increased Investment Interest								
Second Homes Discount Allowance		(84)		(84)	(84)	(84)	(84)			
Lost Investment Interest		508		413	363	233	89			
Impairment of Heritable Bank Principal		375		375						
Contribution to Pension Deficit Reserve				176						
LABGI Contribution					40					
Capital Expenditure Funded from Revenue				40	22					
Area Based Grant		(28)		(40)						
Total District Development Fund			1,884	532	1,906	1,104	763	38	14	

REVENUE EXPENDITURE, INCOME AND FINANCING

2010/11 ORIGINAL ALL REVENUE ITEMS £	2010/11 REVISED ALL REVENUE ITEMS £		GENERAL FUND ACCOUNT £	2011/12 ORIGINAL HOUSING REVENUE ACCOUNT £	ALL REVENUE ITEMS £
Gross Expenditure					
3,341,950	3,171,370	Office of the Chief Executive	4(a) 3,255,490	0	3,255,490
1,295,680	1,473,490	Corporate Support Services	4(b) 1,744,850	0	1,744,850
2,040,480	2,019,580	Deputy Chief Executive	4(c) 1,978,700	0	1,978,700
16,084,550	16,151,840	Environment & Street Scene	4(d) 16,050,280	0	16,050,280
45,544,610	47,727,650	Finance & ICT	4(e) 47,871,660	0	47,871,660
36,525,470	37,194,740	Housing	4(f) 2,729,660	35,427,000	38,156,660
4,548,280	4,110,520	Planning & Economic Development	4(g) 4,263,090	0	4,263,090
267,180	254,560	Internal Trading Organisations	4(h) 291,920	0	291,920
109,648,200	112,103,750	Total Expenditure on Services	78,185,650	35,427,000	113,612,650
39,000	28,000	Interest Payable (Inc HRA)	786,000	(748,000)	38,000
375,000	375,000	Impairment of Investments	0		0
	47,000	Revenue Contribution to Capital	22,000		22,000
3,068,124	3,068,124	Precepts Paid to Parish Councils	3,106,848	0	3,106,848
113,130,324	115,621,874	Total Gross Expenditure	82,100,498	34,679,000	116,779,498
Gross Income					
42,652,550	45,356,870	Government Subsidies	45,938,610	0	45,938,610
25,791,000	25,644,000	Rents from Dwellings	0	27,502,000	27,502,000
5,182,000	5,170,070	Miscellaneous Rents, Trading Operations etc.	4,365,210	930,000	5,295,210
8,994,770	8,715,480	Fees and Charges	7,075,110	1,715,000	8,790,110
900,000	596,000	Interest on Mortgages and Investments	667,000	2,000	669,000
1,408,210	1,205,820	Grants and Reimbursements by other Bodies	1,371,320	0	1,371,320
84,928,530	86,688,240	Total Operational Income	59,417,250	30,149,000	89,566,250
552,856	435,696	Contribution from/(to) Revenue Reserves	171,247	582,000	753,247
(233,000)	(163,000)	FRS 17 Adjustment	(170,000)	0	(170,000)
1,884,000	1,906,000	Contribution from/(to) District Development Fund	1,104,000	0	1,104,000
24,000	(258,000)	Contribution from/(to) Other Reserves	0	0	0
5,402,000	6,441,000	Contribution from/(to) Capital Reserves	2,960,000	3,948,000	6,908,000
92,558,386	95,049,936	Total Gross Income	63,482,497	34,679,000	98,161,497
20,571,938	20,571,938	To be met from Government Grants and Local Taxation	18,618,001	0	18,618,001
Financed by:					
1,193,812	1,193,812	Revenue Support Grant			1,744,191
8,221,318	8,221,318	Distribution from Non-Domestic Rate Pool			5,642,751
0	0	Council tax Freeze Grant			
9,415,130	9,415,130	Exchequer Support and Collection Fund Surpluses	7d		7,386,942
8,088,684	8,088,684	District Precept			8,124,211
3,068,124	3,068,124	Parish Council Precepts	7e		3,106,848
20,571,938	20,571,938	Total Financing			18,618,001

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Office of the Chief Executive

Programme 2011/12

2010/11 Original		2010/11 Revised		Revenue Expenditure	2011/12 Original	
£	£	£	£		£	£
488,920		371,180		Elections	546,140	
1,948,510		1,732,300		Corporate Activities	1,687,070	
1,109,220		1,264,950		Member Activities	1,238,440	
24,260		6,500		Local Council Liaison	5,260	
11,890		10,860		Outdoor Youth Facilities	1,790	
491,960		499,730		Voluntary Services	475,770	
287,620		265,770		Internal Audit	273,450	
507,030		486,240		Democratic Services	487,210	
	4,869,410		4,637,530	Total Expenditure		4,715,130
	1,527,460		1,466,160	Income from Internal Charges		1,459,640
	3,341,950		3,171,370	Net Expenditure (see Annex 3)		3,255,490
				Service Generated Income		
1,160		14,310		Fees and Charges	1,160	
114,800		-		Grants and Reimbursements by other Bodies	192,900	
	115,960		14,310	Total Income		194,060
	3,225,990		3,157,060	To be met from Government Grant and Local Taxation		3,061,430
	-		-	Capital Expenditure (see Annex 5)		-

Corporate Support Services

Programme 2011/12

2010/11 Original		2010/11 Revised		Revenue Expenditure	2011/12 Original	
£	£	£	£		£	£
286,280		287,390		Licensing	295,510	
349,740		360,340		Local Land Charges	358,960	
154,340		386,760		Land & Property	570,890	
405,940		391,180		Other Activities	391,870	
1,737,750		1,561,670		Legal & Administration Services	1,565,320	
2,342,890		2,407,370		Accommodation Services	2,476,290	
1,694,890		1,743,830		Other Support Services	1,672,220	
	6,971,830		7,138,540	Total Expenditure		7,331,060
	5,676,150		5,665,050	Income from Internal Charges		5,586,210
	1,295,680		1,473,490	Net Expenditure (see Annex 3)		1,744,850
				Service Generated Income		
1,037,890		1,017,700		Miscellaneous Rents, Trading Operations etc	2,833,830	
522,200		567,790		Fees and Charges	491,290	
-		-		Grants and Reimbursements by other Bodies	41,500	
	1,560,090		1,585,490	Total Income		3,366,620
	(264,410)		(112,000)	To be met from Government Grant and Local Taxation		(1,621,770)
	1,187,000		1,045,000	Capital Expenditure (see Annex 5)		307,000

Deputy Chief Executive

Programme 2011/12

2010/11 Original		2010/11 Revised		Revenue Expenditure	2011/12 Original	
£	£	£	£		£	£
913,310		894,430		Arts & Museum	868,330	
1,023,400		1,012,340		Sports Development & Other Amenities	992,370	
97,550		112,590		Customer Services	117,770	
2,101,380		2,019,340		Support Services	2,074,970	
	4,135,640		4,038,700	Total Expenditure		4,053,440
	2,095,160		2,019,120	Income from Internal Charges		2,074,740
	2,040,480		2,019,580	Net Expenditure (see Annex 3)		1,978,700
				Service Generated Income		
118,500		169,510		Fees and Charges	162,860	
219,140		191,820		Grants and Reimbursements by other Bodies	188,410	
	337,640		361,330	Total Income		351,270
	1,702,840		1,658,250	To be met from Government Grant and Local Taxation		1,627,430
	2,435,000		255,000	Capital Expenditure (see Annex 5)		1,437,000

Environmental and Street Scene

Programme 2011/12

2010/11 Original		2010/11 Revised		Revenue Expenditure	2011/12 Original	
£	£	£	£		£	£
1,502,500		1,407,080		Environmental Health	1,453,280	
7,902,580		8,034,720		Waste Collection & Street Cleansing	8,125,170	
567,960		556,680		Highways	578,190	
1,250,990		1,218,600		Car Parking	1,247,910	
817,060		925,130		Land Drainage & Sewerage	755,900	
490,280		479,550		Safer Communities	448,960	
1,749,300		1,652,300		Leisure Facilities	1,652,060	
723,900		733,130		Parks and Grounds	723,640	
967,880		985,950		North Weald	913,040	
3,877,810		3,817,220		Environmental Admin & Policy	3,910,520	
	19,850,260		19,810,360	Total Expenditure		19,808,670
	3,765,710		3,658,520	Income from Internal Charges		3,758,390
	16,084,550		16,151,840	Net Expenditure (see Annex 3)		16,050,280
				Service Generated Income		
1,371,720		1,381,260		Miscellaneous Rents, Trading Operations etc	1,430,260	
4,057,710		4,533,170		Fees and Charges	4,544,040	
428,840		132,240		Grants and Reimbursements by other Bodies	3,000	
	5,858,270		6,046,670	Total Income		5,977,300
	10,226,280		10,105,170	To be met from Government Grant and Local Taxation		10,072,980
	1,948,000		1,455,000	Capital Expenditure (see Annex 5)		2,181,000

Finance and ICT

Programme 2011/12

2010/11 Original		2010/11 Revised		Revenue Expenditure	2011/12 Original	
£	£	£	£		£	£
42,749,330		45,205,330		Housing Benefits	46,145,260	
1,661,670		1,662,470		Local Taxation	1,643,380	
814,660		797,510		Concessionary Fares	122,900	
190,030		22,160		Other Activities	-	54,600
2,999,130		2,999,060		ICT Services	3,069,350	
2,433,040		2,462,780		Financial Services	2,476,330	
	50,847,860		53,149,310	Total Expenditure		53,402,620
	5,303,250		5,421,660	Income from Internal Charges		5,530,960
	45,544,610		47,727,650	Net Expenditure (see Annex 3)		47,871,660
				Service Generated Income		
42,080,690		44,620,980		Government Subsidies	45,533,330	
66,390		57,110		Miscellaneous Rents, Trading Operations etc	26,120	
495,460		21,800		Fees and Charges	69,300	
358,570		605,880		Grants and Reimbursements by other Bodies	593,000	
	43,001,110		45,305,770	Total Income		46,221,750
	2,543,500		2,421,880	To be met from Government Grant and Local Taxation		1,649,910
	661,000		408,000	Capital Expenditure (see Annex 5)		488,000

Housing

Programme 2011/12

General Fund £	Housing Revenue £	2010/11 Original	General Fund £	Housing Revenue £	2010/11 Revised	Revenue Expenditure	General Fund £	2011/12 Original Housing Revenue £	Total £
		Total £			Total £			Total £	
	33,985,000	33,985,000		34,379,000	34,379,000	Council Housing		35,427,000	35,427,000
1,435,210		1,435,210	1,425,910		1,425,910	Private Sector Housing	1,464,480		1,464,480
441,390		441,390	422,880		422,880	Homelessness	457,150		457,150
50,880		50,880	43,380		43,380	Housing Investment Programme	42,370		42,370
326,360		326,360	635,440		635,440	Affordable Housing Grants	474,770		474,770
286,630		286,630	288,130		288,130	Leasehold Services Administration	290,890		290,890
2,540,470	33,985,000	36,525,470	2,815,740	34,379,000	37,194,740	Total Expenditure	2,729,660	35,427,000	38,156,660
						Service Generated Income			
571,860		571,860	735,890		735,890	Government Subsidies	405,280		405,280
	25,791,000	25,791,000		25,644,000	25,644,000	Rents from Dwellings		27,502,000	27,502,000
100,000	2,606,000	2,706,000	65,000	2,649,000	2,714,000	Miscellaneous Rents, Trading Operations etc	75,000	930,000	1,005,000
289,750	1,928,000	2,217,750	289,360	1,729,000	2,018,360	Fees and Charges	292,630	1,715,000	2,007,630
	3,000	3,000		2,000	2,000	Interest on Mortgages and Investments		2,000	2,000
88,400		88,400	111,780		111,780	Grants and Reimbursements by other Bodies	70,880		70,880
	3,650,000	3,650,000		4,228,000	4,228,000	HRA Interest & Reversal of Depn		4,696,000	4,696,000
	7,000	7,000		127,000	127,000	Use of Balances		582,000	582,000
1,050,010	33,985,000	35,035,010	1,202,030	34,379,000	35,581,030	Total Income	843,790	35,427,000	36,270,790
1,490,460	-	1,490,460	1,613,710	-	1,613,710	To be met from Government Grant and Local Taxation	1,885,870	-	1,885,870
2,155,000	6,956,000	9,111,000	1,558,000	6,636,000	8,194,000	Capital Expenditure (see Annex 5)	1,778,000	6,919,000	8,697,000

Planning & Economic Development

Programme 2011/12

2010/11 Original		2010/11 Revised		Revenue Expenditure	2011/12 Original	
£	£	£	£		£	£
163,760		200,580		Economic Development	143,540	
29,620		40,780		Tourism	32,580	
58,450		56,690		Environmental Initiatives	56,940	
214,540		208,970		Conservation Policy	179,150	
882,540		563,020		Forward Planning	858,670	
223,680		204,110		Town Centre Enhancements	208,770	
317,590		288,060		Countrycare	231,460	
2,661,750		2,545,120		Regulatory Services	2,551,450	
1,084,680		1,117,960		Planning Administration & Policy	1,057,480	
	5,636,610		5,225,290	Total Expenditure		5,320,040
	1,088,330		1,114,770	Income from Internal Charges		1,056,950
	4,548,280		4,110,520	Net Expenditure (see Annex 3)		4,263,090
				Service Generated Income		
1,261,860		1,045,540		Fees and Charges	1,132,880	
85,960		40,100		Grants and Reimbursements by other Bodies	34,630	
	1,347,820		1,085,640	Total Income		1,167,510
	3,200,460		3,024,880	To be met from Government Grant and Local Taxation		3,095,580
	125,000		65,000	Capital Expenditure (see Annex 5)		240,000

Internal Trading Organisations

Programme 2011/12

2010/11 Original		2010/11 Revised		Revenue Expenditure	2011/12 Original	
£	£	£	£		£	£
2,849,650		2,761,650		Housing Maintenance	2,963,150	
482,830		463,300		Fleet Operations	460,940	
	3,332,480		3,224,950	Total Expenditure		3,424,090
	3,065,300		2,970,390	Income from Internal Charges		3,132,170
	267,180		254,560	Net Expenditure (see Annex 3)		291,920
				Service Generated Income		
320,130		345,000		Fees and Charges	380,950	
	320,130		345,000	Total Income		380,950
	(52,950)		(90,440)	To be met from Government Grant and Local Taxation		(89,030)
	-		-	Capital Expenditure (see Annex 5)		54,000

Non Service Budgets

Programme 2011/12

2010/11 Original	2010/11 Revised		2011/12 Original		
Total £	Total £	Revenue Expenditure	General Fund £	Housing Revenue £	Total £
(897,000)	(594,000)	Interest & Investment Income	(667,000)		(667,000)
375,000	375,000	Impairment of Investments	-		-
	47,000	Revenue Contribution to Capital	22,000		22,000
(112,500)	(206,000)	Other Items	(44,000)		(44,000)
39,000	28,000	Interest Payable (Inc HRA)	786,000	(748,000)	38,000
4,620,000	3,960,000	Depreciation Reversals & Other Adjs.	(2,960,000)	6,923,000	3,963,000
<hr/>	<hr/>		<hr/>	<hr/>	<hr/>
4,024,500	3,610,000		(2,863,000)	6,175,000	3,312,000
3,116,000	3,855,000	Transferred to Housing Summary	-	3,948,000	3,948,000
<hr/>	<hr/>		<hr/>	<hr/>	<hr/>
7,140,500	7,465,000		(2,863,000)	10,123,000	7,260,000
(545,856)	(308,696)	Contribution (from)/to Revenue Reserves			(171,247)
233,000	163,000	FRS 17 Adjustment			170,000
(24,000)	176,000	Contribution (from)/to Other Reserves			
-	-	Council Tax Freeze Grant			(203,000)
(1,884,000)	(1,906,000)	Contribution from District Development Fund			(1,104,000)
<hr/>	<hr/>				<hr/>
4,919,644	5,589,304	Reduction in Amount to be met from Government Grant and Local Taxation & other Housing Revenue Account items			5,951,753
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Capital Programme

Programme 2011/12

General Fund £	Housing Revenue £	2010/11 Original	General Fund £	Housing Revenue £	2010/11 Revised	Gross Expenditure	General Fund £	2011/12 Original Housing Revenue £	Total £
		Total £			Total £				
1,187,000		1,187,000	1,045,000		1,045,000	Corporate Support Services	307,000		307,000
2,435,000		2,435,000	255,000		255,000	Deputy Chief Executive	1,437,000		1,437,000
1,948,000		1,948,000	1,455,000		1,455,000	Environmental and Street Scene	2,181,000		2,181,000
661,000		661,000	408,000		408,000	Finance and ICT	488,000		488,000
2,155,000	6,956,000	9,111,000	1,558,000	6,636,000	8,194,000	Housing	1,778,000	6,919,000	8,697,000
125,000		125,000	65,000		65,000	Planning & Economic Development	240,000		240,000
-	-	-	-	-	-	Internal Trading Organisations	-	54,000	54,000
8,511,000	6,956,000	15,467,000	4,786,000	6,636,000	11,422,000	Total Capital Expenditure	6,431,000	6,973,000	13,404,000
	6,906,000	6,906,000	47,000	6,546,000	6,593,000	Less: Revenue Contributions to Capital	22,000	6,923,000	6,945,000
8,511,000	50,000	8,561,000	4,739,000	90,000	4,829,000	To be met from Capital Resources	6,409,000	50,000	6,459,000
Financed by:									
7,720,000		7,720,000	3,421,000	10,000	3,431,000	Capital Receipts	5,801,000		5,801,000
479,000		479,000	714,000		714,000	Government Grants	520,000		520,000
312,000	50,000	362,000	604,000	80,000	684,000	Other Grants	88,000	50,000	138,000
8,511,000	50,000	8,561,000	4,739,000	90,000	4,829,000	Total Financing	6,409,000	50,000	6,459,000

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COUNCIL TAX RATES FOR DISTRICT & PARISH/TOWN COUNCILS 2011/12

Annex 6

Authorities	Tax Base No.'s	Precept 2011/12	Council Tax Band D	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
		£	£	£	£	£	£	£	£	£	£
District Expenses	54,609.2	8,124,211	148.77	99.18	115.71	132.24	148.77	181.83	214.89	247.95	297.54
Abbess, Berners and Beauchamp Roding	199.7	5,000	25.04	115.87	135.19	154.50	173.81	212.43	251.06	289.68	347.62
Buckhurst Hill	5,301.8	367,142	69.25	145.35	169.57	193.80	218.02	266.47	314.92	363.37	436.04
Chigwell	5,983.1	217,958	36.43	123.47	144.04	164.62	185.20	226.36	267.51	308.67	370.40
Epping Town	5,110.8	428,500	83.84	155.07	180.92	206.76	232.61	284.30	335.99	387.68	465.22
Epping Upland	414.9	11,500	27.72	117.66	137.27	156.88	176.49	215.71	254.93	294.15	352.98
Fyfield	410.4	10,423	25.40	116.11	135.47	154.82	174.17	212.87	251.58	290.28	348.34
High Ongar	575.0	13,500	23.48	114.83	133.97	153.11	172.25	210.53	248.81	287.08	344.50
Lambourne	936.6	29,860	31.88	120.43	140.51	160.58	180.65	220.79	260.94	301.08	361.30
Loughton Town	13,038.3	641,200	49.18	131.97	153.96	175.96	197.95	241.94	285.93	329.92	395.90
Matching	333.9	10,500	31.45	120.15	140.17	160.20	180.22	220.27	260.32	300.37	360.44
Moreton, Bobbingworth and the Lavers	669.1	13,285	19.86	112.42	131.16	149.89	168.63	206.10	243.58	281.05	337.26
Nazeing	2,108.1	72,476	34.38	122.10	142.45	162.80	183.15	223.85	264.55	305.25	366.30
North Weald Bassett	2,569.2	132,205	51.46	133.49	155.73	177.98	200.23	244.73	289.22	333.72	400.46
Ongar Town	2,767.9	193,481	69.90	145.78	170.08	194.37	218.67	267.26	315.86	364.45	437.34
Roydon	1,326.5	28,821	21.73	113.67	132.61	151.56	170.50	208.39	246.28	284.17	341.00
Sheering	1,367.4	31,660	23.15	114.61	133.72	152.82	171.92	210.12	248.33	286.53	343.84
Stanford Rivers	364.9	11,700	32.06	120.55	140.65	160.74	180.83	221.01	261.20	301.38	361.66
Stapleford Abbots	512.4	6,638	12.95	107.81	125.78	143.75	161.72	197.66	233.60	269.53	323.44
Stapleford Tawney	72.3	1,379	19.07	111.89	130.54	149.19	167.84	205.14	242.44	279.73	335.68
Theydon Bois	1,979.7	103,280	52.17	133.96	156.29	178.61	200.94	245.59	290.25	334.90	401.88
Theydon Garnon	66.5	970	14.59	108.91	127.06	145.21	163.36	199.66	235.96	272.27	326.72
Theydon Mount	108.4	1,507	13.90	108.45	126.52	144.60	162.67	198.82	234.97	271.12	325.34
Waltham Abbey Town	8,145.1	769,363	94.46	162.15	189.18	216.20	243.23	297.28	351.33	405.38	486.46
Willingale	247.2	4,500	18.20	111.31	129.87	148.42	166.97	204.07	241.18	278.28	333.94
Town and Parish Total	54,609.2	3,106,848	56.89	37.93	44.25	50.57	56.89	69.53	82.17	94.82	113.78
District, Town and Parish Total	54,609.2	11,231,059	205.66	137.11	159.96	182.81	205.66	251.36	297.06	342.77	411.32

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Medium Term Financial Strategy

Introduction

1. For a number of years as part of the Council's sound financial planning arrangements a four-year financial strategy has been prepared. This document allows a considered view to be taken of spending and resources. Without a medium term financial strategy finances would be managed on an annual basis leading to sudden expansions and contractions in services. Clearly such volatility would lead to waste and be confusing for stakeholders.
2. Managing this Council's finances has been made easier by isolating one off fluctuations (District Development Fund or DDF) from the ongoing core services (Continuing Service Budgets or CSB). This distinction highlights the differing effects in the medium term of approving different types of initiative.
3. A key part of the strategy is future rises in Council Tax and the Council has a stated ambition to not only remain a low tax authority but to ultimately have the lowest Band D charge in Essex. This ambition is unlikely to be realised until 2013/14, as it is anticipated that most Councils will freeze their charges for 2011/12 and 2012/13. The Council currently has the second lowest charge and last year saw the gap to the lowest Band D charge in Essex reduce from £3.33 to £1.35.
4. At its 27 September 2010 meeting the Finance and Performance Management Cabinet Committee decided that communication of the revised medium term financial strategy to staff, partners and other stakeholders be undertaken by way of publishing key bullet points in appropriate publications.

Previous Medium Term Financial Strategy

5. That meeting of the Finance and Performance Management Cabinet Committee considered the annual Financial Issues Paper and an updated medium term financial strategy. At that time Members attention was drawn to a number of areas of significant uncertainty. Key amongst those was how the incoming government would deal with the very poor overall state of the public finances and the extent of the pain to be borne by district councils. The effects of the "Credit Crunch" are stabilising, but have reduced income and increased demand for several services. There were also questions over the using up of capital receipts on non-revenue generating assets, the next triennial valuation of the pension fund and changes to the national concessionary fares scheme.
6. Against this background of risk and uncertainty a forecast was constructed that set a target of £17.1m for CSB expenditure for 2011/12 and maintained the requirement for annual CSB savings until the end of the forecast period. At this time deficit budgets were anticipated for each year of the forecast, although these were reducing at the end of the forecast.
7. At that time the predicted General Fund balance at 1 April 2015 of £5.6m represented nearly 36% of the anticipated Net Budget Requirement (NBR) for 2014/15 and was therefore somewhat higher than the guideline of 25%. It was also predicted at that time that there would be £562,000 left in the DDF at 1 April 2015.

Updated Medium Term Financial Strategy

8. As the general reductions in public spending and the specific reductions in Council's grants from Government became clearer it has been necessary to keep the CSB targets and the associated net savings requirements under review. The final grant figures were only announced on the evening of 13 December and an update was provided for Council on 14 December. Given the limited time to prepare the update, it was only an approximation but indicated that savings over the period would need to increase from £2.3m to £3m. To reflect these budget changes a revised medium term financial strategy has been prepared and is attached as Annexes 8 a and b. In constructing the forecast it has been necessary to make certain assumptions, these are set out below:
 - a) CSB Growth – the net savings required for 2011/12 have been found, but budgets will be re-visited during the course of 2011/12 to seek further reductions. In common with the earlier version of the strategy, target CSB savings are included for the period 2012/13 to 2014/15. The removal of under spent budgets, a lower than anticipated pay award and the lower than estimated reduction in administration subsidy from the Department for Work and Pensions have helped achieve the savings required for 2011/12. However, annual net savings targets of £1.3m for 2012/13, £750,000 for 2013/14, and £500,000 for 2014/15 are likely to prove more challenging.
 - b) DDF – all of the known items for the four-year period have been included and at the end of the period a balance of £216,000 is still available. This is an improvement on the position in the current year's budget, where the MTFFS adopted in February 2010 showed a closing balance at the end of the period of £156,000.
 - c) Grant Funding – beyond 2012/13 it has been assumed that there will be a 6% reduction in grant over the remaining two years of the CSR period. This is in line with the headline figures provided in October 2010 but is likely to be effected by the Government's re-working of the grant allocation model and the strength of the economic recovery.
 - d) Council Tax Increase – Members have confirmed they wish to freeze the charge for 2011/12 and 2012/13 and limit the increase to 2.5% for subsequent years. These assumptions have been built into the strategy.
9. This revised medium term financial strategy has deficits in for the entire period, although these are reducing and the use of reserves in 2014/15 is £260,000 lower than in 2013/14. The predicted revenue balance at the end of the period is £5.909m, which represents 40% of the NBR for 2014/15 and thus comfortably exceeds the target of 25%.
10. It is worth repeating that significant savings are necessary in each of the years of the strategy and in approving the medium term financial strategy Members are asked to note these targets. The strategy will be monitored during the year and updated for the September 2011 meeting of the Finance and Performance Management Cabinet Committee.

GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY 2009/10 - 2014/15

ORIGINAL 2010/11	REVISED				
	FORECAST 2010/11	FORECAST 2011/12	FORECAST 2012/13	FORECAST 2013/14	FORECAST 2014/15
£'000 NET REVENUE EXPENDITURE	£'000	£'000	£'000	£'000	£'000
18,309 Continuing Services Budget	17,935	17,293	16,763	16,118	15,638
-237 CSB - Growth Items	-122	-1,408	-20	205	77
0 Net saving	0	0	-1,300	-750	-500
18,072 Total C.S.B	17,813	15,885	15,443	15,573	15,215
1,884 One - off Expenditure	1,906	1,104	763	38	14
19,956 Total Net Operating Expenditure	19,719	16,989	16,206	15,611	15,229
-24 Contribution to/from (-) Insurance Res	0	0	0	0	0
-1,884 Contribution to/from (-) DDF Balances	-1,906	-1,104	-763	-38	-14
-544 Contribution to/from (-) Balances	-309	-171	-627	-772	-512
17,504 Net Budget Requirement	17,504	15,714	14,816	14,801	14,703
FINANCING					
9,379 Government Support (NNDR+RSG)	9,379	7,387	6,453	6,401	6,056
36 RSG Floor Gains/(-Losses)	36	0	0	0	0
9,415 Total External Funding	9,415	7,387	6,453	6,401	6,056
8,089 District Precept	8,089	8,124	8,160	8,400	8,647
0 Grant for Council tax Freeze	0	203	203	0	0
To be met from Government 17,504 Grants and Local Tax Payers	17,504	15,714	14,816	14,801	14,703
Band D Council Tax	148.77	148.77	148.77	152.49	156.30
Percentage Increase %		0.0	0.0	2.5	2.5

GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY 2010/11 - 2014/15

	REVISED FORECAST 2010/11	FORECAST 2011/12	FORECAST 2012/13	FORECAST 2013/14	FORECAST 2014/15
	£'000	£'000	£'000	£'000	£'000
REVENUE BALANCES					
Balance B/forward	8,300	7,991	7,820	7,193	6,421
Surplus/Deficit(-) for year	-309	-171	-627	-772	-512
Balance C/Forward	7,991	7,820	7,193	6,421	5,909
DISTRICT DEVELOPMENT FUND					
Balance B/forward	4,041	2,135	1,031	268	230
Transfer Out	-1,906	-1,104	-763	-38	-14
Balance C/Forward	2,135	1,031	268	230	216
CAPITAL FUND (inc Cap Receipts)					
Balance B/forward	21,091	17,661	12,095	10,366	9,742
New Usable Receipts	201	235	295	294	294
Use of Capital Receipts	-3,631	-5,801	-2,024	-918	-860
Balance C/Forward	17,661	12,095	10,366	9,742	9,176
TOTAL BALANCES	27,787	20,946	17,827	16,393	15,301

The Chief Financial Officer's report to the Council on the robustness of the estimates for the purposes of the Council's 2011/12 budgets and the adequacy of the reserves.

Introduction

1. The Local Government Act 2003 section 25 introduced a specific personal duty on the "Chief Financial Officer" (CFO) to report to the Authority on the robustness of the estimates for the purposes of the budget and the adequacy of reserves. The Act requires Members to have regard to the report when determining the Council's budget requirement for 2011/12. If this advice is not accepted, the reasons must be formally recorded within the minutes of the Council meeting. Council will consider the recommendations of Cabinet on the budget for 2011/12 and determine the planned level of the Council's balances.
2. Sections 32 and 43 of the Local Government Finance Act 1992 also require billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the net budget requirement.
3. There are a range of safeguards, which exist to ensure local authorities do not over-commit themselves financially. These include:
 - The CFO's s.114 powers, which require a report to the Cabinet and to all members of the local authority if there is or is likely to be unlawful expenditure or an unbalanced budget
 - The Prudential Code, which applied to capital financing from 2004/05.

The Robustness of the Recommended Budget

4. A number of reports to the Cabinet in recent years have highlighted the difficulties inherent in setting budgets, not least because of significant changes in the level and complexity of Government funding and continuing pressure to protect and develop services. At the same time major changes have been introduced to the way the Council is structured and managed and the way services like waste and leisure are delivered. These changes and the "Credit Crunch" are still ongoing and represent significant risks to the Council's ability to assess properly all the financial pressures it faces.
5. However the Council's budget process, developed over a number of years, has many features that promote an assurance in its reliability:
 - The rolling four year forecast provides a yardstick against which annual budgets can be measured
 - The early commencement of the budget process and the clear annual timetable for both Members and officers including full integration with the business planning process promotes considered and reasoned decision making
 - The establishment of budget parameters in the summer is designed to create a clear focus before the budget process commences

- The analysis of the budget between the continuing services and one off District Development Fund items smoothes out peaks and troughs and enables CSB trends to be monitored
 - The adoption of a prudent view on the recognition of revenue income and capital receipts
 - The annual bid process whereby new or increased budgets should be reported to Cabinet before inclusion in the draft budget
 - Clear and reasoned assumptions made about unknowns, uncertainties or anticipated changes
6. Changes to the process have also created the facility for far greater consultation, particularly with the development of the Overview and Scrutiny Panel which deals with finance and performance management issues. With a Cabinet system the onus is on Portfolio Holders to work closely with Directors to deliver acceptable and accurate budgets. This role has been taken seriously and has helped enhance the detailed knowledge of the Cabinet.
7. The budget is therefore based on strong and well-developed procedures and an integrated and systematic approach to the preparation of soundly based capital and revenue plans and accurate income and expenditure estimates. The risks or uncertainties inherent in the budget have been identified and managed, as far as is practicable, and assumptions about their impact have been made.
8. **The conclusion is that the estimates as presented to the Council are sufficiently robust for the purposes of the Council's overall budget for 2011/12.**

Factors to be taken into account when undertaking a Risk Assessment into the overall Level of Reserves and Balances

9. Guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) states that the following factors should be taken into account when the CFO considers the overall level of reserves and balances:
- Assumptions regarding inflation;
 - Estimates of the level and timing of capital receipts;
 - Treatment of demand led pressures;
 - Treatment of savings;
 - Risks inherent in any new partnerships etc;
 - Financial standing of the authority i.e. level of borrowing, debt outstanding etc;
 - The authority's track record in budget management;
 - The authority's capacity to manage in-year budget pressures;
 - The authority's virements and year-end procedures in relation to under and overspends;
 - The adequacy of insurance arrangements.
10. These issues have formed the basis for budget reports in the past and they remain relevant for the current budget.

Factor Assessment

a. Inflationary pressures

11. Every year base budget estimates are produced and then different inflation factors are applied to the resultant figures to take budgets to out-turn prices. It is inevitable that there will be either over or under provision for the full cost of inflation, as prices will vary against the estimates made. Efforts have been made to predict the level of inflation in the coming year, although the difficulty in making these predictions is highlighted by inflation remaining stubbornly high and above the target for, and predictions of, the Monetary Policy Committee. Inflation, as measured by the annual rate of increase in the Retail Prices Index, rose from 4.7% for November to 4.8% for December. Over this period the Consumer Prices Index rose from 3.3% to 3.7% and so is rapidly approaching double the Government target of 2%. However, whilst recovery in the overall economy remains weak the Monetary Policy Committee are likely to continue their cautious stance and not strongly intervene with increases in interest rates to reduce inflation.
12. If inflation remains at the current level for long pressure for a pay award will increase. Pay rates have been frozen for 2010/11 and the Government has stressed the need for restraint in public sector pay over the length of the Comprehensive Spending Review. The Medium Term Financial Strategy (MTFS) includes an allowance of 1.5% for pay awards for 2013/14 and 2014/15, as it is felt that a pay freeze for the entire period is unlikely to be sustainable. Recruitment and retention is less of a concern, but some difficulty is still being experienced in certain areas. In the budgets the centrally held vacancy allowance has been increased from 2% to 2.5%. This reflects the ongoing underspends, with total salaries at December 2010 being 3.8% underspent. It is unlikely that the Authority will have a full establishment throughout 2011/12 and so this allowance is reasonable.

b. Estimates on the level and timing of capital receipts

13. The Council has always adopted a prudent view on the level and timing of capital receipts. Capital receipts are not recognised for budgetary purposes unless they have been received or their receipt is contractually confirmed prior to the budget being ratified. Cabinet is unlikely to agree further disposals until the property market has improved and so no significant disposals are anticipated in 2011/12.
14. The exception to this relates to receipts from council house sales. In this instance because sales occur throughout the year assumptions are made about their generation. Although sales have fallen dramatically from previous years and the pattern of less than 10 sales per annum is expected to continue. Clearly if the forecasts contained in this report are not realised in full, there could be a financial impact on the General Fund because investment income to that account has been based on that level of sales. However, this is relatively unlikely given the low numbers involved.
15. Even with the Authority's substantial capital programme, which exceeds £48m over five years, it is anticipated that the balance of usable capital receipts at 31 March 2015 will be £9.2m. The Capital Strategy continues to emphasise that priority will be given to capital schemes that will create future revenue benefit, either through increased income or reduced costs.

c. Treatment of demand led pressures and savings

16. The main demand led pressures are still on the benefits and homelessness services as people continue to struggle with the difficult economic circumstances and rising unemployment. Stagnation in the housing market is an ongoing problem and the lack of activity in this area continues to impact on key income streams like planning and building control fees and land charges. One encouraging development in this area is the possible move away from prescribed planning fees, with Council's being able to seek full recovery of their costs. The outcome of the consultation on this proposal is eagerly awaited as any additional freedom over charging would be welcomed.
17. Savings have been achieved for the 2011/12 budget by focusing on areas that have historically underspent. There has been some history in recent years of the budget as a whole being underspent and an exercise was undertaken to limit budgets going forward to the average amount spent in the previous three years. This removed over £350,000 from the CSB and, together with the transfer of the commercial property from the Housing Revenue Account, provided a sound base for the 2011/12 budget. However, these were the "quick wins" and going forward a public consultation exercise will be necessary to inform decisions on future service provision.

d. Risks inherent in partnership arrangements etc

18. There are several partnership arrangements, some of which carry risks of varying degrees in monetary terms. The risks have not been specifically identified in the budget but are underwritten through the Authority's balances.

e. Financial standing of the authority (i.e. level of borrowing, debt outstanding etc)

19. The Authority is currently debt free and would like to remain so in the medium term. Revenue reserves for both the General Fund and the Housing Revenue Account are in a healthy state.
20. The largest threat to the Authority's financial standing is the reform of the housing subsidy system. The reform of the housing subsidy system was proposed by the previous Government and the new Government is continuing with these reforms. It is likely that this Council will be required to take on approximately £200m of debt in order to avoid annual payments of £11m of subsidy. There are also concerns about how the reforms will be implemented and possible unintended negative consequences on the General Fund. These issues were raised in the Council's consultation response but it remains to be seen whether the Government will make appropriate allowances.
21. There is also a potential income stream that may significantly benefit the Authority but has not been allowed for. The New Homes Bonus provides an incentive for Councils to encourage residential development. Grant will be payable to Councils based on the year to year increase in their tax base, the amount of grant is likely to be payable for six years and should commence from 1 April 2011. However, the consultation on the calculation of the bonus and how it is to be shared between district and county levels only closed on 24 December and no firm date has been given by DCLG for confirming the details of the scheme. Whilst such uncertainty exists over the calculation and the amounts payable it is not prudent to build this income into the MTFs.

f. The authority's track record in budget management, including its ability to manage in-year budget pressures

22. The Authority has a proven track record in financial management as borne out by the Use of Resources assessments and Annual Audit Letters from the Authority's external auditors. A comparison of actual net expenditure with estimates over a number of year's shows that the Council rarely experiences over spends of any significance.
23. Most managers have received training on budget management. A course involving an external trainer the CFO and the Chief Internal Auditor has now been supplemented with additional detailed training on a directorate basis being provided by accountancy staff.
24. The quarterly budget monitoring reports on key budgets to both the Finance and Performance Management Cabinet Committee and Scrutiny Panel will continue throughout 2011/12. The production of these reports during the year is essential in identifying emerging problems at the earliest opportunity. This allows maximum benefit to be accrued from any corrective action taken.

g. The authority's virement and year-end procedures in relation to under and overspends

25. The Authority has recognised and embedded virement procedures that allow funds to be moved to areas of pressure. Although underspends and overspends are not automatically carried forward, the Authority does have an approved carry forward scheme for capital and DDF which is actioned through the formal provisional outturn report to Cabinet in the summer of each year.

h. The adequacy of insurance arrangements

26. Following a collaborative procurement exercise with twelve other authorities a new long term agreement has been entered into. As part of this process a number of options on excess levels and joint arrangements were considered. However, the most cost effective option proved to be keeping the portfolio of policies with Zurich on similar excesses. The Authority still maintains an insurance fund, which as at 31 March 2010 had a balance of £428,000.

i. Pension liabilities

27. The latest triennial valuation as at 31 March 2010 showed a reduction in the funding level of the scheme to 71% (the value of the scheme's assets only cover 71% of the liabilities). However, the actuaries have been able to keep the deficit payments at a similar level for the next three years by increasing the deficit recovery period from 20 to 27 years. Ongoing contributions have benefitted from a slight reduction from 13.1% to 13%.
28. Annual applications are made to Department for Communities and Local Government (DCLG) for capitalisation directions, as separate directions are required for the Housing Revenue Account and the General Fund. These applications have been made since 2005/06 and the only year when a full direction was not given was 2006/07 when the capitalisation was limited to 57.19% of the value of the application.

29. The regulations for issuing capitalisation directions were changed for 2006/07, with a “Two Gate” system being introduced. Applications must satisfy the previous criteria to clear Gate 1 but applications will not pass Gate 2 until the national economic impact has been considered in total. For 2010/11 the Government have limited capitalisation directions to 38% of the amounts applied for. This restriction has caused amounts of £176,000 to be charged to the District Development Fund and £82,000 to the HRA. As the deficit payments have not changed significantly the amounts at risk in future years are broadly similar.

Statement on the adequacy of the reserves and balances

30. The Use of Resources assessment previously conducted by the external auditors has moved on from the formulaic approach of CPA to achieve the ‘good’ ranking for reserves. The old formula had suggested that the Council should maintain a General Fund balance of at least £0.89m but no more than £17.86m. The Council’s current best estimate of the General Fund balance at 31 March 2012 is £7.8m as shown in the Annex 8 b. This is clearly within the range specified but as a benchmark is not particularly useful. Therefore a risk assessment related to the Authority’s individual circumstances is provided as a more meaningful benchmark against which the adequacy of the balances can be determined.
31. The following table lists those developments and cost pressures within the four-year forecast that offer the greatest risk to financial stability.

Item of risk	Estimated level of financial risk £000	Level of risk %	Adjusted level of risk £000
Basic 5% of Net Operating Expenditure			1,100
Grant reduction being 20% instead of 6% over in last 2 years of CSR	900	50	450
Pay award being settled 1% in excess of estimate for 11/12 and future years	600	20	120
Inflationary pressures between 1-4% higher than budget	600	20	120
Loss of North Weald Market Income	4,000	20	800
General Income between 1-4% less than budget	600	10	60
Unintended consequences of HRA reform impacting on General Fund	2,000	50	1,000
Capitalisation applications refused for 11/12 and 12/13	1,300	40	520
Renegotiating External contracts and partnership arrangements	1,000	10	100
Emergency Contingency	800	20	160
New Homes Bonus, income over MTFS at level implied in consultation	(2,800)	30	(840)
Total	9,000		3,590

32. The income generated from the market at North Weald airfield is significant to the ongoing financial well being of the Authority. Uncertainties surrounding the future of the airfield create a risk to the Authority that needs to be recognised and quantified hence its inclusion in the list above.
33. A number of contracts have been granted to outside bodies for the provision of Council services. The failure of any of these contracts would inevitably lead to the Council incurring costs, which may not be reimbursed. Other than certain bond arrangements there is no specific provision made in the estimates for this type of expenditure, which therefore would have to be covered by revenue balances.
34. The presentation in this table is not a scientific approach, but a crude attempt to put a broad order of scale on the main financial risks potentially facing the Council. It is meant to be thought provoking rather than definitive. It is certainly not a complete list of all the financial risks the Council faces but it shows the potential scale of some of the risks and uncertainties and the impact they may have on the Council's balances if they were to come to fruition.
35. Based on the old CPA formula there is an expectation that an authority should carry a level of balance that equates to at least 5% of the net operating expenditure (NOE) of the Authority. During the period of the four-year plan NOE is expected to average out at £16m, which suggests a figure of £800,000.
36. The Council has always been conscious of its balances position as can be demonstrated by budget reports over many years. Fortunately for the Authority the question had not been whether it had a sufficient level of balance but rather that it had too much. Balances had been increasing since 2003/04 but 2009/10 saw a reduction of £135,000 to leave a balance of £8.3m at 31 March 2010.
37. A number of policies have been determined previously to bring about reductions and the current policy reflects that deficit budgets are necessary to support the structured reduction in spending. The current policy allows for balances to fall to no lower than 25% of Net Budget Requirement (NBR). This is slightly different from the NOE stated above, the average NBR figure for the next four years is expected to be £15m therefore 25% of that figure equates to £3.75m. The current four-year forecast shows balances still at £5.9m at the end of 2014/15.
38. The risk assessment undertaken above suggests that 20-25% of NBR is about the range that this authority should be maintaining its balances within. By 31 March 2015 balances will represent 40% of NBR, which is perfectly adequate. However, Members are aware that this situation can only be achieved with CSB savings and have stated a clear target of reducing expenditure throughout the period of the medium term financial strategy.
39. It has already been stated that the capital fund is expected to remain in a surplus position beyond 2014/15 and the capital programme is fully funded.
40. The Council has a few earmarked reserves (e.g. DDF), which are intended to be used for specific purposes over a period of time of more than a single financial year. These earmarked reserves have been excluded from the assessment for this reason.

41. The HRA revenue balance of £6.1m at 31 March 2010 is expected to decrease, by £127,000 in 2010/11 and £582,000 in 2011/12. The balance on the Housing Repairs Fund is expected to reduce over the next year, from £4.1m to £3.6m. In contrast, the Housing Major Repairs Reserve is predicted to increase from £5.79m to £9m. Even though reductions in reserves are budgeted the overall financial standing of the HRA and its reserves going into 2011/12 remain healthy.
42. **The conclusion is that the reserves of the Council are adequate to cope with the financial risks the Council faces in 2011/12 but that savings will be needed in subsequent years to bring the budget back into balance in the medium term.**

Report to the Council

Committee: Cabinet

Date: 22 February 2011

Portfolio Holder: Councillor R Bassett
(Performance Management)

Item: 12

1. CORPORATE PLAN 2011-2015 AND KEY OBJECTIVES 2011/12

Recommending:

(1) That, subject to the outcome of appropriate resident and partner consultation during February and March 2011, the Council's Corporate Plan for the period 2011/12 to 2014/15 be approved; and

(2) That in order to publish the Corporate Plan by 1 April 2011, the Performance Management Portfolio Holder be authorised to approve any significant amendments to the Plan arising from on-going resident and partner consultation.

Corporate Plan 2011-2015

1. The Corporate Plan (formerly known as the Council Plan) is the Council's key strategic planning document, setting out service delivery priorities, with strategic themes reflecting those of the Sustainable Community Strategy for the District.
2. The Corporate Plan translates the vision for the District set out by the Community Strategy, into the Council's strategic direction, priorities and the most important outcomes that it wants to achieve, and informs all other plans and helps prioritise resources to provide quality services and value for money. The Corporate Plan does not cover everything that the authority does, focusing instead on those issues that matter most to local people, national priorities set by the government and local challenges arising from the social, economic and environmental context of the District. As a strategic document, the Corporate Plan does not contain specific information on a wide range of services that the authority provides, or how it delivers statutory duties or enforces legislation, details of which can be found in the individual Directorate Business Plans produced each year.
3. The Corporate Plan is an important element of the Council's Performance Management Framework and its corporate business planning processes. It informs the content of annual Business Plans to illustrate the work that directorates and services perform that directly contributes towards the achievement of the Council's corporate objectives. The Corporate Plan also provides the emerging policy foundation for the medium-term financial strategy, particularly in the current financial climate.
4. The Corporate Plan evidences that the Council is aware of local issues. It includes specific actions to address corporate and local priorities that are financed, resourced and have a timescale for completion. The Corporate Plan is closely linked to the Council's medium-term financial strategy, outlining the financial resources available to fulfil specific priorities and objectives, and setting out how the Council will deliver its vision and priorities over the

next four years, to ensure improved outcomes for local people.

5. The Corporate Plan complements the Community Strategy and reflects those issues and priorities in the strategy where the Council can have maximum impact. The Community Strategy represents the longer-term vision for the District, and the Corporate Plan demonstrates how the Council will contribute to the delivery of this vision, concentrating on what affects its District as an area, not just on those services the Council delivers directly.
6. The draft Corporate Plan has been considered at a joint Cabinet and Management Board meeting and at a meeting of the Finance and Performance Management Cabinet Committee to which members of the Finance and Performance Management Scrutiny Panel were invited. The Plan is subject to consultation with residents and partners during February and March 2011 and it is necessary to publish the Plan by 1 April 2011. We are proposing that any significant amendments required as a result of that consultation should be agreed by the Performance Management Portfolio Holder in order not to delay publication. A number of amendments proposed by the Finance and Performance Management Cabinet Committee, together with some minor drafting revisions and outstanding performance updates, will be incorporated in the final version of the Corporate Plan.

Key Objectives 2011/12

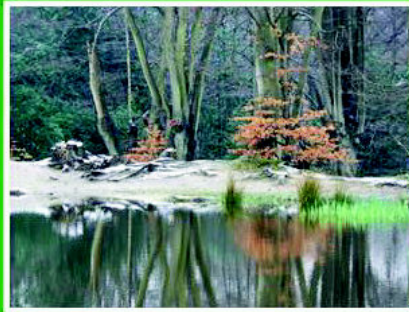
7. The Corporate Plan includes a section reflecting the Council's key objectives for each year of the Plan. Key objectives for 2011/12 have been formulated by Portfolio Holders in consultation with Service Directors and by the Finance and Performance Management Cabinet Committee and we reviewed these at our meeting on 31 January 2011.
8. The Corporate Plan is attached as an Appendix to this report. We recommend as set out at the commencement of this report.



Epping Forest
District Council

2011 - 2015

Corporate Plan





2

INTRODUCTION



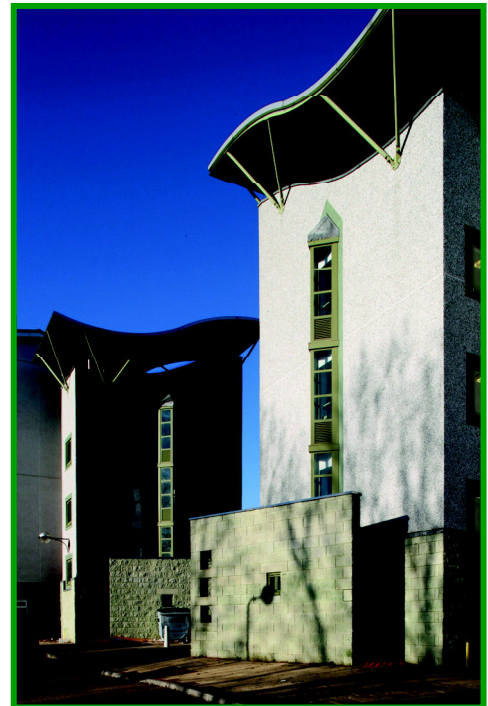
**Councillor Diana Collins, Leader of The Council
& Derek Macnab, Acting Chief Executive**

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Making our district a great place to live, work, study & do business

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Our District Today



Much of the 131 square miles of the Epping Forest District is green and rural. 94% is within the green belt or in use for horticulture and farming.

Approximately half of our 123,900 residents live in 5% of the area of the district, close to the boundary with London. Most of the rest of the population live in a mixture of market towns, villages and rural hamlets, each with their own identity and personality. The local population is set to grow over the coming years and pressure for development and the demand for homes, jobs and leisure facilities has never been greater.

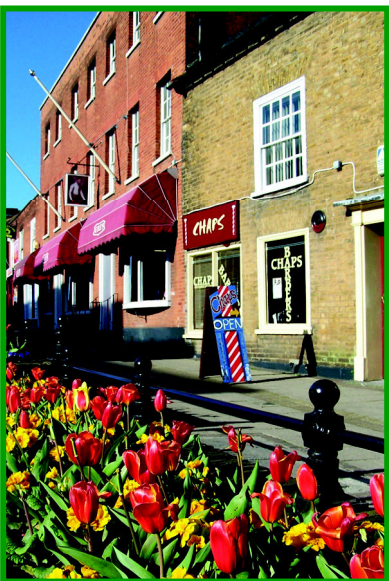
The District has a reputation for great affluence.

Unemployment is generally low and many residents enjoy a very high standard of living, taking advantage of employment opportunities in London. However there are also areas of significant disadvantage and the District has four wards amongst the ten most deprived in Essex.

More than 80% of the District's housing is in private ownership and levels of demand have contributed to high prices and a lack of affordable housing. Balancing the needs of an increasing population against the protection and conservation of the District's rural nature presents a major challenge.

The District currently suffers from an inadequate infrastructure, and with many small and isolated communities, communication and access to services is a cause of concern.

4



The District is becoming one of the most ethnically diverse in Essex. It has the second highest proportion of residents from black and minority ethnic communities in Essex, together with a large and well-established Jewish community and many residents of Italian extraction. The District also has one of the largest gypsy and traveller communities in the county.

The District is traversed by both the M11 and M25 motorways and is the only district in Essex that enjoys the benefits of London Underground services. It also has access to Network Rail services, both within the District at Roydon, and nearby at Harlow, Broxbourne and Chingford. Stansted Airport is also only a short journey away. However, bus services to railway stations and other public service locations within the District are inadequate and traffic congestion is a problem.

Whilst crime and the fear of crime remain a cause of local concern, in comparison with many other places, the District is a safe place to live and work. The District is also a healthy place to be although life expectancy and ill-health varies widely across the area.

Primary school education in the District is strong in comparison with the rest of Essex, and secondary education is improving overall with some schools being heavily oversubscribed due to good Ofsted results. This issue is exacerbated in the south of the District, where many children from other areas travel into the District for schooling. There are now two schools in the district with Academy status, and further local schools are working towards this standard. Following a complete rebuild in 2009/10, Epping Forest College now offers state of the art education facilities to the community, with academic and vocational studies available to young people of all abilities and interests.

The scope to develop tourism opportunities has been enhanced by the London 2012 Olympic Games. The District stands at the gateway to Stratford and is within a short distance of the white water canoe Olympic venue.



Our Council

Epping Forest District Council has 58 councillors, each elected for a period of four years. After full consultation with our residents, the Council introduced a Leader and cabinet system of decision making in 2000. The Cabinet is headed by the Leader of the Council and is made up of portfolio holders who determine strategic policy and have individual responsibilities. The officer structure is lead by the Chief Executive.

Within the District, responsibility for services is shared amongst different authorities. We are responsible for services including housing, street cleaning and waste collection, sports and recreation facilities, planning applications for homes and businesses, registering to vote, benefits, Council Tax collection, environmental health, food safety, parking, animal nuisance and pest control. Other services such as education, adult social care, and highways and transportation are provided by Essex County Council. As the Council is not responsible for the provision of all local services, it encourages and works with other agencies to provide necessary services

- 6 The Council is committed to its community leadership responsibilities and took the lead in the formation of the Local Strategic Partnership which has developed the new Community Strategy for the District.



Sustainable Community Strategy- “Putting Epping Forest First”

The Sustainable Community Strategy is the key long-term plan to deliver a better quality of life and improve the economic, social and environmental well-being of the District over the next twenty years and beyond. Based on clear understanding of local needs and residents’ priorities, it seeks to support ‘sustainable communities’ for the future.

The Strategy is the cornerstone of all other plans and strategies that affect public services and long-term planning policies for the District and brings together the plans of all partners into one coherent, coordinated strategy. It tells local people and the national government how positive outcomes will be achieved .

‘One Epping Forest’ is the Local Strategic Partnership for the District. The partnership is made up of representatives of local councils, education, police, health services, and business and community groups. It promotes the economic, social and environmental well-being of the District and supports the delivery of the shared vision, outcomes and values enshrined in the Strategy, by individual partners.

Its role is to bring together all the agencies and groups that have a role in delivering these outcomes with the one aim of ‘making the Epping Forest District a great place to live, work, study and do business.



7



Our District Tomorrow -

The previous sections of this plan have set out a snapshot of where we are today. In this section, we set out a vision for the District over the next twenty-one years, drawn from the themes and intended outcomes of the Community Strategy - “Putting Epping Forest First”.

Theme 1 - ‘Safe’

8 We want the District to be a place where people work together so that all in our communities, especially the most vulnerable, are able to lead lives free from the blight of crime and the fear of crime, and can play a full role in the life of their community in an environment that supports and sustains respect.



Theme 2 - ‘Sustainable’

We want the District to be a place with strong cohesive communities, where together we protect, capitalise on and enhance the green and unique heritage of our District, but also plan effectively to meet the needs of current and future generations for decent homes, jobs, services and transport, in a manner always sensitive to our environment.

“Epping Forest in 2031”

Theme 3 - ‘Health’

We want the District to be a place where the health and wellbeing of all our residents is promoted with partners focusing on the communities that suffer the greatest health inequality, supporting them to transform their lives while positively tackling the social and environmental factors which create the health divide.



9

Theme 4—‘Aspiring’

We want the District to be a place where all our children and young people are cherished and protected, where aspiration and attainment are prized and the infrastructure and support to make the area a beacon of learning excellence is provided.

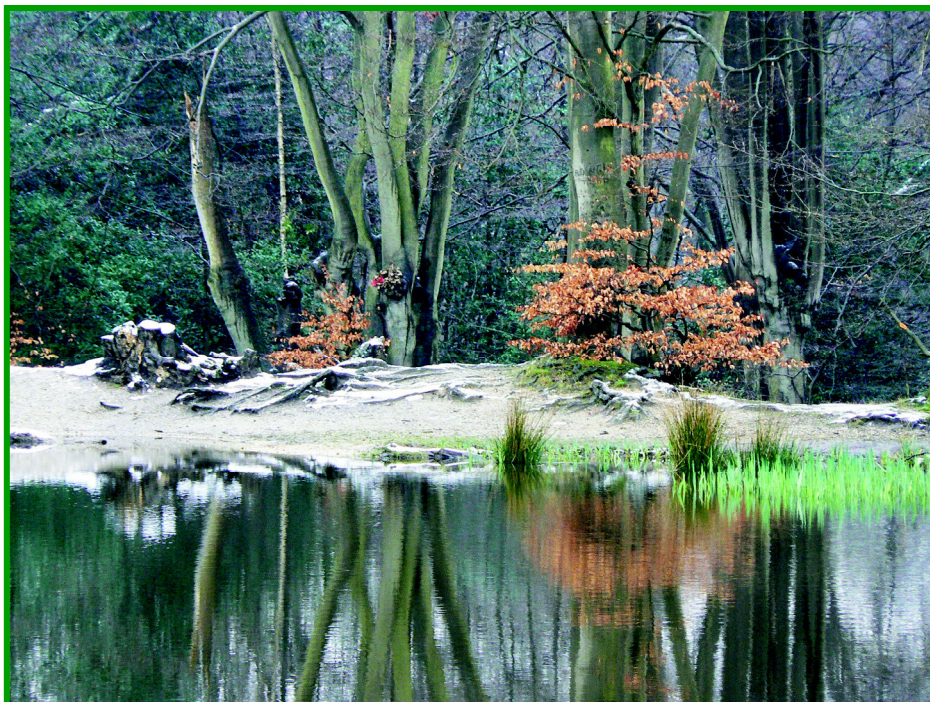


Our Partnership Approach

Although the Council exists to provide public services to residents and businesses in the District, we are not the only supplier of public services. To ensure residents get the services they require, we work in partnership with agencies such as Essex County Council, the National Health Service, the Police, the Fire and Rescue Service, local parish and town councils and community groups. We are committed to working with others to make sure we provide our services in the best possible way, and also work with private sector service providers where this represents the best value for money.

The Council works effectively with its partners to develop cross-cutting initiatives, deliver service improvements, and reduce costs and improve value for money wherever possible. The authority regards partnerships as an effective way of enhancing service provision, or of providing facilities where none currently exist.

10 The Council has formed a West Essex District Councils group with Harlow and Uttlesford District Councils, in order to work together to promote the interests of West Essex. The partnership develops ways to improve value for money, service performance and responsiveness to the needs of communities, and works collaboratively with other public, voluntary and private sector organisations to achieve economies and efficiencies. Whilst the partner authorities maintain separate roles as leaders of their own communities, the West Essex Group also works together to develop strategic responses to sub-regional, regional and national issues which affect all of West Essex.



Our Achievements 2006-2011



We published our previous Corporate Plan in 2006, which set out our objectives and priorities for the period between 2006 and 2010. Within that plan, we aimed to lay down the framework within which we would make improvements to services and strive to become a top performing authority.

The plan highlighted key aims designed to help us achieve goals and identify the issues which were important to our residents, and six key themes were identified as areas for improvement to services. Since 2006, we have achieved the following:

11

Ensuring the protection of the unique, green and sustainable environment of the District

- (i) Improved waste and recycling arrangements resulted in recycling levels increasing from 37.1% in 2006 to 51.2% by March 2010. Recycling performance is anticipated to increase to approximately 60% by 2011/12. As importantly, residual waste fell significantly reducing the amount going to land fill.
- (ii) The successful remediation of the former landfill site at Bobbingworth as a pocket park, with natural ecosystems (reed beds) being used to deal with pollutants from the site.
- (iii) We opposed very high levels of growth in early versions of East of England Plan, ensuring no major loss of Green Belt to development.

1



Our Achievements 2006-2011 (cont.)

12

Ensuring that the District has decent housing and clean and attractive neighbourhoods

- (i) The “Safer, Cleaner, Greener” initiative provided a co-ordinated approach to environmental issues, with dedicated enforcement officers and a Rapid Response Unit to deal swiftly with environmental problems such as flytips.
- (ii) We dealt with offensive graffiti rapidly wherever it arose.
- (iii) We completed a programme of ensuring that all of our Council properties are decent and gave financial assistance to vulnerable families to bring their homes up to the Decent Homes Standard
- (iv) We facilitated the provision of 240 new affordable homes within the District.
- (iv) We began a Housing Repairs Refresh Programme, resulting in key repair targets being achieved and exceeded for the first time, and progressed the appointment of a private Repairs Management Contractor to bring a more commercial approach to the management of the Housing Repairs Service, along with economies from the bulk purchasing of materials

2



Ensuring that residents of the District can enjoy local amenities with little fear of being a victim of crime

- (i) The Community Safety Partnership was successful in reducing levels of crime within the District, which remains a safe place in which to live. Since 2006 overall crime has reduced by 13.7% (9,260 down to 7,990). **(DOESS to update for 2010/11)**
- (ii) We appointed two anti-social behaviour investigators and an officer to oversee the introduction of new and updated CCTV facilities, which have both proven very effective in dealing with anti-social behaviour and assisting the police with high quality CCTV evidence.
- (iii) We worked with Essex Police and the Essex Youth Service on a range of diversionary youth activities, including intergenerational arts projects such as **makedoandmend**, where participants from Waltham Abbey, Loughton, and the Limes Farm estate at Chigwell, supported by The London College of Fashion, investigated wartime recycling and made new clothes from old charity shop items.

3



4

Ensuring that residents of the District lead a healthy lifestyle by having access to effective, high-quality leisure and cultural services



- (i) The leisure and sports centres have been improved, and fitness equipment updated, in the District.
- (ii) A range of targeted initiatives ranging from social inclusion sports programmes for young people from disadvantaged areas to the 'Lifewalks' walking for health programme, have been introduced;
- (iii) Special sports projects have been provided to support children with low self esteem and confidence, children's holiday play programmes have been expanded to provide low cost and free options, and play and youth facilities have been improved in key locations;
- (iv) Targeted community arts projects for socially excluded young people and people with disabilities have been provided, including dance classes and intergenerational work with people living in residential care homes.
- (v) We have secured over £2,000,000 of external funding towards the provision of leisure and cultural services provision in the last six years.

13

5

Ensuring that the District has a thriving and sustainable economy



- (i) We appointed a Business Champion to work closely with the local Chamber of Commerce and improve communications with businesses;
- (ii) Business Breakfasts have been used to inform businesses about key issues such as business rates and public sector procurement, and ongoing support provided for the Town Centre Partnerships across the district;
- (iii) No parking charge increases have been made over the past two years and free parking on Saturdays in long stay and mixed use car parks has been maintained. The 30 minute tariff to facilitate short stay parking in town centres has been retained and the "RingGo" facility introduced to enable parking charges to be paid via mobile phone;
- (iv) We completed the Design and Development Brief for the Broadway area of Loughton.
- (v) We remain a low tax authority and now have the second lowest Council Tax in Essex, with a gap of just £1.35 per year for an average property between this Council and the lowest charging authority.

Our Achievements 2006-2011 (cont.)

6

Ensuring that we offer high-quality, customer focused services, provided by skilled and committed staff



(i) We retained our Investors in People status, and secured re-accreditation and /or new accreditation of quality systems and charter marks such as LEXCEL, and the Cabinet Office's new Customer Excellence Award for the whole of the Housing Service.

(ii) During 2009/10 and 2010/11, the Tenant Services Authority assessed that the Council had the lowest rent levels amongst all social landlords in the District, and the highest levels of tenant satisfaction for all 3 satisfaction areas assessed.

(iii) The Council has invested in its Benefits Service with a modern processing system and electronic records document management. This has led to substantial reductions in the time taken to process new benefit claims, despite the number of claims increasing.

14



Our Commitment To Equality

'Epping Forest District Council will treat everyone equally and fairly according to their needs'

The Council welcomes diversity and is committed to equality for all people in the community. The Council views diversity and equality as integral to its service delivery and in the employment of its staff. This means that it will think about the needs of its service users or whom it employs and strive to eliminate discrimination and improve equality of opportunity for all. As a community leader the Council will work to improve understanding between the different communities in the district opposing all forms of prejudicial discrimination on grounds of age, disability, ethnic origin, nationality, gender, sexual orientation or religious belief.

Placing equality at the heart of our services and creating an environment that encourages diversity, removes barriers and allows our communities to reach their full potential.



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Our Resources & Performance

Annual budgets are prepared according to the priorities set out in the Corporate Plan. They are also set against the context of the Medium-Term Financial Strategy, which projects revenue and capital expenditure for four years ahead to ensure that planned developments and investments are affordable. In undertaking resource and financial planning, the Council observes the following principles:

- all spending plans are subjected to rigorous and regular review to ensure they are aligned with established need and provide value for money;
- changes in service delivery to meet the corporate aims and priorities are underpinned by appropriate allocation and use of available resources;
- the resource and financial planning processes cover all services, and all expenditure;
- maximising the availability of external sources of funding and income, such as central government grants, and new partnership funding arrangements are pursued.

We produce and update our Housing Revenue Account Business Plan every year, which includes a 30-Year Financial Plan forecasting anticipated expenditure and income over this period in order to inform current and future spending decisions.

The Council is committed to delivering and continually improving high quality services so that we can make a positive impact on the quality of life of residents of the Epping Forest District. We believe that we can make a positive difference through our services and the way we operate, and the Council measures its performance in a variety of ways.

A range of Key Performance Indicators (KPI) relevant to the Council's aims and objectives are adopted each year and performance against them monitored on a regular basis. The aim of the KPIs is to focus our improvement efforts and achieve comparable performance with the top performing local authorities. Improvement plans set out the actions we will implement to achieve our targeted performance and to reflect year on year changes in service delivery.

Full details of the Council's performance can be found in the annual [Performance Report](#).

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On The Horizon - The National Picture

Reduced Public Sector Spending

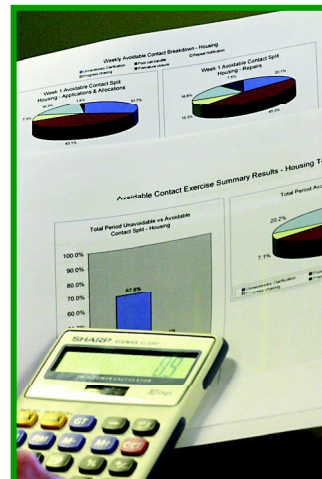
There is a clear need to significantly reduce public spending to achieve the necessary improvement in the state of the overall public finances. Estimates suggest that the grant that the Council receives from the Government and which the Council uses to fund, in part, the provision of its services, will fall by approximately 30% over the next four years, meaning that over the period from 2011/12 to 2014/15 block grant is likely to reduce by £2.6 million to £6.1million.

A savings target for the 2011/12 budget was set at £500,000 and this is likely to be achieved. However, this will still leave around £2.5 million to be found through increases in income or reductions in services in subsequent years.

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The picture has been complicated by the introduction of the New Homes Bonus, which will largely be funded by reductions in the money available for block grant. The consultation on the New Homes Bonus is open until late December and so the exact figure that this Council will receive from this scheme and how that will effect the block grant is unlikely to be confirmed much before the budget for 2011/12 is set in February.

Shared services are a growing trend for local authorities seeking to reduce costs and improve efficiency. Pressures to improve service delivery while cutting costs, have seen the public sector begin to embrace shared services arrangements to take advantage of economies of scale and streamlined processes. Whilst shared services models have traditionally focused on back-office functions, such as human resources and information technology, increasingly organisations are beginning to share key strategic functions.



On The Horizon - The Local Response

Responding to Reduced Public Sector Spending

Improved efficiency and sharing services may not be sufficient to achieve the savings required from councils as a result of the Comprehensive Spending Review 2010. Although focus will remain on how the Council can do things more efficiently and better, reductions in local services provided may be inevitable in the future, possibly alongside differences in the quality and extent of the services. However, the Council will do everything possible to minimise any adverse effects on its services and will strive to maintain existing levels of performance where these already represent significant achievements.

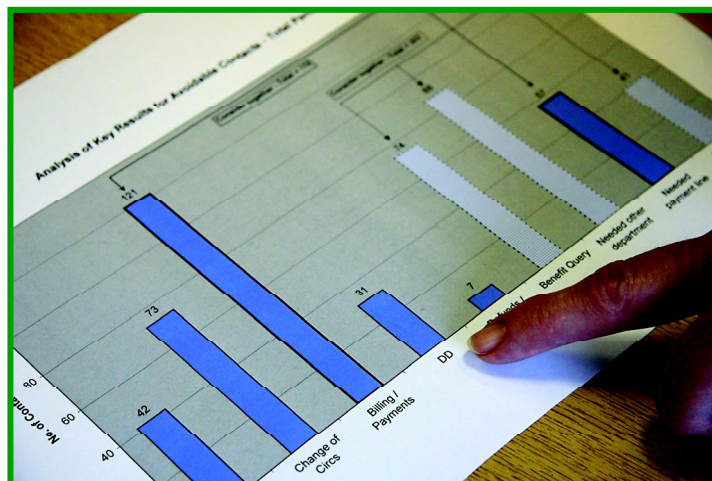
Partnership working is key to ensuring that appropriate services continue to be provided to local communities in a time of reduced spending in the public sector.

The Council will actively explore shared service opportunities where these can be demonstrated to be in the authority's best interest, and/or where its expertise can be sold to others. An example of a shared service provided to another Council is insurance claims handling, where a mutually beneficial agreement has been entered into with a neighbouring local authority for the Council to provide the service for both authorities.

The Council will continue to improve its approach to joint purchasing, particularly through the Essex Procurement Hub. The Hub assists in constructing and advising on framework agreements, collaborative procurements and spend analysis, to help Essex local authorities achieve best value from purchasing.

We will continue to pursue external funding opportunities across the range of the Council's responsibilities, but particularly for the provision of sports, health and cultural activities given the importance of these to general well being.

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On The Horizon - The National Picture

The Recession

The economic situation is clearly a major issue for local communities and service providers. In the past severe economic downturn has led to increased unemployment and business failures, which impact on the health and well-being of local communities and the public services that support them. In particular, negative impacts on health and in crime, falling employment rates and increasing homelessness due to repossession levels might flow from the current downturn. The District has a sizeable number of residents employed in the financial sector, which has accounted for a significant proportion of employment growth over recent years, leaving the area particularly vulnerable to a contraction in this sector of the economy.

18

The Council's budget contains a number of income streams such as land charges, building control and development control that have been adversely affected by the current state of the economy and the housing market. Clear direction is needed from Government on what will replace the regional planning structures and housing targets that have been set aside.

The Council's interest earnings have also been hit by the "Credit Crunch". Earlier in the crisis in 2008/09 as banks struggled for liquidity they were prepared to pay high interest rates to borrow from the Council. This position has now reversed and low interest rates show no imminent sign of upward movement.

As well as reducing income, the recession has had the effect of pushing up costs in some service areas. There has been a significant increase in the overall Housing Benefit caseload, which has been particularly noticeable in the number of more complex claims and claims from people who are experiencing the benefits system for the first time.



On The Horizon - The Local Response

Responding to the Recession

The Council is committed to supporting local communities throughout the recession to ensure that they remain vibrant and positive. This will be achieved by working in partnership with other organisations including the voluntary sector, to build community capacity and empower communities to contribute to local initiatives. Actions to support this include:

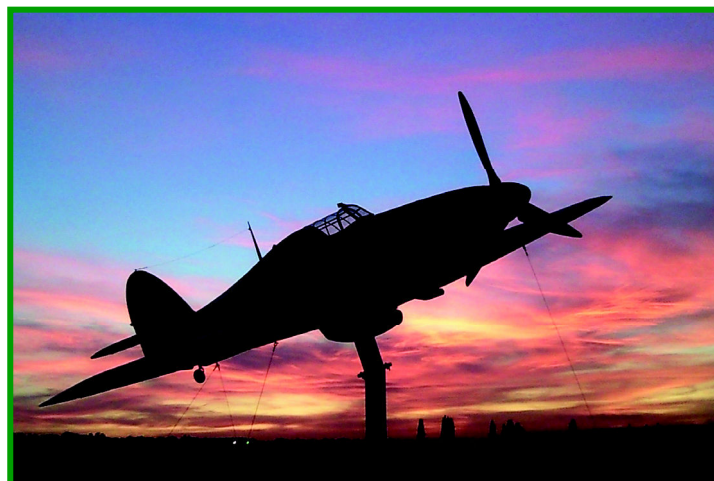
- Retaining, where possible, comparatively low car parking charges
- Creating ongoing opportunities for local companies to tender for work
- The timely processing and payment of invoices for work completed
- Developing a local loyalty card for Town Centres

The Council will engage with the Government's arrangements for Local Enterprise Partnerships between local authorities and businesses. Intended to determine local economic priorities and undertake activities to drive economic growth and the creation of local jobs, Local Enterprise Partnerships enable local authorities and businesses to work together to quicken the economic recovery based on economic areas. The Council will work with the Kent and Greater Essex and East Sussex Local Enterprise Partnership to determine the needs of the local economy, and to identify barriers to local economic growth.

The Council remains committed to further developing Town Centre Partnerships to continue to play a strong role in helping to address the challenges being faced by the District's centres

The Council is seeking to improve access to services by redeveloping Limes Farm Hall at Chigwell. This facility will be available to other public sector partners to provide surgeries and will expand the existing Housing Office. It will provide a base for Benefits staff and will mean face to face access to discuss claims is widely available without the need to travel to Epping.

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On The Horizon - The National Picture

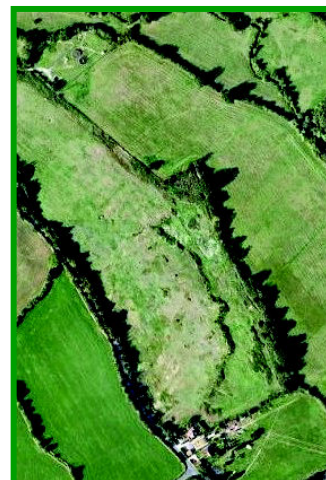
The Environment

The Epping Forest District is a great place to live, and our residents have indicated that a major factor in people living their lives here or aspiring to live here, is its green and unique nature and environment. There is constant pressure for development in the countryside, and the Council's planning policies have traditionally been directed towards resisting any encroachment into the Green Belt. However, the District must develop as the population grows, and new creative and sustainable ways need to be found to meet the needs of future generations. This is an extremely difficult balance, particularly in an area where housing supply and affordability are key issues.

The natural environment remains a high priority for the Coalition Government and it is clear that the Council will be required to embrace this within its own environmental policies. The government's commitments up to 2015 include:

- 20
- Delivering secure energy on the way to a low carbon energy future
 - Saving energy with the Green Deal and supporting vulnerable consumers
 - Driving ambitious action on climate change at home and abroad
 - Managing our energy legacy responsibly and cost-effectively

A key environmental challenge facing the Council is the sustainable use of natural resources. By reducing consumption of electricity, gas and water we can reduce our carbon emissions, contributing to sustainable development and influencing others through the example set. The Council is also aware of the need to ensure that it constantly improves the ways in which it protects the environment, by reducing carbon emissions, recycling more, and promoting sustainable transport options.



On The Horizon - The Local Response

Responding to The Environment

One of the Council's most important responsibilities is to help to create a sustainable environment for the Epping Forest District. This means keeping the District clean and green and tackling climate change. In order to reduce the impact of climate change, over the next four years the Council will:

- Reduce carbon emissions from its operations;
- Use its natural resources more efficiently;
- Install SMART meters in its buildings to identify energy efficiency improvements that can be made; and
- Increase staff, public and business awareness of the effective use of natural resources, the reduction of carbon emissions and adapting to severe weather.

With fuel poverty on the rise, the Council is involved in the implementation and completion of London Commuter Belt Energy Efficiency and Fuel Poverty Initiative and we will continue to promote grants that are available to the public.

The Council has invested heavily in improvements to its waste and recycling services with recycling performance continuing to rise. Resources have been allocated to further increase public awareness and education of waste and recycling services to ensure that high levels of recycling are maintained.

The Council will develop a Corporate Climate Change Strategy, that will set out priorities and actions for the delivery of environmental objectives including, fuel poverty planning and a monitoring framework for the Council.

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On The Horizon - The National Picture

Planning Growth

The Council's responsibility to help to create a sustainable environment for the Epping Forest District includes planning for growth, to address issues such as the provision of affordable housing and making sure that homes are built in the right place.

The local economy should be able to provide jobs and services for local residents, with high quality and accessible employment land and premises so that there can be effective competition with adjoining areas. There is a need to reduce unemployment in those areas of significant deprivation and provide opportunities for those gaining qualifications locally. The Council is concerned that many residents shop outside of the District for a range of products and services and the District's main shopping centres need to be able to remain competitive despite significant competition from a number of much larger nearby centres.

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The Government is proposing radical changes to the provision of affordable housing. Local authorities may in future have to provide fixed-term tenancies for 2-5 years, instead of secure tenancies (sometimes referred to as "tenancies for life"). Housing associations will have to charge "affordable rents" for all newly-built properties and a proportion of re-lets, much higher than the current "social rents". The Council's Strategic Housing Market Assessment for the District identified that around 4,620 affordable homes needed to be provided within the District to meet current and forecast need. It is a considerable challenge for the Council to increase the amount of affordable housing over the next four years.



On The Horizon - The Local Response

Responding to Planning Growth

As the population grows and changes, provision needs to be made for additional housing in a manner appropriate to the Council's overriding priority to protect and conserve the environmental heritage of the District. This will put further pressure on available land, transport services and jobs. The continuing high cost of housing makes it difficult for people, even with good incomes, to get on the housing ladder, and in many cases this leads to young people moving out of the District to access housing. The Council will work hard with developers and housing associations to increase the amount of affordable housing over the next four years, and will carefully consider the implications of the Government's proposals for changes to the provision of affordable housing.

Decisions need to be taken on the proportion of affordable homes on new developments and at higher density provision for appropriate sections of the community, in appropriate areas and in consultation with local people. This would help meet need but also ensure that green space is not swallowed up. These will largely be questions for the new Local Development Framework (LDF) which replaces the Local Plan.

Ongoing projects such as the possible redevelopment of the St. John's Road area at Epping, the Langston Road area of Loughton and the Lee Valley White Water Centre Economic Development Study, will aid economic development and aim to boost local economies.

We must consider how we achieve the community's vision for the future of the District; the potential environmental, economic and social benefits of new development; the protection and maintenance of the rural landscape and the countryside, including protecting the Green Belt; the protection of the historic built environment; and the implications of climate change, including increased flood risk and the protection of the most valuable agricultural land.

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On The Horizon - The National Picture

Demographic Change & Health Inequalities

The population of the district is increasing and changing, creating a need for more and different types of housing, e.g. adapted for the elderly and those with special needs. Based on 2006 estimates, the District's population is anticipated to increase by 16% over the next 25 years. The district has fewer than average numbers of younger adults (15-34), and higher than average numbers of 35-64 and over 75 year olds. Projections for 2015 show that the population of the district will increase in the upper age bands, but see a relatively big decrease in the 35-44 age group. The need for local health and social care services is expected to increase as the population ages.

24

The district experiences a broad inflow of migration from London, and an outflow of migration to other Essex authorities. According to 2007 estimates, the district has the second most Black and Minority Ethnic (BME) residents in Essex (18,300). It is estimated that over 10% of residents belong to BME groups (defined as anything other than White British).

Overall the district is relatively affluent, enjoying good health outcomes for the majority of its residents, but it also has some pockets of significant health inequality across ward areas and population groups. Waltham Abbey is one of the most deprived areas in Epping Forest, in terms of income, employment, and health, with the lowest life expectancy in Epping Forest and the second lowest life expectancy in Essex. Other wards in Loughton

Adult and childhood obesity additionally contributes to local health inequalities, with Shelley, Loughton Broadway and Paternoster exceeding national averages for obesity in adults, and Epping Forest Year 6 children identified as having the highest level of obesity in Essex.



On The Horizon - The Local Response

Responding to Demographic Change & Health Inequalities

We will continue to seek external funding to support our work with partners such as the health service to develop health improvement projects aimed at addressing health inequalities in our communities of greatest need and ensure that future life prospects are improved.

This will include developing joint funding bids to secure resources for specific projects such as *HealthWorks* which is a holistic programme targeted at young people from 13 – 19 years of age, to encourage them to improve their lifestyles through increased physical activity, sexual health screening and reduced alcohol and drug use. *HealthWorks* has been funded by Harlow Health Centre's Trust and will initially focus on young people in Waltham Abbey with the aim of changing long term health prospects for the area.

We will also build on work undertaken through our Active Health Programme which over the last two years has seen improved health and well being for people over 50, through provision of walking programmes, seated exercise and allotment development.

Effective partnership working within the District and with our partners across West Essex will additionally focus on good use of existing resources, through forums such as the District Healthy Communities Group and Epping Forest Children's Partnership, who will work to ensure that children's and young people's needs continue to be met.

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Our Aims for 2011 - 2015

Taking account of national priorities; our current performance levels and future targets; the issues that our residents have identified as important; and the priorities of our partners, we have identified the Council's own improvement priorities for 2011/12 to 2014/15.

We want the Council to be a high-performing local authority that delivers top-quality services in the most cost-effective way, ensuring the views and priorities of our service users are integral to all that we do.

Over the four year period of this plan, we aim to:

(a) Endeavour to safeguard frontline services that our local residents tell us are important against a background of diminishing resources

(b) Have the lowest District Council Tax in Essex and maintain that position

26 (c) Be recognised as an innovative and transparent council involving residents in our decisions

(d) Continuously improve efficiency by adopting new ways of working with our partners and maximising revenue from our assets

(e) Provide clear community leadership and be a strong advocate, championing the interests of the people of Epping Forest and protecting the special character of the District



Our Key Objectives 2011/12



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An Action Plan For The Year Ahead

Our Key Objectives 2011/12

28

Key Objective	What actions will we take to achieve this objective?
<p>(1) To review the Council’s commercial landholdings in order to coordinate competing land use proposals, fulfil operational requirements, achieve value for money, and produce additional capital and revenue income to the Council;</p>	<p>(a) To relocate existing services from the Langston Road depot in Loughton (with the exception of the museum store), to a new permanent depot site at the Oakwood Hill Industrial Estate in Loughton, and a new depot site at North Weald Airfield;</p> <p>(b) To relocate the museum store from the Langston Road depot to vacant units at the Brooker Road Industrial Estate in Waltham Abbey, to be co-located with the Countrycare service;</p> <p>(c) To develop a strategy for the redevelopment of the Langston Road depot site when vacant, in conjunction with the adjoining T11 site;</p> <p>(d) To determine a planning application submitted for the redevelopment of the Langston Road depot site and the adjoining T11 site;</p>

How will we measure what we have achieved?

Links to Medium Term Aims, the Budget and Corporate Documents

The development of a cost benefit analysis and budgetary cost, and the agreement of capital financing for the new depot at Oakwood Hill, by 30 September 2011;

The determination of a planning application for the new depot at Oakwood Hill, by 31 December 2011;

The design and tender of the new depot at Oakwood Hill, by 30 September 2012;

The development of a cost benefit analysis and budgetary cost, and the agreement of capital financing for the depot at North Weald Airfield, by 30 September 2011;

The determination of a planning application for the new depot at North Weald Airfield, by 31 December 2011;

The design and tender of the new depot at North Weald Airfield, by 30 September 2012;

The relocation of the Council's services from 31 March 2013;

The relocation of the museum store, by 31 March 2012;

The development of a strategy for the redevelopment of the vacant Langston Road sites, by 31 March 2013;

The determination of the planning application for the redevelopment of the Langston Road depot site, by 30 April 2011;

Medium Term Aims

4 - Improve efficiency through partnership working

Budget 2011/12 and other corporate plans or documents

Asset management Plan 2007 - 2012

Capital Strategy 2010 - 2013

Medium Term Financial Strategy 2010 - 2014

29

...(continued)

Our Key Objectives 2011/12

30

Key Objective	What actions will we take to achieve this objective?
<p>(1) ...(continued)</p>	<p>(e) The development, subject to the completion of the Strategic Review of North Weald Airfield in March 2011, of a strategy for the future use of North Weald Airfield, based on the findings of the Aviation Intensification Assessment;</p> <p>(f) To complete consultation on the Development Brief for the proposed redevelopment of part of the St. John's Road area of Epping, including the Council's property assets and other land;</p> <p>(g) To determine the Council's approach to the use of its land and property assets at the Broadway area of Loughton, with reference to the Design and Development Brief for the area;</p>
<p>(2) To utilise existing resources to support the Government's vision for the 'Big Society' where individuals and communities have power and responsibility to create better neighbourhoods and local services;</p>	<p>(a) To encourage participation in the development of service and budgetary priorities, and take account of the views of local residents, staff and partners to address reduced local authority grant and identify opportunities for increased efficiency and income;</p> <p>(b) To develop arrangements for communicating and improving the understanding of local communities, of the roles and responsibilities of local authorities and the Council's statutory and discretionary duties to provide services and functions;</p> <p>(c) To establish closer partnerships with the voluntary sector and local communities across the district, to build community capacity and develop cohesive and sustainable communities;</p> <p>(d) To work in collaboration with partners and local community groups to provide support, training and mentoring to local people;</p>

How will we measure what we have achieved?

Links to Medium Term Aims, the Budget and Corporate Documents

The development of a strategy for the future use of North Weald Airfield, in conjunction with relevant partners, by 31 March 2012;

The agreement of the Development Brief, by 30 September 2011;

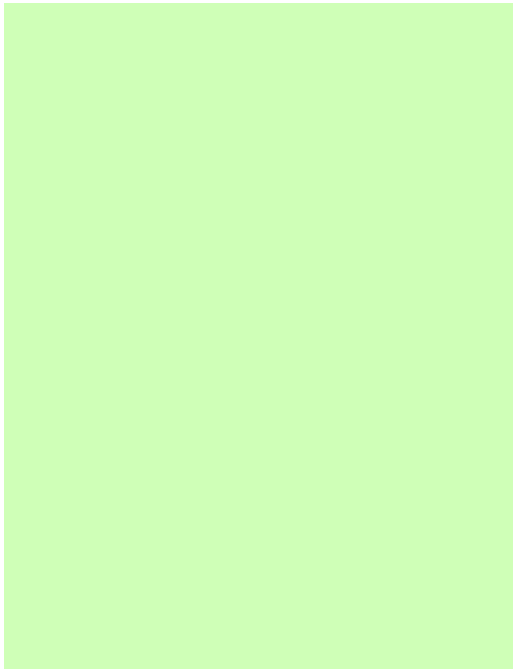
The submission of planning applications for the redevelopment of part of the Broadway area, that accord with the Design and Development Brief;

The consideration by the Cabinet, by 30 September 2011, of options for undertaking priority setting and participatory budgeting consultation exercises for 2012/13 and future years;

Subject to Key Objective 2(a), the provision of opportunities for the participation of local residents, staff and partners in the Council's priority and budget setting processes for 2012/13 and future years:

The commencement of the delivery of key measures from the Big Society Action Plan, from September 2011;

- (i) The securing of external funding to support capacity building projects in local communities, and the report of funding received to the External Funding Working Party, by 31 March 2012;



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Medium-Term Aims

- 1 - Safeguard frontline services
- 2 - Lowest district Council Tax in Essex
- 3 - Innovative and transparent Council;
- 4 - Improve efficiency through partnership working;
- 5 - Provide community leadership

Budget 2011/12, and other corporate plans or documents

'Putting Epping Forest First' - Community Strategy 2010 - 2031

Utilising existing staff resources and through securing external funding.

...(continued)

Our Key Objectives 2011/12

32

Key Objective	What actions will we take to achieve this objective?
<p>(2) ...(continued)</p>	<p>(d) ...(continued)</p> <p>(e) To develop the 'Healthworks' programme for young people in Waltham Abbey, to raise aspirations, improve long-term health inequalities and encourage positive activity;</p> <p>(f) To support the health services in addressing local health inequalities across the district;</p> <p>(g) To seek external funding to deliver targeted initiatives in specific areas identified through the Joint Strategic Needs Assessment;</p>
<p>(3) To work in partnership with Essex County Council and other statutory and voluntary agencies, to ensure the effectiveness of local arrangements and services to safeguard and promote the welfare of children and young people;</p>	<p>(a) To review corporate procedures for safeguarding children and young people;</p> <p>(b) To provide training for appropriate members and officers, to ensure that they are confident in dealing with safeguarding concerns;</p>

How will we measure what we have achieved?

- (ii) The achievement of local residents trained and supported in leadership development, through the establishment of two Community Leads for each of five areas of the District, by 31 March 2012;
- (i) The achievement of peer mentors to support improved life and health outcomes, through the establishment of one Health Improvement Lead for each of the five areas of the District with the highest levels of health inequality, by March 2012;

The commencement of the delivery of key measures from the 'Healthworks' Action Plan, monitored by the Steering Group consisting of representatives from Harlow Health Centres Trust, the Council and NHS West Essex, by 30 September 2011;

The commencement of the delivery of partnership measures to reduce key health inequalities in specific areas of the district over a five year period, by 30 November 2011;

The securing of external funding to support a range of health improvement project delivery, and the report of funding received to the External Funding Working Party, by 31 March 2012;

The review and update of the Council's Child Protection Policy and individual service procedures in line with legislation, by 30 June 2011;

The training of relevant members and officers in child protection procedures at an appropriate level, by 30 September 2011;

Links to Medium Term Aims, the Budget and Corporate Documents

Budget fully funded by Harlow Health Centres Trust through competitive bidding process. The Council's Community Services staff resources to support project development

Links to Crime and Disorder Reduction Partnership's Strategic Needs Assessment in respect of reducing anti-social behaviour and drugs and alcohol abuse

Direct link to Joint Strategic Needs Assessment

33

Medium-Term Aims

3 - Innovative and transparent council

Budget 2011/12, and other corporate plans or documents

Use of existing training budgets

...(continued)

Our Key Objectives 2011/12

Key Objective	What actions will we take to achieve this objective?
<p>(3) ...(continued)</p>	<p>(c) To review recruitment and selection processes for officers that work directly with children and young people, in line with the 'Safer Recruitment' guidelines developed by the Essex Safeguarding Children Board;</p> <p>(d) To develop a Safe Recruitment Policy, to ensure that applicants are suitable to work with children, young people and vulnerable adults;</p>
<p>34 (4) To seek continuous performance improvement and the best use of resources, against the background of diminishing public expenditure;</p>	<p>(a) To achieve overall improvement in respect of the Council's Key Performance Indicators (KPIs) for each of the four years from 2010/11 to 2013/14;</p> <p>(b) To work with the West Essex District Councils Group to promote the interests of West Essex;</p> <p>(c) To continue to achieve high levels of revenue Collection;</p> <p>(d) To further improve the performance of the Benefits Service;</p>

How will we measure what we have achieved?

Links to Medium Term Aims, the Budget and Corporate Documents

The development and introduction of appropriate recruitment and selection processes and induction arrangements, by 31 December 2011;

The development and introduction of a Safe Recruitment Policy, by 31 December 2011;

The improvement of a percentage improvement rate of **XX% (to be determined)** in respect of the Council's KPIs for 2011/12, by 31 March 2012;

The consideration by the Cabinet, by 31 March 2012, of the success of initiatives to improve value for money, service performance and responsiveness to the needs of communities, in partnership with other public, voluntary and private sector organisations across West Essex

- (i) Collection of 97.9% of the Council Tax due for 2011/12, by 31 March 2012;
- (ii) Collection of 98.1% of the National Non-Domestic Rates due for 2011/12, by 31 March 2012;
- (i) Processing of new benefit claims within an average of twenty days for 2011/12, by 31 March 2012;
- (ii) Processing of changes of circumstance within an average of seven days for 2011/12, by 31 March 2012;
- (iii) Completion, subject to consideration of proposals for the refurbishment of the Civic Offices Finance reception area, of the key recommendations of the January 2010 Benefits Service inspection, within timescales agreed with the Audit Commission and Department for Work and Pensions;

Medium-Term Aims

- 1 - Safeguard frontline services
- 3 - Innovative and transparent Council
- 4 - Improve efficiency through partnership working

Budget 2011/12, and other corporate plans or documents

£804,000 capital funding allocated, plus £250,000 external funding from Essex County Council

'Putting Epping Forest First' - Community Strategy 2010 - 2031;

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...(continued)

Our Key Objectives 2011/12

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Key Objective	What actions will we take to achieve this objective?
(4) ...(continued)	<ul style="list-style-type: none"> (e) To complete the 'Repairs Refresh Programme' to further improve the performance of the Housing Repairs Service, through the appointment of an External Repairs Management Contractor to manage the Repairs Service; (f) To introduce a scheme for all housing repairs to be undertaken by appointment; (g) To introduce mobile working arrangements for housing inspectors and tradesmen, to enable works orders to be received remotely, utilising appropriate mobile technologies; (h) To complete the redevelopment of the Limes Farm Hall to provide a new multi-agency facility; (i) To review the provision and enforcement of on-street parking within the district;
(5) To achieve the levels of net savings necessary to maintain the Council's sound financial position;	<ul style="list-style-type: none"> (a) To freeze the Council Tax for 2011/12, to obtain the specific grant made available by the Government; (b) To ensure that over the period of the Medium-Term Financial Strategy, there is a reducing use of reserves to balance the budget; (c) To ensure that the General Fund Reserve Balance falls to no lower than 25% of Net Budget Requirement;

How will we measure what we have achieved?

Links to Medium Term Aims, the Budget and Corporate Documents

Completion of the 'Repairs Refresh Programme' and appointment of a Repairs Management Contractor, by the contract commencement date of 1 May 2011;

The introduction of an appropriate scheme, by 31 March 2012;

The introduction of appropriate mobile working arrangements, by 31 March 2012;

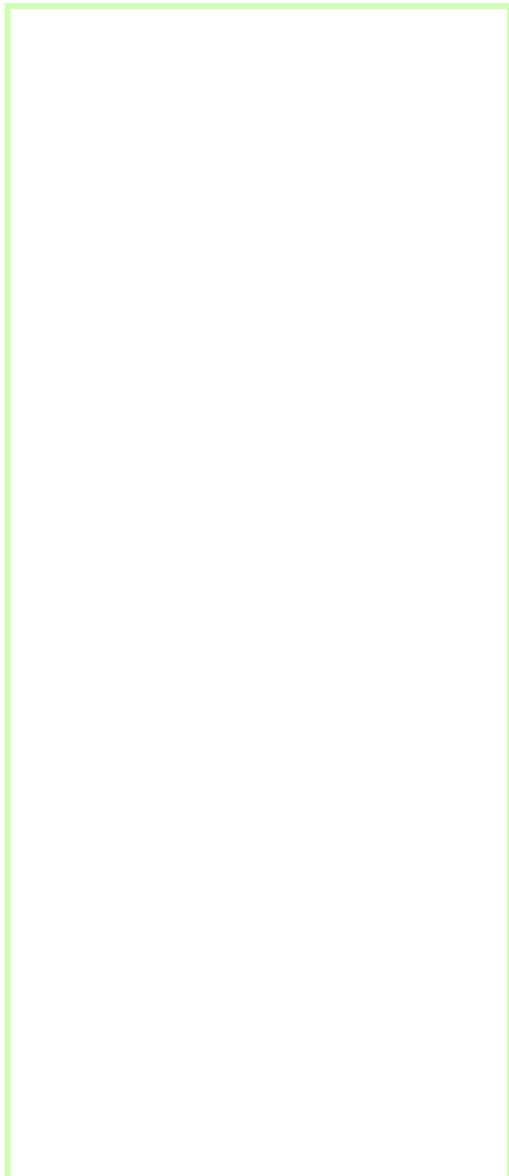
Completion of the redevelopment of the Limes Farm Hall, by 31 August 2011;

- (i) The completion of parking reviews for Buckhurst Hill, Epping and Loughton (The Broadway), in accordance with the agreed programme prepared by Essex County Council as highway authority:
 - Epping by 31 July 2011
 - Buckhurst Hill by 29 February 2012
 - Loughton (The Broadway) by 31 August 2012;
- (ii) Consideration by the Cabinet by 31 July 2011, of on-street parking enforcement options, following the completion of a review of existing enforcement arrangements by Essex County Council;

The Council Tax for 2011/12 remaining unchanged from 2010/11;

The success of the Medium-Term Financial Strategy in reducing the use of reserves to balance the budget for 2014/15;

The predicted level of the General Fund Reserve Balance for 2014/15;



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Medium-Term Aims

- 1 - Safeguard frontline services
- 2 - Lowest district Council Tax in Essex

Budget 2011/12, and other corporate plans or documents

Medium Term Financial Strategy 2011/12 - 2014/15

Our Key Objectives 2011/12

38

Key Objective	What actions will we take to achieve this objective?
<p>(6) To maximise the provision of affordable housing within the District (see also Key Objective 8(b));</p>	<p>(a) To introduce an Open Market Shared Ownership Scheme, in partnership with Broxbourne Housing Association, to provide interest free loans to enable housing applicants to purchase properties on the open market with a shared ownership lease;</p> <p>(b) To work with housing associations to complete new affordable housing schemes in the District;</p> <p>(c) To work with Hastoe Housing Association to develop Council owned land at Millfield, High Ongar, to provide four affordable houses constructed from straw bales:</p> <p>(d) To provide grant of £375,000 to one of the Council's Preferred Housing Association Partners to fund the purchase of 5/7 two and/or three bedroom houses on the open market to let at social rents to the Council's nominees;</p>
<p>(7) To help mitigate the impact of the current economic conditions on local people and businesses, where resources permit and value for money can be achieved from the Council's activities;</p>	<p>(a) To implement measures to mitigate the impact of the current economic conditions, including:</p> <ul style="list-style-type: none"> - business engagement events to address subjects of importance to the business community; - sharing information with businesses / business networks on funding, training opportunities etc.; - press releases reporting on business events; and, - the Council's Business Champion communicating more strongly to the business community;

How will we measure what we have achieved?

- (i) The provision of eight interest free loans to Broxbourne Housing Assoc. by 30 September 2011;
- (ii) The review of the Open Market Shared Ownership Scheme by the Housing Scrutiny Panel, by 30 September 2011, with a view to undertaking a second phase and providing additional loans;
- (iii) The provision of six further interest free loans to Broxbourne Housing Assoc., by 31 March 2012;

The completion of the following affordable housing schemes, by 31 March 2012:

- Epping Forest College, Loughton (39 homes)
- Zinc, Ongar (9 homes)
- Station Approach, Ongar (6 homes)
- Sewardstone Road, Waltham Abbey (67 homes);

The achievement of a start date on site of the Millfield Development, by 30 June 2011;

The occupation of all properties purchased by the council's Preferred Housing Association Partner, by 30 June 2011;

Links to Medium Term Aims, the Budget and Corporate Documents

3 - Innovative and transparent Council

4 - Improve efficiency through partnership working

Budget 2011/12, and other corporate plans or documents

Open Market Shared Ownership Scheme - £435,000 and possible additional 350,000 for Phase 2

Housing Association open market purchases - £375,000

Housing Strategy 2009-2012

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The six-monthly reporting of the Council's achievements and successes in mitigating the impact of the current economic conditions, to the meetings of the Finance and Performance Management Scrutiny Panel to be held on 20 September 2011 and 20 March 2012

Medium-Term Aims

4 - Improve efficiency through partnership working

5 - Provide community leadership

Budget 2011/12, and other corporate plans or documents

'Putting Epping Forest First' - Community Strategy 2010 - 2031

Our Key Objectives 2011/12

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Key Objective	What actions will we take to achieve this objective?
<p>(8) To deliver a sound Core Planning Strategy, to guide development in the District up to 2031, as part of the Local Development Framework.</p>	<p>(a) To agree a revised timetable for the preparation of the Core Planning Strategy, taking account of the publication of the Localism Bill in December 2010;</p> <p>(b) To determine the level of future housing growth within the District, taking into account evidence already collected, the results of the community visioning exercise, the scale of the Council's housing waiting list, relevant environmental constraints, and the degree to which cooperation can be achieved with Harlow and Uttlesford district councils;</p> <p>(c) To complete Stage 2 (Issues and Options) of the Core Strategy consultation exercise.</p>

Reporting Our Performance

As a Council committed to transparency and publishing how we are performing, we will publish our progress against these key objectives on a quarterly basis. Progress updates will be reported and you will be able to view details of these updates at.....

The key objectives will also be reviewed and refreshed on an annual basis. Objective for 2012/13 and subsequent years will be published in an updated version of this Corporate Plan and will be available

How will we measure what we have achieved?

The completion of the Core Planning Strategy, as part of the submission of the Council's revised Local Development Framework to the Planning Inspectorate, by 31 March 2012;

The establishment of new housing targets for the District as part of the Issues and Options consultation for the Core Planning Strategy (Preferred Options Stage) by 31 March 2012;

The completion of the Issues and Options consultation for the Core Planning Strategy by 31 March 2012.

Links to Medium Term Aims, the Budget and Corporate Documents

- 1 - Safeguard frontline services
- 2 - Lowest district Council Tax in Essex
- 3 - Innovative and transparent Council
- 4 - Improve efficiency through partnership working
- 5 - Provide community leadership

Budget 2011/12, and other corporate plans or documents

The Local Development Framework links directly to the 'Putting Epping Forest First' - Community Strategy 2010 - 2031 and informs other corporate plans and strategies

Housing Strategy 2009-2012

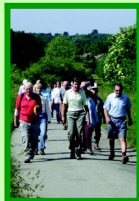
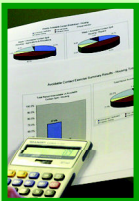
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Corporate Plan



We would like to thank the following individuals and teams that contributed and were the subjects of the photographs included in the Corporate Plan:

Epping Forest Youth Council
Performance Improvement Unit
Housing Directorate
Community Development
Epping Forest Arts
Public Relations
The Green Team
Elaine Grimwood
Thomas Turner
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Jade Blunnie
Sue Merrick
Christine Sobey



Additional images used courtesy of:

The Office for Disability Issues
Melissa Page Photography
Brian Thomas Photography



Report to the Council

Committee: Cabinet

Date: 22 February 2011

Portfolio Holder: Councillor Mrs D Collins (Leader's Portfolio)

Item: 12

1. CALENDAR OF MEETINGS 2011/12

Recommending:

... **That the calendar of meetings for the period May 2011 to May 2012 attached at Appendix 1 be adopted.**

Background

1. The Cabinet considers the calendar of meetings each year prior to final approval by the Council. The calendar has developed over time to meet the changing needs of the authority and, where possible, meetings of a committee have been standardised on a particular night of the week.
2. The draft calendar attached at Appendix 1 is based upon the current year's calendar, with approximately the same number of meetings. It has been slightly amended in some places in an attempt to standardise the nights that certain meetings take place and to alter the schedule for Area Plans Sub-Committees.
3. Wherever possible:
 - (a) Cabinet and Cabinet Committees have been scheduled for a Monday;
 - (b) Overview and Scrutiny Committee and Panels have been scheduled for a Tuesday;
 - (c) Area Plans Sub-Committee meetings and the District Development Control Committee have been scheduled for a Wednesday; and
 - (d) miscellaneous Committee meetings have been scheduled for a Thursday.
4. Council meetings remain on a Tuesday evening, whilst Licensing Sub-Committees remain on a Tuesday morning with the two full meetings of the Licensing Committee on a Wednesday afternoon.
5. Both the Finance and Performance Management Cabinet Committee and the Finance and Performance Management Scrutiny Panel have an additional meeting in order to allow for their participation in the budget preparation process.

Area Plans Sub-Committees

6. We are proposing a reduction in the number of meetings of Area Plans Sub-Committees. We are suggesting that the three Sub-Committees be retained but meet every four weeks rather than on the current three week schedule. This arrangement will have the advantage of keeping one Wednesday free in every four weeks, which can be used for meetings of the District Development Control Committee, and keep five evenings free for the occasional extraordinary meeting required for any Committee.
7. The reduction in the number of Area Plans Sub-Committees will generate approximately £3,400 of identifiable savings. The savings arise from fewer meetings being held at the Roding Valley High School where the hire cost is currently £104 per meeting, Officers' Committee Allowance and Subsistence claims, energy and refreshment costs for Area Plans Sub-Committee meetings at the Civic Offices and claims from members for travelling expenses. There will be no real savings in print and distribution costs as this budget has already been reduced by £2,850 (5.4%) for 2011/12.
8. We recommend as set out at the commencement of this report.

Epping Forest District Council Calendar of Meetings 2011/12

	2011								2012				
Meeting	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
<u>Executive</u>													
Council	24th	28th	26th		27th		1st	13th	14th(16th)		27th		22nd
Cabinet		6th	18th		12th	24th		5th	30th		12th	23rd	
FPM Cab Comm		20th			26th		21st		16th		19th		
NWA & AM Cab Comm			25th			10th				13th		16th	
LDF Cab Comm		13th		1st		3rd		19th		6th		2nd	
<u>Scrutiny</u>													
OS Committee	31st		12th		6th	18th	29th		24th		6th	17th	
Finance & Perf Mgmt		21st			20th		15th		16th		20th		
Housing			19th			25th			31st		13th		
Planning Services		14th			13th			20th		7th		24th	
Safer, Cleaner, Greener			5th			11th			10th	21st		10th	
Constitution & Mbr Serv's		2nd		30th			22nd			28th			
<u>Planning</u>													
District Development		29th		24th		19th		14th		15th		11th	
Plans South	18th	15th	13th	10th	7th	5th	2nd-30th		4th	1st-29th	28th	25th	30th
Plans East	25th	22nd	20th	17th	14th	12th	9th	7th	11th	8th	7th	4th	9th
Plans West	11th	8th	6th	3rd-31st	28th	26th	23rd	21st	25th	22nd	21st	18th	23rd
<u>Licensing</u>													
Licensing Committee						12th						11th	
Licensing Sub-Comm		7th	5th	2nd	6th	4th	8th	6th	10th	7th	6th	3rd	
<u>Miscellaneous</u>													
Audit & Governance		23rd			22nd		10th			9th		5th	
Housing Appeals Panel		16th	21st	18th	15th	20th	17th	15th	19th	16th	15th	19th	
Joint Consultative Comm				4th		27th			26th			26th	
Local Councils Liaison			21st				3rd				22nd		
Standards Committee			28th			20th				2nd		19th	
Local Highways Panel		16th			15th		17th		19th		29th		
Youth Council	12th	9th	14th		8th	13th	24th		12th	16th	15th	12th	
	<u>Easter 2011</u>		Fri 6-Apr-12 to Mon 9-Apr-12				<u>Elections</u>		Thu 3-May-12				

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Report to the Council

Report of: Overview and Scrutiny

Date: 22 February 2011

Subject: Financial Regulations – Acceptance of E-Invoices

Chairman: Councillor Richard Morgan

Item:

Recommendations:

(1) To approve an amendment to Financial Regulation 3.24 to read as follows:

"3.24 To ensure that payments are not made on a faxed invoice, statement or other document other than a formal invoice. Formal invoices may include e-invoices received in PDF format via the dedicated e-mail address provided by the Chief Finance Officer in the Finance and ICT Directorate";

(2) To note the internal controls which will be put in place to regulate the receipt and processing of e-invoices; and

(3) To note that there are no other proposals to bring forward in relation to Financial Regulations as part of the 2010/11 review.

Report:

1. Last year, the Constitution & Member Services SSP considered a proposal to allow E-Invoicing as part of the annual review of Financial Regulations, and we agreed their recommendation to run a pilot scheme with a number of ICT providers. Invoices were received into a secure internal mailbox and over the course of this pilot no duplicate invoices were received and no negative issues were identified.

2. The process was exactly as with the receipt of paper invoices, with the exception that invoices were received in PDF format and were printed out in house as opposed to the receipt of paper invoices by post, from which point all existing controls were applied.

3. E-Invoicing is already accepted by many other local authorities within their e-procurement systems, including Essex County Council. A number of these authorities use a facility on the Marketplace system to enable suppliers to e-invoice through the Marketplace which links to the orders. This function would be available in the future if the Council were to develop the E-Invoicing option further.

4. Though reservations were previously held about E-Invoicing, in regard to security risks and the practicality of this implementation, Internal Audit has taken the opportunity to review this pilot scheme as part of the planned creditors' audit within the 2010/11 Audit Plan, through in-depth discussion with key figures in the process and evaluation of the benefits to the authority.

5. Internal Audit Findings

We have received a report from the Chief Internal Auditor on this review as follows:

(a) Benefits to the Authority

E-Invoicing would streamline and improve the efficiency of the creditor process and assist in meeting key requirement of the creditor's policy to ensure invoices are paid to terms. By removing the time lost by the mail process, aside from this benefit, it would be more viable for the authority to take advantage of any discounts offered on prompt payment.

Also any costs added on to invoices by suppliers for printing and posting costs would be nullified. Currently 16,700 invoices have been processed since April 2010. One supplier has adopted a charge in the region of £1.30 per invoice. If this was adopted by all suppliers the hypothetical cost implication would be:

No. of Invoices	Sample Period	Multiplier	Indicative Charge	Indicative Cost
16,700	7 months	12	£1.30	£37,217

In addition to this, with the invoices in PF format data can be shared easily, internally for such purposes as budget management and monitoring of utilities invoices.

(b) Benefit to Local Suppliers

With the authority keen to support its local and small businesses, by moving to E-Invoicing the Council would be eradicating some of the suppliers expenditure by removing the printing and mailing costs involved in the paper invoicing process. Also with the process more time efficient at our end, payments would be swifter, helping the cash flow of local business, especially important to the smaller companies.

(c) Security

Security and fraud are high on the list when it comes to risk to local authorities. The move to E-Invoicing, potentially viewed as more corruptible, is in reality a much safer method of receiving invoices. In the context of paper invoicing it is very easy to intercept an invoice and alter it for a fraudulent purpose. With E-Invoicing the skill level required is much greater. It firstly is a complex and intricate process to intercept an e-mail and secondly it is very difficult to alter an invoice in PDF format, with the requirement of specialist software being obtained to be able to do so.

(d) New process

The process would involve one central email inbox with access restricted to members of the creditors team, with clearly defined responsibilities. An initial mail shot would be sent to the suppliers selected for the first phase of the change which would fully explain the requirements of the process. Guidance on the adoption of E-Invoicing and advice on the

process of obtaining the free of charge software Adobe, the package on which PDF invoices are created, would be offered. If this initial phase was successful and confidence in the process remained, a full phasing in of the change would commence.

(e) Audit's Future Role

Audit would be involved and on hand for consultation throughout the move to E-Invoicing and would evaluate, as required, the ongoing assurance in the new process as well as including E-Invoicing in each annual systems audit. It is planned that audit would, through the use of specialist audit software, run regular data sampling exercises to ensure that no duplicate invoices were processed.

(f) Conclusions

With security fears addressed, Audit gave assurance in the move to E-Invoicing with respect to the receipt of invoices in PDF format into a secure internal mailbox. No negating issues were highlighted and only benefits to both the authority and suppliers were identified. The process would need to be phased in to ensure workload is manageable and the process is correctly adopted.

6. We are satisfied that, in the light of the pilot E-Invoicing Scheme and the review by Internal Audit, the Council should introduce the system on a permanent basis.

7. There are no other items arising from this year's review of Financial Regulation and therefore recommend as set out at the commencement of this report.

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Report to the Council

Report of: Overview and Scrutiny

Date: 22 February 2011

Subject: Review of Executive Procedure Rule 1.6

Chairman: Councillor Richard Morgan

Item:

Recommendation:

That the following amendments to Executive Procedure Rule 1.6 be approved:

(a) the requirement to complete all business at a Cabinet meeting by 10.00pm be deleted; and

(b) the requirement to hold a minimum of 12 Cabinet meetings a year be deleted.

1. Executive Procedure Rule 1.6 (page H3 of the Constitution) currently states that:

“The Executive will meet at least 12 times per year at times to be agreed by the Leader. The Executive shall meet at the Civic Offices, High Street, Epping, Essex CM16 4BZ or another location to be agreed by the Leader. Meetings will commence at 7.00 p.m. and all business shall be concluded by 10.00 p.m.”

2. This rule was agreed by the Council at its meeting held on 13 February 2003 (minute 10), and subsequently business not concluded by the 10.00pm threshold has been referred to the next meeting or voted upon without debate, at the discretion of the Chairman.

3. The Cabinet meeting held on 13 September 2010 was the second Cabinet meeting of the municipal year to extend past the 10.00pm threshold. Concern was expressed, and the Constitution & Members SSP were requested by the Cabinet to examine this ‘guillotine’ procedure with a view to removing it.

4. We have been informed of the measures that have been implemented already in an effort to reduce pressure on Cabinet Agendas. These include the creation of the Cabinet Agenda Planning Group, agenda items being ranked according to significance, and all draft Cabinet reports being scrutinised as to whether they could be dealt with as a delegated decision by the relevant Portfolio Holder.

5. We believe that if the ‘guillotine’ procedure were removed from the Constitution it, along with these other measures, would enable the Cabinet to complete all the items of business on an agenda in one meeting. This would remove the need to make decisions without debate, avoid delaying possibly important decisions to the next meeting, or restricting discussion. It is our view that these changes would be beneficial to the democratic process, and to the public perception of these decisions.

Number of Cabinet Meetings per Year

6. It has been noted that Executive Procedure Rule 1.6 also contains a requirement to hold a minimum of twelve Cabinet meetings per year. Since then, the number of Cabinet meetings has gradually been reduced to the current eight per year.

7. We feel that, owing to the need to economise in the number of meetings held each year and the various measures already in place to reduce pressure on Cabinet Agendas, that this requirement should be deleted.

8. We recommend as set out at the commencement of this report.

Report to the Council

Committee: Licensing **Date:** 22 February 2011
Subject: Temporary Road Closures – The Royal Wedding
Chairman: Councillor Pat Brooks **Item:**

Recommendations:

- (1) That the Council agrees delegated authorities be granted as set out in the report to enable Temporary Road Closures to be made in connection with the celebration of the Royal Wedding; and**
 - (2) That no fee be charged except to cover any necessary expenses**
-

Background

1. At its meeting on 14 December 2010, the Council received a report from the Licensing Committee asking for delegated authority for officers, where no objections were received, or the Licensing Sub-Committee, in cases where objections were made, to decide whether to agree to a temporary road closure to permit an event such as a fete or street party to take place. It was reported that the fee that it was intended to charge was £150 for a small road or £400 where more consultations were required.
2. The Council resolved:

That the report be referred back to the Licensing Committee for further consideration and at that time officers present a more detailed explanation of the process, costs of the County Council and fees.

Royal Wedding

3. The District has received a number of applications from members of the public requesting it to make road closure orders to allow street parties to be held to celebrate the Royal Wedding. One of these requests had been referred to the District Council by officers from the County Council. Until now County had used their powers. These applications have been referred to County Highways service.
4. Enquiries have been made of the County Council and officers have been informed that the County will be making a policy decision as to how the applications in connection with the Royal Wedding would be administered. There is no timescale for this decision.

Road Closures for the Royal Wedding

5. The process of making a road closure can take time depending upon the type of road. The police, highway authority and fire authority need to be consulted, and if there is a bus route

affected then the bus companies will also need to be consulted. If an objection is received then the Licensing Sub-Committee will be required to make the decision. This could take at least six weeks and many authorities stipulate three months.

6. The Communities and Local Government website contains a guide to holding a street party which provides a simple form for a street closure which it states should be submitted to the District Council. There is therefore an expectation that District Councils will process these applications.
7. There is therefore a concern that if the County Council decides not to make these orders but directs applicants to the District Council that there would be insufficient time to obtain delegated authorities.

Process

8. The fees set out in the previous report to the Council were intended to make the process self financing. The estimated costs of processing the application included the costs of undertaking consultations and the supply of road closure and other signs (returnable) which the County Council may require and making inspections to ensure any conditions were complied with. However, a number of other Councils require the applicants to undertake the consultations and provide any necessary signs themselves. If Epping Forest adopted this approach it would reduce the costs to this Council.
9. It is not intended that this Council should process the road closure applications unless the County Council direct that the Districts do so.
10. It is therefore requested that the Council gives delegated authority to agree road closures for events to be held to celebrate the Royal Wedding:
 - To officers where all information/ consultation is undertaken by the applicant(s) and the responses are satisfactory and no objections have been received or
 - To the Licensing Sub-Committee in all other cases.
11. A full report will be made to the Licensing Sub-Committee as required by the Council's previous decision in respect of other temporary road closures.

Membership of Council Committees, Chairmanship and Vice-Chairmanships and Representatives on Outside Organisations.

Recommendations:

- (1) To note one member of the Council has not signed the Notice of Constitution of the Conservative Group under the Local Government and Housing Act 1989;**
- (2) To note that the decisions of the Council at the Annual meeting in May 2010 was based on a Conservative Group total of 37 Councillors but that the number of members on the notice is 36;**
- (3) To note that this difference in membership requires that pro rata allocations should be reviewed under the Act;**
- (4) To note that the revised calculation of pro rata, based on 36 Conservative Councillors results in the following:**
 - (a) Aggregated Committees - no change from existing Conservative entitlement of 33 seats;**
 - (b) Other Committees - no change from total entitlement for the Conservative Group on 22 seats;**
 - (c) Chairmanships/Vice-Chairmanships (Non Statutory Pro Rata) - no change in current entitlement of 13 Chairmanships and 6 Vice-Chairmanships for the Conservative Group;**
 - (d) Outside Bodies Representatives (Non Local) - alteration in overall entitlement as follows:**

Entitlement:

Con: 13 LRA: 4 LD: 3 Unallocated: 1

but actual allocations are as follows:

Con: 15 LRA: 1 LD: 2 Ind: 2 Vacant: 1

which indicates a review to achieve the following:

**Conservatives to lose 2 places
Independents to lose 2 places**

**LRA to gain 3 seats
LD to gain 1 seat**

(e) Outside Bodies - Deputies - alteration in overall entitlement as follows:

Present Entitlement	Con: 3	LRA: 1	
Revised Entitlement	Con: 2	LRA: 1	Unallocated: 1
Actual Allocations	Con: 4	LRA: 0	

which indicates a review to achieve the following:

Conservatives lose 2 deputies
LRA gain 1 deputy
Unallocated 1 deputy

(5) To carry out a review of outside organisations representatives and deputies in accordance with paragraphs 4(d) and 4(e) respectively.

1. (Deputy Monitoring Officer) One Councillor has not signed the statutory notice regarding membership of the Conservative Group. This triggers a review of the pro rata arrangements approved by the Council on the basis of 37 Conservative Councillors constituting that Group.
2. The effect of one less member of the Conservative Group is marginal, only affecting the allocation of deputy representatives on outside organisations. Here, the Conservative allocation reduces from 3 seats to 2 from a total of 5. On the revised calculation the Conservative and Liberal Democrats have equal entitlement to the place which must be allocated.
3. The Council is asked to undertake the review and determine the re-allocation of one representative on outside organisations and deputies as indicated in recommendations 4(d) and (e) above.

Background Paper: Notice of Constitution of the Conservative Group.

Reference 6/2010/11

LEADER DECISION

Subject: Appointment of Deputy Portfolio Holders and Audit & Governance Shadow

Decision:

To approve appointments of eight Deputy Portfolio Holders and one shadow to Audit & Governance committee for the remainder of the municipal year 2010/11.

Explanatory Notice:

1. At the meeting held on the 2 November 2010 (minute 90), the Council resolved to amend the constitution to permit the Leader to appoint up to ten Deputy Portfolio Holders.
2. The appendix to this decision sets out the appointments I have made following consultation with the Conservative Group. These appointments will be for the remainder of the Council year 2010/11.
3. I have also decided that as Councillor A Green, current Chairman of Audit & Governance, will not be seeking re-election in May 2010 a member of the Conservative Group be appointed to shadow the work on that Committee of Councillor A Green and Councillor A Watts, the current members.

Signed: _____

Councillor Mrs D Collins
Leader of the Council

Date: _____

PORTFOLIO HOLDER DEPUTIES

<u>Portfolio(s)/Portfolio Holder</u>	<u>Deputy</u>
Safer and Greener (Councillor P Smith)	Councillor R Barrett
Housing (Councillor D Stallan)	Councillor W Breare-Hall
Leisure and Wellbeing (Councillor B Rolfe))))
Operational Planning & Transport (Councillor S Stavrou)))) Councillor R Gadsby
Finance and Economic Development (Councillor C Whitbread))))
Performance Management (Councillor R Bassett)))) Councillor D Johnson
Performance Management (Councillor R Bassett)	Councillor A Lion (Performance Management only)
Environment (Councillor M Sartin)	Councillor S Jones
Legal and Estates (Councillor L Wagland)	Councillor B Judd
Leader (Councillor D Collins)	Councillor J Hart

Shadow Audit and Governance Committee Member

Councillors S Watson and A Watts to shadow Councillor A Green.