

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 6 December 2010

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 8.50 pm

Members Present: Mrs D Collins (Chairman), C Whitbread (Vice-Chairman), B Rolfe, Mrs P Smith, D Stallan, Ms S Stavrou and Mrs L Wagland

Other Councillors: W Breare-Hall, Ms R Brookes, Mrs C Pond and J M Whitehouse

Apologies: R Bassett and Mrs M Sartin

Officers Present: D Macnab (Acting Chief Executive), I Willett (Assistant to the Chief Executive), A Hall (Director of Housing), R Palmer (Director of Finance and ICT), T Carne (Public Relations and Marketing Officer), S Mitchell (PR Website Editor), P Sewell (Democratic Services Assistant) and G J Woodhall (Democratic Services Officer)

82. WEBCASTING INTRODUCTION

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

83. DECLARATIONS OF INTEREST

(a) Pursuant to the Council's Code of Member Conduct, Councillor J M Whitehouse declared a personal interest in agenda item 9, Finance & Performance Management Cabinet Committee – 22 November 2010, by virtue of renting a garage from the Council. The Councillor had determined that his interest was not prejudicial and would remain in the meeting for the consideration of the issue.

(b) Pursuant to the Council's Officer Code of Conduct, I Willett declared a personal interest in agenda item 9, Finance & Performance Management Cabinet Committee – 22 November 2010, by virtue of renting a garage from the Council. The Officer had determined that his interest was not prejudicial and would remain in the meeting for the consideration of the issue.

(c) Pursuant to the Council's Code of Member Conduct, Councillor D Stallan declared a personal interest in agenda item 12, Executive Constitution, by virtue of having taken part in the consultation exercise. The Councillor had determined that his interest was not prejudicial and would remain in the meeting for the consideration of the issue.

84. MINUTES

RESOLVED:

(1) That the minutes of the meeting held on 25 October 2010 be taken as read and signed by the Chairman as a correct record.

85. REPORTS OF PORTFOLIO HOLDERS**(a) Legal & Estates**

The Portfolio Holder for Legal & Estates drew attention to the ICT Update report to be presented to the next meeting of the Finance & Performance Management Scrutiny Panel at its meeting on 9 December 2010. The report contained the results of the recent Society of Information Technology Management (SOCITM) draft benchmarking report for the financial year 2009/10 and an update on the 2010/11 ICT Action Plan Update.

This was the first occasion that the Council had participated in the SOCITM benchmarking exercise, and the overall results had indicated a very good performance in comparison with the other participants. System availability was rated highly and hardware costs were the cheapest of all comparable Authorities. Management practices, data handling and security had all achieved above average ratings.

Work on the projects within the ICT Action/Business Plan for 2010/11 was still ongoing, however the majority of projects were progressing well and were still in line with expectations. Further information could be obtained from the Assistant Director (ICT).

86. PUBLIC QUESTIONS

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

87. OVERVIEW AND SCRUTINY

The Vice-Chairman of the Overview and Scrutiny Committee presented a report of its meeting held on 29 November 2010, when the following items of business were considered:

- (i) a bid in the sum of £12,000 from the Council budget for the Youth Council in 2011/12;
- (ii) an interim report from the Children Services Task and Finish Panel;
- (iii) the Council's performance against its key objectives for the first six months of 2010/11;
- (iv) a report on the duty to respond to petitions from the Constitution & Member Services Scrutiny Panel; and
- (v) the Planning Services Scrutiny Panel to respond to the Government's "New Homes Bonus" consultation.

The Cabinet's agenda was reviewed but the Committee had no comments to make.

88. LOCAL DEVELOPMENT FRAMEWORK CABINET COMMITTEE - 11 NOVEMBER 2010

The Leader of the Council presented the minutes from the meeting of the Local Development Framework Cabinet Committee held on 11 November 2010. The issues

considered by the Cabinet Committee had included: the Employment Land Review; and the Economic Development Study of the Lee Valley White Water Centre.

Decision:

Economic Development Study of the Lee Valley White Water Centre

(1) That the Council be part of the commissioning of the Lee Valley White Water Centre Economic Development Study in combination with the other stakeholders;

(2) That a financial contribution towards this study be provided by the Council, capped at a maximum of £15,000, and that this cost be met from the existing LDF budget, subject to the concerns previously expressed regarding the job description of the Joint Olympic Officer being satisfied; and

(3) That, when appointed, the Joint Olympic Officer be invited to give a presentation to the Cabinet Committee on their key priorities within their role.

Reasons for Decision:

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

Other Options Considered and Rejected:

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

89. FINANCE & PERFORMANCE MANAGEMENT CABINET COMMITTEE - 22 NOVEMBER 2010

The Portfolio Holder for Finance & Economic Development presented the minutes from the meeting of the Finance & Performance Management Cabinet Committee held on 22 November 2010. The Cabinet Committee had made recommendations on the following issues: Fees and Charges 2011/12; Draft Continuing Services Budget & District Development Fund Lists 2011/12; and the Triennial Valuation of the Local Government Pension Scheme. Other issues considered by the Cabinet Committee had included: the abolition of the National Indicator Set; the Quarterly Financial Monitoring report for the period July to September 2010; the mid-year report upon Treasury Management and the Prudential Indicators for 2010/11; Verification of ICT Audit Logs; and Insurance Performance Monitoring.

The Housing Portfolio Holder reported a correction to the proposed fee for the Valuation and Legal Charge in respect of the re-sale of properties under the Right-to-Buy scheme; it should have read £320 per application. It was also explained that garage rents for non-council tenants and Council tenants with a third garage incurred Value Added Tax (VAT), whilst garage rents for Council tenants did not. It was felt that, to avoid confusion, all rents for Council owned garages should be raised on 4 January 2011, regardless of whether they incurred VAT or not.

The Portfolio Holder for Finance & Economic Development drew the Cabinet's attention to the report tabled at the meeting updating the current situation on realising savings from the budget items that had historically been underspent; the current performance was 66.5% against a target of 75%.

Decision:Fees and Charges 2011/12

(1) That a general increase of 5% be applied to the fees and charges levied by the Council in 2011/12, with the exception of the following:

- (a) pay-and-display car parking charges;
- (b) Local Land Charges; and
- (c) Hackney Carriage Operators and Vehicles Licences;

(2) That the proposed erroneous fee for 2011/12 reported to the Finance and Performance Management Cabinet Committee for the Valuation and Legal Charge in respect of the re-sale of properties under the Right-to-Buy be corrected to £320 per application;

(3) That those fees and charges which incur VAT be increased on 4 January 2011 when the VAT rate reverts to 20%;

(4) That the garage rents for Council property tenants, which do not incur VAT, also be increased on 4 January 2011 to avoid different (higher) rents being charged for non-Council tenants, which do incur VAT;

(5) That the remaining increases be applied from 1 April 2011; and

(6) That the Finance & Performance Management Scrutiny Panel be requested to investigate Development Control fees and charges prior to responding to the current Government consultation;

Draft Continuing Services Budget & District Development Fund Lists 2011/12

(7) That a target of 75% of the identified underspends to be realised as budget savings be set, with Spending Control Officers required to explain in person to the Cabinet Committee if this target not be achieved within their area of responsibility; and

Triennial Valuation of Pension Scheme

(8) That, as set out in the Essex County Council consultation, scenario (ii) to phase the impact of the increased pension scheme deficit contributions over 27 years with an ongoing contribution rate of 13% be adopted.

Reasons for Decision:

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

Other Options Considered and Rejected:

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

90. WAIVER OF CONTRACT STANDING ORDERS - HOUSING CONTRACTS

The Housing Portfolio Holder presented a report regarding the waiver of Contract Standing Orders for certain Housing contracts.

The Portfolio Holder stated that this was an annual report and explained the need to continue to have waivers of Contract Standing Orders for specialist repairs work in excess of £50,000 in value, and for suppliers of other specialist services in excess of £25,000. For both these categories, alternative competition arrangements had been used and the Cabinet was requested to note the use of such specialist contractors and suppliers in 2009/10. The Cabinet was also informed that the contract with Paragon Office Supplies Limited had exceeded the £25,000 threshold by just £47.48 and the retrospective waiver of Contract Standing Orders C6-C12 was requested accordingly.

Decision:

(1) That the requirements of Contract Standing Orders C6 – C12 be waived to allow the Housing Directorate to continue:

(a) to use specialist contractors to undertake a variety of specialist works for the Housing Directorate without undertaking the full tendering processes required by Contract Standing Orders, subject to - in respect of all individual jobs exceeding £1,000 in value - either:

(i) quotes being obtained; or

(ii) works benchmarked and let based on the current schedule of rates used by the Housing Repairs Service; and

(b) to use the specialist service providers listed in the report for services in excess of £25,000 without competition, for the reasons given in the report;

(2) That, in accordance with good practice, the use of specialist contractors and suppliers by the Housing Directorate in 2009/10 be noted, whereby Contract Standing Orders C6 – C12 were not followed as previously agreed by the Cabinet for the reasons given in the report; and

(3) That a retrospective waiver of Contract Standing Order C6-12 be agreed in respect of an aggregated expenditure with Paragon Office Supplies Ltd just in excess of £25,000.

Reasons for Decision:

With 16 Framework Agreements in place, and plans to let a further six contracts, expenditure with contractors not in formal contracts with the Council had been reduced and would continue to reduce. Until all repairs not undertaken by the Housing Repairs Service were let through formal contracts, Contract Standing Order C6 (Contracts Exceeding £50,000) needed to be waived and regular progress reports submitted on expenditure with contractors.

It was necessary and appropriate for the Council to use other specialist service providers, for services in excess of £25,000, without undertaking competitive tendering.

Other Options Considered and Rejected:

To reduce the level of expenditure with each contractor and/or supplier to a level that complied with Contract Standing Orders. However, this would involve spreading the work out between more contractors and/or suppliers, which would be more time consuming and likely lead to higher costs to the Council.

To undertake formal competitive tendering for works in excess of £25,000 and £50,000 as appropriate, which would severely affect repairs response times.

91. KEY OBJECTIVES 2010 / 11 - PROGRESS REPORT

In the absence of the Portfolio Holder for Performance Management, the Acting Chief Executive presented a progress report upon the Council's Key Objectives for 2010/11.

The Acting Chief Executive reported that, as part of the ongoing development of a new four-year Corporate Plan, a range of specific Key Objectives for 2010/11 had been adopted by the Cabinet at its meeting on 19 April 2010. The Key Objectives had reflected national and local priorities as well as specific service improvements, and were intended to provide a clear statement of the Council's overall intentions for the year. The Key Objectives contained specific targets and outcomes, and performance monitoring reports were received by the Cabinet and the Overview and Scrutiny Committee every six months.

The Cabinet reviewed the performance of each Key Objective as at 30 September 2010, and were generally satisfied that the Council's performance was improving. The recent improvement in performance by the Benefits Division was highlighted, following its unfavourable inspection report by the Audit Commission, and Officers were asked to consider moving the Area Planning Sub-Committees to a four-week cycle, from its current three-week cycle, in 2011/12 if it did not impact negatively upon the Council's performance.

Decision:

(1) That the Council's performance for the first six months of 2010/11 in relation to its key objectives for the year be noted.

Reasons for Decision:

It was important that relevant performance management processes were in place to review and monitor performance against the Council's Key Objectives, to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of under performance.

Other Options Considered and Rejected:

No other options were appropriate in this respect. Failure to monitor and review performance against Key Objectives and outcomes, and to take corrective action where necessary, could have negative implications for the Council's reputation and for judgements made about the authority in corporate assessment processes.

92. EXECUTIVE CONSTITUTION

The Leader of the Council presented a report upon the results of a public consultation under Section 33 of the Local Government and Public Involvement in

Health Act 2007, concerning the form of executive constitution to be adopted by the Council in May 2011. The Council was required to pass a resolution by 31 December 2010 on the preferred form of executive, taking account of the responses received from the consultation.

The Leader reported that two different options for the Council's executive constitution had been consulted upon:

- (i) Leader & Cabinet; and
- (ii) Elected Mayor & Cabinet.

The results of the public consultation were 52 in favour of the Leader & Cabinet model, and 56 in favour of the Elected Mayor & Cabinet model. The total number of responses were 108, which represented 0.09% of the District's population. The Leader added that the new Government were considering further proposals for Local Government, including the option to revert to the Committee system, and that if the executive constitution was changed as a result of this consultation then this would incur costs for the Council. The Cabinet was reminded that there was still a possibility that a petition would be received to hold a referendum for an elected mayor within the District.

The Returning Officer advised the Cabinet that further public consultation would be required on the options to be presented by the new Government, and that it might be better to wait for these to be published. If the Council decided to switch to the Elected Mayor & Cabinet model then a further referendum would need to be held to confirm the decision.

The Cabinet felt that as the Council was looking to make savings, it would not be sensible to spend approximately £160,000 on a referendum after such a low public response to the consultation, which had produced only a slim majority for the Elected Mayor & Cabinet model. Consequently, the Cabinet agreed to recommend retaining the current Leader & Cabinet model to the Council, and await the new proposals from the new Government.

Decision:

- (1) That the outcome of the public consultation regarding the form of Executive Constitution to be operated by the Council from May 2011 be noted;
- (2) That the retention of the current Cabinet with Leader model be recommended to the Council for approval;
- (3) That public notice be given of the adoption of the preferred resolution after the Council meeting on 14 December 2010; and
- (4) That the intention of the Government to publish new legislation which would amend the law on Executive Constitutions and require a further public consultation be noted.

Reasons for Decision:

The decision on the form of executive constitution was a statutory requirement under Section 33 of the Local Government & Public Involvement in Health Act 2007 and had to be made by 31 December 2010.

Other Options Considered and Rejected:

None considered.

93. REFERENDUMS - BUDGET PROVISION 2011/12

The Leader of Council presented a report regarding budget provision in 2011/12 for the referendums that the Council might be required to hold during the year.

The Leader of the Council reported that, in addition to the one third of District Council seats and one half of Parish Council seats scheduled for election in May 2011, the Council could also be required to hold referendums on:

- (i) the voting system for General Elections;
- (ii) an elected Mayor for the District; and
- (iii) an elected Mayor for the County.

Recent Governments announcements had indicated that the referendum on the voting system would be held on 5 May 2011, alongside the local elections, whilst the Mayoral referendums were dependent upon the receipt and verification of public petitions, and could conceivably be held on a different – probably later – date. The method of funding recommended was to make provision of £160,000 in the District Development Fund for 2011/12 for the national referendum and to make any subsequent requests for supplementary funding if the Council was required to hold any Mayoral referendums.

The Returning Officer advised the Cabinet that the £160,000 requested budget provision was probably the maximum amount required, and that the Council would be reimbursed by the Government for the cost of the referendum on the voting system. This referendum, along with any required mayoral referendums if the petitions were received in time, would be held on the same day as the scheduled District and Parish Council elections, which would hopefully reduce the overall cost. The Essex Police Authority would be liable for the costs of the proposed Police Commissioner Election. The count arrangements for the referendum on the voting system had yet to be clarified, and could be directed for either the Thursday night, Friday or Saturday daytime.

Decision:

- (1) That provision be made in the draft District Development Fund budget for expenditure in 2011/12 in the sum of £160,000 (maximum) regarding the Government referendum on the voting system and an associated item for income in the sum of £160,000 (maximum) to reflect the likely contribution from the Government to the cost;
- (2) That the possibility of Mayoral Referendums for this Council and Essex County Council be noted and a further report be submitted on supplementary District Development Fund estimates for this purpose should the need arise; and
- (3) That the funding of any Mayoral Elections be deferred for a report to a later meeting should these become necessary.

Reasons for Decision:

To ensure the resources were allocated in next year's budget to meet the District Council's responsibilities for referendums where these arose.

Other Options Considered and Rejected:

There was no alternative to allocating funding for these referendums if they took place.

94. STRAW BALES AFFORDABLE HOUSING DEVELOPMENT - MILLFIELD, HIGH ONGAR

The Housing Portfolio Holder presented a report regarding the proposed straw bales affordable housing development at Millfield in High Ongar.

The Portfolio Holder reminded the Cabinet that it had previously agreed to the principle of developing the Council-owned land to the rear of 25-29 Millfield, High Ongar by a housing association for affordable rented housing. It was now proposed that the Council would work in partnership with Hastoe Housing Association to develop the site. The development would take the form of straw bales construction, which would be extremely environmentally friendly, with heating consumption/costs reduced by up to 85% and CO2 emissions reduced by approximately 60%. It was currently estimated that the development cost would be approximately the same as conventional housing. Some of the costs, likely rental income and grant availability were unknown, so it was proposed that an "open book" approach be adopted to the development. There was also currently uncertainty around the implementation of the Government's recently-announced national housing policies, so it was also proposed that authority be delegated to the Housing Portfolio Holder to agree the final details of the scheme.

The Director of Housing added that four properties were considered to be the maximum development for the amount of land available at the site. It was emphasised that the Homes & Communities Agency had seen its budget reduced by over 50% as a result of the Comprehensive Spending Review, which was likely to result in the grant available for the proposed development being correspondingly less. The Government was also encouraging all new housing association homes to be provided at "affordable rents", which would be higher than the social rents currently charged.

The question of where the straw would be sourced was raised, and it was felt that the housing association should be encouraged to source its straw from local providers within the District, if it was at all possible and appropriate. It was highlighted that the housing association would have to obtain adequate building insurance for the properties, and it was agreed that the development should not be allowed to commence until Hastoe had confirmed its ability to obtain such insurance. It was felt that Hastoe should not have any difficulty obtaining the required funding for the development.

Decision:

(1) That the Cabinet's previous decision in principle – to develop the vacant Council-owned land to the rear of 25-29 Millfield, High Ongar for affordable housing - be confirmed;

- (2) That the site be developed to provide four affordable rented houses by Hastoe Housing Association, in the form of a small, innovative, energy efficient and eco-friendly, “exemplar” affordable housing scheme constructed from straw bales;
- (3) That Hastoe Housing Association be encouraged to source the straw bales from local providers within the District if possible and appropriate;
- (4) That other sustainable construction measures be explored by Hastoe Housing Association as part of the development design, including rain water harvesting, ground source heat pumps and “green roofs”;
- (5) That an “open book” approach be adopted to Hastoe Housing Association’s development costs and income, and that any residual land value be paid to the Council in the form of a capital receipt, once the buildings had been constructed (possibly with the provision of advanced stage payment(s) during the construction process);
- (6) That the Housing Portfolio Holder be authorised to agree:
 - (a) the detailed arrangements for the development, including the mix, tenure, rent levels and sustainability measures, once the national housing policy and any planning issues relating to the proposed development were clearer and confirmation from Hastoe Housing Association that adequate buildings insurance cover can be obtained for the properties; and
 - (b) on completion, the residual land value;
- (7) That, subject to the receipt of planning permission, the Council-owned land be leased to Hastoe Housing Association for 125 years, with the Council receiving nomination rights in accordance with the District-wide Nominations Agreement with Hastoe Housing Association;
- (8) That any capital receipt received by the Council be utilised to provide local authority social housing grant to a housing association to facilitate the provision of affordable housing on another site, or to provide additional funding for the Council’s new Open Market Shared Ownership Scheme, and that the Housing Portfolio Holder be authorised to approve its most appropriate use; and
- (9) That the Director of Housing be authorised to implement a Local Lettings Plan for the development, in accordance with the Council’s Housing Allocations Scheme, on the basis that applicants were primarily selected with regard to their housing need and their choice, but also with regard to the need for occupants to be:
 - (a) fully supportive of the environmental objectives;
 - (b) able to obtain the greatest benefit from the energy efficiency measures; and
 - (c) willing to accommodate visits from other interested organisations in the future.

Reasons for Decision:

To enable the Council-owned land to be developed for affordable housing, in the form of straw bales construction.

Other Options Considered and Rejected:

- To not develop the site, or to develop the site for an alternative use.
- To not develop the site for affordable housing by a housing association.
- To work with another housing association to develop the site.
- To sell the land on the open market.
- To hold the development of the site in abeyance, for the Council to consider the possibility of developing the site itself at some time in the future, if the detrimental financial effects on the Council's General Fund could be overcome.
- To construct the houses with conventional building materials.
- To lease the land for a different period, or to sell the freehold.
- To not adopt an "open book" approach to the development, but to adopt some other approach.
- To not authorise the Housing Portfolio Holder to agree the detailed arrangements, but that they be agreed by the Cabinet or the Director of Housing.
- That any capital receipt be utilised for another purpose.
- That a Local Lettings Plan not be formulated, with nominations made strictly in accordance with the Council's Housing Allocations Scheme.

95. HOME OWNERSHIP GRANTS SCHEME

The Housing Portfolio Holder presented a report concerning the continuation of the Council's Home Ownership Grants Scheme.

The Portfolio Holder reported that the scheme had been introduced in 2008/09 offering secure tenants £34,000 to buy another property anywhere in England and vacate their current council property. It was aimed at first time buyers and would allow the Council to regain properties to let under the Allocations Scheme. While initially it had proved extremely popular, with the change in the financial market it was difficult last year for applicants to obtain a mortgage and only four out of the five grants were able to be allocated during the year. As a result, a number of applicants had withdrawn and alternative applicants were offered the chance to take up the scheme.

The Portfolio Holder added that this financial year, the Council had offered six more grants at a reduced rate of £28,000 and these were progressing well. However, due again to the financial climate and the continuing lack of mortgage availability, it was considered that it might be beneficial to suspend the scheme for one year in 2011/12, and review the scheme again in 2012/13 to ascertain whether the housing market had recovered.

A number of the Members present felt that the scheme was a good initiative, which had released housing for applicants on the Council's housing list, and should continue - even if the available funding was diminished - rather than be suspended as proposed. It was highlighted to the Cabinet that the mortgage market was currently very bad and only a maximum of 90% of a property's value was being offered by financial institutions. Consequently, it could be wise to suspend the scheme until the housing market had recovered. The Director of Housing added that the Council had a further eight applicants on the reserve list for the current scheme, although there was the risk of abortive work being undertaken by Officers if the applicant could not obtain a mortgage, with an associated cost to the Council. The Housing Portfolio Holder proposed an amendment to the report whereby the budget provision for the current scheme would be reviewed annually from (and during) 2011/12, rather than suspended until 2012/13.

Decision:

- (1) That the current position with regard to the Home Ownership Grant Scheme in 2010/11 be noted;
- (2) That the scheme be suspended for one year in 2011/12, with no funding made available, other than £112,000 for 4 grants of £28,000 carried forward from 2010/11; and
- (3) That budget provision for Home Ownership Grants be reviewed annually from 2011/12.

Reasons for Decision:

The desired aims of the Scheme were unlikely to be achieved due to the difficulties applicants were currently experiencing with obtaining mortgages.

Other Options Considered and Rejected:

To continue with the present scheme for 2011/12 with same or additional funding.

To discontinue with the scheme in total.

96. POTENTIAL REVENUE SAVINGS - COMMUNITY ARTS & PUBLIC RELATIONS

The Portfolio Holder for Leisure & Wellbeing presented a report concerning potential revenue savings from the Community Arts and Public Relations budgets.

The Portfolio Holder reported that the Overview and Scrutiny Committee had commissioned a Task and Finish Review of the Council's Arts Service in March 2007, in order to gain an informed view of the value of Arts provision within the District and to explore options for the possible outsourcing of the service. At this particular time, the Council was in a stable financial position and the review had resulted in a recommendation to the Overview and Scrutiny Committee to retain the Arts Service 'in house'. This was subsequently agreed by the Cabinet in April 2008.

The Portfolio Holder added that the subsequent economic downturn had placed significant pressure on the Council to review its spending and a more detailed exercise on the alternative delivery of Community Arts was undertaken by Officers in 2009/10. A range of options were considered, including the development of an independent trust or other separate entity for the Arts, but the costs identified for this option were considered prohibitive, and service support costs could not be reduced without undertaking a Council re-structure. The measures identified and proposed for approval were to delete a part-time administration post, whose workload was already being met by other means, and to reduce the budget for specialised arts projects provided by professional companies. Additionally, other aspects of the Arts programme would be provided in more cost effective ways or generate a greater income.

The Portfolio Holder further reported that the savings identified within Public Relations had focused specifically on the deletion of two posts that had been held vacant for an extended period of time and on a reduction in the number of Forester Magazines produced per annum from four to three. The latter was in response to the Secretary of State for the Department of Communities and Local Government's drive to reduce the number of publications produced by Local Authorities. The measures

outlined would produce a £35,000 saving in the Arts budget and a £65,000 saving in the Public Relations budget.

When questioned by the Members present, the Assistant Director (Community Relations & Public Relations) stated that the projects currently run during the school holiday periods would not be affected by the proposed savings. The Council was also looking at alternative sources of income and greater income generation as there was also a risk of a further funding shortfall from the Council's partner agencies. Every effort would also be made to ensure that the Forester contained timely and relevant information when it reduced to three publications per year.

Decision:

(1) That, in accordance with the Council's Medium Term Financial Strategy, the following budget reductions in the Community Arts and Public Relations budgets be agreed:

- (a) a £35,000 reduction in project budget and deletion of part-time Art Administration Post within Community Arts; and
- (b) a £65,000 saving from reducing the number of Forester editions from four to three per annum, and the deletion of the currently vacant Marketing Officer and part-time Public Relations Assistant posts within Public Relations.

Reasons for Decision:

The Community Arts budget had been scrutinised for potential savings that would not impact too significantly on provision within the District and it had been identified that these savings could be made by deleting a part-time Arts Administration post and changing project delivery methods.

The reduction in publications of The Forester would not have a significant impact on the dissemination of information by the Council.

Other Options Considered and Rejected:

To not agree the proposed savings, however the Council was under pressure to make considerable revenue savings over the next four years.

97. WEST ESSEX COUNCILS GROUP - MEMORANDUM OF UNDERSTANDING

The Leader of the Council presented a report upon the draft Memorandum of Understanding between the constituent Councils of the West Essex District Councils' Group – Epping Forest, Harlow and Uttlesford.

The Leader reported that, as a result of the Comprehensive Spending Review, the next few years were going to present all publicly funded bodies with a huge challenge in terms of protecting services that people needed and valued, against a backdrop of diminishing resources. Thus, it would be important for public bodies to seek opportunities to increase economy and efficiency, by working collaboratively. The Council was currently looking to offer its services to other Councils, for which it would charge an appropriate fee, in order to increase its income. At the same time, new structures were emerging with respect to growth, economic development and regeneration with the creation of the Essex/Kent/East Sussex Local Economic Partnership. To this end, it was proposed to enter into a Memorandum of

Understanding with the neighbouring District Councils of Harlow and Uttlesford, to promote and protect the interests of West Essex.

The Acting Chief Executive added that it would be difficult to implement shared services across the whole of Essex, but that there was a certain natural synergy between the three District Councils within the West Essex grouping. The key points were that each Council would retain its independence, and that no Council would be required to financially support the others. Signing the draft Memorandum would in no way restrict the Council from working with other public bodies if it so desired.

The Portfolio Holder for Legal & Estates proposed an amendment to the final bullet point of the Memorandum whereby the Council would always look first to the West Essex Group whenever it would facilitate best practice, best outcomes and best value. The Cabinet agreed the amendment.

Decision:

(1) That the following amendment to the Memorandum of Understanding, prepared by the West Essex District Councils' Group, be agreed:

"The Councils therefore undertake to:

- Always look first to a West Essex Councils Group approach to the influencing, commissioning and delivery of services for the benefit of the communities they serve *whenever it would facilitate best practice, best outcomes and best value.*"

(2) That the underlying principles and the outcomes contained within the West Essex District Councils' Memorandum of Understanding, as amended, be recommended to the Council for endorsement; and

(3) That the formal agreement of the Memorandum of Understanding, as amended, and the delegation of authority to the Leader of the Council to sign on behalf of the Council be recommended to the Council for approval.

Reasons for Decision:

To recognise the intention to work in partnership on a sub-regional basis in West Essex and the informal timetable agreed between representatives of the three Councils concerned.

Other Options Considered and Rejected:

To continue with the predominantly ad-hoc working arrangements that currently existed, seeking opportunities for collaborative working as and when they arose.

98. ANY OTHER URGENT BUSINESS

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

CHAIRMAN