

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 12 March 2012

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 9.56 pm

Members Present: Mrs L Wagland (Chairman), J Philip (Vice-Chairman), Mrs R Gadsby, J Knapman, Mrs M McEwen, G Mohindra, Mrs P Smith and J Wyatt

Other Councillors: K Angold-Stephens, R Bassett, W Breare-Hall, K Chana, Mrs A Grigg, Ms J Hart, R Morgan, S Murray, Mrs M Sartin, D Stallan, G Waller, C Whitbread and D Wixley

Apologies: -

Officers Present: D Macnab (Acting Chief Executive), I Willett (Assistant to the Chief Executive), J Gilbert (Director of Environment and Street Scene), A Hall (Director of Housing), R Palmer (Director of Finance and ICT), P Maginnis (Assistant Director (Human Resources)), R Pavey (Assistant Director (Revenues)), P Pledger (Assistant Director (Property and Resources)), T Carne (Public Relations and Marketing Officer), B Moldon (Principal Accountant), S G Hill (Senior Democratic Services Officer) and G J Woodhall (Democratic Services Officer)

130. 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.

131. DECLARATIONS OF INTEREST

(a) Pursuant to the Council's Code of Member Conduct, Councillor Mrs R Gadsby declared a personal interest in agenda item 16, Waltham Abbey Cash Desk, by virtue of being a member of Waltham Abbey Town Council. The Councillor had determined that her interest was not prejudicial and would remain in the meeting for the consideration of the issue.

(b) Pursuant to the Council's Code of Member Conduct, Councillor D Stallan declared a personal interest in agenda item 18, Smoke Free Workplace and Public Place Policy. The Councillor 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 20, Fire Safety in Flat Blocks, as he was the Housing Portfolio Holder at the time of the original decision. The Councillor had determined that his interest was prejudicial and would leave the meeting for the consideration of the issue.

132. MINUTES

Resolved:

(1) That the minutes of the meeting held on 30 January 2012 be taken as read and signed by the Chairman as a correct record.

133. REPORTS OF PORTFOLIO HOLDERS

There were no oral reports from the Portfolio Holders present.

134. PUBLIC QUESTIONS

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

135. OVERVIEW AND SCRUTINY

The Chairman of the Overview & Scrutiny Committee reported that the following items of business had been considered at its meeting held on 6 March 2012:

(a) a presentation on progress made by Essex County Council on the provision of Children's Services and to respond to the findings of the Council's recent Task & Finish Panel on Children's Services;

(b) a presentation on the forthcoming health reforms and the role of the Health & Wellbeing Boards, however none of the scheduled speakers were able to attend;

(c) the draft consultation on waste related penalties issued by the Department of Environment, Food and Rural Affairs (DEFRA);

(d) the Equality Scheme & Objectives for the period 2012/13 to 2015/16 (which would be considered later by the Cabinet); and

(e) three reports from the Constitution & Member Services Scrutiny Panel regarding the review of Financial Regulations, the Terms of Reference for the Housing Appeals & Reviews Panel, and a review of the operation of the Appointments Panel.

The Cabinet's agenda was reviewed and the only issue raised was how long would the process to sell Leader Lodge likely to take.

The Cabinet was concerned about some of the answers given by the County Council representatives during their presentation; the Chairman of Overview & Scrutiny reassured the Cabinet that an invitation would be extended for them to return in six months time for a further presentation.

136. FIRE SAFETY IN FLAT BLOCKS

The Housing Portfolio Holder presented a report on fire safety in common parts of flat blocks.

The Portfolio Holder stated that since the introduction of the Regulatory Reform (Fire Safety) Order 2005, the Council had a responsibility to undertake fire risk assessments at all blocks of flats. Through the advice, previously provided informally, from the Essex Fire & Rescue Service, the Council had adopted a policy that prevented residents from storing their belongings in the common areas as these

formed the means of escape in the event of a fire. This had included the laying of carpets, as they could contribute towards a fire. Following complaints from residents, the Housing Scrutiny Panel considered the Policy and supported a change to allow a slightly more “managed” approach to fire safety in blocks of flats. This included allowing pictures on walls but with no glass in the frame, mats outside front doors as long as they were rubber backed, flame retardant curtains, and any aesthetic non-flammable items to be placed in recesses and not blocking fire escape routes. However, following continuing complaints by a small number of residents, it was decided to review the decision not to allow carpets in the common parts of flat blocks.

The Portfolio Holder reported that further advice was sought from the Housing Minister and the Fire Officer, and a feasibility study was undertaken into reducing the risk of fire in Council properties. The outcome of this was again considered by the Housing Scrutiny Panel at its meeting in January 2012, who supported the recommendations set out in the report. Since then however, a further letter had been received from the Chief Fire Officer at Essex County Fire & Rescue Service outlining the conditions whereby, in his professional view, carpets in the common areas of blocks of flats could possibly be permitted. The main points being that the carpets themselves had to conform to BS 5287, all the flats in the block had to have mains operated fire/smoke detectors, and all doors leading into the common areas had to have a minimum of 30 minutes fire resistance. However, in view of these onerous commitments, it was still being recommended by the Housing Portfolio Holder that carpets not be allowed in common areas of blocks of flats and that their removal be enforced by the Council within two months of this decision. This issue had also been considered by the Housing Scrutiny Panel, which had supported the view that carpets should not be allowed.

The Cabinet then heard the views of a public speaker on this item, Mr Barry Johnson who was a resident of a flat in Torrington Drive, Loughton. Mr Johnson said that he was a former Fireman at Stoke Newington in London and was not aware of any fatalities caused by carpets in common areas of blocks of flats being ablaze. He expressed the view that it was impossible to legislate for every eventuality, and by their very nature accidents could not always be foreseen. He urged the Cabinet to think differently and adopt different policies for different situations. Mr Johnson concluded by asking the Cabinet whether it would accept responsibility for any tenant who slipped on non-carpeted stairwells in wet weather.

The Portfolio Holder responded by stating that she was unwilling to put residents at risk. If a fire occurred at one of the blocks with carpets in their stairwells then the Council would be considered responsible for any deaths arising from one of these carpets catching fire as their existence would be contrary to the Fire Officer’s advice. It was highlighted that, to the best of her knowledge, only six blocks of flats throughout the District had carpets on their stairs.

The Environment Portfolio Holder supported the comments of the public speaker and stated that there had been no instances of fire at the six flats concerned. He felt that the danger was perceived, not real, and the Council should not be so draconian. The affected buildings were two storey buildings not tower blocks, and he stated that people should be allowed to live in their chosen environment.

Other members of the Cabinet disagreed and supported the removal of the carpets, although it was felt that the period for them to be removed could be extended from two months to four months. The Council should not wait for a problem to occur before planning for it, and there could also possibly be insurance implications if the Council did not follow the proper advice.

The local ward members from Loughton urged the Cabinet to listen to the comments of the public speaker; they felt that the risk of slipping on wet stairs was greater than dying in a fire. They also believed that the Fire Brigade could be expected to reach Torrington Drive within five minutes of being alerted, and rescuing any occupants inside within a further five minutes. Therefore, they perceived that it was more important for the Council to enforce the installation of doors with a 30-minute fire resistance than the removal of carpets in stairwells.

The Leader of the Council highlighted the suggested conditions contained within the letter from the Chief Fire Officer dated 2 February 2012 if carpets were to be allowed, and believed that if the residents in the smaller blocks of flats could show that the conditions had been met then the Council could consider the retention of these carpets. The residents would need to confirm to the Council in writing their agreement to the carpets remaining, would not hold the Council responsible for any deaths or injuries resulting from the carpets remaining in place, ensuring that the conditions outlined in the Chief Fire Officer's letter would be maintained at all times, and leaseholders would have to enter into a Deed of Variation with the Council to this effect at their own cost. The Director of Housing stressed that it would be unreasonable to require these conditions to be included in any new tenancy agreements when residents moved.

The Cabinet agreed to the revised recommendation whereby carpets in the common areas could remain in place and set time limits of four months for the BS 5287 compliant carpets to be fitted and one year for the mains operated fire/smoke detectors to be fitted. All of the other recommendations considered by the Housing Scrutiny Panel in January were agreed without amendment. The Director of Housing undertook to write to the affected residents and arrange the necessary inspections after four months.

Decision:

(1) That the removal of personal belongings and any other items stored in common parts of flats be enforced, with the exception of the following concessions as put forward by the Workplace Fire Safety Officer of the Essex Fire and Rescue Service:

- (a) Pictures hung on the wall, provided that they did not contain glass in the frame;
- (b) Mats placed outside front doors, provided that these were rubber backed (non-slip) and had a chamfered edge all around;
- (c) Curtains at windows, provided that they were flame retardant; and
- (d) Non-flammable items which were aesthetically pleasing (e.g. plant pots), provided that they were stored in recesses away from any means of escape routes, and not on window sills;

(2) That carpets in common parts of flat blocks not be allowed and that, after a four-month period of the date of this decision, the removal of carpets where residents had previously loose laid or fitted them and had not removed them voluntarily be enforced by the Council, unless the following conditions were met within the four-month period as advised by the Chief Fire Officer of the Essex County Fire & Rescue Service in his letter to the Council dated 2 February 2012:

- (a) confirmation that all individual flats affected would be fitted with mains operated smoke detectors by the occupiers or the Council within one year of this decision;
 - (b) all doors leading onto common areas, including individual flat doors, provide a minimum of 30 minutes fire resistance in accordance with BS 476 and be fitted with a suitable self-closing device by the tenant or leaseholder concerned at their cost;
 - (c) no personal belongings or other combustible items be stored by tenants, leaseholders or visitors within the common areas at any time;
 - (d) a high standard of general housekeeping be maintained by all tenants and leaseholders at all times;
 - (e) an effective main entrance door and security entry system be provided and maintained;
 - (f) the carpets:
 - (i) conform to BS 5287;
 - (ii) be professionally fitted in the first instance, with evidence provided to the Council of such professional fitting; and
 - (iii) be maintained in a good condition at all times; and
 - (g) an effective building inspection and management system be maintained by the Council;
- (3) That carpets only be allowed to remain in accordance with (2) above, if all tenants and leaseholders in a block had confirmed to the Council in writing within the four-month period referred to above their agreement to:
- (a) wanting the existing carpets to remain;
 - (b) not holding the Council responsible or liable in the future for any accidents, fires or incidents occurring as a result of the carpets remaining;
 - (c) ensuring that the conditions in (2) above would be maintained by them at all times; and
 - (d) in the case of leaseholders, entering into a Deed of Variation with the Council, at the leaseholder's cost, to vary their lease to commit and bind subsequent leaseholders of their properties the conditions referred to in (2) above when the lease is assigned in the future;
- (4) That further consideration be given to undertaking an enhancement programme of installing mains-powered smoke detectors in all Council-owned properties, as part of the Housing Scrutiny Panel's deliberation of the proposed list of housing improvements and service enhancements, funded from the additional resources made available under HRA Self-Financing;
- (5) That smoke alarms not be installed in common parts of flat blocks in line with the recommendations within the Local Government Group Guidance document "Fire safety in purpose built flat blocks"; and

(6) That a joint working approach to fire safety risk assessments in flat blocks with Harlow District Council be further explored by the Director of Housing and reported back to a future meeting of the Cabinet.

Reason for Decision:

In order to comply with the Regulatory Reform (Fire Safety) Order 2005, the Council had to set a clear Policy and subsequently enforce that Policy by undertaking Fire Risk Assessments, and then following up any actions that arose as a result.

Other Options Considered and Rejected:

To enforce the removal of all carpets in common areas of flat blocks.

137. LEADER LODGE, NORTH WEALD - FUTURE USE

The Housing Portfolio Holder presented a report regarding the future use of Leader Lodge in North Weald.

The Portfolio Holder reported that various attempts to convert and/or redevelop the Council-owned building and associated land at Leader Lodge, North Weald (including a planning application by the Council for a redevelopment scheme) had been unsuccessful. The building was in a very poor state of repair and attracted vandalism and anti-social behaviour. An agreed way forward for the future use of the site needed to be established.

The Portfolio Holder stated that Hastoe Housing Association had undertaken a "Planning for Real" Exercise with the local community on the options for the future use of the site, and to help determine an appropriate approach for the future. Following the completion of the Exercise, it was proposed that the site be sold on the open market for private housing (through the invitation of tenders for purchase) and that the bidders be asked to state whether their tender was based on retaining or demolishing the current building on the site at Leader Lodge. In view of the likely need to provide cross-subsidy to help fund the Council's own new Housebuilding Programme, it was proposed that the capital receipt from the sale be allocated solely to the Housebuilding Programme and that the site be sold as soon as reasonably practicable.

The Ward Members for North Weald requested that an extra covenant should be put on the site to retain the current building on the site at Leader Lodge, and that the Ward Members be consulted when the tenders had been received. The Cabinet felt that an extra covenant should be placed on the site, but only to restrict the site's use for residential development and nothing else. However, if a tender retaining the current building was accepted then a further covenant to this effect could be considered at that time. The Portfolio Holder undertook to consult with the local Ward Members when the tenders had been received. The Director of Housing stated that the whole tender process was likely to take between eight and ten weeks from when a decision was made.

Decision:

(1) That the outcome of the Planning for Real Exercise, undertaken by Hastoe Housing Association on behalf of the Council, for the future use of the Council-owned building and associated land at Leader Lodge, North Weald be noted;

- (2) That Leader Lodge and the associated land be sold on the open market for private housing by the Council's Estates and Valuations Division, through the invitation of tenders for purchase;
- (3) That, following the refusal of the Council's previous planning application at the site in 2006 and other reasons set out in the report, planning permission for an alternative development on the site not be sought by the Council prior to its sale;
- (4) That, in respect of the open market sale of the site:
- (a) prospective purchasers be invited to provide either one or two tenders, and be required to state their intentions within their tender(s) on whether the tender(s) was based on the existing Leader Lodge building being retained (with or without additional development) or demolished;
 - (b) the Housing Portfolio Holder be authorised to accept the most appropriate tender received, which shall be either:
 - (i) the highest tender received based on Leader Lodge being retained;
- OR
- (ii) the highest tender received based on Leader Lodge being demolished;
 - (c) the Housing Portfolio Holder not be required to accept the highest tender overall;
 - (d) if the accepted tender was based on the proposed retention of Leader Lodge, a covenant be included in the sale requiring that the building shall not be demolished; and
 - (e) in any event, a covenant be placed on the site restricting its future development for residential purposes only;
- (5) That all potential purchasers be provided with a copy of the Planning for Real Report and be advised of the matters the Housing Portfolio Holder would take into account when considering any tenders received;
- (6) That the site be sold as soon as reasonably practicable; and
- (7) That the capital receipt from the sale of the site be ring-fenced for use as a cross-subsidy for the Council's own new Housebuilding Programme, if required.

Reasons for Decision:

The building was in a poor state of repair and an agreed way forward for the future use of the site had to be established.

Other Options Considered and Rejected:

To sell the site to a housing association to develop for affordable housing – however, the local community were opposed to the provision of affordable housing and previous attempts to develop the site by a housing association had been unsuccessful.

To develop the site by the Council for affordable housing - however, the local community were opposed to the provision of affordable housing and a previous planning application by the Council for redevelopment had been refused.

To refurbish the building and re-let as two Council flats – however, the building was in a very poor state of repair so this was not considered to be a viable option, and it was also felt that this would not make the best use of the site.

To first seek planning permission for an alternate development proposal, prior to the sale of the site.

To invite prospective purchasers to only submit one tender, irrespective of whether the building was to be retained or demolished, and that the highest tender received be accepted.

To only invite tenders based on the retention of the existing building - with or without a further requirement that no additional building could be constructed within the curtilage of the site – however, this could restrict the development options for the site by prospective purchasers and potentially reduce the Council's capital receipt.

To not safeguard the capital receipt for the Council Housebuilding Programme, and use it for other Council capital purposes – however, cross-subsidies were likely to be required for the Housebuilding Programme, which would be confirmed when the Cabinet approved the individual development appraisals for the Housebuilding Programme.

To wait until land values had increased before selling the land – however, the site was an eyesore, attracted vandalism and anti-social behaviour and the area was in need of improvement.

138. HRA FINANCIAL PLAN

The Housing Portfolio Holder presented a report concerning the latest version of the Housing Revenue Account Financial Plan.

The Portfolio Holder reminded the Cabinet that in March 2012, the Government would be introducing a major change in the way that local authority Housing Revenue Accounts (HRA) were funded, called HRA Self Financing. After the Cabinet had previously agreed the strategic approach to the HRA Financial Plan in December 2011, a number of assumptions had been confirmed since then and it was now possible to update the Financial Plan prior to it being included within the updated HRA Business Plan for 2012/13.

The Cabinet noted that the revised Financial Plan included a number of changes, following an even more favourable position emerging as a result of a number of key factors. The interest rate to be charged by the Public Works Loan board had been further reduced to 3.5% from the 4.75% originally envisaged. The Council's final debt settlement from the Government had been further reduced by £740,000 to £185.5million. Finally, by extending the pay-back of the debt until year 30 of the HRA Financial Plan, additional funding for housing improvements and service enhancements had been made available. Arrangements were also proposed for the quarterly review of the Financial Plan by Officers, and a bi-annual review by the Housing Scrutiny Panel, at key times of the HRA budget process in March and October, to further inform the Cabinet when it made budget decisions.

The Portfolio Holder requested that the revised HRA Financial Plan be adopted by the Council, and that Contract Standing Order C4 be set aside so that CIHConsult could be retained as the Council's HRA Business Planning Consultants until 31 March 2015.

The Cabinet acknowledged that, as it had retained its housing stock, it was now being required to borrow £185.5million, however the Council would be better off in the longer term as it would now be allowed to keep all of its rents. The Cabinet was content to retain CIHConsult as the Council's consultants at the current time and test the market again in March 2015.

Decision:

(1) That the changes to the Housing Revenue Account (HRA) Financial Plan since the Indicative Financial Plan was considered by the Cabinet in December 2011 be noted;

(2) That the latest version of the HRA Financial Plan, as attached to the report, be adopted and included within the HRA Business Plan 2012/13;

(3) That the HRA Financial Plan be formally reviewed and updated by the Director of Housing and Director of Finance & ICT with the Council's HRA business planning consultants, CIHConsult, on a quarterly basis, in order to identify any material variances and any required resultant action at an early stage;

(4) That the Housing Scrutiny Panel be requested to review and update the HRA Financial Plan at its scheduled meeting in October 2012 and, thereafter, twice a year, at its scheduled meetings in:

(a) March - after the HRA Budget had been agreed by Council, and as part of the updating process for the HRA Business Plan; and

(b) October - to inform the Cabinet and the HRA budget process for the following year; and

(5) That Contract Standing Order C4 be waived and CIHConsult be engaged to act as the Council's HRA Business Planning Consultants until 31 March 2015 (subject to satisfactory price and performance) to ensure a continuity of service and knowledge.

Reasons for Decision:

To approve the latest version of the HRA Financial Plan, and to agree the arrangements for reviewing the Plan on a regular basis.

Other Options Considered and Rejected:

To not approve the latest proposed version of the HRA Financial Plan, and to agree different assumptions and expenditure proposals.

To not request Officers to review and update the Financial Plan on a quarterly basis, or at different intervals.

To not request the Housing Scrutiny Panel to review and update the Financial Plan on a bi-annual basis.

139. HOUSING REVENUE ACCOUNT - SELF-FINANCING

The Portfolio Holder for Finance & Performance Management presented a report concerning the proposed debt portfolio modelling for the self-financing of the Housing Revenue Account (HRA).

The Portfolio Holder reminded the Cabinet that, in December 2011, it had considered the HRA Business Plan and made recommendations on items that should be included within it. Following that meeting, Officers had begun the process of reviewing the cash flow position of the plan to identify when resources would be available and Arlingclose – the Council's Treasury Management consultants – had undertaken an exercise to consider how the Debt Portfolio should be constructed. Arlingclose had now issued a report to the Council containing their recommendations on how the Debt Portfolio should be constructed and a decision was necessary to implement the borrowing by the deadline of 26 March 2012.

The Portfolio Holder outlined the proposed debt portfolio. The money should be borrowed entirely from the Public Works Loans Board, as this would be the cheapest option for the Council, and the repayment method should be maturity loans whereby the principal is repaid at the end of the loan period. A portion of the debt should be on variable rates of interest, which are currently around 0.7% as opposed to 2.5% for fixed rate loans, with the length of the loans taken out such that most of the debt would be repaid at the end of the current 30-year HRA Business Plan. The HRA Capital Financing Requirement was currently £153.6million, £31.9million less than the amount to be paid to the Government, and it was proposed to borrow all the required monies on the HRA and retain the additional borrowing within the HRA for the Council House Building Programme and improvements on the existing stock. Any borrowing by the General Fund from the HRA would continue to be based upon the average interest earned by investments.

The Portfolio Holder requested the authority to decide on the final composition of the debt portfolio along with the Director of Finance & ICT, following advice from Arlingclose. Due to the urgency of the decision, the Chairman of the Council would be requested to waive the call-in arrangements for this decision, as any delay would prejudice the Council's interest. The Cabinet's attention was drawn to the views of the External Auditor, which had been published separately from the agenda for the meeting. It was noted that the Chartered Institute of Public Finance & Accountancy (CIPFA) had only offered guidance and it was the responsibility of the Council's External Auditor to give a definitive opinion on the Council's planned borrowing arrangements; which would not be given until the next scheduled audit had been completed.

The Cabinet expressed their disappointment with the length of time taken by CIPFA to issue their guidance. The last paragraph of the External Auditor's opinion was highlighted regarding the breach of the key Capital Financing Requirement indicator by £784,000. In the worst case, the Portfolio Holder stated that the Council could return money early to the PWLB without incurring too much of a penalty. However, given the opinion of the External Auditor, it was felt that the current Treasury Management Strategy Statement should be further amended and presented to the next meetings of the Finance & Performance Management Cabinet Committee on 19 March and Council on 27 March 2012 for approval. The Chairman of the Overview & Scrutiny Committee requested that the possibility of the Government requesting further debt to be repaid from the Council, over and above the £185.5million already requested, should be added to the Corporate Risk Register.

Decision:

- (1) That the borrowing of £185.5million to finance the payment to the Department for Communities and Local Government for Housing Revenue Account (HRA) Self-Financing be approved;
- (2) That the additional borrowing above the HRA Capital Financing Requirement (CFR) be retained within the HRA to finance, in order to maintain the flexibility in the HRA capital programme to carry out the enhanced programme on the housing stock and to allow for any expansion in the new build programme;
- (3) That an amended Treasury Management Strategy Statement be presented to the Finance & Performance Management Cabinet Committee on 19 March 2012, and subsequently Council on 27 March 2012, for approval;
- (4) That the proposed debt portfolio of £185.5million be borrowed entirely from the Public Works Loans Board (PWLB);
- (5) That, in accordance with the Treasury Management Strategy currently adopted by the Council, the charge for any General Fund (GF) borrowing from the Housing Revenue Account (HRA) be based on the investment rate;
- (6) That the actual debt portfolio be decided by the Finance & Economic Development Portfolio Holder and the Director of Finance & ICT, after considering advice from Arlingclose (the Council's Treasury Management Advisors); and
- (7) That the Chairman of Council be requested to waive the call-in arrangements for this decision due to its urgency as any delay would prejudice the Council's interest.

Reasons for Decision:

The Council needed to pay the Department for Communities and Local Government (DCLG) £185.5million on 28 March 2012. However, the Council did not have the internal resources to finance this payment and, therefore, had to borrow the money from the PWLB. The Council had to register its requirements with the PWLB on 26 March 2012.

Other Options Considered and Rejected:

There were two borrowing solutions outlined by Arlingclose, these being borrowing the whole amount or borrow up to the HRA CFR. However, there were also a number of other options open to the Council that were somewhere between the two, but these would involve using some of the Council's internal resources.

140. DEVELOPMENT AGENT FOR COUNCIL HOUSEBUILDING PROGRAMME - PRE-QUALIFICATION QUESTIONNAIRE

The Housing Portfolio Holder presented a report concerning the process for appointing a Development Agent for the Council's House Building programme.

The Portfolio Holder reminded the Cabinet that it had previously agreed its approach to the introduction and implementation of a new Council Housebuilding Programme. A key element was the appointment of a suitably-experienced organisation, through a competitive process, to act as the Council's Development Agent to provide and co-ordinate all professional building services. Since the total value of the Development

Agreement would be in excess of the European Union (EU) Procurement Threshold for Services, it was necessary to follow the EU (Restricted Procedure) procurement process to appoint the Development Agent.

As part of this process, the Portfolio Holder stated that interested organisations would be required to complete a Pre-Qualification Questionnaire (PQQ), from which a shortlist of five to seven suitably-experienced organisations would be selected to provide detailed tender submissions. A PQQ had been produced by the Council's consultant, in consultation with Council Housing and Procurement officers and the Essex Procurement Hub. The Cabinet had previously determined that it wished to approve the PQQ (including the selection criteria) and therefore the proposed PQQ had been attached as an Appendix to the report for approval.

Decision:

(1) That, attached as an Appendix to the report and required under EU Procurement Regulations, the Pre-Qualification Questionnaire (PQQ) for the appointment of the Council's Housing Development Agent be approved.

Reasons for Decision:

Since the total value of the Development Agreement would be in excess of the EU Procurement Threshold for Services, interested organisations would be required to complete a Pre-Qualification Questionnaire (PQQ).

Other Options Considered and Rejected:

To agree different criteria for the PQQ. However, the Cabinet was asked to note that the rules around PQQs for contracts administered under EU Procurement Regulations were strictly governed, and only certain information could be included that enabled a contracting authority to produce an appropriate shortlist.

141. DELIVERING THE ENHANCED MAINTENANCE PROGRAMME - HOUSING ASSETS RESTRUCTURE

The Housing Portfolio Holder introduced a report on the proposed restructure of the Housing Assets section within the Housing Directorate to deliver an enhanced maintenance programme.

The Portfolio Holder reminded the Cabinet that, in December 2011, it had considered a report on the introduction and subsequent implications of Self Financing for the Housing Revenue Account (HRA). Amongst other things, this would permit a 50% increase in the amount of capital expenditure available each year to maintain the Council's housing stock to a more modern standard, based on current stock condition and standard industry life cycles, as opposed to maintaining the stock at the current minimum Decent Homes Standard. Self financing would commence in April 2012, but the Cabinet had requested a further report on the additional staff resources necessary to deliver a full maintenance programme to a modern standard.

The Portfolio Holder stated that there was a need for an additional four full-time equivalent (fte) Officers within the Housing Assets Section at a cost of approximately £96,200 per annum; a saving of around £23,800 per annum compared with what had been allowed for within the Financial Plan presented to the Cabinet in December 2011. It was felt that the Council required one new Clerical Assistant, two new Clerks of Works, and one new Contracts Officer. Permission was also sought to advertise the posts externally if there were no suitable internal candidates, and that any surplus

budget for staff costs should be reserved for the appointment of Consultants to assist with any peaks in workload that might occur if required.

The Deputy Leader proposed that approval should be given for the new posts to be advertised both internally and externally at the same time, to shorten the recruitment period, and that the proposed budget provision for consultants should be periodically reviewed by the Housing Scrutiny Panel, as part of its review of the HRA Financial Plan. The Cabinet noted that the Council would be abandoning the Decent Homes Standard for the better Modern Homes Standard for all its residential properties, and were satisfied with the amendments proposed by the Deputy Leader.

Decision:

(1) That, as detailed in Appendix 3 of the report, the proposed new structure for the Housing Assets Section to maintain the Council's housing stock to a more modern standard, as previously agreed by the Cabinet, be agreed subject to Job Evaluation and incorporating the following new or additional posts:

- (a) One additional full-time equivalent (fte) Clerical Assistant post (benchmarked);
- (b) Two new fte Clerk of Works posts (Job Evaluation required); and
- (c) One new fte Contracts Officer (Electrical Contracts) post (Job Evaluation required);

(2) That the new posts be advertised both internally and externally simultaneously;

(3) That any surplus budget remaining from the allowance for staff costs included in the HRA Financial Plan be set aside for the appointment of Consultants who might be needed to assist with any peaks in workload that could not be managed in-house; and

(4) That the budget provision for the appointment of consultants under (3) above be reviewed by the Housing Scrutiny Panel as part of its periodic review of the HRA Financial Plan.

Reasons for Decision:

The Council needed to have adequate staffing resources in place to deliver a full maintenance programme to a modern standard, which had been agreed by the Cabinet as its strategic approach for the HRA Financial Plan in December 2011.

Other Options Considered and Rejected:

To employ consultants to deliver the works that were over and above the current Decent Homes Programme, although this would be more expensive.

To out-source the Housing Assets Section to deliver this enhanced programme of works. However, this concept had been considered as part of a previous restructure, when the Cabinet agreed to "In-source" the Housing Repairs Service and engage the services of the Repairs Management Contractor.

To work jointly with another Local Authority. However, when considering 'added value' various improvement works were often packaged together, which would make collaborative working more difficult to co-ordinate.

142. REVIEW OF SOCIAL HOUSING FRAUD SCHEME

The Chairman of the Housing Scrutiny Panel presented a report regarding the combating of social housing fraud.

The Scrutiny Panel Chairman reported that the Cabinet had previously agreed a new part-time post of Housing Officer (Social Housing Fraud) should be appointed on a temporary part-time basis (22.5 hours per week) for a Social Housing Fraud Pilot Scheme for a 12-month period. The post was partly funded by the Department of Communities & Local Government (DCLG) as part of the Government's national initiative to tackle social housing fraud. The Cabinet had requested that ten months into the project, a formal evaluation be undertaken.

The Scrutiny Panel had now undertaken the evaluation of the scheme, and had considered progress made, which included the recovery of six properties, with two fraudulent Right to Buy applications being prevented, avoiding the Council giving discounts of around £68,000 with the properties being let to legitimate applicants on the Council's Housing Register. The Scrutiny Panel had also heard that one property was not allocated to a housing applicant as they were found to be providing false information on a housing application form, with another case being investigated by Housing Benefit Fraud Investigators, which might result in the recovery of overpaid housing benefit. Two further cases were close to being resolved, and expected to result in two properties being recovered due to non-occupation or sub-letting and re-let to legitimate Housing Register applicants, with Housing Benefit's Investigators also investigating associated benefit fraud.

The Scrutiny Panel Chairman stated that important links had been established with the Housing Benefit Fraud Investigation Team, and as a direct result of the work of the Housing Officer (Social Housing Fraud), the Council was in the process of recovering £7,800 in overpaid benefit. The Scrutiny Panel had considered that the progress made with the Scheme after only 8 months was a major achievement. In view of the success, it was proposed that the existing part-time post of Housing Officer (Social Housing Fraud) be made both permanent and full-time, with an increase in hours from 22.5 hours to 36 hours per week.

Decision:

- (1) That the review of the Council's Social Housing Fraud Pilot scheme by the Housing Scrutiny Panel be noted; and
- (2) That the existing temporary part-time post of Housing Officer (Social Housing Fraud) be made both permanent and full-time with immediate effect, with the increased costs being funded from the Housing Revenue Account.

Reasons for Decision:

Having undertaken an evaluation of the Fraud Pilot Scheme, the Housing Scrutiny Panel had considered that the work undertaken by the temporary part-time Housing Officer (Social Housing Fraud) since his appointment in May 2011, had demonstrated that there were a number of tenants and applicants who were either sub-letting properties, obtaining Council properties by deception or fraudulently exercising the Right to Buy. The work completed to date had suggested that the level of social

housing fraud within the District was potentially extensive, and that the cost of the post was far less than the financial savings alone that had been achieved.

Other Options Considered and Rejected:

To extend the part-time Housing Officer (Social Housing Fraud) post on a temporary basis for a further period.

To extend the Housing Officer (Social Housing Fraud) post on a temporary basis for a further period on a full-time basis.

To make the part-time Housing Officer (Social Housing Fraud) post permanent – but not extend it to full-time.

To cease the Social Housing Fraud initiative.

143. USE OF POTENTIAL CAPITAL RECEIPT - PROPOSED AFFORDABLE HOUSING DEVELOPMENT AT MILLFIELD, HIGH ONGAR

The Housing Portfolio Holder presented a report about the use of a potential capital receipt from the proposed affordable housing development at Millfield in High Ongar.

The Cabinet was reminded that it had previously agreed, subject to planning permission, to develop the vacant Council-owned land to the rear of 25-29 Millfield, High Ongar - through the provision of a 125-year lease to Hastoe Housing Association. The Housing Portfolio Holder had subsequently already agreed the key terms of the proposed development and lease. It had also been previously agreed by the Cabinet that any capital receipt received by the Council from the lease of the land should 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.

However, since that time, the Portfolio Holder reported that the Cabinet had agreed the Council should embark on its own new Housebuilding Programme. It was therefore proposed that the capital receipt be safeguarded for use as a cross-subsidy for the Council's own Housebuilding Programme instead.

Decision:

(1) That, subject to the receipt of planning permission, the capital receipt from the provision of a 125-year lease to Hastoe Housing Association for the Council-owned site to the rear of 25-29 Millfield, High Ongar be ring-fenced for use as a cross-subsidy for the Council's own new Housebuilding Programme, if required, and not be used to provide local authority social housing grant to a housing association as previously agreed.

Reasons for Decision:

To agree the use of the potential capital receipt from the lease of Council-owned land at Millfield in High Ongar to Hastoe Housing Association, if planning permission was granted for the development, following the Cabinet's previous decision to seek the development of the site for affordable housing and the Housing Portfolio Holder's subsequent decision on the key terms of the proposed development.

Other Options Considered and Rejected:

To utilise the resultant capital receipt for other purposes, particularly the provision of 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.

144. PUBLIC RELATIONS & INFORMATION SERVICE

The Support Services Portfolio Holder presented a report concerning a review of the Public Relations and Information Service revisions.

The Portfolio Holder reported that, in light of recent reductions in Government funding and the requirement for the Council to seek revenue savings, the Public Relations and Information Service had been asked to explore ways in which savings might be achieved whilst continuing to protect its front-line service. Following a review of the service, Buckhurst Hill Parish Council had been placed on notice for the potential termination of the Service Level Agreement for the provision of District Council services from the Parish Council offices. Furthermore, discussions had been opened with Essex County Council about the transfer of the satellite information services at Waltham Abbey and Loughton to the Essex County Library Service. Discussions were also taking place with Uttlesford District Council to explore the potential for shared Public Relations services.

The Portfolio Holder reported that savings of £43,000 per annum were anticipated, with a further £14,000 of income per annum from Uttlesford District Council, and that authority be delegated to the Portfolio Holder to sign agreements with Essex County and Uttlesford District Councils following the successful completion of negotiations. In respect of the Library staff at Loughton and Waltham Abbey, a detailed Service Level Agreement would be drawn up with Essex County Council and extensive training would be provided to the staff involved.

Decision:

- (1) That, subject to the successful completion of negotiations, authority be delegated to the Support Services Portfolio Holder for the transfer of the provision of Epping Forest District Council's satellite information services in Loughton and Waltham Abbey to Essex County Council Library Service;
- (2) That the issue of 'at risk' of redundancy letters to affected staff and the steps taken to maximise available alternative employment options be noted;
- (3) That the cessation of the Service Level Agreement for the provision of Information Services on behalf of Epping Forest District Council by Buckhurst Hill Parish Council be approved; and
- (4) That the discussions with Uttlesford District Council to explore the potential for shared Public Relations services be noted and authority be delegated to the Support Services Portfolio Holder to approve a Service Level Agreement in the event of satisfactory negotiations.

Reasons for Decision:

To endorse the principles of providing satellite information services through a third party at reduced cost to the Council, and to create an income stream through the provision of specialist communications services to another public sector organisation.

Other Options Considered and Rejected:

To continue the provision of Information Services via Buckhurst Hill Parish Council.

To continue the direct provision of information services from Loughton Library and seek alternative accommodation for the provision of direct information services in Waltham Abbey.

To cease provision of information services in Loughton and Waltham Abbey.

To withdraw from shared service discussions with Uttlesford District Council.

145. WALTHAM ABBEY CASH DESK

The Portfolio Holder for Finance & ICT presented a report about the Waltham Abbey Cash Desk.

The Portfolio Holder stated that the methods by which customers would pay their bills had changed over the years. More people now paid by Direct Debit and the Council had had in place for some time the option to pay over the internet and by telephone 24 hours a day and 7 days a week. This had had an effect on the numbers paying their bills at the cash desks and Waltham Abbey was the cash desk with the lowest number of transactions. It had been proposed to close the cash desk at Waltham Abbey and replace it with an alternative provision, which would provide revenue savings to the Council's budget.

The Portfolio Holder reported that a number of different payment methods had been investigated. The Council currently had a contract with Allpay, which allowed the payment of rents at the Post Office and other similar outlets through the use of a payment card. This contract could be extended to cover Council Tax and Business Rates, but the payment cards cost £1.20 each and there was also a charge of 50p per transaction. In addition, the settlement times for payment were approximately one week and this would affect the Council's cashflow. The other, preferred, option was the provision of a payment kiosk that would accept cash, cheque and card payments within Waltham Abbey. This could be integrated into the Council's payment management systems so there would be no delay in receiving the payments. The purchase price would be approximately £25,000, with a further £8,500 per annum in maintenance charges and increased charges for the Council's cash-in-transit contractor to count the coins and cheques collected. The most secure location was considered to be Waltham Abbey Library, which would require a formal agreement with Essex County Council and incur a further cost of approximately £1,000 per annum.

The Portfolio Holder added that this arrangement would generate a revenue saving of around £35,000 per annum after the first year when the kiosk would be purchased, and that signage would be provided within the Town Hall to direct residents to the kiosk at the Library.

Decision:

(1) That the Epping Forest District Council cash desk at Waltham Abbey Town Hall be closed ; and

(2) That, as a result of the closure of the cash desk, the provision of a payment kiosk at a suitable location in Waltham Abbey be pursued.

Reasons for Decision:

To review the cashiers' service at Waltham Abbey at the same time as the review of the information service. To reduce the Council's overall spending by the provision of a payment kiosk.

Other Options Considered and Rejected:

To leave the cash desk operating as it is currently or implement a part-time closure of the cash desk.

To fully close the cash desk and provide no further alternative service provision, or fully close the cash desk and undertake a procurement exercise for the use of payment cards at the Post Office and other outlets.

146. PAY POLICY STATEMENT

The Support Services Portfolio Holder presented a report on the Council's proposed Pay Policy Statement.

The Portfolio Holder reported that the Localism Act 2011 required the Council to publish a Pay Policy Statement setting out the details of its remuneration policy, and with particular regard to its highest and lowest paid employees. The Act had defined remuneration in broad terms and the guidance had suggested that it should also include items such as fees, allowances, benefits in kind and enhancement of pension entitlements. The Pay Policy Statement had to be agreed by the Council by 31 March each year and published on the Council's website.

The Cabinet felt that a further comment should be added regarding the car leasing scheme, as it was currently suspended pending a review and was likely to change in the future.

Decision:

(1) That the Pay Policy Statement be recommended to the Council for approval, subject to the addition of a comment that the car leasing scheme, currently suspended and under review, was likely to change in the future.

Reasons for Decision:

The Council was under a statutory obligation to have an agreed Pay Policy statement before 1 April 2012.

Other Options Considered and Rejected:

To not agree the Statement.

147. SMOKE FREE WORKPLACE AND PUBLIC PLACE POLICY

The Support Services Portfolio Holder presented a report on the Smoke Free Workplace and Public Place Policy

The Portfolio Holder explained that the Council's Smoke Free Workplace and Public Place Policy was introduced in 2007 to implement the provisions of the Health Act 2006. The Policy was due to be reviewed in 2008 but this had not actually taken

place until 2011. Management Board had discussed the Policy in November 2011 and had proposed that smoking should be banned from all unenclosed areas of the Civic Offices and that paid smoking breaks should no longer be permitted. These arrangements would be mirrored at other Council sites and Assistant Directors would select appropriate places for employees to smoke.

The Portfolio Holder added that the Joint Consultative Committee did not agree with Management Board and had recommended that the Policy should remain the same, with only a slight amendment to paragraph 3.4, and that the Policy be submitted to the Cabinet for discussion and resolution. Paragraph 3.4 of the Policy had been amended to allow employees the discretion to terminate an interview in a resident's home if their smoking was an issue for the Council's employee.

The Cabinet expressed concerns about making the entire Civic Office site smoke-free. It would be difficult to enforce with the public, and force the staff to leave the premises to smoke. This would not give a good impression of the Council if staff were smoking outside the front of the building, and it would be preferable for staff to be out of sight at the back of the building when smoking. The proposed policy might also discourage people who smoked from working for the Council. The Cabinet therefore agreed the recommendations from the Joint Consultative Committee, with the exception that any smoking breaks in future should no longer be permitted in work time, and the proposed amendment to paragraph 3.4 of the current Policy.

Decision:

- (1) That the current Smoke Free Workplace and Public Place Policy be retained;
- (2) That all external ashtrays be retained in place;
- (3) That advice and support on stopping smoking be made available via Human Resources;
- (4) That smoking breaks no longer be permitted in work time and staff who smoke should use their flexi-time to do so; and
- (5) That paragraph 3.4 of the current Policy be amended such that, when visiting residents or staff in their homes, council staff be given the discretion to terminate an interview if the interviewee's smoking was an issue.

Reasons for Decision:

The Joint Consultative Committee requested that the Policy should be submitted to the Cabinet for discussion and agreement.

Other Options Considered and Rejected:

To prohibit smoking at the Civic Offices in all unenclosed spaces, and for these measures to be replicated at other Council sites within the District.

148. EQUALITY ACT 2010 - EQUALITY SCHEME & OBJECTIVES 2012-15

The Portfolio Holder for Leisure & Wellbeing presented a report on the Council's Equality Scheme and Equality Objectives for the period 2012/13 to 2015/16.

The Portfolio Holder reported that the Equality Act 2010 came into force on 1 October 2010, and had replaced previous anti-discrimination legislation. The Equality Act

consisted of a 'general equality duty', and a new Public Sector Equality Duty (PSED), which required public authorities to, at all times, have due regard to the need to:

- (i) eliminate unlawful discrimination, harassment and victimisation;
- (ii) advance equality of opportunity between different groups; and
- (iii) foster good relations between different groups.

The Cabinet noted that having due regard meant consciously thinking about the aims of the general duty as part of its decision-making. Consideration of equality issues had to influence decisions made by the Council, in how it acted as an employer, how it developed, evaluated and reviewed policy and services, and how it commissioned and procured services. Having due regard of the need to advance equality of opportunity involved the removal or minimisation of disadvantage suffered due to protected characteristics, meeting the needs of those with protected characteristics, and encouraging those with protected characteristics to participate in public life or in other activities where their participation was low. Fostering good relations involved tackling prejudice and promoting understanding between those from different groups. To this end, the draft scheme listed five objectives for the Council to meet its equality duties and bring about positive change.

The Cabinet noted that the Overview and Scrutiny Committee had considered the Scheme at its meeting the previous week. The main comments had been that an addition should be made to the procurement section to the effect of the Council undertaking to make payments to small businesses within 20 days, and that Braille and sign language should be added as methods of communication with residents. The Portfolio Holder welcomed the comments of the Overview & Scrutiny Committee and stated that different formats were available to the Council for communicating with its residents; this would include a list of staff proficient in sign language.

The Cabinet were content to agree the scheme, with the addition of the comments from the Overview & Scrutiny Committee.

Decision:

- (1) That, subject to the addition of the amendments requested by the Overview & Scrutiny Committee, the Council's Equality Scheme and Equality Objectives for 2012/13 to 2015/16 be agreed.

Reasons for Decision:

The setting of specific equality objectives was intended to help public authorities to better perform their general equality duty, focusing on the outcomes to be achieved. Equality objectives also helped to focus attention on the priority equality issues within an organisation, in order to deliver improvement in policy making, service delivery and employment, including resource allocation.

Other Options Considered and Rejected:

None, as the Council was under a statutory requirement to publish appropriate equality objectives by 6 April 2012, and at least every four years thereafter.

149. ANY OTHER BUSINESS**Resolved:**

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

(a) Supplementary District Development Funding Request – Olympic Torch Relay.

150. SUPPLEMENTARY DISTRICT DEVELOPMENT FUNDING REQUEST - OLYMPIC TORCH RELAY

The Portfolio Holder for Leisure & Wellbeing presented a report requesting supplementary finance for the management and public safety of the Olympic Torch relay.

The Portfolio Holder reported that the Olympic Torch would be passing through the District on 7 July 2012 on its way from Harlow Town Centre to the White Water Centre in Broxbourne. Whilst every effort had been made to keep all expenditure associated with this procession within existing budgets, the safety of the Torch and those who would attend to watch it pass by was paramount, and it had become clear that this could not be achieved without seeking additional funding of £15,000. The money would predominantly be used to hire barriers for sensitive parts of the Torch route and to enable payments to those who would be marshalling crowds and providing associated support services. Approaches had been made to both Waltham Abbey Town Council and Waltham Abbey Town Centre Partnership seeking a contribution toward the costs.

The Cabinet was concerned that both the Town Council and Town Centre Partnership had not yet agreed to contribute to the extra costs, and wanted an assurance that the Council was not paying to protect the torch when it entered the borough of Broxbourne. It was suggested that £9,000 could be saved by reducing the events planned and removing the contingency allocation. The Acting Chief Executive emphasised that the planned events were to keep the anticipated visitors in Waltham Abbey after the torch had passed through, for the benefit of the local economy. The Cabinet were informed that further details on the community events which had been planned and progress on the requested contributions from the Town Council and Town Centre Partnership would be given at the next Council meeting if the supplementary estimate was agreed tonight.

Decision:

(1) That, to provide funding for the management and public safety of the Olympic Torch, a supplementary District Development Fund estimate in the sum of £15,000 for 2012/13 be recommended to the Council for approval.

Reasons for Decision:

The responsibility for the safe passage of the Torch along the route was with the host authorities, of which the Council was one. Whilst the key security of the Torch itself would be the responsibility of the Metropolitan Police, all other aspects of the Torch procession rested with the Council whilst it was within the District. It was essential that those who came to see the Torch remained safe and that would require a

significant degree of activity on the Torch route, including the provision of barriers. Without supplementary funding, it would not be possible to provide some of the key elements.

Other Options Considered and Rejected:

The only alternative was not to provide the funding and require that it be met entirely from within existing resources. Whilst this had been achieved in respect of parts of the plans for the Torch procession, it could not be achieved for all of the required expenditure. This could put the Torch procession at risk with associated reputational risks to the Council.

CHAIRMAN