



Overview and Scrutiny Committee Tuesday, 24th January, 2012

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

Time: 7.30 pm

Democratic Services Officer: Simon Hill, Senior Democratic Services Officer, The Office of the Chief Executive
email: democraticservices@eppingforestdc.gov.uk Tel: 01992 564249

Members:

Councillors R Bassett (Chairman), D Wixley (Vice-Chairman), Ms R Brookes, K Chana, D Jacobs, D C Johnson, Mrs S Jones, S Murray, Mrs M Sartin, D Stallan and G Waller

PLEASE NOTE THAT THIS MEETING IS OPEN TO ALL MEMBERS TO ATTEND

WEBCASTING NOTICE

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

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

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

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

1. WEBCASTING INTRODUCTION

1. This meeting is to be webcast. Members are reminded of the need to activate

their microphones before speaking.

2. The Chairman will read the following announcement:

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

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

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

2. APOLOGIES FOR ABSENCE

3. SUBSTITUTE MEMBERS

(Assistant to the Chief Executive). To report the appointment of any substitute members for the meeting.

4. MINUTES (Pages 7 - 28)

Decisions required:

To confirm the minutes of the meeting of the Committee held on 29 November 2012.

5. DECLARATIONS OF INTEREST

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

In considering whether to declare a personal or a prejudicial interest under the Code of Conduct, Overview & Scrutiny members are asked pay particular attention to paragraph 11 of the Code in addition to the more familiar requirements.

This requires the declaration of a personal and prejudicial interest in any matter before an OS Committee which relates to a decision of or action by another Committee or Sub Committee of the Council, a Joint Committee or Joint Sub Committee in which the Council is involved and of which the Councillor is also a member.

Paragraph 11 does not refer to Cabinet decisions or attendance at an OS meeting purely for the purpose of answering questions or providing information on such a matter.

6. PRESENTATION FROM THE LOCAL STRATEGIC PARTNERSHIP

To receive a presentation from the Local Strategic Partnership Manager, John Houston.

7. BUDGET REPORT 2012/13 (Pages 29 - 56)

(Director of Finance and ICT) to consider the Portfolio Holder Budgets report. The full draft budgets were considered in detail at the Finance and Performance Management

Cabinet Committee on 16 January 2012 and the reports that went there are attached to this agenda.

The results of this meeting will be reported to the Committee.

Committee members are recommended to add their own comments to the Council's Budget report before it goes on to Cabinet and Full Council.

8. DRAFT KEY OBJECTIVES 2012/13 (Pages 57 - 78)

(Acting Chief Executive) To consider the attached report.

9. SENIOR RECRUITMENT TASK AND FINISH SCRUTINY PANEL - FINAL REPORT

Final report to follow

10. PLANNING STANDING PANEL - REVISED TERMS OF REFERENCE AND WORK PROGRAMME (Pages 79 - 86)

(Director of Planning and Economic Development) At its meeting on 20 December 2011 the Planning Services Scrutiny Standing Panel had discussed and agreed new Terms of Reference and a new Work Programme for recommendation to this committee.

11. WORK PROGRAMME MONITORING (Pages 87 - 108)

(a) To consider the updated work programme

The current Overview and Scrutiny work programme is attached for information.

(b) Reserve Programme

A reserve list of scrutiny topics is required to ensure that the work flow of OSC is continuous.

OSC will 'pull out' items from the list and allocate them accordingly once space becomes available in the work plan following the completion of existing reviews.

Members can put forward any further suggestions for inclusion in the reserve list either during the meeting or at a later date.

Existing review items will be dealt with first, then time will be allocated to the items contained in the reserve work plan.

12. CABINET REVIEW

RECOMMENDATION:

To consider any items to be raised by the Chairman at the Cabinet meeting on 30 January 2012.

(Assistant to the Chief Executive). Under the Overview and Scrutiny rules the Committee is required to scrutinise proposed decisions of the Executive. The Chairman is also required to report on such discussions to the Cabinet.

The Committee is asked to consider the 30 January 2012 Cabinet agenda (previously circulated) to see whether there are any items that they wished to be raised at the Cabinet meeting.

13. EXCLUSION OF PUBLIC AND PRESS

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

Agenda Item No	Subject	Exempt Information Paragraph Number
Nil	Nil	Nil

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

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

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

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

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) have been relied on to a material extent in preparing the report and does not include published works or those which disclose exempt or confidential information (as defined in Rule 10) and in respect of executive reports, the advice of any political advisor.

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

This page is intentionally left blank

EPPING FOREST DISTRICT COUNCIL OVERVIEW AND SCRUTINY MINUTES

Committee:	Overview and Scrutiny Committee	Date:	Tuesday, 29 November 2011
Place:	Council Chamber, Civic Offices, High Street, Epping	Time:	7.30 - 10.14 pm
Members Present:	Councillors R Bassett (Chairman) D Wixley (Vice-Chairman) Ms R Brookes, K Chana, D Jacobs, D C Johnson, Mrs M Sartin, D Stallan and G Waller		
Other Councillors:	Councillors K Angold-Stephens, R Barrett, Mrs D Collins, Mrs R Gadsby, Mrs A Grigg, Ms J Hart, A Lion, Mrs M McEwen, G Mohindra, J Philip, B Rolfe, Mrs P Smith, C Whitbread, Mrs J H Whitehouse and J Wyatt		
Apologies:	Councillors Mrs S Jones and S Murray		
Officers Present:	D Macnab (Acting Chief Executive), I Willett (Assistant to the Chief Executive), J Gilbert (Director of Environment and Street Scene), D Butler (Young Persons Officer), R Pavey (Assistant Director (Revenues)), G Wallis (Community Development Officer), S G Hill (Senior Democratic Services Officer), L Eales (Youth Council Administrator), T Carne (Public Relations and Marketing Officer), A Hendry (Democratic Services Officer) and M Jenkins (Democratic Services Assistant)		
By Invitation:	A Armitage (Chigwell School), H Duherich (Debden Park High School), D Morecroft (Debden Park High School), J Patel (St John's School Church of England) and C Philip (Independent)		

47. WEBCASTING INTRODUCTION

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

48. SUBSTITUTE MEMBERS

There were no substitute Members for the meeting.

49. MINUTES

RESOLVED:

That the minutes of the last meeting of the Committee held on 18 October 2011 be agreed.

50. DECLARATIONS OF INTEREST

Councillor D Stallan declared a personal interest in agenda item 7 as he was a member of North Weald Parish Council.

51. PRESENTATION FROM THE YOUTH COUNCIL

The Chairman welcomed five Youth Councillors to the meeting and asked them to introduce themselves to the committee. They were Jenkin Patel, Daisy Morecroft, Haris Duherich, Annie Armitage and Trini Philip. Also present alongside the Youth Councillors were officers Mrs G Wallis, Community Development Officer and Ms D Butler, Young Persons Officer.

They gave the Committee an outline of the work they had undertaken over the last year. One of the key themes for them had been young peoples' safety, where they had undertaken projects to address the issues of safety and their fear of crime. Among the things that they had produced was a young person's guide to reporting crime, a very useful pocket size guide explaining the reporting system. They also produced a safety DVD for year 9 pupils to give them advice about staying safe from harm and worked with ex police officers and ex offenders from a training company to research this.

For the second year running they had organised a youth project of the year award. This was to support and promote local youth clubs and projects wherever possible. At the recent ceremony, 10 local projects were recognised, with the overall winner being "Ignite".

They had also attended or organised various community projects such as the Intergenerational Fun Day at Ninefields Hall in Waltham Abbey and the 'Play in the Forest' event, encouraging children to enjoy the open spaces of the local forest. The Youth Council had also acted as a consultative body, taking part in consultations for the LSP, the White Water Rafting Centre, Essex County Council and the City of London, to name but a few.

March 2012 will see a new Youth Council of 20 young people between the ages of 13 and 17 elected, 2 from each of the 8 secondary schools plus an additional 4 places for independent Youth Councillors, who live in the district but who may go to school or college outside the area.

Last year, the £12,000 funding received from the Council covered the cost of their training, the overall development of the Youth Council and also any event they organised and crucially, the transport costs for them to and from events.

They had also secured £9,425 of funding from external sources with at least another £700 still to come in this financial year. Additionally, they had been allocated £1350 from the Council's Safer Communities Partnership to support their work relating to safety and the reporting of crime by young people.

The Committee were impressed with the work done by them and noted that the Youth Council was better known among young people as they had spent money on publicity to raise their profile. They were pleased to see that they were asking for the same amount of money as last year. They also noted that the Youth Council had made great improvements over the last two years by going out and helping other people (and organisations) in the district. They also acted as ambassadors for the District at outside events.

RESOLVED:

That the bid for £12,000 DDF in the Council's draft budget for 2012-13 by the Youth Council be recommended to the Cabinet.

52. CALL-IN OF CABINET REPORT ON OLYMPIC GAMES "LOOK AND FEEL" AND TICKET ALLOCATION

The Committee considered the call-in of a decision by the Cabinet of a Leisure and Wellbeing Portfolio Holder report (C-032-2011/12) regarding a bid for £35,000 of the District Development Fund expenditure in 2012/13 for the funding of community Olympic "Look and Feel" schemes and a bid for £3,000 for Olympic and Paralympic tickets to be allocated as described in the report. The Call-in was concerned that no consideration was given by the Portfolio Holder to the fact that the "Look and Feel" material had to be returned at the end of the 2012 games; that no consideration was given by the Portfolio Holder to fund the bid from the savings within the DDF budget; that no other sources of funding had been sought for funding this decision; and that no consideration had been given by the Portfolio Holder for other ways of allocating tickets purchased.

The lead member of the call-in, Councillor Stallan was asked to open the discussion. He said he was not questioning the feel good factor of the Games, just how it was to be financed. It was not mentioned in the report that the "Look and Feel" material had to be returned at the end of the Games; had this been taken into account by the Portfolio Holder? We should demonstrate that the money would come from savings and not from our budget. £38,000 was a large sum to spend in these times, other authorities, such as Newham and Tower Hamlets, have sought and received sponsorship for this and not had to delve into their budgets; can the Portfolio Holder advise us if she had looked into other methods of funding? We have also raised concerns about the allocation of tickets and have proposed a lottery for young people. Councillor Stallan was, however, happy to go along with recommendations 4 (a) to (d) and 5 and 6 and wondered if the Portfolio Holder could advise if she would look at setting up a lottery?

The responsible Portfolio Holder, Councillor Gadsby was then asked to make her opening statement. She hoped that as the members that had called it in were mostly former portfolio holders who should know how much work had gone into a report like this. She added that at the time of the report she was unaware that the material had to be returned, however once used, it would have no further application. As for seeking additional funds, other sources of funds had been considered, although the DDF bid was the best option in the short time frame that we had. However, only Loughton Town Council could afford £1,000 for "Look and Feel" material so the amount we now need had reduced considerably and therefore would now be met from the existing budget. As for the allocation of the tickets, this was one of the hardest decisions to make. The allocation of tickets to King Harold School was questioned; it's a recovering local school coming out of special measures and we thought it needed some support and the children could be inspired by the Games. I accept that this was a judgement call. Tickets would cost less than £4,500 and this could be found within existing budgets. If councillors wanted to put in other ideas, then I would be happy to listen.

Councillor Sartin asked if the year on the recommendations was right. Should it be the Citizen for 2012/13 or should it be for 2011/12. Also, how many packs were to be purchased if only Loughton Town Council wanted to take up this offer? It was clarified that the Citizen of the Year was awarded at the Civic Awards in March 2012 and would serve until March 2013 and therefore the reference was correct. As for packs, there would only be one purchased for Loughton.

Councillor Johnson was disappointed only Loughton wanted to get involved. He wanted to know if many other secondary schools had enjoyed the White Water Centre. He was told that other schools had an opportunity through the Sporting

Ambassador's Programme. He replied that it was then reasonable to allocate them some tickets.

Councillor Whitbread said he understood why King Harold School had been chosen but noted that many other children did not have access to the centre and it was reasonable they should have a wider opportunity. Perhaps the opportunity should be widened out to the children of North Weald as the park and ride was going there and they would be just as affected. There needed to be a fair way forward. The Portfolio Holder should reconsider this. Other sources of funding should have been sought and he would like more information on what alternative sources had been sought out, in which case we could have all benefitted from better street scenes. He appreciated they were mainly all ex-portfolio holders so know the thought processes involved. But if other Councils could do it (alternative funding), so should we.

Councillor Johnson noted the fairness of the ticket allocation, and had totted up that there were about 32 tickets available to people nominated throughout the district, there could be other ways it could have been distributed and it would have been nice to have included other bodies in the mix. However, he was happy with the way they had been allocated.

Councillor Mohindra explained that a DDF bid had been put in originally because of the potential for quite a number of Town and Parish Councils to opt to have the "Look and Feel" material. However, due to the lack of take up by the Town and Parish Councils, only three to four thousand pounds would now be required, which could be covered by existing budgets.

The Chairman asked if the deadline had passed for any more bids by the Town and Parish Councils and was told that effectively it had. He then said that he presumed that Waltham Abbey had been allocated material by the Olympic body by virtue of its location; Councillor Gadsby replied that they had.

Councillor Stallan noted that he had found out that Islington had got outside funding from the television, the other councils had been quoted as getting outside funding he had found on the internet. As they had found other ways, he hoped we could find other means to fund this.

Councillor Smith commented that it was difficult to get the Town and Parish Councils on board as they wanted to put on their own type of festivities.

Councillor Whitbread said that this Council had a great record of getting external funding; it was a shame that we had not promoted this. He felt that we could have done a bit more to get outside funding.

Councillor Philip commented that it was clear that information had been available at the Cabinet meeting showing that consideration had been given to other methods of allocation. He was not at that meeting but had seen the webcast. The information was with the Cabinet before the meeting. He understood that people might not agree with the allocation of the tickets, but it was clearly thought through in advance of the report being produced and discussed at Cabinet.

The Director of Environment and Street Scene, Mr Gilbert, commented that the "Look and Feel" material was very strictly controlled by the Olympic authorities and that no sponsorship could be associated with the material as this would clash with their own sponsorship deals. He accepted that it was not made clear that the "Look and Feel" materials would have to be returned at the end of the games and he apologised for the report not being clearer in this respect. However as it was so tightly controlled by

the Olympic agency, and so closely associated with the Olympic brand, there was nothing that could be done with it after the games.

The lead member responsible for the Call-in and the Portfolio Holder were asked to sum the debate.

Councillor Stellan said he was grateful for Mr Gilbert's clarification. He asked that the Portfolio Holder look at the decision again and also clarify the year of the Citizen of the year, is it 12/13 or 11/12. If this call-in was not supported then he would still ask that the Portfolio Holder re-look at the allocation of tickets, maybe by a lottery.

Councillor Gadsby said she understood that however the tickets were allocated someone would always lose out. She therefore wished to adhere to the Cabinet's original decision.

RESOLVED:

That the Overview and Scrutiny Committee confirmed the original decision of the Cabinet on report C-032-2011/12 regarding Olympic Games "Look and Feel" and Ticket Allocation.

53. GOVERNMENT CONSULTATION ON TECHNICAL REFORMS OF COUNCIL TAX

The Assistant Head of Finance, Rob Pavey, introduced the report on the Department for Communities and Local Government consultation on the technical reforms of Council tax.

The Government proposed that reforms to the council tax system from 2013-14 would:

- Give billing authorities power to levy up to full council tax on second homes;
- Replace existing Class A and C exemptions for vacant homes with discounts of up to 100%, the amount of which it would be for billing authorities to determine;
- Abolish the Class L exemption, and make mortgagees in possession of empty dwellings liable to council tax in respect of them;
- Allow billing authorities to levy an 'empty homes premium' over and above full council tax liability in respect of dwellings which have been left empty for two years or more;
- Set a default assumption that payment of council tax be by instalments over 12 months rather than 10 as is currently the case;
- Allowing authorities to publish online the 'information to be supplied with demand notices'; and
- Changes to eliminate potential tax complications from arrangements involving third party suppliers where solar panels are placed on the roof of dwellings without coming into the control of the resident.

Officers wanted to keep the system without the complications of having up to 100% discounts with various exemptions. They would also like to keep to the present instalment payments of a 10 month period rather than the proposed 12 month period; this also helps the people who pay by Direct Debit and have the incentive that is currently offered for payment by Direct Debit.

The Chairman asked where the Buy to Let fitted in and was told that that if it was furnished it was classed as a second home.

RESOLVED:

- (1) That the report on the proposed changes to the Council tax was noted; and
- (2) That the proposed responses to the Consultation as set out in the Appendix to the report be agreed.

54. KEY OBJECTIVES 2011/12 - PROGRESS REPORT

The Chairman noted that this report had already been to the Finance and Performance Management Scrutiny Standing Panel and the Cabinet Committee.

It was noted that in its current format the report used a lot of paper and would be made more concise. The Acting Chief Executive advised the meeting that it would be altered for the Cabinet meeting.

The Committee went through the key objectives, making the following comments:

CO-1a (i) – Councillor Angold-Stephens asked if the date of completion for the new depot at Oakwood Hill was still on track. The Director of Environment and Street Scene replied that a report had only just been received and the timetable had slipped.

CO-1a(iv) - Asked if the depot would be moving to North Weald Airfield the Finance Portfolio Holder said that this was just one of the locations looked at, but no specified site had been identified as yet.

CO 1a(v) – Councillor Stallan said that the Leader had agreed for an update at the next Council meeting on the application for a new depot at North Weald as local residents were concerned. Councillor Philip replied that he would be happy to give an update at full Council.

CO 1a(vii) – Councillor Sartin asked if there was anything more to add about the relocation of the Council's Services from Langston Road; she was told it was still subject to negotiations.

CO 1c – Councillor Whitbread asked when the planning application for the Langston Road site would be put in. He was told by Councillor Mohindra that they had recently had a meeting with Highways but no formal agreement had been made as yet. He was hopeful for a date early in the new year.

CO 1f – Councillor Janet Whitehouse asked for an update on the development brief for the St John's Road area of Epping. She was told that officers were consulting with Highways as they needed them to confirm base data. They had difficulties with the company used, causing delays. It was agreed that it was frustrating that this had gone on for some years and that it should be ended as soon as possible.

CO 2f – Councillor Brookes was concerned that 'health inequalities' were not considered as a high priority and that it did not get left aside. The Acting Chief Executive noted that there was an item in the work programme to consider the new Health and Wellbeing Board arrangements where this could be picked up.

CO 4h – Councillor Sartin asked for an update on the Limes Farm Hall redevelopment. The Acting Chief Executive replied that they were as yet to get a handover from the contractors, but he was confident that it would be open early the

New Year. Planning had started taking potential groups around to look at the building.

RESOLVED:

The Committee noted and commented on the progress of the Council's Key Objectives for 2011/12, for the first six months of the year.

55. OVERVIEW AND SCRUTINY - SIX MONTHLY REVIEW

Mr Hill, the Senior Democratic Services Officer took the Committee through the scrutiny work programme.

(a) Overview and Scrutiny Committee

The Committee noted that there were no reserve items for the O&S Committee, although there was a lot of items to get through their remaining three meetings. He noted that the committee did not want two presentations at any one meeting and that the LSP had been lined up for their next meeting in January 2012.

After consideration of their work programme the Committee decided that they should receive a presentation from the PCT/West Essex Health Service (item 15 of the Work Programme) and from Essex County Council in respect of Children Services (item 18) to be arranged for their meetings to be held in March and April 2012.

It was also agreed that the item relating to emergency services and the Olympics possibly be included in the Safer Cleaner Greener Scrutiny Panel work programme, if possible, but the Committee understood that some of the information could be sensitive.

(b) Housing Scrutiny Standing Panel

The Committee noted that the Housing Panel had recently had a joint meeting with the Finance and Performance Management Standing Panel to discuss the new HRA 30 year Financial Plan arrangements.

(c) Constitution and Member Services Scrutiny Standing Panel

It was noted that an extra meeting would be held on 23 January 2012 to enable them to catch up on uncompleted work accrued over the year.

The Committee also noted and agreed a new item to add to their work programme - to look at the issuing of agendas to members and how savings could be made.

They were confident of completing their work programme within their final two meetings.

(d) Safer Cleaner Greener Scrutiny Standing Panel

The Committee noted that they had added two new items to their work programme; one was to receive reports updating them on the wider implications of the Environment Agency's strategy on flood management in the Roding Catchment area; and the other was to scrutinise the new SITA contract.

(e) Planning Services Scrutiny Standing Panel

The Committee noted that their new draft terms of reference was still being considered and a report was in preparation to go to a future meeting.

(f) Finance and Performance Management Scrutiny Standing Panel

The Committee noted that they had recently looked at KPIs, the second quarter financial monitoring report, the medium term financial strategy and the improvement in the council's sickness performance.

(g) Senior Recruitment Task and Finish Panel

Noted that the draft terms of reference were on this agenda for the Committee to agree.

RESOLVED:

That in accordance with rule 9.3 of the Overview and Scrutiny Rules the Committee reviewed and commented upon their Work Programme for the last six months.

56. AUDIT AND GOVERNANCE COMMITTEE - APPOINTMENT OF PORTFOLIO HOLDER ASSISTANT

Councillor Stallan the Chairman of the Constitution and Member Services Scrutiny Standing Panel introduced their report on whether a Portfolio Holder Assistant could be a member of the Audit and Governance Committee. It was noted that although there was currently no legal rule which excluded portfolio holder assistants there was a preference to avoid conflicts of interest which might arise unless those conflicts were very carefully managed. It was also thought that there was a need for clear advice on conflicts of interest so that portfolio holder assistants knew exactly how to respond to matters they had been involved in. It was accepted that the talents of individual members should be used and reducing the pool of Councillors available by excluding portfolio holder assistants, could prove counter-productive.

The Committee accepted that, on a trial basis of one year, its membership could include Portfolio Holder Assistants with the exception of any Assistants associated with a portfolio dealing with the Council's finances. This was taken to expressly mean the assistants to the Finance Portfolio Holder. Other portfolio assistants, although their duties may impinge on some financial matters they were not considered to be exclusively involved in the financial side of things.

An amendment was also made under recommendation 1d, under paragraph 11.6(a) that the word 'primarily' be inserted after the word 'dealing' so that it read "...any portfolio dealing primarily with the Council's finances...".

RESOLVED:

- (1) That a report be submitted to the Council recommending as follows:
 - (a) that Portfolio Assistants, except those involved with a Portfolio dealing primarily with the Council's finances, be eligible for appointment to the Audit and Governance Committee, subject to careful consideration by the Councillor

concerned of the need to declare a prejudicial interest in any matter relating to the relevant Portfolio which comes before that Committee;

(b) that the proposal set out in (a) above be reviewed after one year or if there is a change either in the roles of Portfolio Holder Assistants of the Audit and Governance Committee;

(c) that the designation "Deputy Portfolio Holder" be changed to "Portfolio Holder Assistant"; and

(d) that paragraph 11.6(a) (Councillor Members) of Article 11 of the Constitution (Audit and Governance Committee) be amended to read as follows (changes in bold text underlined):

"11.6(a) (Councillor Members)

Councillors appointed to the Audit and Governance Committee may not also be members of the Cabinet, any Cabinet Committee or any Panel appointed by the Overview and Scrutiny Committee with responsibility for reviewing the Council's finances or financial procedures.

A Portfolio Holder Assistant (other than any assistant involved in any portfolio dealing primarily with the Council's finances) appointed by the Leader of the Council shall be eligible for appointment to the Committee"

(e) that the Standards Committee be asked to issue advice to Portfolio Holder Assistants on how such conflicts of interest should be dealt with and to consult with the Audit and Governance Committee before it is issued;

(2) That the proposed review by the Audit and Governance Committee of its own constitution including the following specific matters be noted:

(a) terms of appointment for independent members;

(b) method of appointing Councillor members of the Committee (including pro rata rules and appointment by Council rather than political groups);

(c) whether the Committee should be increased in size;

(d) whether there should be a majority of independent members; and

(e) whether there should be separate Audit and Governance Committees; and

(3) That any review of the Constitution which results from (2) above be added to the work programme for this Panel; and

(4) That the Audit and Governance Committee be advised of this Panel's view that the number of its members should be increased.

57. REPORTING BY SCRUTINY PANEL CHAIRMEN AT COUNCIL MEETINGS

Councillor Stellan the Chairman of the Constitution and Member Services Scrutiny Standing Panel introduced their report on the presentation of Overview and Scrutiny reports to Council meetings. Standing and Task and Finish Panels have the status of sub-committees' of the main Overview and Scrutiny Committee. As such, Panels would not normally report to the Council unless specifically authorised to do so by the Committee.

Bearing in mind the work undertaken by Panels, it was argued that it should be the Panel Chairmen, rather than the Chairman of the Overview and Scrutiny Committee, who should present reports as they have detailed knowledge of the matter concerned. Such reports when submitted to the Council might involve changes to Council policies and practices where detailed knowledge by the Panel Chairman was desirable in order to answer questions at Council meetings. However, it was considered important that the role and status of the Chairman of the Overview and Scrutiny Committee was not undermined to such an extent that the position was seen to be less significant than the Panel Chairman and the Cabinet. This was balanced against what was seen as a desirable change whereby Panels would submit reports to, for example, Council meetings.

It was considered that Panel reports should still be considered by the Overview and Scrutiny Committee unless there was a need to deal with a Panel report more quickly. In such cases it was recommended that there should be a prior consultation with the Chairman of the Overview and Scrutiny Committee so as to agree the degree of urgency.

An amendment was proposed and agreed to recommendation 1(a) to add the words "and other Council bodies" after the words 'presenting reports at Council...'

RESOLVED:

That a report be submitted to the Council recommending as follows:

(a) That the principle of Scrutiny Panel Chairmen presenting reports at Council and other Council bodies meetings be approved;

(b) That Overview and Scrutiny Procedure Rules 12(3)(h) (Standing Scrutiny Panels) and 13(3)(h) (Task and Finish Scrutiny panels) be amended to read as follows:

"be able, after consideration by the Overview and Scrutiny Committee, to report to the Council, the Cabinet, a Cabinet Committee, a Portfolio Holder or any other Council body";

(c) That Overview and Scrutiny Procedure Rules 12(4) and 13(3) be further amended by the addition of the following sub paragraphs:

"(i) in the circumstances set out in (h), the report shall be submitted in the name of the Panel and presented by its Chairman, unless the work of more than one Scrutiny Panel is involved, in which case any report to another Council body will be in the name of the Overview & Scrutiny and presented by its Chairman

(j) in the event that the submission of a Panel report to another Council body is required such that it cannot be considered by the Overview & Scrutiny Committee in accordance with paragraph (h) above, the Panel report may proceed for consideration subject to prior consultation with the Chairman of that Committee as to the reasons for urgency;

(d) That, at Council meetings, the written report of the Chairman of the Overview and Scrutiny Committee be dealt with prior to the reports by the Committee or any of its Panels and grouped under a single item relating to Overview and Scrutiny business; and

(e) That the Assistant to the Chief Executive be authorised to make any other consequential amendments to the Constitution arising from the above changes.

58. REVIEW OF MEMBERS DISPATCH ARRANGEMENTS

Councillor Stellan the Chairman of the Constitution and Member Services Scrutiny Standing Panel introduced their report on changes to the members dispatch arrangements.

It was noted that the legal requirements shape the despatch arrangements. Two statutory timetables apply to all formal meetings of the Council:

(a) five clear days' notice of meetings must be given to the public; and

(b) despatch of agenda papers to Councillors and availability to the public must be at least five clear days before a meeting.

On (b), despatch of "hard copy" agenda takes place on Tuesdays and Fridays and would provide five clear days notice for meetings held in the early part of week 2 after despatch (Tuesday) and the latter part of that week (Friday). This also reduces the number of ad hoc postings. The Panel were advised that this term, or more particularly "clear" is not defined in the legislation. Various legal cases have however resulted in a definition that "clear days" must exclude:

- (a) the date of despatch;
- (b) the date of the meeting;
- (c) weekends; and
- (d) Bank or Public Holidays.

For Councillors, the Act said that copies can either be posted to them or left at the address they specify (usually their home address). For the purposes of the Act either was sufficient service. However, the Act implies delivery of a paper agenda and there is thus a risk of challenge if Councils rely solely on electronic delivery.

For many years despatch of all agenda was by post. In the late 1990's, the cost of postage was such that the use of messenger deliveries came under consideration. The Council transferred to this arrangement when the LGA 2000 extended the notice period for "3 days" to "5 clear days". Use of messengers significantly improved the reliability and security of delivery within the timescale and was cheaper. This system had continued to the present day.

Since the current messenger delivery arrangements were introduced, postal charges had changed. This triggered a review of messenger arrangements in the Corporate

Support Services Directorate. This review established that traditionally the Tuesday despatch was lighter and it was now cheaper to post than using a messenger. The Friday despatch was usually the heavier and is more economical if messenger delivery was retained.

This review coincided with the retirement of one messenger employed part time on members' despatch and the Panel considered whether a change to a postal despatch on Tuesday would be viable. This would enable a DDF saving to be achieved in next year's budget in a sum of £3,000. They were happy to support this change as they had been reassured that the members' despatch would not be adversely affected and would reduce costs.

The Committee noted an amendment to recommendation 2, that the Portfolio Holder should be called the Portfolio Holder for Support Services and not Corporate Support Services.

RESOLVED:

- (1) That the changes being made by the Director of Corporate Support Services in respect of member postal despatches be supported, namely:
 - (a) postal despatch – Tuesday each week;
 - (b) messenger delivery – Friday each week;
- (2) That the Portfolio Holder for Support Services be advised of these changes which should achieve a DDF saving of £3,000 per annum in 2012/13 so that this figure could be incorporated in the draft budget;
- (3) That the Portfolio Holder be encouraged to undertake a wider review of messenger/administrative and related services with a view to making further economies in future years;
- (4) That the question of making use of new technology for members' agenda and meeting arrangements be included in the Work Programme for this Panel in 2012/13; and
- (5) That, pursuant to (4) above, legal advice be obtained on the current provisions of the Local Government Act 1972 in regard to paper copies of agenda and whether electronic despatch arrangements compromised the Council's responsibilities in this regard.

59. SENIOR RECRUITMENT TASK AND FINISH PANEL - TERMS OF REFERENCE

RESOLVED:

The Committee noted and agreed the terms of reference for the Senior Recruitment Task and Finish Panel.

60. UPCOMING PRESENTATION FROM THE LOCAL STRATEGIC PARTNERSHIP

The Committee considered the upcoming visit from the Local Strategic Partnership Manager to their January 2012 meeting. They wished to consider the impact of the

proposed Locality Boards and to receive any progress reports from the LSP before their next meeting.

61. PROPOSED MERGER OF BARTS AND THE LONDON, WHIPPS CROSS AND NEWHAM NHS TRUSTS

Councillor Wixley spoke to his written report on the recent meeting he attended entitled "Corporate Workstreams Session" and "Clinical Academic Groups". He noted that the main catchment area for patients was from Waltham Forest, Newham, Tower Hamlets, City of London and parts of Redbridge and Hackney. In the Epping Forest area he was advised that roughly speaking the catchment area extends to Nazeing in one direction and Epping in the other. Beyond those places patients are likely to be referred to Princess Alexandra at Harlow or Addenbrookes at Cambridge.

It was noted that the driving force behind the merger was a need by the combined trusts to save £237 million over the next five years. The merger would help them to do that and also achieve Foundation Trust status (Government requirement for all Trusts). The merger would also provide benefits for patients and staff as closer working would provide opportunities for "best practice" to be established, including improved patient record handling and improved Staff training.

They would be willing to arrange a presentation at a future O & S meeting or to a group of interested councillors. In view of our busy work programme and the fact that the merger was likely to go ahead, Councillor Wixley suggested that a presentation after the Foundation Trust has been running for a year would be useful and they would be pleased to arrange that.

The Committee also noted a paper: "Merger project: Summary Event Report" had been tabled (attached for information).

RESOLVED:

- (1) That the report on the latest meeting on the proposed merger of the three NHS trusts be noted; and
- (2) That a presentation after the Foundation Trust has been running for a year be arranged.

62. OVERVIEW AND SCRUTINY - JOINT TRAINING INITIATIVE WITH HARLOW DISTRICT COUNCIL

The Committee noted the proposed joint training arranged between EFDC and Harlow District Councils for members of their Overview and Scrutiny Panels. The training days had been arranged for 15 and 29 March 2011, both starting at 6.30pm. The first session will be held at Epping, and the second at Harlow's Civic Centre. Officers have secured a trainer from the Centre for Public Scrutiny, a Mr Tim Young. The themes of the training sessions would be the role of O&S and current issues, evidence gathering and questioning skills. Costs have been jointly met.

It was hoped that as many members as possible would attend. This event will also give them the opportunity of networking with members from our immediate neighbour.

63. CABINET REVIEW

The Committee reviewed the Cabinets agenda for their 5 December meeting but there were no specific items that the Committee wanted to be brought to their attention.

CHAIRMAN

Merger project: summary event report

Stakeholder event: Finance

20 October 2011, 12.30pm – 3pm, West Ham United Football Club

1. Overview

Following the publication of the Outline Business Case (OBC) for the proposed merger of Barts and The London NHS Trust, Newham University Hospital NHS Trust and Whipps Cross University Hospital NHS Trust, the programme began to seek views from local stakeholders on the proposal to merge but also to inform integration planning for the new organisation.

Detail integration plans are required for the next stage in the merger journey; to publish a Full Business Case (FBC) from which a decision to merge will be taken by the three trust Boards, NHS London, the Department of Health and ultimately the Secretary of State for Health.

A public event – *working in partnership across east London* – was held on the 15 September 2011 and provided a valuable opportunity for the three trusts to engage with local stakeholders and the community on the proposed merger. A full report from this event can be provided upon request.

Feedback from this event (and other meetings) led us to establish a specific stakeholder event on the financial challenges facing our existing three trusts and how the merger seeks to improve the financial stability of the health economy. The aim of this event was to help local people understand the current situation of the three trusts, the financial projections and benefits of the merger and provide an opportunity to debate and raise questions directly to the finance workstream and Directors of Finance from each of the three trusts.

Local councillors, local authority staff, MPs, GPs, patients and the public from across the local boroughs and representatives from Local Involvement Networks (LINKs) and local community groups were all invited to attend. A list of speakers and attendees is provided at Appendix 1.

2. The format of the event

Welcome and overview:

Stephen O'Brien, Chair, Barts and The London, and Integration Chair for the merger project, welcomed all delegates and provided the context for the event, background to the merger and the steps taken to date.

National and local perspective:

As the assembled delegates had differing levels of awareness around the national and local NHS financial context, Peter Shanahan, Chief Financial Officer for the merger project, provided a detailed overview of the financial situation, including how the NHS commissions services and manages its money. He also provided an outline on the process which will see all acute trusts become a Foundation Trust (FT) by 2014, as proposed in the Health Bill currently progressing through parliament, and the challenge this presents to the three legacy trusts.

The Trusts:

Presentations were then heard from each of the Finance Directors, who were subsequently praised for articulating the complex information in an easy to understand manner.

Andy Morris, Finance Director, Whipps Cross University Hospital NHS Trust, began by outlining the history behind the current Whipps Hospital deficit and how challenging this has been to repay, whilst continuing to invest in the estate and ensuring there was no impact on patient care or services.

David Gilbert, Finance Director, Newham University Hospital NHS Trust, followed by explaining how the current Private Finance Initiative (PFI) contract operates for Newham Hospital. David also outlined the investment which has been made in new facilities in recent years and the need to now focus on operating these services to optimal efficiency.

Sarah Mussenden, Finance Director, Barts and The London NHS Trust, completed the overview of our legacy trusts and explained that the challenge is not historical for Barts and The London, but rather the immediate future. The new Royal London hospital is opening in December 2011 and with this brings increased payments as part of the PFI contract. Sarah likened this to moving into a new home and with this comes mortgage repayments. Next year Barts and The London will have the first full year of operating from its new premises and therefore the financial picture becomes more constrained, but manageable. Sarah also outlined that Barts and The London is not as efficient as it could be so gains in this area will directly contribute to the bottom line.

Each of the finance directors reiterated their view that the merger provides the local health economy with a great opportunity to ensure financial stability of local health services; to see the historical deficits at Whipps Cross and Newham repaid and to see shared ownership of the future challenges which see the NHS collectively needing to save £20 billion over five years in cost improvement plans (CIPs), essentially due to the economic situation and the inflationary environment.

The Financial Model:

Following a short refreshment break, Peter Shanahan supported the above presentations by the Finance Directors, summarising that in addition to the clinical, safety and patient experience benefits, a merger will help all three trusts meet the requirements they need to become a FT and address their challenges, particularly around the national CIPs.

Peter outlined how the gap in the current merger financial model, as outlined in the OBC, will be closed through the following:

- Funding by the Challenged Trust Board, which is only available to Whipps Cross and Newham if they change their current organisational form;
- Government support for trusts with PFIs to reach foundation trust status (a national review is currently underway);
- Merger synergies, including the £26m which has been identified in corporate savings;
- Economies of scale e.g. purchasing;
- £31.5m – £116m could be found if the services in each of the trusts were as efficient as the best to be found in the three and further savings can be made in the future as standards are raised further to those who are the best nationally;
- Consolidation and improved productivity in clinical back office services e.g. diagnostic and clinical support;
- Better utilisation of assets/services e.g. Newham's Gateway Surgical Centre and diagnostics.

In summary, the financial story is considerably better as one organisation as the new trust would have the more flexibility to meet its monetary commitments but also the cost improvement programmes are smoothed (although not reduced) which means that the pressure on efficiencies in any given year are more balanced. The financial model will lead to future

proofing for the hospitals and services, allow continued investment in our facilities and keep services local.

Question and answer session:

A detailed question and answer session followed both the Trust presentations and the presentation on the Financial Model. All questions raised can be found in the next section of this report.

Questions were answered as appropriate by the presenters listed, and were supported by Stuart Saw, Director of Finance, NHS East London and The City and Terry Huff, Director of Finance, NHS Outer north east London. Dr Mike Gill, Medical Director of Newham University Hospital NHS Trust and Dr Shelia Adam, Clinical Integration Lead for the merger also provided support to any clinical related questions.

The presentations are all provided at **Appendix 2**.

3. Q&A session

Q: What is the Challenged Trust Board?

Formed in 2009, the Challenged Trust Board (CTB) was established by the NHS in London to oversee the implementation of the medium term financial strategy across the capital. Each of the primary care trusts (PCTs) in London agreed to top slice their annual allocation from the Department of Health to establish a fund, which would be administered by the CTB, to pay off historical debts held by London trusts. However this could only occur after the trust demonstrated that they had viable and robust plans in place to ensure future difficulties did not arise.

Therefore the CTB acts with the best interests of the commissioners and the local community, and includes representation from PCT Chief Executives, Non-Executive Directors and NHS London.

The CTB has previously advised that the historical deficits at Whipps Cross and Newham will be paid from this fund when they change their organisational form and the CTB is supportive of the proposed merger.

Q: How will Whipps Cross meet its targets this year – we hear they are asked staff to give up their holidays?

Whipps Cross has forecast a £6million deficit at the end of this year and has a very high percentage savings target (over 12%) for the 2011-12 year – 28m in one year is a big ask. We know we will not meet this target without additional support and we are working very closely with our commissioners and colleagues to ensure we can close the financial gap as much as possible. The Trust has an extensive list of efficiency plans, and we have also implemented a set of extraordinary measures, including asking staff to consider voluntarily giving up a day's leave and asking doctors to work an additional clinical session within their planned management hours.

Q: Tell us a bit more about the Barts and The London NHS Trust PFI deal? Are you taking steps to reduce the PFI annual costs like Newham have?

It is difficult to compare PFI contracts as they are negotiated at different times under different economic circumstances, but on reviewing the Barts and The London deal it is favourable. The contract itself was actually well negotiated and the deal, which is bond funded, is a good one. It is important to know that the £142m ongoing payment to Capital Hospitals (the private partner

who runs the new building) is not just for capital and interest repayments, but at least half of this cost pays for day to day management services such as catering, sterilisation and building maintenance, all of which would have been costs to the organisation regardless of the PFI deal.

The PFI contractors do recognise the economical realities we all face at present and given that we will be working in partnership for 42 years are willing to work with us to reduce costs where possible. For example, out of our 42m saving target this year, we have collaboratively saved 3m and see these saving opportunities continuing next year. We will also not start paying for the costs (or 'mortgage') of the PFI, until we move into the new building at the end of 2011, and will only pay our full annual costs once our services are fully integrated in the new building in 2012.

Q. Thank you for honestly acknowledging the Barts and The London PFI. However, there is a drive to move more services out of hospital and into the community - how will the new trust achieve this?

We have based our financial model on commissioner intentions and these obviously include moving more care into the community. If you look at the detail of our financial plan you will note that we are planning to see a reduction in our income with a starting point of £1.1bn to £900m in future years. The merger is supported by our commissioning clusters and we will continue to work together to ensure that we make the same assumptions about the services which need to be provided and to deliver the right care, at the right place to meet local need.

Q: Can we learn any lessons from PFIs at other NHS Trusts?

Not all PFI schemes are the same and it isn't possible to make direct comparisons. The earlier ones were less favourably financed as the 'concept' was still in its early days. It is also important to remember that both the Barts and The London and Newham PFI schemes include soft services (building management) provision, and again, not all schemes do.

Q: Has an audit been carried out of the facilities at all the hospitals? Each of the hospitals is investing in new facilities at the moment could this lead to an overprovision within the new trust?

We have commissioned external providers to undertake a process called Due and Careful Enquiry which looks at the financial elements of the existing three trusts and a similar piece of work has been commissioned externally to look at each of the hospitals clinical services.

Whipps Cross has a new emergency department due to open in early 2012, Newham has an extension to its maternity unit occurring at the same time and is starting work on a new emergency department. This is in addition to the new estate at Barts and The London.

All this new investment is driven by local demand, our growing population and rising birth rate and supports the Health for north east London proposals which were led by our commissioning colleagues. We also need to work together to change clinical pathways and the use of urgent care services and accident and emergency. By working together and sharing expertise, we can ensure that we provide consistently high levels of care to all patients and make the best use of resources, including our buildings, on-site facilities and staff.

The real prize from the merger has to be the reduction in organisational barriers and enhanced partnership working between hospitals, commissioners, local authorities and the public. We all have a responsibility for the health of our community.

Q: How does becoming an FT benefit the local community?

In order to become an FT you need to meet high financial and service level standards as assessed by the external regulator of foundation trusts, Monitor. FTs also have more freedom in how they manage their finances and their ability to borrow funds to invest in local health services is enhanced. Trusts of this nature are also more accountable to the local community as residents, patients, relatives, carers and NHS staff can join as members of the trust. Members also elect a Board of Governors (around 30 people) who represents staff, local residents, patients and other stakeholders such as the relevant local authority to ensure transparency and local involvement in decision making.

Q: There is a huge challenge to commissioners funding. Do these cutbacks impact the merger?

We have worked closely with the commissioners to develop our Full Business Case (FBC) which is affordably based upon all the challenges ahead. Our commissioners have to sign off our income predictions, and we will continue to work together to ensure that our plans are viable for the local population and challenges ahead.

Q: How will you make up the 80m shortfall you mentioned earlier?

We are still working up the final detail which will be included in the FBC, but the reality is that this cash shortfall exists and collectively we would have to fund this through savings at each of our hospitals through the cost improvement plans. By becoming a single merged organisation we believe we are in a better position to deal with these challenges and provide a sustainable and accessible health service for our communities.

Q: How will you protect local health services should the merger fail?

We all want to have sustainable and viable services in north east London but no one can predict the future. We believe that the merger will strengthen our frontline services, increase our efficiency and enhance patient experience. We will collaboratively work together to help make our local health economy as resilient as we possibly can.

There is a greater risk to local services if the merger does not go ahead as both Whipps Cross and Newham have explored their futures over the last few years and this three way merger is the only option available that will not take away local services from local people. The alternative is to enter the Department of Health failure regime and although the detail of what this means is unclear, we do expect that it will see decisions being taken by individuals and groups unfamiliar with north east London.

Q: What happens to Whipps Cross and Newham if the merger fails?

After reviewing the criteria to become a FT both Whipps Cross and Newham declared that they will not be able to achieve this status as standalone organisations. If the merger was not to go ahead, they will enter into the failure regime, and their future will be decided by the Secretary of State for Health or they may even risk being taken over by another organisation. We believe the merger is the best way to ensure a resilient future, collaboratively drive up our quality for local patients and keep control of our own future.

Should the merger not progress we believe this presents a greater risk to local services in that it is likely that we would see a decline in quality as staff look to further their career development elsewhere due to the level of uncertainty and the financial difficulties continue.

There is also a limit to what we can do within the current organisational arrangements and there is a clear need to change, to create one culture, one ethos and one leadership team.

Q: What is in this merger for Barts and The London NHS Trust? Will BLT have to take on the burden of debt at Whipps Cross and Newham?

Although Barts and The London could theoretically achieve FT status as a single organisation, it would not be an easy journey. The merger supports all three trusts to achieve FT status, and reduces the challenge that the trust's face individually. We should also remember that the merger is also driven by a clinical case and we look forward to working with our colleagues at Newham and Whipps cross to achieve the fantastic benefits the merger will offer our patients and staff – some of which are outlined in our prospectus which is available on request.

Non-financial questions raised by delegates outside of the plenary sessions included:

Q: Would the merger mean local maternity units/A&Es would close?

The merger would actually strengthen the resilience of these services. A new A&E is currently under construction at Whipps Cross and funding has just been secured to redevelop the A&E site at Newham. The extension to Newham's maternity unit is due to open in Jan 2012. Most of the new hospital at The Royal London will open in 2012. Merger would mean we could strengthen these services by ensuring we have senior consultant cover across all sites 24/7 and by working together we could provide more comprehensive, coordinated care.

Q: Isn't a merger risky?

A merger is the three trust's best solution to the current commissioners' intentions, future demands on healthcare and the proposal for all hospitals to become FTs by 2014. The status quo is far more risky. The trusts believe that this merger will work and risk will be minimised because:

- the work is being led by clinicians to deliver better health and healthcare
- we are clear about the benefits and we aim to communicate them.
- there are advantages to all three trusts and their local communities.
- we are committed to working with patients, LINKs, the local authority and the wider community to create an organisation that has partnership at its heart.
- we recognise that staff are our greatest asset.
- recognising the cultural differences between the three trusts is important and will drive our organisational development strategy.

Q: What would be the impact of the merger on the Homerton and why isn't it in the merger?

The proposals wouldn't jeopardise current partnership working and we aim to strengthen the links we already have – sharing best practice and developing services that complement one another.

In October 2010 it was made clear that a proposal to merge Newham, Whipps Cross and Homerton would not be acceptable to the Homerton Board. A subsequent proposal by Homerton of a staged acquisition of the other two hospitals was considered by the Whipps Cross and Newham boards. Their decision was that a merger with Barts and The London had greater clinical support and had the potential for better clinical and financial benefits.

Q: Is this a way of funding Barts and The London's new hospital?

No. A merger puts all three trusts in a financially stronger position. In fact Barts and the London is in the strongest position to meet the financial requirements of becoming a FT.

Q: Won't the new Trust be too big?

A large organisation brings benefits:

- greater economies of scale and greater buying power
- more opportunities for staff – so we can retain the best
- better sharing of knowledge and information
- removing organisational boundaries to enable networking of services so that patients can receive more care closer to their home.

However we recognise there are challenges too:

- we are developing a new management structure that will ensure each site maintains focus on its key priorities, whilst taking advantage of the opportunities afforded by working in a larger organisation.
- we will work with staff to ensure the three trusts come together as one and see the new Trust as a single entity.

The new organisation is proposed to have eight Clinical Academic Groups (CAGs). Each CAG would have a multi-disciplinary leadership model with a clear governance framework to support their responsibilities and dedicated clinical, research, educational, operational and financial leadership.

4. Feedback received about the event

- *"The event was well explained in simple language"*
- *"First honest public acknowledgement of finance problem"*
- *"It was absolutely fantastic"*
- *"Very useful event"*
- *"I appreciate the more open approach to the financial situation of the existing trusts"*
- *"It was an excellent meeting with excellent speakers. Good questions and very well answered"*
- *"It was very well presented with great clarity"*

5. How could we improve the event?

- *"Send slides in advance so we could formulate better questions"*
- *"Perhaps have a little more detail on the assumption behind the saving target"*
- *"Better use of the microphone"*

6. Conclusion

Dr Lucy Moore, Integration Director, concluded the event by acknowledging the risks of the merger and the importance to balance this with the clinical and financial opportunities that it presents.

There was also acknowledgement that change also brings with it a cost of transition and for a period of time this will involve double running to ensure that service levels are maintained at each of the hospital trusts. Dialogue in this area continues with both NHS London and the Department of Health.

The final remarks were to outline the absolute commitment to working with the wider health and social care economy, including neighbouring hospital trusts, local authorities, local involvement networks and the commissioners of the present and future and to reiterate the invitation to attend the next engagement event on the 3 November. This event is another response to feedback from patients and local partners to understand and debate the integration plans with the Clinical Academic Groups (CAGs) and the corporate workstreams.

7. Next steps

The next steps for the merger include continuing to develop the Full Business Case (FBC) which will be subject to an extensive approvals process in December 2011 including the three trust boards and NHS London, and the Department of Health and the Secretary of State for Health in early 2012. A detailed assessment by the NHS Cooperation and Competition Panel (CCP) will also run in parallel with the decision making process. If we receive approval to merge the earliest time for establishing a new merged organisation is April 2012.

Further discussions with GPs and local authorities have also been arranged over the coming months, and we will continue attend any local community meetings upon request. Views and responses to the merger will be fed into a submission to the CCP and the FBC for consideration during decision-making.

Views and comments, questions, or requests to be kept regularly informed, can be sent to the merger project team by:

Email: merger@elca.nhs.uk

Write: Aneurin Bevan House, 81 Commercial Road, London, E1 1RD

Phone: 020 7092 5287

Website: www.bartsandthelondon.nhs.uk/proposed-merger

**Report to the Finance and Performance
Management Cabinet Committee
Report reference: F/ /2011-12
Date of meeting: 16 January 2012**



**Epping Forest
District Council**

Portfolio: Finance and Economic Development

Subject: Council Budgets 2012/13

Officer contacts for further information: Bob Palmer (01992 – 56 4279)

Democratic Services Officer: Gary Woodhall (01992 - 56 4470)

Recommendations/Decisions Required:

- (1) That the Committee considers the Council's 2012/13 General Fund budgets and makes recommendations to the Cabinet meeting on the 30 January 2012 on adopting the following:
 - (a) the revised revenue estimates for 2011/12, which are anticipated to increase the General Fund balance by £63,000;
 - (b) a reduction in the target for the 2012/13 CSB budget from £14.88m to £14.81m (including growth items);
 - (c) an increase in the target for the 2012/13 DDF net spend from £0.763m to £0.851m;
 - (d) no change in the District Council Tax for a Band 'D' property to keep the charge at £148.77;
 - (e) the estimated increase in General Fund balances in 2012/13 of £19,000;
 - (f) the four year capital programme 2012/13 – 15/16;
 - (g) the Medium Term Financial Strategy 2012/13 – 15/16;
 - (h) the Council's policy on General Fund Revenue Balances to remain that they are allowed to fall no lower than 25% of the Net Budget Requirement.
- (2) That the Committee recommends to the Cabinet that the 2012/13 HRA budget including the revised revenue estimates for 2011/12 be agreed;
- (3) That the Cabinet be requested to note that rent increases and decreases proposed for 2012/13 will give an average overall increase of 6%;
- (4) That the Committee notes the Chief Financial Officer's report to the Council on the robustness of the estimates for the purposes of the Council's 2012/13 budgets and the adequacy of the reserves.

Executive Summary:

This report sets out the detailed recommendations for the Council's budget for 2012/13. The budget adds £19,000 to reserves and the Council's policy on the level of reserves can be maintained throughout the period of the Medium Term Financial Strategy (MTFS). Over the course of the MTFS the use of reserves to support spending peaks at £0.475m in 2014/15 and reduces to £0.164m in 2014/15.

The budget is based on the assumption that Council Tax will be frozen and that average Housing Revenue Account rents will increase by 6% in 2012/13.

Reasons for Proposed Decisions:

The decisions are necessary to assist Cabinet in determining the budget that will be placed before Council on 14 February 2012.

Other Options for Action:

Members could decide not to approve the recommended figures and instead specify which growth items they would like removed from the lists, or Members could ask for further items to be added.

Report:

1. On 30 January 2012 the Cabinet will receive the minutes and recommendations contained therein of this meeting and will then make recommendations to Council for the setting of the Council Tax and budget on 14 February 2012.
2. The annual budget process commenced with the Financial Issues Paper (FIP) being presented to this Committee on 26 September 2011. The paper was prepared against the background of cuts in public expenditure, ongoing difficulties within the economy and highlighted the uncertainties associated with:
 - a) Local Government Resource Review
 - b) New Homes Bonus
 - c) Localisation of Council Tax Benefit
 - d) Self-Financing for the Housing Revenue Account
 - e) Possible Double-Dip Recession
 - f) Development Opportunities
 - g) Capitalisation of Pension Deficit Payments
 - h) Shared Services
3. There is now greater clarity on some of these issues, but several of them will not be resolved for some time. The key areas are revisited in subsequent paragraphs.
4. In setting the budget for the current year Members had anticipated using £171,000 from the general fund reserves. It was felt that, given the strength of the Council's overall financial position, it was able to sustain a deficit budget to support the local economy and that net spending could be managed down over the medium term.
5. The revised four year forecast presented with the FIP took into account all the additional costs known at that point and highlighted the structural reform to local authority finances due to the local retention of business rates and the Government's programme of welfare reforms. This projection showed a need to achieve savings of £300,000 on the 2012/13 estimates, £600,000 in 2013/14 and £500,000 in 2014/15 to keep revenue balances above the target level at the end of 2015/16.

6. Members adopted this measured approach to reduce expenditure in a progressive and controlled manner. The budget guidelines for 2012/13 were therefore established as:
 - i. The ceiling for CSB net expenditure be no more than £14.88m including net growth/savings.
 - ii. The ceiling for DDF net expenditure be no more than £0.763m.
 - iii. The District Council Tax to be frozen.

The Current Position

7. The draft General Fund budget summaries are included elsewhere on the agenda. The main year on year resource movements are highlighted in the CSB and DDF lists, which are attached as Annexes 2 and 3. In terms of the guidelines, the position is set out below, after an update on each of the key areas highlighted in the FIP.

a) Local Government Resource Review

8. Before considering the current position on the Local Government Resource Review and the replacement of Formula Grant funding with retained National Non-Domestic Rates (NNDR) it is worth looking back at the Comprehensive Spending Review (CSR). The CSR only provided us with two years figures instead of the usual four because of the Government's desire to radically change the system of funding local authorities. The table below shows what now appear to be the final figures from the Formula Grant system.

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

9. The figures shown above did not include the Council Tax freeze grant for 2011/12 as this was initially thought to be a one-off. It has now been confirmed that the 2011/12 freeze grant will be consolidated with the Formula Grant and paid throughout the current CSR period. This causes the Formula Grant figures to be re-stated as £7.59m for 2011/12 and £6.656m for 2012/13. However, the freeze grant for 2012/13 is a one-off and so has not been included.
10. In addition to the detailed figures for 2011/12 and 2012/13, headline control totals for local authority funding were given for 2013/14 and 2014/15. These control totals show further reductions of approximately 1% in 2013/14 and 5% in 2014/15.
11. Having provided a reminder of the background, I shall move on to what is now known about the Local Government Resource Review. Members may recall one of the many consultations that we have dealt with this year was called "Local Government Resource Review: Proposals for Business Rates Retention". This was a 46 page document with 33 detailed questions, which was subsequently supplemented by eight technical papers. The Government felt change in the system of local authority funding was necessary to provide a financial incentive to local authorities to promote business growth in their areas, currently any increase in NNDR is paid into the national pool with no direct local benefit. By replacing Formula Grant with NNDR the Government also claimed to be increasing the financial independence of local authorities. There is little authorities can do to increase their Formula Grant allocation but in theory they will be able to encourage growth in their rating lists and so increase their funding.

12. The proposals for change included restrictions so that authorities would not be allowed to keep all NNDR; a process of equalisation would remain to redistribute funds between authorities. The amount DCLG give or take would be fixed, allowing authorities to keep growth above this level. If growth is “disproportionate” DCLG would take back a share of it for redistribution and DCLG would retain the right to “reset” the amounts given or taken in future years.
13. At the time of the FIP some of the key questions were –
- a) How should the baseline be set for rate retention?
 - b) How will the levy on disproportionate benefit be calculated?
 - c) How will the levy be used to fund a safety net?
 - d) How do you balance the need to protect some authorities with the need to provide a strong incentive for growth?
 - e) How will resets work?
 - f) How will funds be pooled in areas and what areas can be used for pooling?
 - g) Should the current system of reliefs be maintained?
14. The government’s response still leaves a number of questions unanswered but a lot more is now known about the likely level of funding and the relationship between districts and counties in two tier areas. The system will be in place from 2013/14 and all authorities will start with the same funding they received in 2012/13. However, this will be adjusted for the reduction in overall spending control totals, the updating of some data that feeds into the allocation formulae and some “minor” adjustments to the formulae. Instead of the reductions of 1% and 5% mentioned in paragraph 10, it seems prudent now to allow for reductions of 3% and 7%.
15. The consultation had indicated that business rates within a two tier area were likely to be shared on the basis of the relative spending between the districts and the county. This meant that counties were generally tariff authorities, in receipt of more business rates than their funding required and so paying a tariff back to the Government. Districts were generally top up authorities, in receipt of less business rates than their funding required and so receiving a top up from the Government. Following the consultation the Government has decided that as districts are the primary engine of growth they should have the greatest incentive for growth and should therefore be tariff authorities and not top up authorities (the exemplifications provided with the consultation showed that for a given amount of growth a greater share would be retained by a tariff authority). However, counties do have some guarantee of stability in their funding as top ups will be indexed by RPI.
16. As part of incentivising districts the Government has decided that districts should not just be tariff authorities but should receive the largest share of any growth. Additionally, the government felt it important to balance the incentive with the New Homes Bonus (NHB). If NHB provided a substantially greater incentive than NNDR retention it could lead districts to favour domestic developments ahead of commercial ones. These factors have combined to produce an 80/20 share of NNDR growth in favour of districts, as is the case with NHB.
17. A note of caution also needs to be sounded at this point. If the NNDR take reduces this will reduce funding and that too will be shared 80/20. Given the current state of the economy and the uninspiring predictions going forward it would be a truly optimistic district that gave an unreserved welcome to the 80/20 split.
18. One way of reducing the level of financial risk is for a number of authorities to operate in a pool. Although pooling has inherent difficulties as every authority will want to pool with someone they believe has better prospects than themselves. The Government have talked positively about pooling but have provided no financial incentives for pools.

19. On the whole, the outlook for districts from the Local Government Resource Review appears better now than it did at the time of the FIP. However, this view will need to be considered again when the Government actually start providing some numbers and this is currently scheduled for “spring” 2012.

b) New Homes Bonus

20. Since September the announcements that have been made have confirmed that the view taken on NHB in the FIP was an appropriate one and so most of the following section has changed little from that paper. The Government has a consistent policy of encouraging development. In the same way that retaining increases in NNDR incentivises Councils to promote business growth, the New Homes Bonus (NHB) provides an incentive to promote home building. When the budget was set for 2011/12 the full details of and funding for the NHB had not been confirmed. Because of this uncertainty, and concern about possible legal challenges if Councils were felt to be making planning decisions for financial gain, no income from the NHB was allowed for in the 2011/12 budget.
21. It is now clear that the NHB will form a substantial part of local authority funding for the foreseeable future. The technical papers mentioned above reveal that from 2013/14 funding for NHB will be top sliced from the national NNDR pool. Even though only three years NHB will be payable in 2013/14 the maximum six years funding will be top sliced, with the excess being redistributed to local authorities in some way as grant. The exact mechanics and amounts are still to be determined but it appears that the NHB is intended to remain as an incentive on top of the basic level of funding that local authorities will get through retained NNDR. As the funding is top sliced and then re-allocated on the basis of relative performance in housing growth there will be a strong cumulative redistributive effect, this will penalise areas of low housing growth.
22. The amount of NHB payable for a year is determined by the annual change in the total number of properties on the Council Tax list in October. This means that the bonus is payable on both new housing and empty properties brought back in to use. The increase in the tax base is multiplied by a notional average Council Tax figure of £1,439, with an additional premium for social housing. The calculated figure is then shared with 20% going to the county council and 80% to the district, with the amount being payable for six years. For 2011/12 the Council will receive £295,000 and the amount due in respect of growth for the year to October 2011 will be approximately £420,000. These two figures combined will give a total NHB income figure for 2012/13 of £715,000.
23. The key question is how much of this income should be taken into the CSB budget for each year through the life of the MTFs. At one extreme it could be argued that to build any income into the CSB would make the Council vulnerable to judicial review on planning decisions and may not be prudent until there is clarity over the full make up of and inter-relationships between the different funding streams. At the other extreme it could be argued that £300,000 of income should be added to the CSB for every year from 2011/12 going forward up to the maximum of six years (2011/12 £0.3m, 2012/13 £0.6m, 2013/14 £0.9m 2014/15 £1.2m, 2015/16 £1.5m and 2016/17 and onwards £1.8m). On one hand, if no income is taken into account severe reductions could be made to services that ultimately prove to be unnecessary, from a financial point of view. On the other, if too much income is allowed for the Council could find itself having to implement substantial cuts on a short time scale.
24. A prudent position at the moment is to allow for the income for 2011/12 and 2012/13 but no additional income beyond that until the full outcomes of the Local Government Resource Review are known. It is unlikely that any adjustment to the system would remove NHB already earned as this would undermine the policy. On that basis CSB income of £295,000 has now been added to 2011/12 and a further £420,000 to 2012/13.

c) Localisation of Council Tax Benefit

25. Members may recall that this too was the subject of a consultation earlier in the financial year. Council Tax Benefit (CTB) is a means tested benefit that is available to help those on low incomes meet their Council Tax bills. The current caseload for CTB at the Council is approximately 8,900, generating annual expenditure of £10.3m. This is currently fully funded by Government, with a system of payments on account and a year end grant claim. CTB is currently a national system with national regulations determining entitlement.
26. The Government is determined to reduce the overall cost of benefits to the country and is making numerous changes through the Welfare Reform Bill. As part of the Welfare Reform Bill the benefits system is meant to be streamlined and simplified through the introduction of Universal Credit. It is clearer now how Universal Credit will operate and the scope of the benefits included in it. The Government is pressing ahead with the abolition of CTB to save 10% (£490m) on the national cost of CTB by localising it from 2013/14. It will be for each local authority to determine their scheme of CTB but they will only receive 90% of the current cost.
27. At one extreme authorities could implement a scheme at 90% of the current scheme and those in receipt of CTB would have to pay more, for this Council this would have an average impact of £116 p/a on claimants. However, the Government requires pensioners to be protected and as they are half the caseload this doubles the impact to £232 p/a. It is also possible that the final scheme may require protection for vulnerable working age claimants which could leave working age non-passported claimants with bills of £720 p/a. At the other extreme authorities could top up the funding from their own resources, for this Council the impact would be £1.034m.
28. The problems with the proposed scheme include –
 - a) Lack of time to develop, test and implement the necessary software.
 - b) Difficulty in collecting many small debts and the possibility of a re-run of the Poll Tax.
 - c) Possible postcode lottery with neighbouring districts offering different schemes.
 - d) Difficulty in agreeing schemes in two tier areas as the interests of districts and counties may not align.
 - e) Authorities have a fixed amount of funding but are faced with unlimited potential demand.
 - f) Socially divisive as those not on CTB would not want to pay additional tax or receive poorer services to support extended schemes.
 - g) Difficulty in dovetailing many different local CTB schemes with Universal Credit to ensure no conflict or tapering issues that reduce the overall requirement to “make work pay”.
29. A number of suggestions were put forward as alternatives to make the required savings without this level of difficulty and complexity. However, the Government has decided to ignore the consultation responses and the alternative suggestions and continue with the localisation of CTB. This will make for an interesting time in 2012/13, particularly if the already challenging legislative timetable is obstructed by delays in the House of Lords, and regular reports will be made to keep Members informed as the regulations become available and discussions with the county council and other districts develop.
30. The MTFs has been based on the assumption that none of this Council’s own funds will be used to top up the Government grant and extend the scheme. Given the uncertainty around Local Government Resource Review, and the potentially unlimited demand for CTB it would be a brave authority that wrote a blank cheque to support CTB.

d) Self-financing for the Housing Revenue Account

31. A number of reports on this issue have already gone to Scrutiny Panels, Cabinet and Council. Currently the Council makes an annual payment of £11.3m into the national subsidy system. From 2012/13 annual payments into and out of the national subsidy pool will cease and instead authorities will either be required to take on debt or will have an amount of debt repaid for them. The Council was initially advised that the debt it would be required to finance would be approximately £180m. The final figure is still to be confirmed but is likely to be closer to £190m, due to the continuing high levels of inflation which feed into the subsidy calculations.
32. A structured approach has been followed to deal with each of the necessary steps. This has required the amendment of the Treasury Management Strategy, as the settlement date has been brought forward from April 2012 to late March 2012. Cabinet have considered the extent of the house building programme that is to be pursued and the appropriate level of maintenance for the existing stock. This has shaped the 30 year business plan and determined when cash will be available to repay borrowing.
33. Earlier in the process a number of different funding options were examined. However, somewhat belatedly the Government confirmed that funding for self-financing transactions would be made available at discounted rates through the Public Works Loans Board (PWLB). The Council's treasury management consultants, Arlingclose, are currently evaluating the various options to compile a portfolio of appropriate PWLB loans matched to the 30 year business plan.
34. Previously in the consultation process for self-financing concerns were raised about two possible impacts on the General Fund (GF). The first of these was the requirement to make Minimum Revenue Provision (MRP) on the nominal borrowing between the GF and the HRA. In the draft regulations the DCLG have now confirmed that changes due to self-financing do not have to be taken into account in determining any requirement to make MRP. The other area of concern was the interest to be charged between the HRA and GF. This issue is still to be determined but it currently appears that authorities will have the power to set their own rates of interest for borrowing between funds. So at this point in time both of the significant concerns have been addressed, although (as seen with the PWLB) a further policy shift cannot be ruled out.

e) Possible Double Dip Recession

35. Since September the economic outlook has worsened and this was reflected in a bleak Autumn Statement. There is little sign of a recovery in the domestic economy and the Euro Zone continues to stagger on through an unproductive series of last chance summits. It is a realistic possibility that one or more countries will leave the Euro Zone and the turbulence from this could impact severely on our exporters and lead to even higher unemployment, not to mention the inevitable banking crisis.
36. The changes discussed above, with future local authority financing coming from retained local NNDR and the localisation of CTB, transfer substantial financial risks to local authorities from Government. If once these reforms are in place a large employer or employers were to close this could have severe consequences for the Council. There could be a combination of reduced income because of the reduction in NNDR, increases in claims for CTB and increased demands on services. So whilst the devolution of genuine power and freedoms would be welcomed, Members also need to be aware of the increased risks.

f) Development Opportunities

37. Since September a lot of preparatory work has been done on the various schemes. There is the possibility of a retail park in Loughton and a mixed use redevelopment of the St Johns area in Epping amongst the developments. The Council has had the requirement for capital resources to be used for revenue generating schemes as part of the Capital Strategy for sometime. If schemes proceed it will only be after rigorous examination to ensure business cases make sense and a financial benefit is anticipated. The economic boost offered by such schemes could benefit the Council in several ways, mirroring the multiple threats of a double dip recession.
38. Given the lack of certainty at this time about which of the potential sites will progress, and indeed which of the schemes for a given site, the MTFs and capital projections do not include either any capital financing requirement or any revenue projections. The only budgets that are included for the developments are those that Members have already approved for preliminary consultancy and planning works.

g) Capitalisation of Pension Deficit Payments

39. There is nothing to update on this issue from September. The Government has made it increasingly difficult to obtain capitalisation directions. For 2011/12 the financial criteria were doubled so that the amounts applied for had to exceed both 10% of reserves and 0.5% of budgeted expenditure. On 27 July we received identical letters dated 22 July refusing our applications for both GF & HRA. The letters state that the department was not satisfied that meeting the expenditure from revenue would cause "an unacceptable adverse impact on services" or that "meeting the pension costs from revenue resources would cause exceptional financial difficulties for EFDC". These rejections confirm that all the other required criteria had been met.
40. The pre 2005/06 deficit payment has remained in the CSB, so although we apply for the full value of the deficit payments it is only the amount over the base that we have ever capitalised. The refusal of the applications for 2011/12 will mean charges to the GF of £564,000 and to the HRA of £264,000. Given the ongoing uncertainty about future capitalisations it is prudent to bring the balance of the deficit payments into the CSB. This does not prevent future capitalisation applications being made and the position will be reviewed again if applications in subsequent years prove successful.

h) Shared Services

41. A number of opportunities are being evaluated, both within the framework of the "West Essex Alliance" and the wider community of locals authorities. The need for shared working and joint solutions will increase in 2012/13, particularly with the changes to CTB and NNDR.

The ceiling for CSB net expenditure be no more than £14.88m including net growth

42. Annex 2 lists all the CSB changes for next year. The original budget for 2011/12 included CSB savings of £1.408m but the revised 2011/12 budget has an additional £0.3m of savings. The most significant changes in the revised estimates are savings on the waste contract and gate fees of £340,000, additional savings on underspent budgets of £150,000, a net improvement of £90,000 on non-directorate items and an off-setting loss of £120,000 on reduced parking penalty charge income. The non-directorate items include the pension costs no longer being capitalised, income from the NHB and adjustments to interest investment income.
43. The greater savings in 2011/12 mean that the opening CSB in 2012/13 is £196,000 lower than anticipated in the previous MTFs. This means that even though the CSB savings of £1.189m are below the target of £1.4m the closing CSB is still £75,000 lower than previously predicted.

44. The General Fund summary at Annex 1 shows that the CSB total is £75,000 below the CSB target of £14.88m and it is therefore proposed to reduce the CSB target to £14.81m.

The ceiling for DDF net expenditure be no more than £0.763m

45. The DDF net movement for 2012/13 is £0.851m, Annex 3 lists all the DDF items in detail. The largest cost item is £586,000 for work on the Local Plan. The Local Plan is a substantial and unavoidable project and in 2011/12 and the subsequent two years DDF funding of £0.851m is allocated to it. The Director of Planning and Economic Development has been asked to provide regular updates to Cabinet to monitor this project and the expenditure incurred on it. Other significant items of expenditure include £46,000 for regeneration projects in Waltham Abbey and £45,000 for the planned building maintenance programme.
46. Officers continue to work with an international firm of accountants to examine the possibility of recovering VAT. This is using a model that the firm has developed through working with a number of authorities which has led to some substantial repayments. It is too early yet to predict what further income may arise from this so no allowance has been made in the estimates. The work is being conducted on a “no win no fee basis” so any costs will be funded from the VAT refund arising.
47. At £0.851m the DDF programme is £88,000 above the target for 2012/13. However, this needs to be balanced with the reduction in 2011/12 as the predicted spend in the previous MTFS of £1.566m has been reduced by £999,000 to £567,000. Taking the two years together there is a net reduction in DDF spending of £911,000 and so it is proposed to increase the DDF ceiling for 2012/13 from £0.763m to £0.851m. The DDF is predicted to continue to have funds available through to the end of the period covered by the MTFS.

The District Council Tax be frozen

48. Members have indicated that, although the Council Tax freeze grant for 2012/13 is a one-off and will not be included in ongoing funding, the Council Tax will not be increased for 2012/13.

That longer term guidelines covering the period to March 2016 provide for

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

49. Current projections show this rule will not be breached by 2015/16, by which time reserves will have reduced to £7.543m and 25% of net budget requirement will be £3.7m.

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

50. The outturn for 2010/11 added £270,000 to reserves, whilst the revised estimates for 2011/12 anticipate a further increase of £63,000. This would leave the opening revenue reserve for 2012/13 at £8.6m and with the estimates for 2012/13 showing an increase of £19,000, reserves at the end of 2012/13 would be just over £8.65m. The Medium Term Financial Strategy at Annex 4 shows deficit budgets for the three years 2013/14 to 2015/16. The level of deficit peaks at £475,000 in 2014/15 and reduces to £164,000 in 2015/16, although this is achieved through CSB savings of £500,000 in both 2013/14 and 2014/15.

The Local Government Finance Settlement

51. The Government have confirmed that the draft figures previously advised for 2012/13 will not be amended. As mentioned above, it has also been confirmed that the freeze grant for 2011/12 will be payable in each year of the current CSR period. This gives an updated figure for formula grant for 2012/13 of £6.656m. Beyond 2012/13 the figures are subject to the Local Government Resource Review and cannot be predicted with any certainty.

The 2012/13 General Fund Budget

52. Whilst the position on some issues is clearer now than it was when the Financial Issues Paper was written there are still significant risks and uncertainties. Signs of improvement in the economy remain weak and speculation continues about the need for additional Quantitative Easing. It is still possible that the country may fall back into a severe recession that may last some years. This economic uncertainty is the key factor for 2012/13 as the areas below of Government policy will impact in 2013/14.
53. The key area of uncertainty is the Local Government Resource Review and what the exact financial implications will be. The Government's response to the consultation has answered some of the questions on policy options and implementation but we still await the numbers. Adjustments to funding in 2013/14 are meant to be limited to data updating and "minor" formula changes. However, we have seen in the past that what at the national level is described as a "minor" change can be much more significant for individual authorities.
54. The other area worth touching on again is the localising of Council Tax Benefit. The uncertainty has been removed in terms of Government policy but remains in terms of how this change can be implemented in the time available and the impact on those effected. So whilst this change will not take place in 2012/13 a lot of time and effort will be devoted to it.
55. The starting point for the budget is the attached Medium Term Financial Strategy, Annex 4. Annexes 4a and 4b are based on the current draft budget, no Council Tax increase (£148.77 Band D) for 2012/13 and subsequent increases of 2.5% per annum for each of the following three years.
56. Members are reminded that this strategy is based on a number of important assumptions, including the following:
- Future Government funding will reduce by 3% for 2013/14 and 7% for 2014/15.
 - CSB growth has been restricted and the CSB target for 2012/13 of £14.88 million has been achieved. Known growth beyond 2013/14 has been included but will be subject to a further review to help identify savings.
 - All known DDF items are budgeted for, and because of the size of the Local Plan programme the closing balance at the end of 2015/16 is anticipated to reduce to £1.36m.
 - Maintaining revenue balances of at least 25% of NBR. The forecast shows that the deficit budgets for three years of the period will reduce the closing balances at the end of 2015/16 to £7.5m or 51% of NBR for 2015/16, although this can only be done with further savings in 2013/14 and 2014/15.

The Housing Revenue Account

57. The balance on the HRA at 31 March 2013 is expected to be £8.523m, after a deficit of £971,000 in 2011/12 and a surplus of £3.607m in 2012/13. The estimates for 2012/13 have been compiled on the new self-financing basis and so the negative subsidy payments have been replaced with borrowing costs.

58. The rent increase is set with reference to an individual property's formula rent but subject to various constraints. This process of Rent Restructuring to bring Council rents and Housing Association rents more in line with each other still needs to be addressed. The rent increase for 2012/13 is likely to see a narrowing of this gap between Council and Housing Association rents, with an average rent increase of 6% for Council dwellings.
59. An update to the current five-year forecast is being prepared and will be presented to a subsequent Cabinet. The HRA has had substantial balances for some time and this position is expected to continue under self-financing.
60. Both the Housing Repairs Fund and the Major Repairs Reserve are expected to have positive balances throughout the medium term. Members are recommended to agree the budgets for 2012/13 and 2011/12 revised and to note that although a deficit budget is proposed for 2011/12 the HRA has substantial ongoing balances.

The Capital Programme

61. The Capital Programme at Annex 5 shows the expenditure previously agreed by Cabinet and included in the Capital Strategy which is going to Cabinet on 30 January. Members have stated that priority will be given to capital schemes that will generate revenue in subsequent periods. This position has been stated in previous Capital Strategies and has been reinforced by the increasing awareness that capital spending reduces investment balances and thus impacts on the general fund revenue balance through lower interest earnings.
62. Annex 5d sets out the estimated position on capital receipts for the next four years. Members will note that even with a substantial capital programme, which exceeds £46m over five years, it is anticipated that the Authority will still more than £8m of usable capital receipt balances at the end of the period. However, it should be noted that a number of sites are currently under review and that this could involve either receipts through disposals or additional expenditure to fund developments.

Risk Assessment and the Level of Balances

63. The Local Government Act 2003 (s 25) introduced a specific personal duty on the "Chief Financial Officer" (CFO) to report to the Authority on the robustness of the estimates for the purposes of the budget and the adequacy of reserves. The Act requires Members to have regard to the report when determining the Council's budget requirement for 2012/13. Where this advice is not accepted, this should be formally recorded within the minutes of the Council meeting. The Council at its meeting on the 14 February will consider the recommendations of the Cabinet on the budget for 2012/13 and will determine the planned level of the Council's balances. Members will consider the report of the CFO at that meeting.

The Prudential Indicators and Treasury Management Strategy 2012/13

64. Since 2004/05 it has been necessary to set affordable borrowing limits, limits for the prudential indicators and a Treasury Management Strategy. These elements of the budget requirements will be set out in a separate report to Cabinet on 30 January.
65. Due to the £190m of debt for the HRA self-financing the Council will no longer be debt free and the Prudential Indicators and Treasury Management Strategy have been amended for this. With the ongoing difficulties in financial markets and continued concern about some banks, Arlingclose have advised a very restricted counter party list and a shortening of investment periods.

Resource Implications:

The report details proposed growth items and potential savings, the implications are set out above and will vary depending on the course of action decided by Members.

Legal and Governance Implications:

None.

Safer, Cleaner, Greener Implications:

Items related to the Safer, Cleaner, Greener initiative are included in the report.

Consultation Undertaken:

None.

Background Papers:

Financial Issues Paper – see agenda of 26 September 2011

Draft Growth List – see agenda of 21 November 2011

Impact Assessments:

The Directorate proposing the growth or savings will have considered the equalities impacts for each budget proposal.

The report sets out some of the key areas of financial risk to the authority. At this time the Council is well placed to meet such challenges, although if the necessary savings highlighted are not actively pursued problems will arise in the medium term.

GENERAL FUND ESTIMATE SUMMARY

Annex 1

2010/11 Actual £000	2011/12			2012/13 Budget		
	Original Estimate £000	Revised Estimate £000		Gross Expenditure £000	Gross Income £000	Net Expenditure £000
2,803	3,061	2,788	Chief Executive	3,773	835	2,939
(395)	(1,711)	(1,593)	Corporate Support Services	1,849	3,576	(1,727)
1,674	1,627	1,611	Deputy Chief Executive	1,860	260	1,600
9,876	10,073	9,681	Environment & Street Scene	14,887	5,527	9,360
2,584	1,643	1,973	Finance & ICT	50,989	49,241	1,748
1,221	1,886	1,373	Housing	3,378	1,125	2,253
2,734	3,103	2,676	Planning & Economic Development	4,448	1,117	3,331
(831)	(247)	(447)	Other Items	0	994	(994)
19,666	19,435	18,062	Net Cost of Services	81,185	62,675	18,510
(591)	(667)	(669)	Interest and Investment Income	0	561	(561)
523	786	615	Interest Payable (Inc. HRA)	582	0	582
406	0	0	Impairment of Investments	0	0	0
1,809	1,817	1,235	Pensions Interest/Return	4,836	3,601	1,235
47	22	65	Revenue Contributions to Capital	13	0	13
21,860	21,393	19,308	Net Operating Expenditure	86,616	66,837	19,779
(2,456)	(2,960)	(2,759)	Depreciation Reversals & Other adj	550	4,393	(3,843)
270	(171)	63	Contribution to/(from) Other Reserves	19	0	19
(772)	(1,104)	(567)	Contribution to/(from) DDF	(1,645)	794	(851)
176	0	0	Contribution to Pension Deficit Reserve	0	0	0
(1,574)	(1,647)	(331)	FRS 17 Adjustment	0	280	(280)
17,504	15,511	15,714	To be met from Government Grants and Local Taxpayers	85,540	72,304	14,824
17,459	17,090	17,396	Continuing Services Budget			15,994
852	486	1,105	CSB - Growth			233
(1,077)	(1,894)	(2,850)	CSB - Savings			(1,421)
(225)	(1,408)	(1,745)	Total Growth (Net)			(1,189)
17,234	15,682	15,651	Total Continuing Services Budget			14,805
2,707	1,698	1,783	DDF - Expenditure			1,645
(1,935)	(594)	(1,216)	DDF - One Off Savings			(794)
772	1,104	567	Total District Development Fund			851
(502)	(1,275)	(504)	Appropriations to/(from) other Reserves			(832)
17,504	15,511	15,714				14,824

This page is intentionally left blank

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST			Original	Revised	Estimate	Estimate	Estimate	Estimate
Directorate	Service		2011/12 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's
Chief Executive	Internal Audit	Consultants Fees- Saving		(24)	(13)			
	Civic & Member	Courses & Conferences, Books, Publs & Postage- Savings			(3)			
	Democratic services	LGIU Information unit Subscription Saving			(3)			
	Directorate Savings	General		(12)				
	Total Chief Executive		0	(36)	(19)	0	0	0
Corporate Support Services	Local Land Charges	Removal of Personal Search chges (LLC Amendment Rules 2010)	35	35				
	Local Land Charges	ECC Charge for highways LLC search		6				
	Industrial Estates- Brooker Rd	Increased Rental Income	(10)	(8)	(7)			
	Estates & Valuation	Additional Fees from re-assignments etc		(8)				
	Industrial Estates- Oakwood Hill	Reduced/(Increased) Rental Income	4	(13)				
	Industrial Estates - O Hill Workshops	Reduced/(Increased) Rental Income	4		(5)			
	Industrial Ests- Lang Road Seed Bed	Reduced Rental Income			8			
	Fleet Operations	MOTs - Reduced Income		25	40			
	Civic Offices	Car Park Rental - Black Lion	(5)	(5)				
	Offices & Depots	Gas & Electricity		(42)	14			
	Offices & Depots	NNDR Re-assessment	63	63	36			
	Langston Road Depot	WRVS Termination of lease	32	32				
	Business Premises	Transfer to General Fund from HRA	(1,429)	(1,412)				
	Administration & Secretarial	Messenger -Member Despatch			(3)			
	Directorate Savings	General	(37)	(85)				
Total Corporate Support Services		(1,343)	(1,404)	75	0	0	0	
Deputy Chief Executive	All Weather Pitch	Townmead Project	(17)		(35)			
	DCE directorate	Savings	(100)	(136)	(23)			
	Total Deputy Chief Executive		(117)	(136)	(58)	0	0	0

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST			Original	Revised	Estimate	Estimate	Estimate	Estimate	
Directorate	Service		2011/12 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's	
Environment & Street	Waste Management	Wheeled Bin Maintenance	8	8					
	Food Safety	Inspections		(5)					
	Grounds Maintenance	Fuel		11					
	Engineering, Drainage & Water	Deletion of Drainage Technician post		(12)	(12)				
	Safer Communities	Reduction in PCSO's	(29)	(29)	(63)				
	Safer Communities	Reduction in Contributions	1						
	Leisure Facilities	Loughton Leisure management fee reduction	(75)	(75)					
	Leisure Facilities	Epping Sports Centre management fee reduction	(11)	(6)	(17)				
	Leisure Facilities	Ongar Leisure Centre management fee reduction	(7)	(8)	(22)				
	North Weald Airfield	Increase in Events Income			(13)				
	North Weald Airfield	Increase in Market Income			(14)				
	North Weald Airfield	Loss of income Training Room				25			
	North Weald Airfield	Increase in Maintenance cost			19				
	North Weald Airfield	Increase in NNDR			18				
	Off Street Parking	Increase in NNDR	15	10					
	Off Street Parking	Loss of income through VAT increase	12	15					
	Off Street Parking	Contract allocations / Change of Service			(34)	(20)	(23)		
	Off Street Parking	Drop in PCN income			120				
	Directorate Savings	General	(18)	(56)	(17)				
	Naming and Numbering	Introduction of charging			(3)	(2)			
	Pest Control	Cessation of contract			(25)				
	Contaminated Land & Water Quality	Contaminated land investigations			(26)				
	Waste Management	Contract savings			(213)	(637)			
	Waste Management	Gate fees			(128)				
	Waste Management	Advertising			(3)				
	Waste Management	Publicity			(20)				
	Waste Management	Abandoned vehicles			(15)				
	Total Environment & Street Scene			(104)	(484)	(765)	(23)	0	0
	Finance & ICT	Finance Miscellaneous	Decrease in Employers Pension Conts (Act Val 2010)	(10)	(10)				
		Housing Benefits	Housing Benefit Admin Subsidy settlement reductions	25	25	41			
Revenues		Additional postage costs		5					
Council Tax Collection		Reduction in court cost income		30					
NNDR		Reduction in court cost income	2						
Housing Benefits		Limes Farm Area Office	7	0	7				
ICT		Equipment		(20)					
Mobile Telephones		Saving from New contract (T Mobile to O2)		(6)					
Directorate Savings		General	(24)	(32)					
Total Finance and ICT			0	(8)	48	0	0	0	

CONTINUING SERVICES BUDGET - GROWTH / (SAVINGS) LIST

Directorate	Service	Original	Revised	Estimate	Estimate	Estimate	Estimate
		2011/12 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's
Housing	Directorate Savings	(15)	(15)	(3)			
	Private Sector Housing			7	26		
	Total Housing	(15)	(15)	4	26		
Planning & Economic Development	Development Control	(100)		(100)			
	Countrycare	(7)	(7)				
	Planning Appeals		(5)	(6)			
	Development Control		(10)				
	Building Control Ring Fenced Acct		(10)	(10)			
	Building Control Ring Fenced Acct		10	10			
	Directorate Savings		(10)	0			
	Total Planning & Economic Development	(107)	(32)	(106)	0	0	0
Other Items	Investment Interest	278	101	2	60	109	45
	New Homes Bonus		(295)	(420)			
	Pensions		564	51	53		
Total CSB	(1,408)	(1,745)	(1,189)	116	109	45	

DISTRICT DEVELOPMENT FUND

Directorate	Description	Original	B/F from	Revised	Estimate	Estimate	Estimate	Estimate
		2011/12 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's
Chief Executive	Elections	160		148				
	Elections	(160)		(148)				
	Elections				148			
	Elections				(148)			
	Elections			(45)				
	Elections				18			
	Grants to Voluntary Orgs		20	20				
	Members		6					
	Corporate Management			(185)				
	Members			(3)				
Total Chief Executive		0	26	(213)	18	0	0	0
Corporate Support Services	Emergency Planning			(7)				
	Civic Offices	6		5				
	Estates & Valuation		25	25				
	Estates & Valuation	35	95	130				
	Estates & Valuation		(19)	(19)				
	Office Accommodation	65		65				
	Local Land Charges			(63)				
	Local Land Charges		100	100				
	Non HRA Building Maintenance	15	129	124	45	19	10	
	Greenyard Waltham Abbey			8	5			
Industrial Estates- O Hill Workshops			20					
Total Corporate Support Services	121	330	388	50	19	10	0	
Deputy Chief Executive	Public Relations	3		3				
	Public Relations & Information	25		14	11	11	11	3
	Deputy Chief Executive	75		53	38			
	Deputy Chief Executive	(75)		(53)	(38)			
	Youth Council	12		12	12			
	Limes Farm Hall	19	(4)	19				
	NWA Strategy Action Plan	2	(1)	1				
	NWA Strategy Action Plan	20			20			
Total Deputy Chief Executive	81	(5)	49	43	11	11	3	

DISTRICT DEVELOPMENT FUND

Directorate	Description	Original	B/F from	Revised	Estimate	Estimate	Estimate	Estimate
		2011/12 £000's	2010/11 £000's	2011/12 £000's	2012/13 £000's	2013/14 £000's	2014/15 £000's	2015/16 £000's
Planning & Economic Development	Building Control Group				(63)			
	Building Control Group				42			
	Conservation Policy	10						
	Countrycare			1	4	4	4	4
	Countrycare				9	9	9	
	Development Control	51		26	25			
	Development Control			(75)	0			
	Development Control				(10)			
	Development Control				5			
	Development Control				(10)			
	Economic Development		2	2				
	Economic Development	3	3	3	3			
	Economic Development	4		0				
	Economic Development	12			12			
	Economic Development	9	3	11				
	Forward Planning				21			
	Forward Planning	395		165	586	100		
	Forward Planning	35		24	22			
	Planning Services	7		0	17			
	Tourism	5		5				
Town Centre Enhancements	12	0	0					
Town Centre Regeneration				46				
Total Planning & Economic Development	543	8	147	724	113	13	4	
Total Service Specific District Development Fund	763	396	312	850	160	41	7	
Other Items	Capital Expenditure Funded from Revenue	22		65	13			
	LABGI Contribution	40		40				
	Local Services Support Grant			(117)				
	Lost Investment Interest	363		342	267	217	67	
	Second Homes Discount Allowance	(84)		(75)	(75)			
	Council Tax Freeze				(204)			
Total District Development Fund	1,104	396	567	851	377	108	7	

Medium Term Financial Strategy

Introduction

1. For a number of years as part of the Council's sound financial planning arrangements a four-year financial strategy has been prepared. This document allows a considered view to be taken of spending and resources. Without a medium term financial strategy finances would be managed on an annual basis leading to sudden expansions and contractions in services. Clearly such volatility would lead to waste and be confusing for stakeholders.
2. Managing this Council's finances has been made easier by isolating one off fluctuations (District Development Fund or DDF) from the ongoing core services (Continuing Service Budgets or CSB). This distinction highlights the differing effects in the medium term of approving different types of initiative.
3. A key part of the strategy is future rises in Council Tax and the Council has a stated ambition to not only remain a low tax authority but to ultimately have the lowest Band D charge in Essex. This ambition is unlikely to be realised until 2013/14, as it is anticipated that most Councils will freeze their charges for 2012/13. The Council currently has the second lowest charge and the gap to the lowest Band D charge in Essex is only £1.35.
4. At its 26 September 2011 meeting the Finance and Performance Management Cabinet Committee decided that communication of the revised medium term financial strategy to staff, partners and other stakeholders be undertaken by way of publishing key bullet points in appropriate publications.

Previous Medium Term Financial Strategy

5. That meeting of the Finance and Performance Management Cabinet Committee considered the annual Financial Issues Paper and an updated medium term financial strategy. At that time Members attention was drawn to a number of areas of significant uncertainty. Key amongst those were the structural reforms to the financing of local authorities through the local retention of NNDR and the Government's programme of welfare reform. The general state of domestic and world economies remains a concern and the possibility of a double dip recession is still with us. There were also questions over the New Homes Bonus, self-financing for the HRA and the capitalisation of pension deficit payments.
6. Against this background of risk and uncertainty a forecast was constructed that set a target of £14.88m for CSB expenditure for 2012/13 and maintained the requirement for annual CSB savings over the forecast period. At this time deficit budgets were anticipated for each year of the forecast, although these were reducing at the end of the forecast.
7. At that time the predicted General Fund balance at 1 April 2016 of £7.1m represented over 47% of the anticipated Net Budget Requirement (NBR) for 2015/16 and was therefore somewhat higher than the guideline of 25%. It was also predicted at that time that there would be £888,000 left in the DDF at 1 April 2016.

Updated Medium Term Financial Strategy

8. In the period since the Financial Issues Paper the Government has responded to the consultations on localising Council Tax Benefit and the local retention of business rates. These responses have made the direction of policy clearer but have been little help in terms of hard numbers for inclusion over the medium term. In constructing the forecast it has been necessary to make certain assumptions, these are set out below:
 - a) CSB Growth – the net savings required for 2012/13 have been found, but budgets will be re-visited during the course of 2012/13 to seek further reductions. In common with the earlier version of the strategy, target CSB savings are included for the period 2013/14 to 2014/15. The extension of the waste contract, removal of under spent budgets and the ending of financial support for Police Community Support Officers have helped achieve the savings required for 2012/13. However, annual net savings targets of £0.5m for 2013/14 and 2014/15 are likely to prove challenging.
 - b) DDF – all of the known items for the four-year period have been included and at the end of the period a balance of £1.36m is still available. This is an improvement on the position in the current year's budget, where the MTFS adopted in February 2011 showed a closing balance at the end of the period of £216,000.
 - c) Grant Funding – beyond 2012/13 it has been assumed that there will be a 10% reduction in grant over the remaining two years of the CSR period. This exceeds the headline figures provided in October 2010 to make allowance for the poorer than expected recovery since then and the effects of the Government's re-working of the grant allocation model.
 - d) Inter-related Funding – because of the changes in funding structures beyond 2012/13 and the top slicing of New Homes Bonus funding from the NNDR pool, only NHB income relating to the first two years of the scheme has been built into the model.
 - e) Council Tax Increase – Members have confirmed they wish to freeze the charge for 2012/13. Increases of 2.5% have been allowed for subsequent years. These assumptions have been built into the strategy.
9. This revised medium term financial strategy has deficits in the final three years of the period, although these are reducing and the use of reserves in 2015/16 is £311,000 lower than in 2014/15. The predicted revenue balance at the end of the period is £7.543m, which represents 51% of the NBR for 2015/16 and thus comfortably exceeds the target of 25%.
10. It is worth repeating that savings are still necessary in the next two years of the strategy and in approving the medium term financial strategy Members are asked to note these targets. The strategy will be monitored during the year and updated for the September 2012 meeting of the Finance and Performance Management Cabinet Committee.

GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY 2011/12 - 2015/16

ORIGINAL 2011/12	REVISED				
	FORECAST 2011/12	FORECAST 2012/13	FORECAST 2013/14	FORECAST 2014/15	FORECAST 2015/16
£'000 NET REVENUE EXPENDITURE	£'000	£'000	£'000	£'000	£'000
17,090 Continuing Services Budget	17,396	15,994	15,682	15,451	14,919
-1,408 CSB - Growth Items	-1,745	-1,189	116	109	45
0 Net saving	0	0	-500	-500	0
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
15,682 Total C.S.B	15,651	14,805	15,298	15,060	14,964
1,104 One - off Expenditure	567	851	377	108	7
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
16,786 Total Net Operating Expenditure	16,218	15,656	15,675	15,168	14,971
-1,104 Contribution to/from (-) DDF Balances	-567	-851	-377	-108	-7
-171 Contribution to/from (-) Balances	63	19	-470	-475	-164
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
15,511 Net Budget Requirement	15,714	14,824	14,828	14,585	14,800
<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
FINANCING					
7,387 Government Support (NND+RSG)	7,590	6,656	6,456	6,004	6,004
8,124 District Precept	8,124	8,168	8,372	8,581	8,796
<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
To be met from Government 15,511 Grants and Local Tax Payers	15,714	14,824	14,828	14,585	14,800
<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Band D Council Tax	148.77	148.77	152.49	156.30	160.21
Percentage Increase %		0.0	2.5	2.5	2.5

GENERAL FUND MEDIUM TERM FINANCIAL STRATEGY 2011/12 - 2015/16

	REVISED FORECAST 2011/12	FORECAST 2012/13	FORECAST 2013/14	FORECAST 2014/15	FORECAST 2015/16
REVENUE BALANCES	£'000	£'000	£'000	£'000	£'000
Balance B/forward	8,570	8,633	8,652	8,182	7,707
Surplus/Deficit(-) for year	63	19	-470	-475	-164
Balance C/Forward	8,633	8,652	8,182	7,707	7,543
DISTRICT DEVELOPMENT FUND					
Balance B/forward	3,269	2,702	1,851	1,474	1,366
Transfer Out	-567	-851	-377	-108	-7
Balance C/Forward	2,702	1,851	1,474	1,366	1,359
CAPITAL FUND (inc Cap Receipts)					
Balance B/forward	18,694	14,795	9,877	9,221	8,642
New Usable Receipts	155	174	234	294	294
Use of Capital Receipts	-4,054	-5,092	-890	-873	-768
Balance C/Forward	14,795	9,877	9,221	8,642	8,168
TOTAL BALANCES	26,130	20,380	18,877	17,715	17,070

CAPITAL PROGRAMME
2011/12 to 2015/16 FORECAST

	2011/12 Original £000	2011/12 Revised £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	2015/16 Forecast £000	5 Year Total £000
EXPENDITURE							
Finance & ICT	488	358	362	0	0	0	720
Corporate Support Service	307	536	677	310	333	227	2,083
Deputy Chief Executive	1,602	1,572	120	0	0	0	1,692
Environment & Street Scene	1,654	1,557	1,575	93	93	94	3,412
Planning & Economic Development	75	80	50	0	0	0	130
Total Non-Housing	4,126	4,103	2,784	403	426	321	8,037
Housing GF	2,305	1,175	2,851	790	750	750	6,316
HRA	6,919	7,026	7,434	5,981	5,781	5,730	31,952
Housing DLO	54	0	57	50	50	50	207
Total Housing	9,278	8,201	10,342	6,821	6,581	6,530	38,475
TOTAL	13,404	12,304	13,126	7,224	7,007	6,851	46,512
FUNDING							
DCLG Grant for DFG	240	313	334	240	240	240	1,367
DCLG Grant for Decent Homes	20	0	0	0	0	0	0
Housing Ass Growth Area Funding	0	70	90	0	0	0	160
HPDG/LABGI Capital Grants	0	8	43	0	0	0	51
ECC/Parish Contributions	260	260	0	0	0	0	260
Private Funding	138	378	313	113	113	113	1,030
Total Grants	658	1,029	780	353	353	353	2,868
Housing GF (Other Capital Receipts)	2,045	627	2,517	550	510	510	4,714
Non Housing (Other Capital Receipts)	3,756	3,627	2,375	340	363	258	6,963
Total Capital Receipts	5,801	4,254	4,892	890	873	768	11,677
GF - RCCO	22	65	13	0	0	0	78
HRA - RCCO	2,050	2,050	2,050	2,050	2,050	2,050	10,250
HRA - MRR	4,873	4,906	5,391	3,931	3,731	3,680	21,639
Total Revenue Contributions	6,945	7,021	7,454	5,981	5,781	5,730	31,967
TOTAL	13,404	12,304	13,126	7,224	7,007	6,851	46,512

**CAPITAL PROGRAMME
2011/12 to 2015/16 FORECAST**

	2011/12 Original £000	2011/12 Revised £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	2015/16 Forecast £000	5 Year Total £000
Finance & ICT							
General IT	438	321	362	0	0	0	683
Cash-Receipting & Income System	0	12	0	0	0	0	12
Atlas Benefit Software	0	25	0	0	0	0	25
General Capital Contingency	50	0	0	0	0	0	0
Total	488	358	362	0	0	0	720
Corporate Support Service							
Civic Office Works	191	304	253	218	121	150	1,046
Building Improvement Programme - Leisure	64	68	13	75	0	0	156
Environmental Improvements to Shops	30	30	75	7	24	0	136
Energy Efficiency Measures	22	35	13	0	0	0	48
Upgrade of Industrial Units	0	0	313	0	0	77	390
Solar Energy Panels	0	0	10	10	188	0	208
Langston Road Redevelopment	0	54	0	0	0	0	54
Pyrls Lane Redevelopment Purchases	0	21	0	0	0	0	21
Fleet Ops MOT vehicle lift	0	24	0	0	0	0	24
Total	307	536	677	310	333	227	2,083
Deputy Chief Executive							
Customer Services Trans Prog	0	14	0	0	0	0	14
Limes Farm Hall Development	952	1,000	0	0	0	0	1,000
Waltham Abbey All Weather Pitch	485	513	0	0	0	0	513
Waltham Abbey Regeneration Schemes	165	45	120	0	0	0	165
Total	1,602	1,572	120	0	0	0	1,692
Environment & Street Scene							
Waste Management Vehicles & Equip't	1,000	1,141	1,000	0	0	0	2,141
Fitness Equipment: Epping & Ongar	192	192	0	0	0	0	192
Loughton Leisure Centre:New Build	0	12	0	0	0	0	12
Bobbingworth Tip	38	39	30	0	0	0	69
Parking & Traffic Schemes	260	71	405	0	0	0	476
N W Airfield Market Improvements	88	73	63	63	63	64	326
Flood Alleviation Schemes	47	0	47	0	0	0	47
Grounds Maint Plant & Equipt	29	29	30	30	30	30	149
Total	1,654	1,557	1,575	93	93	94	3,412
Planning & Economic Development							
Loughton Broadway TCE	0	22	0	0	0	0	22
Loughton Broadway CCTV	75	49	50	0	0	0	99
Planning Services Capital Schemes	0	9	0	0	0	0	9
Total	75	80	50	0	0	0	130
TOTAL NON-HOUSING PROGRAMME	4,126	4,103	2,784	403	426	321	8,037

**CAPITAL PROGRAMME
2011/12 to 2015/16 FORECAST**

	2011/12 Original £000	2011/12 Revised £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	2015/16 Forecast £000	5 Year Total £000
Housing General Fund							
Affordable Housing Contrib to Hsg Assoc	188	0	372	0	0	0	372
Open Market Shared Ownership Scheme	350	235	550	0	0	0	785
Housing Ass Growth Area Funding	0	70	90	0	0	0	160
Home Ownership Grants Scheme	112	84	0	0	0	0	84
Disabled Facilities Grants	400	330	450	400	400	400	1,980
Other Private Sector Grants	350	290	409	350	350	350	1,749
CPO 8/8a Sun Street, W Abbey	378	0	0	0	0	0	0
Housing Estate Car Parking	527	166	980	40	0	0	1,186
TOTAL HOUSING GENERAL FUND	2,305	1,175	2,851	790	750	750	6,316
Housing Revenue Account							
Springfields, Waltham Abbey	0	28	0	0	0	0	28
Purchase of House in Pyrles Lane	0	239	0	0	0	0	239
Heating/Rewiring	1,708	1,557	1,726	1,685	1,685	1,685	8,338
Windows/Roofing/Asbestos/Water Tanks	951	746	1,059	859	859	859	4,382
Other Planned Maintenance	368	392	385	454	454	454	2,139
Total Planned Maintenance	3,027	2,962	3,170	2,998	2,998	2,998	15,126
Structural Schemes	400	471	610	600	400	400	2,481
Small Capital Repairs	632	896	464	493	493	493	2,839
Kitchen & Bathroom Replacements	1,672	1,837	1,520	1,204	1,204	1,204	6,969
Environmental Improvements	718	402	1,200	216	216	165	2,199
Disabled Adaptations	450	423	450	450	450	450	2,223
Other Repairs and Maintenance	20	35	20	20	20	20	115
TOTAL HRA	6,919	7,026	7,434	5,981	5,781	5,730	31,952
Housing DLO Vehicles	54	0	57	50	50	50	207
TOTAL DLO	54	0	57	50	50	50	207
TOTAL HOUSING PROGRAMME	9,278	8,201	10,342	6,821	6,581	6,530	38,475

CAPITAL RECEIPTS
2011/12 to 2015/16 FORECAST

	2011/12 Original £000	2011/12 Revised £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	2015/16 Forecast £000	5 Year Total £000
Receipts Generation							
Housing Revenue Account	930	586	690	928	1,166	1,165	4,535
General Fund	0	0	0	0	0	0	0
Total Receipts	930	586	690	928	1,166	1,165	4,535
Receipts Analysis							
Usable Receipts	235	155	174	234	294	294	1,151
Payment to Govt Pool	695	431	516	694	872	871	3,384
Total Receipts	930	586	690	928	1,166	1,165	4,535
Usable Capital Receipt Balances							
Opening Balance	17,661	18,694	14,595	9,877	9,221	8,642	18,694
Usable Receipts Arising	235	155	174	234	294	294	1,151
Use of Other Capital Receipts	(5,801)	(4,254)	(4,892)	(890)	(873)	(768)	(11,677)
Closing Balance	12,095	14,595	9,877	9,221	8,642	8,168	8,168

MAJOR REPAIRS RESERVE
2011/12 to 2015/16 FORECAST

	2011/12 Original £000	2011/12 Revised £000	2012/13 Forecast £000	2013/14 Forecast £000	2014/15 Forecast £000	2015/16 Forecast £000	5 Year Total £000
Opening Balance	5,791	6,540	6,612	8,153	11,176	14,359	6,540
Major Repairs Allowance	4,949	4,978	6,932	6,954	6,914	6,902	32,680
Use of MRR	(4,873)	(4,906)	(5,391)	(3,931)	(3,731)	(3,680)	(21,639)
Closing Balance	5,867	6,612	8,153	11,176	14,359	17,581	17,581

Report to the Overview and Scrutiny Committee



SCRUTINY

 Epping Forest District Council

Portfolio: Finance and Economic Development (Councillor G Mohindra)

Subject: Draft Key Objectives 2012/13

Responsible Officer: S. Tautz (01992 564180)

Democratic Services Officer: A. Hendry (01992 564246)

Recommendations/Decisions Required:

That, subject to the concurrence of the Cabinet, the Council's draft Key Objectives for 2012/13 be agreed.

Executive Summary:

1. The annual identification of Key Objectives provides an opportunity for the Council to focus specific attention on how areas for improvement will be addressed, opportunities exploited and better outcomes delivered over the coming year. The Key Objectives are intended to provide a clear statement of the Council's overall intentions for each year, containing specific actions and desired outcomes.
2. For 2011/12, the Key Objectives were set by the Cabinet as part of the adoption of the new Corporate Plan and alongside the setting of the budget for the year, representing significant improvement over previous arrangements where they were not determined until early in each municipal year, after the budget for the year had been agreed.
3. The Key Objectives are not intended to reflect everything that the Council does, but are intended to focus on national priorities set by the Government and local challenges arising from the social, economic and environmental context of the district. The Key Objectives represent the Council's high-level initiatives and over-arching goals for each year.

Reasons for Proposed Decision:

4. The identification of the Council's service delivery priorities over the four-year period of the new Corporate Plan, and the annual adoption of Key Objectives for each year of the Plan, provides an opportunity for the Council to focus specific attention on how areas for improvement will be addressed, opportunities exploited and better outcomes delivered.
5. It is important that relevant performance management processes are 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 for Action:

6. The Council could decide not to adopt Key Objectives for 2012/13, although, this could mean that opportunities for improvement were lost. Failure to monitor and review performance against Key Objectives and outcomes, and to take corrective action where necessary, could have negative implications for the reputation of the Council and for judgements made about the authority.

Report:

7. The Corporate Plan for 2011/12 to 2014/15 includes an annually updated section reflecting the Council's Key Objectives for each of the four years to 2014/15.
8. The Key Objectives are intended to reflect national and local priorities and specific service challenges, and to provide a clear statement of the Council's overall objectives for the year. The Key Objectives contain specific actions articulating how they will be achieved through projects and initiatives, and measurable outcomes to demonstrate their achievement. Progress against each objective is reported to the Cabinet and the Overview and Scrutiny Committee on a six-month and year-end basis.
9. The Committee will be aware that the Council has sought to align its business, budget, and workforce planning and development processes over recent years. For 2010/11, the Key Objectives were agreed by the Cabinet alongside the setting of the budget for the year, representing significant improvement over previous arrangements where the Key Objectives were not determined until early in each municipal year, long after the budget for the year had been agreed. This approach has also therefore been taken to the adoption of Key Objectives for 2012/13, which has provided an opportunity for the delivery of the Key Objectives to be reflected within the annual Directorate Business Plans produced for each service area, thereby further linking the various elements of the Council's performance management framework. In addition to the progress review arrangements for the Key Objectives set out above, performance against the achievement of the delivery actions within individual Business Plans is required to be reviewed with the relevant Portfolio Holder(s) on a six-monthly basis.
10. In order to complete the Business Plans for 2012/13, service directors have identified proposed Key Objectives and supporting delivery actions and outcomes, with relevant portfolio holders. Progress in respect of each of the Key Objectives for the first six months of 2011/12 has recently been considered by the Cabinet and the Overview and Scrutiny Committee, and has been used as the starting point for the identification of appropriate objectives for 2012/13. A number of Key Objectives have been carried forward from 2011/12 (with new or revised actions and outcomes), alongside new objectives responding to other issues of national or local importance. The draft Key Objectives for 2012/13 are attached as Appendix 1 to this agenda, and have been considered as part the recent joint Cabinet and Management Board meeting held on 21 December 2011.
11. The Committee is requested to consider the draft Key Objectives for 2012/13. The draft Key Objectives will also considered by the Cabinet on 30 January 2012, and the views of the Committee in this respect will be reported to the Cabinet meeting.

Resource Implications:

Resource requirements for the achievement of specific Key Objectives for 2012/13 will be identified by the relevant service director and reflected in the Council's budget process for the year.

Legal and Governance Implications:

There are no legal implications or Human Rights Act issues arising from the recommendations in this report, which ensure that the Council sets appropriate corporate priorities, and monitors progress against the achievement of these priorities.

Safer, Cleaner and Greener Implications:

There are no implications arising from the recommendations in this report for the Council's commitment to the Nottingham Declaration for climate change, the corporate Safer, Cleaner and Greener initiative, or any Crime and Disorder issues within the district.

Consultation Undertaken:

The draft Key Objectives for 2012/13 have been considered by the joint Cabinet and Management Board (21 December 2011) and the Overview and Scrutiny Committee (24 January 21012).

Background Papers:

Key Objectives 2011/12 – Six-month progress report (December 2011)

Impact Assessments:***Risk Management***

The respective service director will identify any risk management issues arising from proposals for the Council's Key Objectives for 2012/13, as set out in this report

Equality and Diversity:

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?

No. The content of this report has no specific equality implications. However, the respective service director will identify any equality issues arising from proposals for the Council's Key Objectives for 2012/13

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? N/A

What equality implications were identified through the Equality Impact Assessment process?
N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group? N/A

This page is intentionally left blank

DRAFT KEY OBJECTIVES 2012/13

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
(1) The development of the Council's new Local Plan as the spatial strategy for development and growth across the Epping Forest District, and to support the aspirations of the Community Strategy for the district;	To develop the Council's new Local Plan in accordance with the project plan timetable agreed by the Local Development Framework Cabinet Committee; <i>(Planning and ICT Portfolio Holder/Director of Planning and Economic Development)</i>	(i) The establishment of joint working arrangements with other relevant local planning authorities on strategic matters relating to the development of the new Local Plan, in accordance with the duty to cooperate introduced by the Localism Act 2011;	<p>Medium-Term Aims</p> <p>Aim 5 - Provide clear community leadership;</p> <p>Budget 2012/13</p> <p>Corporate Strategies and Policies</p>
		(ii) The development of the new Local Plan in accordance with the project plan timetable for the issues and options (February-March 2012), and draft plan (July-August 2012) consultation exercises;	
		(iii) The submission of progress reports in respect of the development of the new Local Plan, to each meeting of Management Board;	
		(iv) The submission of the draft new Local Plan to the Planning	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
<p>(2) The achievement of the levels of net savings necessary to maintain the Council's sound financial position, and the provision of the best level of service possible with reduced resources;</p>	<p>(a) To ensure that over the period of the Medium-Term Financial Strategy, the use of reserves to balance the Council's budget is reduced;</p> <p><i>(Finance and Economic Development Portfolio Holder/Director of Finance and ICT)</i></p> <p>(b) To ensure that the General Fund Reserve Balance falls to no lower than 25% of the Council's Net Budget Requirement;</p> <p><i>(Finance and Economic Development Portfolio Holder/Director of Finance and ICT)</i></p> <p>(c) To achieve improvement in respect of the Council's Key Performance Indicators for each of the four years from 2010/11 to</p>	<p>Inspectorate by 28 February 2013;</p> <p>The success of the Medium-Term Financial Strategy in reducing the use of reserves to balance the budget for 2015/16;</p> <p>The predicted level of the General Fund Reserve Balance for 2015/16;</p> <p>The achievement of improved performance against the Key Performance Indicators for 2012/13, compared with performance for</p>	<p>Medium-Term Aims Aim 1 - Safeguard frontline services; Aim 2 - Lowest Council Tax in Essex; Aim 4 - Continuously improve efficiency;</p> <p>Budget 2012/13</p> <p>Corporate Strategies and Policies</p>

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p>2014/15;</p> <p>(d) To continue to achieve high levels of revenue collection; <i>(Finance and Economic Development Portfolio Holder/Director of Finance and ICT)</i></p> <p>(e) To implement improvements to the Council's housing repairs service, to improve repair response times and maintain high levels of tenant satisfaction; <i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>2011/12, by 31 March 2013;</p> <p>(i) The collection of 97.8% of the Council Tax due for 2012/13 by 31 March 2013, as measured by Key Performance Indicator 31;</p> <p>(ii) The collection of 98.0% of the National Non-Domestic Rates due for 2012/13 by 31 March 2013, as measured by Key Performance Indicator 32;</p> <p>(i) The introduction of a full housing repairs appointment system, by 30 April 2012;</p> <p>(ii) The introduction of a new contract for the supply of housing repair materials, by 31 March 2013;</p> <p>(iii) The achievement of all target times within the Repairs Management Contract for the fourth quarter of 2012/13 (January-March 2013), by 31 March 2013;</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
(3) The implementation of the Government's proposed welfare		(iv) The achievement of 99.00% tenant satisfaction with the performance of the housing repairs service for 2012/13, as measured by Key Performance Indicator 45;	
	(f) To further improve the Council's housing service, utilising additional resources available as a result of arrangements for the self-financing of local authority Housing Revenue Accounts introduced as part of the Localism Act 2011; <i>(Housing Portfolio Holder/Director of Housing)</i>	(i) The consideration of relevant housing service improvements and enhancements by the Epping Forest Tenants and Leaseholders Federation, by 30 April 2012;	
		(ii) The consideration by the Housing Scrutiny Panel of a report in respect of relevant housing service improvements and enhancements, by 30 April 2012;	
	(a) To work with other Essex local authorities and Essex County	(iii) The consideration by the Cabinet of the recommendations of the Housing Scrutiny Panel in respect of relevant housing service improvements and enhancements, by 30 June 2012;	Medium-Term Aims Aim 1 - Safeguard frontline services;

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
<p>and other finance reforms with the least possible disruption to service users and the Council's operations;</p>	<p>Council to develop and introduce a common local scheme of Council Tax Benefit;</p> <p><i>(Finance and Economic Development Portfolio Holder/Director of Finance and ICT)</i></p> <p>(b) To work with other Essex local authorities and Essex County Council to maximise income from the retention of Business Rates;</p> <p><i>(Finance and Economic Development Portfolio Holder/Director of Finance and ICT)</i></p> <p>(c) To examine the impact of the proposed introduction of the housing-related elements of the proposed welfare reforms on Council tenants, private tenants and the Council;</p> <p><i>(Housing Portfolio Holder/Director)</i></p>	<p>Essex, by 31 March 2013;</p> <p>The consideration of different Business Rate pooling options by 31 March 2013 and, if appropriate, the implementation of a Business Rate pool;</p> <p>(i) The seeking of external funding for the commission of a study by the Chartered Institute of Housing into the effects of the housing-related elements of the proposed welfare reforms, by 30 April 2012;</p> <p>(ii) The completion, subject to the</p>	<p>Aim 5 - Provide clear community leadership;</p> <p>Budget 2012/13</p> <p>Corporate Strategies and Policies</p>

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
<p>(4) The implementation of initiatives to help mitigate the impact of the current economic conditions on local communities and businesses, where resources permit and value for money can be achieved from the Council's activities;</p>	<p><i>of Housing)</i></p>	<p>securing of appropriate funding, of the Chartered Institute of Housing study by 30 June 2012;</p>	
	<p>(d) To support local residents and landlords, through the provision of appropriate information on the effects of the introduction of the proposed welfare reforms;</p> <p><i>(Finance and Economic Development Portfolio Holder/Director of Finance and ICT)</i></p> <p><i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>The publication of appropriate welfare reform information and guidance on the Council's website;</p>	
	<p>(a) To make no increase in the Council Tax for 2012/13;</p> <p><i>(Finance and Economic Development Portfolio Holder/Director of Finance and ICT)</i></p>	<p>(i) The freezing of the Council Tax for 2012/13, at 2011/12 levels;</p> <p>(ii) The securing of the specific grant made available by the Government in lieu of the local increase in Council Tax for 2012/13, by 31 March 2013;</p>	<p>Medium-Term Aims</p> <p>Aim 2 - Lowest District Council Tax in Essex;</p> <p>Aim 3 - Innovative and transparent council;</p> <p>Aim 4 - Continuously improve</p>

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p>(b) To make no increase in the Council's off-street car parking fees and charges for 2012/13; <i>(Environment Portfolio Holder/Director of Environment and Street Scene)</i></p>	<p>The freezing of all off-street car parking fees and charges for 2012/13, at 2011/12 levels;</p>	<p>efficiency; Aim 5 - Provide clear community leadership;</p> <p>Budget 2012/13</p> <p>Corporate Strategies and Policies</p>
	<p>(c) To provide free off-street car parking on Saturdays throughout the year in each of the six primary towns of the district (Buckhurst Hill, Chigwell, Epping, Loughton, Ongar, Waltham Abbey), to support the local economy of the district; <i>(Environment Portfolio Holder/Director of Environment and Street Scene)</i></p>	<p>The provision of free Saturday car parking in at least one of the Council's off-street car parks in each of the six primary towns of the district, throughout 2012/13;</p>	
	<p>(d) To provide free car parking in all of the Council's off-street car parks on each Saturday during December 2012, to support the local economy of the district during the pre-Christmas period;</p>	<p>The provision of free car parking in each of the Council's off-street car parks on all Saturdays during December 2012;</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p><i>(Environment Portfolio Holder/Director of Environment and Street Scene)</i></p>		
	<p>(e) To undertake further work following the revenue income optimisation exercise undertaken in 2011/12, in order to ensure parity in the Council's fees and charges regime for short and long-term off-street parking;</p> <p><i>(Environment Portfolio Holder/Director of Environment and Street Scene)</i></p>	<p>(i) The completion of a car park usage survey by 31 March 2013;</p>	
	<p>(f) To make no increase in appropriate fees and charges for 2012/13;</p>	<p>(ii) The assessment of the car parking needs/concerns of local businesses, once data from the car park usage survey has been analysed and considered;</p>	
		<p>(i) The freezing of all of the Council's housing-related fees and charges for 2012/13, at 2011/12 levels;</p> <p><i>(Housing Portfolio Holder/Director of Housing)</i></p>	
		<p>(ii) The freezing of all of the Council's domestic and trade waste related fees and charges for 2012/13 at</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
<p>(5) The maximisation of the provision of affordable housing within the district;</p>	<p>(a) To prepare for the commencement of a council house building programme during 2013/14; <i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>2011/12 levels, other than where costs to the Council rise through external influences (e.g. through contracted costs); <i>(Environment Portfolio Holder/Director of Environment and Street Scene)</i></p>	
		<p>(iii) The review of the effect of the Council's fees and charges for 2012/13 by 30 November 2012, as part of the preparation of the budget for 2013/14;</p>	
		<p>(i) The appointment of a Development Agent to undertake the house building development process for the Council, by 31 March 2013; (ii) The identification by the Cabinet of potential Council-owned development sites for the house building programme by 30 June 2012, to enable development appraisals to be undertaken by the</p>	<p>Medium-Term Aims Aim 4 - Continuously improve efficiency; Aim 5 - Provide clear community leadership; Budget 2012/13 Corporate Strategies and Policies</p>

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p>(b) To provide interest-free loans to the Council's housing association partner through the Shared Ownership Scheme, to enable local residents to purchase open-market properties on a shared ownership basis; <i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>appointed Development Agent;</p> <p>(iii) The sale of the Council-owned Leader Lodge site at North Weald on the open market for private housing by 28 February 2013, and the utilisation of the generated capital receipt as a cross-subsidy for the council house building programme;</p> <p>(i) The provision of the first shared ownership loan to Broxbourne Housing Association, by 31 May 2012;</p> <p>(ii) The completion of the remaining seven shared ownership loans to Broxbourne Housing Association, by 31 March 2013;</p> <p>(iii) The review of the Shared Ownership Scheme, including the possible extension to Stage 2 of the scheme (a further five shared ownership loans), by 31 December 2012;</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p>(c) To work with Hastoe Housing Association to complete the first housing association properties in the country built with straw bales, at Millfield, High Ongar;</p> <p><i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>(i) The determination of the planning application for the straw bale development at Millfield, High Ongar, by 30 April 2012;</p> <p>(ii) The completion, subject to the grant of planning permission for the straw bale development, of the lease of land at Millfield to Hastoe Housing Association by 30 April 2012;</p> <p>(iii) The commencement of the straw bale development at Millfield, High Ongar, by 30 June 2012;</p>	
	<p>(d) To work with housing association partners to complete at least 34 new affordable homes and commence the construction of at least 69 new affordable homes, in the form of both rented housing and shared ownership;</p> <p><i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>(i) The completion of 5 new affordable homes for shared ownership at Church Hill, Loughton with Moat Housing, by 31 March 2013;</p> <p>(ii) The completion of 29 new affordable homes for rent and shared ownership at Sewardstone Road, Waltham Abbey with Hastoe</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
		Housing Association and Genesis Housing Association, by 31 March 2013;	
		(iii) The start on site of 52 new affordable homes for rent and shared ownership at Jennikings Nursery, Chigwell with Moat Housing, by 31 March 2013;	
		(iv) The start on site of 17 new affordable homes for rent and shared ownership at Manor Road, Chigwell with East Thames Housing, by 31 March 2013;	
	(e) To progress the residential development at the Council's nursery site at Pyrles Lane, Loughton, to include the provision of new affordable homes for rent and shared ownership; <i>(Housing Portfolio Holder/Director of Housing)</i>	The determination of an outline planning application for the residential development of the Council's nursery site, including the provision of at least 40% new affordable homes for rent and shared ownership, by 31 May 2012;	
	(f) To review the Strategic Housing	(i) The review of the Strategic	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p>Market Assessment to determine whether it remains fit for purpose to evaluate the number of new affordable homes required over the period of the Council's new Local Plan;</p> <p><i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>Housing Market Assessment, by 30 May 2012;</p> <p>(ii) The update, if required, of the Strategic Housing Market Assessment by 31 December 2012;</p>	
<p>The implementation of relevant provisions contained within the Localism Act 2011, and other public sector reforms;</p>	<p>(a) To implement relevant provisions contained in the Localism Act 2011;</p> <p><i>(Support Services Portfolio Holder/Assistant to the Chief Executive)</i></p> <p>(b) To improve understanding and partnership between the Council and the voluntary and community agencies operating in the Epping Forest District;</p> <p><i>(Leisure and Wellbeing Portfolio Holder/Assistant to the Chief</i></p>	<p>The determination of the Council's approach to the following elements of the Localism Act, by 31 March 2013:</p> <ul style="list-style-type: none"> • a local standards regime; • a local petitions regime; and • local referendums on Council Tax increases; <p>The review of the Epping Forest District Compact, to ensure an effective working relationship between the voluntary sector and the Local Strategic Partnership and its partner organisations (including the Council), by 31 March 2013;</p>	<p>Medium-Term Aims</p> <p>Aim 3 - Innovative and transparent council;</p> <p>Aim 5 - Provide clear community leadership;</p> <p>Budget 2012/13</p> <p>Corporate Strategies and Policies</p>

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p><i>Executive)</i></p> <p>(c) To progress arrangements for the transition to Individual Electoral Registration for electoral purposes, required to be undertaken over the period from 2013 to 2015;</p> <p><i>(Support Services Portfolio Holder/Assistant to the Chief Executive)</i></p>	<p>(i) The identification of necessary resource requirements for the following elements of the transition to Individual Electoral Registration, by 31 March 2013:</p> <ul style="list-style-type: none"> • the removal of registrations after the 2014/15 canvass, where these have not been renewed; • measures to encourage electors to re-register under the new arrangements as individual voters; and • arrangements for applications for absent voting following re-registration under the individual voter registration system; <p>(ii) The determination of the resource implications of the Individual Electoral Registration process after the transitional phase from 2015 onwards, by 31 March 2013;</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p>(d) To consider the introduction of fixed-term, flexible tenancies for some new Council tenants, as a result of powers provided by the Localism Act 2011, instead of the granting of 'lifetime' secure tenancies for all tenants;</p> <p><i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>(i) The provision of appropriate information sessions for the Council's members and the Epping Forest Tenants and Leaseholders Federation on the housing tenure reform provisions of the Localism Act 2011, by 30 April 2012;</p> <p>(ii) The consideration by the Cabinet of the high-level policy issues relating to the possible introduction and use of fixed term tenancies, by 30 April 2012;</p> <p>(iii) The consideration by the Housing Scrutiny Panel, of a proposed new Tenancy Policy based on Cabinet policy direction, by 31 July 2012;</p> <p>(iv) The adoption by the Cabinet of the new Tenancy Policy, by 30 September 2012;</p> <p>(v) The implementation of the new Tenancy Policy from 1 April 2013;</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p>(e) To undertake a review of the Housing Allocations Scheme, as a result of powers provided by the Localism Act 2011, to ensure that local residents are given the highest priority for Council and housing association properties, and that vacant properties are offered to those most in housing need;</p> <p><i>(Housing Portfolio Holder/Director of Housing)</i></p>	<p>(i) The provision of appropriate information sessions for the Council's members and the Epping Forest Tenants and Leaseholders Federation on the new housing allocation provisions of the Localism Act 2011, by 30 April 2012;</p> <p>(ii) Subject to the issue of the relevant Commencement Order and new Code of Guidance on Allocations, the consideration by the Cabinet of the high-level policy issues relating to the adoption of a revised Housing Allocations Scheme, by 31 July 2012,</p> <p>(iii) The consideration by the Housing Scrutiny Panel, of a new Housing Allocations Scheme based on Cabinet policy direction, by 31 October 2012;</p> <p>(iv) The adoption by the Cabinet of the new Housing Allocations Scheme by 31 December 2012;</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
	<p>(f) To ensure that the Council is able to fully engage in the development of new Health and Wellbeing Boards, to improve health and wellbeing outcomes across the district; <i>(Leisure and Wellbeing Portfolio Holder/Director of Environment and Street Scene)</i></p> <p>(g) To ensure that the Council is able to fully engage in the process of appointing and overseeing the work of the new Police and Crime Commissioner for Essex, due for election in November 2012. <i>(Safer, Greener and Highways Portfolio Holder/Director of Environment and Street Scene)</i></p>	<p>(v) The implementation of the new Housing Allocations Scheme from 1 April 2013;</p> <p>The establishment of joint-working arrangements with Harlow and Uttlesford District Councils, to ensure that the Joint Strategic Needs Assessment properly reflects the health and wellbeing needs of west Essex, and the Epping Forest District in particular;</p> <p>(i) The appointment of an executive member as the Council's representative on the Police and Crime Panel for Essex, at the annual Council meeting on 22 May 2012;</p> <p>(ii) The introduction of arrangements to ensure that, with partner agencies, the Epping Forest Safer Communities Partnership is able to</p>	

Key Objective	Action(s)	Target(s)/How Measured	Links to Medium-Term Aims, the Budget and other Corporate Strategies and Policies
		<p>positively engage with the Police & Crime Commissioner for Essex when elected;</p> <p>(iii) The consideration of any proposals for the amalgamation of local Safer Communities Partnerships, ahead of the election of the Police and Crime Commissioner for Essex in November 2012.</p>	



SCRUTINY



Report to Overview and Scrutiny Committee

Date of meeting: 24 January 2012

Subject: Terms of Reference and Work Programme 2011/2012 and 2012/2013

Officer contact for further information: P Millward (01992 56 4338)

Committee Secretary: M Jenkins (01992 56 4607)

Recommendations/Decisions Required:

That the revised Terms of Reference and Work Programme for the Planning Services Scrutiny Standing Panel be approved.

Report:

The Terms of Reference and the Work Programme of the Planning Services Scrutiny Standing Panel had been amended in the past although these could be characterised as relatively minor in nature.

Panel Member Councillor A Lion suggested that the Terms of Reference should be amended and provided officers with a draft. However, officers from Planning & Economic Development have met with colleagues from Democratic Services and considered a more fundamental set of amendments which reflected:

- The Terms of Reference and Work Programme of the other Standing Scrutiny Panels, securing consistency.
- Whether the most recent arrangements have been manageable, or whether the arrangements have ended up being rather unwieldy.
- The aligning of the work of the Panel with other work streams, such as the Business Plan, and the refocusing/simplifying of the Panel's work.

Accordingly, attached as Appendices 1 and 2 are the suggested revised Terms of Reference and an amended Work Programme; these are drawn from relevant sections and action areas in the existing Business Plan. Because of continuing change to the overall resources available to the Council, there may well be changes to future Business Plans.

At the Planning Services Scrutiny Standing Panel on 20 December 2011 Members discussed the proposed Terms of Reference and Work Programme. They supported the amendments and recommend these to this Committee.

Reason for decision:

The Terms of Reference and Work Programme are, or can be, reviewed at each meeting, and have been the subject of relatively minor changes in the past. Councillor Lion's suggestion have prompted a more fundamental review by Officers.

It will be important to embark upon work that is expected by the Terms, and to concentrate on achieving that by reference to the Programme. Extra work can be added by this Panel, but in ways which are manageable.

Options considered and rejected:

Not to amend the Terms of Reference and the Work Plan at all, to amend them as suggested by Councillor Lion, or to amend them in some other way.

Consultation undertaken:

There has been internal consultation amongst officers, then with Councillor Lion and consideration by the Planning Services Scrutiny Panel.

Resource implications:

Budget provision: From existing resources

Personnel: From existing resources

Land: Nil

Community Plan/BVPP reference: The Council's Constitution sets out details of how work and performance of Directorates is to be scrutinised; by aligning what is put into the Planning Directorate Business Plan with what the Scrutiny Panel considers, is considered a useful step for this Directorate.

Relevant statutory powers:

Background papers: The report's attachments sets out the revisions.

Environmental/Human Rights Act/Crime and Disorder Act Implications: None.

Key Decision reference: (if required) N/A

TERMS OF REFERENCE - STANDING PANEL

Title: Planning Services

Status: Standing Panel

Terms of Reference:

1. To consider and review Measures taken to Improve Performance within the Directorate concerning;
 - a) Performance standards and monitoring,
 - b) Benchmarking of Services
 - c) Other Reviews
2. To consider and review Business Processes, Value for Money and Staffing arrangements for the Directorate focusing on;
 - a) Development Control, Appeals and Enforcement.
 - b) Forward Planning, Economic Development, Conservation and Trees and Landscape
 - c) Building Control and the Planning Support Team
3. To monitor and receive reports/updates on the delivery of the Local Plan
4. To monitor and receive reports/updates on the Planning Electronic Document Management System. To provide information regarding the progress and availability of planning information held on i-Plan.
5. To establish whether there are any resource implications arising out of the topics under review and advise Cabinet for inclusion in the Budget Process each year;
6. To report to the Overview and Scrutiny Committee at appropriate intervals on the above. To report to the Overview and Scrutiny Committee, the Council and the Cabinet with recommendations on matters allocated to the Panel as appropriate.

Chairman: Councillor H Ulkan

This page is intentionally left blank

Planning Services Standing Panel (Chairman – Cllr H Ulkun)
(SUGGESTED DRAFT OUTLINE WORK PROGRAMME)

Item	Reports	Report Deadline Dates	Progress/Comments	Programme of Future Meetings
1. To consider and Review Measures taken to Improve Performance within the Directorate (BP Section 3 (a))	a) Summary review presented b) CIPFA Benchmarking report c) Other updates	7 th Feb 2011 24 th April 2012 TBA		7 th February 2012 24 th April 2012 June 2012 Sept 2012 Dec 2012
2. To consider and Review Business Processes, Value for Money and Staffing arrangements for the Directorate (BP Section 3 (b))	a) To consider the Financial Review (Bus Plan Section 3 (b)). b) To consider the Business and Environmental Review (Appendix Business Plan) c) To consider the Directorate Value for Money statement (Business Plan Section 4 (f)). d) To consider the Business Plan	7 th February 2011 7 th February 2011 7 th February 2011 7 th February 2011 7 th February 2011 24 th April 2012		
3. To monitor and receive reports/updates on the delivery of the Local Plan (BP Section 3 (c))	a) To report on the progress of the Local Plan b) To provide further updates on the Local Plan	TBA TBA		
4. To monitor and receive reports/updates on the Planning Electronic Document Management System (BP Section 3 (d))	a) To submit Electronic Records Management Progress Plan (Appendix Business Plan) b) To receive further updates	7 th February 2011 TBA		

Item	Reports	Report Deadline Dates	Progress/Comments	Programme of Future Meetings
5. To establish whether there are any resource implications arising out of the topics under review and advise Cabinet for inclusion in the Budget Process each year;	a) To provide reports/updates as and when required	TBA		
6. To report to the Overview and Scrutiny Committee at appropriate intervals on the above.	a) Any recent meeting of the Chairman and Vice Chairman of the Area and District Committees Invitation Panel.	TBA		

BUSINESS PLAN OUTLINE >> TERMS OF REFERENCE PLANNING SCRUTINY PANEL >> WORK PROGRAMME

BP 2011/12	BP 2012/13	TERMS OF REFERENCE PLANNING SCRUTINY	WORK PROGRAMME
<p>SECTIONS ONE TO FOUR STRATEGIC OVERVIEW - PLANNING & ECONOMIC DEVELOPMENT <u>SECTION ONE: INTRODUCTION</u> a) Title of Directorate, Background And Structure b) Portfolio and Corporate Responsibilities c) Date of commencement of the Business Plan</p>	<p>SECTIONS ONE TO FOUR STRATEGIC OVERVIEW - PLANNING & ECONOMIC DEVELOPMENT <u>SECTION ONE: INTRODUCTION</u> a) Title of Directorate, Background And Structure b) Portfolio and Corporate Responsibilities c) Date of commencement of the Business Plan d) Overview, Functions & Vision e) Customer Focus and Profile</p>		
<p><u>SECTION THREE: DIRECTORATE SUMMARY</u> a) Overview, Functions & Vision b) Customer Focus and Profile c) Improvement Plan, Planning and Economic Development. d) Financial review e) Business and Environmental Analysis</p>	<p><u>SECTION THREE: DIRECTORATE SUMMARY</u> a) Performance Management</p>	1) To consider and Review Measures taken to Improve Performance within the Directorate	<ul style="list-style-type: none"> • Summary review presented 07/02/2012 • CIPFA Benchmarking report 24/04/2012 • Other updates TBA
	b) Business Review	2) To consider and Review Business Processes, Value for Money and Staffing arrangements for the Directorate	<ul style="list-style-type: none"> • Business Plan presented 07/02/2012 • To receive further updates TBA
	c) Local Plan	3) To monitor and receive reports/updates on the delivery of the Local Plan	<ul style="list-style-type: none"> • To report on the progress of the Local Plan 07/02/2011 • To provide further updates on the Local Plan TBA
	d) Electronic Records Document Management System	4) To monitor and receive reports/updates on the Planning Electronic Document Management System	<ul style="list-style-type: none"> • To receive a progress report on 27/04/2012 • To receive further updates TBA
<p><u>SECTION FOUR: CORPORATE OBJECTIVES AND PRIORITIES</u> a) Key Cabinet Objectives and Priorities 2010/11. b) On the Horizon – Strategic Key Objectives for Planning and Econ. Dev. 2011/12 c) Risk Management d) Crime and Disorder e) Equality and Diversity f) Value for Money g) Resource Requirements h) Workforce Planning and Development</p>	<p><u>SECTION FOUR: CORPORATE OBJECTIVES AND PRIORITIES</u> a) Key Cabinet Objectives and Priorities 2010/11. b) On the Horizon – Strategic Key Objectives for Planning and Econ. Dev. 2011/12 c) Risk Management d) Crime and Disorder e) Equality and Diversity f) Value for Money g) Resource Requirements h) Workforce Planning and Development</p>	5) To establish whether there are any resource implications arising out of the topics under review and advise Cabinet for inclusion in the Budget Process each year; 6) To report to the Overview and Scrutiny Committee at appropriate intervals on the above.	<ul style="list-style-type: none"> • To provide reports/updates as and when required

BP 2011/12	BP 2012/13	TERMS OF REFERENCE PLANNING SCRUTINY	WORK PROGRAMME
SECTION FIVE TO ELEVEN TEAM OPERATIONAL PLANS <ol style="list-style-type: none"> 1) Forward Planning & Economic Development 2) Conservation 3) Trees & Landscape 4) Countrycare 5) Development Control 6) Building Control 7) Planning Support Team 	SECTION FIVE TO SEVEN SECTION OPERATIONAL PLANS <ol style="list-style-type: none"> 1) Policy and Conservation. (includes FP, ED, T&L) 2) Development Control (includes Appeals & Enforcement) 3) Building Control and Planning Support Team 		

Overview and Scrutiny Work Programme – January 2012

Overview and Scrutiny Committee			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(1) Scrutiny of London Underground Ltd	Completed July 2011	Completed - Came in July 2011. To invite back sometime in 2012/13	31 May 2011; 12 July; 6 September; 18 October; 29 November; 24 January 2012; 6 March; and 17 April
(2) OS Annual Review/ Annual Report	April 2012	2011/12 Final Report to go to April 2012 meeting.	
(3) Scrutiny of Epping Forest Local Strategic Partnership – Chairman and Member level EFDC representatives	January 2012	Last completed - came in July 2010 - Representatives of the partnership to report on an annual basis.	
(4) Scrutiny of Cabinet Forward Plan	Progress report to October 2011	Completed - Last looked at in October 2011; to review again when Cabinet next year.	
(5) Six monthly review -	November 2011	Completed - Last completed in November 11	
(a) Monitoring of OS recommendations			
(b) OS work programme			

(6) To review the strategic direction of Epping Forest College, its vision for the future and its relationship with the Community	For the new municipal year - 2012	Completed in April 11. Principal of Epping Forest College addressed the April 2011 meeting.	
(7) Budget Report	January 2012	Last completed January 2011	
(8) Review of Secondary and Primary education in the District and to focus on the link between Education and deprivation in the District.	In October 2011	Completed – Had Geoff Mangan, the Epping Forest 14-19 Co-ordinator for Epping Forest Secondary Schools attend the Oct. 11 meeting.	
(9) To receive a presentation from Youth Council members	November 2011	Completed - As last year, members of the Youth Council attended with proposals for their funding bid for 2012/13 and gave an update on their programme of work.	
(10) Broadband access in the District	TBA – An Interim report went to the February '11 meeting. Now waiting to get Service providers to a 2011/12 meeting.	BT and one other service provider to be asked to address the O&S Committee on access to broadband and speeds for the Epping Forest District Area.	
(11) Corporation of London	For the new municipal year - 2012	To receive a presentation on the management of the Epping Forest. A representative from 'Friends of Epping Forest ' to be invited as well.	NEW

(12) Police and Fire Rescue Services – To also ask British Transport Police to attend.	For the municipal year (2012) meeting. BTP to April meeting to update us on their plans for the Olympics.	With the current financial difficulty for statutory services, the Committee would like to see representatives of the Police and the Fire and Rescue Services address the meeting regarding the implications of their budget reductions – this to be arranged for the end of 2011 to give them time to assess the effects.	NEW
(13) Key Objectives 2010/11	Outturn report went to the 31 May 2011 meeting.	Completed. Six monthly progress reports in respect of the annual Key Objectives are made to the Cabinet and the Overview and Scrutiny Committee. Outturn report for 2010/11 submitted to the May 2011 Meeting.	
(14) Key Objectives 2011/12	Progress report to go to the November 2011 meeting	Completed - Six monthly progress reports in respect of the annual Key Objectives made to the Cabinet and the Overview and Scrutiny Committee. Progress report for 2011/12.	
(15) To review the new organisational make up of the PCT/ West Essex Health Service and the progress made on the commissioning of local health services.	For March 2012	Useful to look at this next year, after the Bill had gone through Parliament. Noted that County were also looking at this topic.	
(16) To review the Lea Valley Regional Park Authority and the Olympics.	Completed - went to July 2011 meeting	Completed - Report to go to the July 2011 meeting.	

(17) Police Reform Proposals for Essex	September 2011	Completed	
(18) To meet with Essex County Council in respect of Children Services and on annual basis, with the attendance of the Director of Children's Commissioning.	April 2012	Recommendation taken from the Children Services Task and Finish Panel. To invite an Officer and the Portfolio Holder.	
(19) Council Procedure Rules – reports on Outside Organisations	September 2011	Completed - Recommendation from the Constitution and Member Services Scrutiny Standing Panel – July 2011	
(20) Mental Health Services in the District.	Sometime in 2012	To consider the state of the Mental Health Services in the District	NEW

Standing Panels			
Housing Standing Panel (Chairman – Cllr S Murray)			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(1) Presentation by Mears on proposed approach to Repairs Management Contract	July 2011	COMPLETED	19 July 2011; 25 October; 28 November 2011 Extra-Ordinary Joint Meeting with Finance & Performance Management Scrutiny Standing Panel; 31 January 2012; Extra-Ordinary meeting on 5 March 2012; and 13 March
(2) Annual Report on the HomeOption Choice Based Lettings Scheme	July 2011	COMPLETED	
(3) HouseMark Benchmarking Report of Housing Services	July 2011	COMPLETED	
(4) Annual Ethnic Monitoring Review of Housing Applicants	July 2011	COMPLETED	
(5) Housing Performance Indicators – 2010/11 Out-turn (Tenant-Selected & KPIs)	July 2011	COMPLETED	
(6) 12-Month Progress Report on Housing Strategy Action Plan 2010/11	July 2011	COMPLETED	
(7) Housing Strategy Action Plan 2011/12	July 2011	COMPLETED	
(8) Performance against Housing Service Standards and Review	July 2011	COMPLETED	
(9) Six-monthly Progress report on Housing Business Plan Action Plan	October 2011	COMPLETED	

(10) Approach to future Council house-building Programme	October 2011	COMPLETED	
(11) HRA 30-Year Financial Plan in Preparation for HRA Self-Financing	October 2011	COMPLETED	
(12) Briefing on the proposed Council rent increase for 2010/11	January 2012	Not Required – Following detailed consideration of the HRA Financial Plan and associated rent increases, this is not required this year.	
(13) Housing Service Strategy on Empty Properties (Review and update)	October 2011	Deferred to 5 March 2012 - Due to officer workload and to spread the workload of the Scrutiny Panel	
(14) Review of Private Sector Housing Strategy	January 2012	Rescheduled to 5 March 2012 meeting – To spread the workload of the Scrutiny Panel	
(15) Six monthly Progress report on Housing Strategy Action Plan 2011/12	January 2012	Rescheduled to 5 March 2012 meeting – To spread the workload of the Scrutiny Panel	
(16) Feed-in Tariff Scheme for Council Housing Stock	March 2012	Considered on 25 October 2011 – but requires further consideration at 13 March 2012 meeting	
(17) Housing service Strategy on Repairs and Maintenance (New)	October 2011	Deferred to 13 March 2012 meeting – Due to officer workload and to spread the workload of the Scrutiny Panel	
(18) Housing Service Strategy on Energy Efficiency (Review and update)	October 2011	Deferred to 13 March 2012 meeting – Due to officer workload and to spread the workload of the Scrutiny Panel	
(19) Housing Service Strategy on Home Ownership (Review and update)	January 2012	Deferred to 13 March 2012 meeting – Due to officer workload and to spread the workload of the Scrutiny Panel	

(20) Housing Service Strategy on Housing and Estate Management (Review and update)	March 2012	Not yet due – Scheduled for 13 March 2012 meeting	
(21) Housing Service Strategy on Rent Administration (Review and update)	March 2012	Not yet due – Scheduled for 13 March 2012 meeting	
(22) 12 Monthly Progress report on Housing Business Plan Action Plan	March 2012	Not yet due – Scheduled for 13 March 2012 meeting	
(23) Housing Service Strategy on Older Peoples Housing (Review and Update)	March 2012	Not yet due – Scheduled for 13 March 2012 meeting	
(24) HRA Business Plan 2012/13	March 2012	Not yet due – Scheduled for 13 March 2012	
(25) Annual Review of the Housing Allocations Scheme	October 2011	Deferred to the October 2012 – To await the Commencement Order for this part of the Localism Act and publication (and consideration by officers) of the final version of the new Code of Guidance on Allocations.	
Items added after the original Work Programme was agreed			
(26) Provision of smoke detectors in Communal blocks or Council properties	October 2011	Considered on 25 October 2011 – but requires further consideration at 31 January 2012 meeting	

(27) Outcome report on the implementation of new licences for park home sites	October 2011	On Agenda for 31 January 2012 Meeting – Has been delayed from originally scheduled date, due to the resignation of both the Technical Officer (Private Sector) and the Environmental Health Officer undertaking the site inspections, which has delayed the programme, and to await the outcome of liaison meetings with site owners and representatives of residents associations, held before Christmas.	
(28) Consideration of Council response to CLG Consultation paper <i>“Reinvigorating the Right to Buy and one for one replacement.”</i>	January 2012	On agenda for 31 January 2012 Meeting	
(29) Presentation and review of the success of the Council’s Social Housing Fraud Pilot Scheme and consideration of recommendations to the Cabinet	January 2012	On Agenda for 31 January 2012 Meeting	
(30) Consideration and recommendations to Cabinet of proposed housing service improvements and service enhancements, as a result of the additional resources available from HRA self financing	March 2012	Not yet due – Scheduled for 5 March 2012 meeting	
(31) Consideration of Council response to CLG Consultation paper <i>“Allocation of accommodation: guidance for local housing authorities in England.”</i>	March 2012	Not yet due – Scheduled for 13 March 2012 meeting	

(32) Homelessness Strategy – revision and update	March 2012	Not yet due – Scheduled for 13 March 2012 meeting	
---	------------	--	--

Constitution and Member Services Standing Panel (Chairman – Cllr D Stallan)			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(1) New panel meeting dates for 2011/12	June 2011	COMPLETED	30 June 2011; 27 July; 4 October; 8 November; 23 January 2012 Cancelled; and 20 February 2012
(2) Review of Referendum/Elections – May 2011	June 2011	COMPLETED	
(3) Complaints Panel – Terms of Reference	June 2011	COMPLETED	
(4) Substitutions at Meetings	June 2011	COMPLETED	
(5) Council Meetings – Member reports on outside bodies	July 2011	COMPLETED	
(6) Report of District Remuneration Panel	4 October 2011	COMPLETED	

(7) Statutory Review of Polling Stations	4 October 2011	COMPLETED	
(8) Review of Membership of Audit and Governance Committee – Deputy Portfolio Holders	8 November 2011	COMPLETED	
(9) Reporting at Council meetings by Scrutiny Panel Chairmen	8 November 2011	COMPLETED	
(10) Member's Despatch - Review	8 November 2011	COMPLETED (Follow up report regarding circulation of agenda – 23 January 2012)	
(11) Report on Webcasting	20 February 2012	Report submitted to October 2011 Panel.	
(12) Planning/Covenants – Council Responsibilities	20 February 2012	Discussed at the October Panel. Revised report submitted to this meeting.	
(13) Circulation of Agenda – Follow Up	20 February 2012	Preliminary scoping at the meeting in July 2011.	
(14) Housing Appeals and Review Panel – Terms of Reference	20 February 2012	Submitted to this meeting.	
(15) Housing Appeals and Review Panel Order of Business	20 February 2012	Submitted to this meeting.	
(16) Review of Petitions – Change in Legal Requirements	20 February 2012	Localism Bill now law.	
(17) Review of Officer Delegation	20 February 2012		
(18) Review of Financial Regulations	20 February 2012		
(19) Review of Annual Council arrangements	20 February 2012		
(20) Review of Member Representation on Outside Bodies	20 February 2012		

As at: January 2012

Safer, Cleaner, Greener Standing Panel (Chairman Mrs M Sartin)			
Work Programme 2011-12			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(1) Safer, Cleaner, Greener strategy			7 July 2011;
(a) Enforcement activity – half yearly report	(a) To January 2012 meeting	(a) To put data to January '12 meeting.	11 October cancelled;
(b) Half yearly report on Strategy Action Plan	(b) To January 2012 meeting	(b) To put data to the January '12 meeting.	17 October – Extra-Ordinary Meeting
(c) Agree action plan for 2012/13	(c) To January 2012 meeting	(c) Not required until January 2012 meeting	10 January 2012; 21 February; and 10 April 2012
			Crime and Disorder

Safer, Cleaner, Greener Standing Panel (Chairman Mrs M Sartin)			
Work Programme 2011-12			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
<p>(2) Community Safety</p> <p>(a) CCTV action plan – half yearly report</p> <p>(b) Receive reports from Community Safety Scrutiny meetings</p> <p>(c) Progress against strategic assessment</p> <p>(d) Progress towards appointment of Police & Crime Commissioner.</p> <p>(e) Monitoring of Police resources relative to the Olympic Games</p>	<p>(a) To January 2012 meeting</p> <p>(b) To January 2012 and April 2012 meetings</p> <p>(c) To January 2012 meeting</p> <p>(d) To report when information available</p> <p>(e) To report when information available</p>	<p>(a) Data to the January '12 meeting</p> <p>(b) Report to be considered at January 2012 meeting</p> <p>(c) Data to January '12 meeting</p> <p>(d) Awaiting outcome of House of Lords amendments and referral back to the Commons.</p> <p>(e) Data not yet available</p>	<p>Scrutiny meetings – the 2 meeting dates are October 2011 and February 2012</p>
<p>(3) Essex Waste Partnership Inter Authority Agreement</p> <p>(a) Receive notes/minutes of Member Partnership Board</p>	<p>(a) To receive notes/minutes when available</p>	<p>(a) A meeting was likely to be held in November 2011.</p>	

Safer, Cleaner, Greener Standing Panel (Chairman Mrs M Sartin)			
Work Programme 2011-12			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(b) Receive notes/minutes of Inter Authority Member Group	(b) To receive notes/ minutes when available	(b) Draft Notes (unapproved) of meetings held on 7 June '11 submitted to 17 October meeting.	
(4) Waste Management Partnership Board (a) Receive minutes of Partnership Board	(a) To receive notes / minutes when available	(a) Draft notes of meeting held on 16 June 2011 went to 17 Oct. meeting.	
(5) Green and Carbon Reduction Measures (a) Nottingham declaration Progress against pledges – half yearly reports (b) Carbon Reduction Strategy update	(a) January 2012. (b) January 2012.	(a) last went to the July 2011 meeting (b) Last went to the July 2011 meeting.	

Safer, Cleaner, Greener Standing Panel (Chairman Mrs M Sartin)			
Work Programme 2011-12			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(6) Bobbingworth Tip			
(a) Receive reports on availability for public access	(a)	(a) Nature Reserve formally opened on 15 July 2011.	
(b) Receive notes/minutes of management/liaison group	(b) To January 2012 meeting	(b) Notes of meeting held on 25 May 2011	
(7) Ad hoc report asked for on improving recycling in flats and houses of multiple occupation	TBA		
(8) Ad hoc report asked for on the use of Solar Panels on Council owned properties.	TBA	Currently subject to a review by price Waterhouse Coopers as part of income generation assessment.	
(9) Roding River Catchment Environment Agency Consultation	17 October 2011	Completed - Extra ordinary Panel meeting to discuss the EA consultation on the Roding River. Previously discussed by the Planning Services Standing Panel in September.	

Safer, Cleaner, Greener Standing Panel (Chairman Mrs M Sartin)
Work Programme 2011-12

Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(10) Roding River Catchment Environment Agency Consultation	TBA	To receive an updating report on the wider implications, once known, of the EA strategy on flood management in the Roding catchment area.	NEW
(11) New SITA Contract	TBA	To scrutinise the new SITA contract once details were known.	NEW

Planning Services Standing Panel (Chairman – Cllr H Ulkun)			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(1) Reports to each meeting on: (a) Regional Plan (b) Local Development Framework (c) Current Staffing (d) Improvement Plan (e) Any recent meeting of the Chairman and Vice Chairman of the Area and District Committees Invitation Panel	Regular updating reports		14 June 2011; 13 September; 3 October 20 December; 7 February 2012; and 24 April
(2) Value for Money Provision: (a) Administration & Customer Support (b) Building Control (c) Development Control (including Appeals) (d) Economic Development (e) Enforcement (f) Environment Team (g) Forward Planning (h) Performance	Provide a report after the end of Quarter 4 on 2(c) + 2(e) and periodically on the other areas		
(3) To review a selection of controversial planning decisions to see if lessons can be learnt from their consideration.		This item has been extracted from the Terms of Reference of the Provision for Value for Money within Planning Services Task and Finish Panel and the current Panel.	

(4) To consider whether the reporting arrangements for Terms of Reference sections and those from the Section 106s (including how they are negotiated agreed and implemented strategically to secure community benefit), and appeals are sufficient (including how new legislation impacts on these) and recommend accordingly		This item has been extracted from the Terms of Reference of the Provision for Value for Money within Planning Services Task and Finish Panel and the current Panel.	
(5) Contributions to affordable housing (S106 Agreements)	Item carried forward from 2010/11 Work Programme	COMPLETED	
(6) Liaise with other planning authorities to learn from their work.	New Item	Quarterly meeting with other Essex Authorities discuss and share working practices. Benchmarking underway as part of local fee setting and charging of planning application fees.	
(7) CLG Consultation – Planning for Traveller Sites	New Item – June 2011	COMPLETED	
(8) Community Infrastructure Levy	New Item - June 2011 Panel meeting	A new draft CIL Strategy will be submitted in February 2012	
(9) Draft New Terms of Reference	December 2011	COMPLETED - Requested by Councillor A Lion. Recommended to the Overview and Scrutiny Committee.	
(10) Environment Agency Consultation – Roding River Area	September 2011	COMPLETED	

(11) Sustainable Framework for UK Aviation: Scoping Document	September 2011	COMPLETED	
(12) Essex County Council Minerals Development Document – Further Site Allocations Issues and Options Paper	September 2011	COMPLETED	
(13) Fee Setting – Development Control	September 2011	COMPLETED	
(14) New Draft National Policy Framework	October 2011	COMPLETED	
(15) Local Planning Regulations (CLG)	October 2011	COMPLETED	

Finance and Performance Management Standing Panel (Chairman – Cllr D Jacobs)			
Item	Report Deadline / Priority	Progress / Comments	Programme of Future Meetings
(1) Key Performance Indicators – Performance Outturn 2010/11	Outturn KPI performance report considered at the first meeting of the Scrutiny Panel in each municipal year.	Completed - KPI outturn report for 2010/11 to be considered at the meeting held on 21 June 2011.	21 June 2011; 20 September; 15 November; 16 January 2012 – jointly with Cabinet Cttee; and 20 March
(2) Key Performance Indicators – Performance Monitoring 2011/12	KPI performance report to be considered on a quarterly basis.	Quarterly KPI performance report for 2011/12 to be considered at the meetings to be held in September 2011(qtr 1), November 2011 (qtr 2) and March 2012 (qtr 3).	
(3) Key Performance Indicators – Development of indicators set for 2012/13	Draft indicator set to be considered on the basis of third quarter KPI performance for 2011/12.	KPI proposals to be considered at the meeting to be held on 20 March 2012.	
(4) Quarterly Financial Monitoring	Reports to be considered on a quarterly basis.	First quarter information to be considered September '11, 2 nd quarter in November '11 and 3 rd quarter figures at the March '12 meeting.	
(5) Annual Consultation Plan	Report considered on an annual basis. Report went to the June '11 meeting.	Completed - Consultation Plan considered at first meeting of each municipal year. Report last went to the June 2011 meeting,	

(6) Detailed Portfolio Budgets	Had last been considered at the January 2011 meeting of the Cabinet Finance Committee.	Considered at the January '11 of the Cabinet Finance Committee – Annual review of the Portfolio Holders Budgets. To go again to the January 2012 meeting.	
(7) Medium Term Financial Strategy	To go to the January 2012 meeting	To review the Council's medium term financial strategy - January 2012.	
(8) Equality and Diversity - Monitoring and Progress	Progress report considered at the first meeting of the Scrutiny Panel in each municipal year.	Completed - Progress report for the 2010/11 to be considered at the meeting to be held on 21 June 2011.	
(9) Capital Outturn 2010/11 and use of transitional relief in 2010/11	Went to the June '11 meeting	Completed - Last considered at the June 2011 meeting	
(10) Provisional revenue Outturn 2010/11	Went to the June '11 meeting	Completed - Last considered at the June 2011 meeting	
(11) Fees and Charges	To consider at the November 11 meeting	Completed - Last went to November 2011 meeting.	
(12) Sickness Absence	Quarterly Reports	Quarterly Figures of the Council's Sickness Absence figures. Last Considered at the June, September and November 2011 meetings.	
(13) Value for Money & Data Quality Strategies.	September 2011	Completed – September 2011. Progress made against the Council's VFM and Data Quality Strategy.	

Task and Finish Panels

Senior Recruitment Task and Finish Panel (Chairman – Cllr K Angold-Stephens)

Item	Report Deadline / Priority		Programme of Future Meetings
First meeting to define Terms of Reference.	March 2012	First meeting held on 10 November 2011 Second meeting held on 15 December 2011.	40 November 2011; 15 December 2011; 12 January 2012