

NOTICE OF COUNCIL MEETING

You are hereby summoned to a meeting of the EPPING FOREST DISTRICT COUNCIL to be held in the COUNCIL CHAMBER, CIVIC OFFICES, HIGH STREET, EPPING at 7.30 pm on Tuesday, 19 February 2013 for the purpose of transacting the business set out in the agenda.

A handwritten signature in black ink, appearing to read 'Glen Chipp'.

Glen Chipp
Chief Executive

**Democratic Services
Officer:**

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

WEBCASTING NOTICE

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

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

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

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

BUSINESS

1. WEBCASTING INTRODUCTION

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

2. The Chief Executive will read the following announcement:

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

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

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

2. MINUTES (Pages 9 - 22)

To approve as a correct record and sign the minutes of the meeting held on 18 December 2012 (attached).

3. DECLARATIONS OF INTEREST

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

4. ANNOUNCEMENTS

(a) Apologies for Absence

(b) Announcements

To consider any announcements by:

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

5. PUBLIC QUESTIONS (IF ANY)

To answer questions asked after notice in accordance with the provisions contained in paragraph 11.3 of the Council Procedure Rules of the Constitution on any matter in relation to which the Council has powers or duties or which affects the District:

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

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

6. REPORTS FROM THE LEADER AND MEMBERS OF THE CABINET (Pages 23 - 38)

To receive reports from the Leader and members of the Cabinet on matters falling within their area of responsibility:

- (a) Report of the Leader;
- (b) Report of the Asset Management and Economic Development Portfolio Holder;
- (c) Report of the Environment Portfolio Holder;
- (d) Report of the Finance and Technology Portfolio Holder;
- (e) Report of the Housing Portfolio Holder;
- (f) Report of the Leisure and Wellbeing Portfolio Holder;
- (g) Report of the Planning Portfolio Holder;
- (h) Report of the Safer, Greener and Highways Portfolio Holder;
- (i) Report of the Support Services Portfolio Holder.

7. QUESTIONS BY MEMBERS WITHOUT NOTICE

Council Procedure Rule 12.6 provides for questions by any member of the Council to the Leader or any Portfolio Holder, without notice on:

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

Council Procedure Rule 12.7 provides that answers to questions without notice may take the form of:

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

In accordance with the Council Procedure Rule 12.8, a time limit of twenty minutes is set for questions. Any question not dealt with within the time available will receive a written reply. The Chairman may extend this period by up to a further 10 minutes to ensure that all political groups and independent members may have their questions answered.

8. MOTIONS

To consider any motions, notice of which has been given under Council Procedure Rule 13.

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

9. QUESTIONS BY MEMBERS UNDER NOTICE

To answer questions asked after notice in accordance with the provisions contained in paragraph 12.3 of the Council Procedure Rules of the Constitution on any matter in relation to which the Council has powers or duties or which affects the District:

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

Council Procedure rule 12.4 provides that answers to questions under notice may take the form of:

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

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

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

10. REPORT OF THE CABINET - LOCAL LAND AND PROPERTY GAZETTEER (Pages 39 - 40)

To consider the attached report.

11. REPORT OF THE CABINET - TREASURY MANAGEMENT STRATEGY STATEMENT AND INVESTMENT STRATEGY 2013/14 AND 2015/16 (Pages 41 - 68)

To consider the attached report.

12. REPORT OF THE CABINET - BUDGET 2013/14

To consider a report – to follow.

13. OVERVIEW AND SCRUTINY (Pages 69 - 102)

- (a) Report of the Chairman of the Overview and Scrutiny Committee;
- (b) Reports of the Overview and Scrutiny Committee (if any); and
- (c) Reports of Overview and Scrutiny Panels:
 - (i) Constitution and Member Services Scrutiny Panel – Appointments at Annual Council – Review;
 - (ii) Constitution and Member Services Scrutiny Panel – Access to

- Information Rules;
(iii) Constitution and Member Services Scrutiny Panel – Questions –
Periods of Notice and Related Matters.

**14. EPPING FOREST DISTRICT REMUNERATION PANEL ANNUAL REPORT 2012/13
(Pages 103 - 122)**

To consider the attached report.

15. MEMBERS' ALLOWANCES SCHEME REVIEW (Pages 123 - 130)

To consider the attached report.

16. ELECTION OF VERDERERS OF EPPING FOREST - 2013

Recommendations:

(1) That the Chairman of the Council, Councillor B Rolfe, be authorised to attend the meeting of electors on 25 February 2013 to make any nomination(s) on behalf of the Council and, if necessary, to vote at the poll on 28 February 2013: and

(2) To consider whether to make up to two nominations on behalf of the Council at the meeting of electors.

(Assistant to the Chief Executive) Under the Epping Forest Acts 1878 and 1880, an election is held every seven years to appoint four verderers, two for the northern Forest parishes and two for the southern Forest parishes to take seats on the Epping Forest and Open Spaces Committee of the Corporation of the City of London.

The Council is shown on the Register of Commoners as settled by the Conservators of Epping Forest as it owns or occupies not less than half an acre of land not covered by buildings within the ancient boundary of the Forest. This entitles the Council to nominate or second candidates and to vote in the event of a poll taking place. The Council's land comes within the northern Forest parishes.

A meeting of electors for the northern Forest parishes (Epping, Theydon Bois, Waltham Holy Cross, Loughton, Buckhurst Hill and Chingford) will be held on 25 February 2013 at 11.45am at the Lopping Hall, Loughton. This is for the purpose of nominating and seconding candidates.

If a ballot is demanded this will be held on 28 February 2013 at various polling stations within the Forest parishes. A ballot would normally only be held if more there are more nominations than places available.

The Council may nominate or second up to two persons, resident in the northern Forest parishes, for the position of verderer. In any subsequent poll, the Council may cast votes for up to two candidates.

Background Paper: Letters from the Committee and Member Services Officer, Corporation of the City of London dated 14 and 31 January 2013.

17. CALL-IN AND URGENCY - NATIONAL NON-DOMESTIC RATES RETURN (NNDR 1 - 2013/14) (Pages 131 - 132)

To note the attached report.

18. CALL IN AND URGENCY - NORTH WEALD AIRFIELD REVIEW - APPOINTMENT OF CONSULTANTS (Pages 133 - 134)

To note the attached report.

19. DECISION TAKEN BY THE LEADER OF THE COUNCIL - ESTABLISHMENT OF A CABINET COMMITTEE ON COUNCIL HOUSEBUILDING (Pages 135 - 138)

To note the attached decision taken by the Leader of the Council since the last meeting of the Council.

20. JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS (Pages 139 - 164)

- (a) To receive from Council representatives the reports (attached) on the business of joint arrangements and external organisations and to receive answers to any questions on those bodies which may be put without notice:

- (i) Stansted Airport Community Trust;
- (ii) Grange Farm Centre Trust –Trustees Annual Report and Accounts;
- (iii) Epping Forest Citizens' Advice Bureau.

- (b) To request written reports from representatives on joint arrangements and external organisations for future meetings.

21. 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 COUNCIL MINUTES

Committee: Council

Date: 18 December 2012

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

Time: 7.30 - 9.03 pm

Members Present: Councillors B Rolfe (Chairman), Mrs M Sartin (Vice-Chairman), K Angold-Stephens, R Bassett, A Boyce, W Breare-Hall, K Chana, Mrs T Cochrane, R Cohen, C Finn, Mrs R Gadsby, L Girling, P Gode, Mrs A Grigg, J Hart, Ms J Hart, D Jacobs, Mrs S Jones, Ms H Kane, P Keska, J Knapman, Ms Y Knight, Mrs J Lea, L Leonard, A Lion, Mrs M McEwen, H Mann, J Markham, A Mitchell MBE, G Mohindra, R Morgan, J Philip, Mrs C Pond, B Sandler, Ms G Shiell, P Spencer, D Stallan, Ms S Stavrou, H Ulkun, Mrs L Wagland, G Waller, Ms S Watson, A Watts, Mrs E Webster, C Whitbread, Mrs J H Whitehouse, J M Whitehouse, D Wixley and N Wright

Apologies: Councillors K Avey, Mrs H Brady, G Chambers, S Murray, Mrs P Smith, Mrs T Thomas and J Wyatt

Officers Present: G Chipp (Chief Executive), D Macnab (Deputy Chief Executive), C O'Boyle (Director of Corporate Support Services), R Palmer (Director of Finance and ICT), I Willett (Assistant to the Chief Executive), G Lunnun (Assistant Director (Democratic Services)), A Hendry (Democratic Services Officer), P Seager (Chairman's Secretary) and J Twinn (Assistant Director (Benefits))

76. WEBCASTING INTRODUCTION

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

77. MINUTES

RESOLVED:

That the minutes of the meeting held on 6 November 2012 be taken as read and signed by the Chairman as a correct record.

78. DECLARATIONS OF INTEREST

No declarations of interest were made pursuant to the Council's Code of Conduct for Members.

79. ANNOUNCEMENTS

(a) Announcements by the Chairman of the Council

(i) Remembrance Sunday – 11 November 2012

The Chairman reported on wreath laying ceremonies and services held across the District to commemorate Remembrance Sunday on 11 November 2012. He advised

that thousands of members of the local community had been brought together to pay their respects and remember those who had lost their lives fighting for their country.

(ii) Children's Sports Awards Lunch

The Chairman reported that he had attended the Annual Children's Sports Awards lunch held at North Weald Airfield on 4 November 2012. Disabled children and their helpers from special schools had attended and the highlight had been an award ceremony to some of the children who had made significant achievements in sport. He emphasised that the awards recognised endeavour rather than elitism and varied from swimming two or three strokes to taking part in an outward-bound type course.

(iii) Carol Service for Deaf and Deafblind People

The Chairman advised that he had attended a carol service for deaf and deafblind people which had taken place at Chelmsford Cathedral on 14 December 2012. He pointed out that the service had been conducted in British sign language (with voice over).

(iv) Civic Carol Service

The Chairman expressed his thanks to members and officers for supporting the Civic Carol Service held at St John's Church, Epping on 14 December 2012. He advised that the collection had raised £555 which had been divided equally between the Church and his charity. Councillor Rolfe reported that the amount donated to his charity had been passed to "The Box" (the social space, information point and education people for young people) which was currently experiencing financial difficulties.

(v) Chairman's Charity

The Chairman encouraged members to purchase raffle tickets which would be sold in aid of his charity immediately after this meeting.

(vi) Chairman's Charity – Quiz Night

The Chairman informed members that arrangements had been made for a quiz to be held on 8 February 2013 at Theydon Bois Village Hall in aid of his charity. He invited members to attend in teams of 8 at a cost of £5 per head.

(vii) Floral Display

The Chairman announced that he intended to send the flowers from tonight's meeting to Jubilee Court, Waltham Abbey.

(b) Announcements by the Leader of the Council

The Leader advised that he had no announcements to make under this heading.

(c) Announcements by Portfolio Holders

There were no announcements made under this heading.

80. PUBLIC QUESTIONS (IF ANY)**(a) Webcasting of Meetings – North Weald Airfield and Asset Management Cabinet Committee**

By Mrs S De Luca, Clerk to the North Weald Bassett Parish Council to Councillor Ulkun, Support Services Portfolio Holder.

“Can meetings of the North Weald Airfield and Asset Management Cabinet Committee of Epping Forest District Council be webcast to give greater transparency to Epping Forest District residents”.

Response by Councillor Ulkun, Support Services Portfolio Holder:

“Thank you Mrs De Luca for your question.

The Council’s existing webcasting contract with Public-I is for a term of four years from 1 April 2011 at a cost of £20,400 per annum. The contract has a restriction of 15 hours of webcasting per month, which equates to 180 hours per annum. It is difficult to estimate the time any meeting will take but experience suggests that approximately nine meetings can be webcast per month.

The meetings currently webcast are:

Council
Cabinet

Overview and Scrutiny Committee
District Development Control Committee
The three Area Plans Sub-Committees
Audit and Governance Committee
Local Councils’ Liaison Committee
Local Plan Cabinet Committee

Some of the meetings of the Finance and Performance Management Cabinet Committee and the Finance and Performance Management Scrutiny Panel concerned with the preparation of the budget.

Estimates of the webcast hours for these meetings in the current Council year and in 2013/14 indicate that the 180 hours will be fully used.

To accommodate meetings of the North Weald Airfield and Asset Management Cabinet Committee will necessitate either increasing the hours in the contract at a cost of £2,250 per annum or removing a committee from the existing schedule. In the current economic climate in which Portfolio Holders and officers have been making savings in order to achieve no increase in the District Council Tax for 2013/14 I do not consider it would be appropriate to seek a growth bid.

I propose therefore to look at the alternative of substituting the North Weald Airfield and Asset Management Cabinet Committee for one of the committees on the existing schedule. I have asked the officers to provide me with the hits on each of the meetings currently webcast and when I have those figures I will consult with the appropriate chairmen before making a decision. If it does not prove possible to webcast meetings of the North Weald Airfield and Asset Management Cabinet Committee I will consider other ways in which these meetings could be made more accessible to the public.

I will keep you informed of developments and will make a decision as quickly as possible”.

81. REPORTS FROM THE LEADER AND MEMBERS OF THE CABINET

The Council received written reports from the Asset Management and Economic Development Portfolio Holder, the Environment Portfolio Holder, the Finance and Technology Portfolio Holder, the Housing Portfolio Holder, the Leisure and Wellbeing Portfolio Holder, the Planning Portfolio Holder, the Safer, Greener and Highways Portfolio Holder and the Support Services Portfolio Holder. The Council also received a supplement to the report of the Asset Management and Economic Development Portfolio Holder.

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

(a) Leader of the Council

Councillor Whitbread reported that over the last six weeks since the last Council meeting he had attended a number of engagements, some of a strategic nature but others of a local nature which had been aimed at resolving issues affecting the lives of residents. He referred to a meeting with local nightclub proprietors in Epping which he had attended together with the Safer, Greener and Highways Portfolio Holder to discuss the resolution of antisocial behaviour issues in the town.

The Leader reported that he had attended a meeting with the Leader of Harlow Council and respective Planning and Economic Development Portfolio Holders to discuss potential growth around Harlow. He pointed out that this issue would be a key consideration in this Council's Local Plan and he emphasised the importance of continuing to work with Harlow and other neighbouring authorities.

The Council noted that the Leader had attended a meeting with County Councillor Peter Martin, the Leader of Essex County Council at which a number of issues of mutual concern had been discussed including the effects of changes to the benefits system, community budgets and the integrated county strategy for growth.

Councillor Whitbread advised that the first meeting of the Epping Forest Locality Board had been held during the last month. He reminded members that the former local MPs, local County Councillors and Cabinet members liaison meetings that had been held for a number of years had been reconstituted to become the Locality Board. The Council noted that for the first 12 months this new Board would be chaired by Essex County Council Cabinet Member, Councillor John Aldridge with the Leader of this Council being appointed Vice Chairman. Councillor Whitbread invited members to advise him of any items they would like placed on future Locality Board agenda.

Councillor Whitbread reported that he had been pleased to host a visit by the High Sheriff, Christopher Palmer-Tomkinson who had been interested to understand the key issues affecting this District.

The Leader reported that he had also attended a meeting of the South East Local Economic Partnership.

Councillor Whitbread reported that he had chaired a productive board meeting of the Local Strategic Partnership, "One Epping Forest" which had received some very positive reports on the recent health summit, the launch of the tourism strategy and a

new initiative being worked up by the Children's Partnership around youth employment. The Leader advised that the theme of the LSP conference this year would be young people and it would be hosted at Epping Forest College on 22 February 2013.

In closing the Leader referred to the recent Celebrating Success event that he had attended where the Chairman of the Council had presented a wide range of certificates to District Council staff who had successfully completed in-service training qualifications.

(b) Planning Portfolio Holder

Councillor Bassett advised that since he had prepared his written report, changes had been made to the dates and venues of the workshops for the Local Plan. He reported that workshops would now be held on 26 January 2013 at Waltham Abbey Town Hall, on 9 February 2013 at Buckhurst Hill and on 9 March 2013 at Epping Town Hall.

Councillor Bassett reported that he had met representatives of the London Borough of Enfield to discuss their Northern Gateway Access Package. He advised that this Council had been offered a place on the group looking at the proposal and he would liaise with Waltham Abbey ward councillors with a view to one of them representing this Council.

The Portfolio Holder drew attention to the section of his report regarding the glasshouse industries. He pointed out that the London Assembly had allocated £600,000 to the London Borough of Enfield to investigate issues and set up schemes to increase/start food production. He advised that following a meeting with representatives of the London Borough of Enfield and the Borough of Broxbourne, discussions were taking place as to how the three authorities could work closely together on this issue.

(c) Finance and Technology Portfolio Holder

Councillor Stavrou reported that the Secretary of State for Communities and Local Government was due to announce the Local Government Finance Settlement 2013/14 on 19 December 2012. In relation to the Autumn Statement she advised that whilst Local Government planned budgets would be protected for 2013/14 there would be a further 2% cut in the 2014/15 budget period in addition to planned cuts. Councillor Stavrou advised that the Government foresaw Local Economic Partnerships playing a greater role in the future and had indicated that they would be able to obtain discounted loans for infrastructure projects. The Portfolio Holder also drew attention to proposals for extending the Small Business Rates Scheme which had already helped over half a million small businesses across the country.

(d) Leisure and Wellbeing Portfolio Holder

Councillor Webster referred to the reference in her written report that the Christmas opening hours for all of the Leisure Centres would be published in the Christmas edition of "The Forester". She advised that unfortunately the deadline for publication in "The Forester" had been missed but details of the opening hours were available on the Council's website, on the website of SLM and were displayed at the centres and the Council's reception desks.

82. QUESTIONS BY MEMBERS WITHOUT NOTICE**(a) Bridge Strengthening Works – Roding Lane, Buckhurst Hill**

Councillor Spencer asked the Safer, Greener and Highways Portfolio Holder if he would make representations to Essex County Council to take steps to mitigate the delays being caused to traffic by temporary traffic lights which had been installed on Roding Lane preparatory to strengthening works being undertaken to the bridge.

Councillor Waller, Safer, Greener and Highways Portfolio Holder stated that he would be happy to make representations but that the final decision would be one for Essex County Council.

Councillor Knapman advised that he had already made representations to the County Council Cabinet Member for Highways and Transportation and as a result the strengthening works had been brought forward from Autumn 2013 to February 2013.

(b) Civic Offices Car Park

Councillor J M Whitehouse thanked the Asset Management and Economic Development Portfolio Holder for finding £35,000 to enable Town Centre Partnerships and other bodies to put into place practical schemes to enhance high street viability. He asked if continuing this theme she could think of any reason why in principle the staff car parks at the Civic Offices could not be made available to shoppers at weekends.

Councillor Grigg, Asset Management and Economic Development Portfolio Holder referred to the arrangements which had been made for free parking in the build up to Christmas and undertook to discuss the suggestion with officers following which she would report the outcome in the Council Bulletin.

(c) Local Plan

Councillor Wagland referred to the Planning Portfolio Holder's announcement regarding the dates and venues of workshops. She stated that some residents would be disappointed that workshops would not be held in their locality. She also referred to the expectation that there should be consistent input into the workshops which would require a commitment of 18 hours within a six week period. She suggested that it was not particularly satisfactory to expect such a commitment and she asked the Portfolio Holder if he would reconsider both the number of workshops to be held and whether each workshop should be self contained.

Councillor Bassett, Planning Portfolio Holder, stated that he had spread the workshops across the District as far as possible and that the workshops were intended for District Councillors, representatives from each Parish Council, local County Councillors and local Members of Parliament rather than residents. He pointed out that the views of residents had already been expressed as part of the consultation and that these would be taken forward in the workshops. He also pointed out that there would be a further major consultation exercise with the public in relation to preferred options. He said he would give further consideration to the format of the workshops when further details became available.

(d) Community Services

Councillor Jennie Hart congratulated the Leisure and Wellbeing Portfolio Holder on the external funding that had been secured to expand community and health

improvement provision across the District. She expressed disappointment however at the decision to withdraw funding for seated exercise for the elderly at a residential home in the Loughton Broadway ward and asked the Portfolio Holder if this could be reinstated in the light of the amount of external funding which had been attracted.

Councillor Webster, Leisure and Wellbeing Portfolio Holder, suggested that Councillor Hart should discuss this matter with her after the meeting and pointed out that it may have been an activity which had not been supported by external funding.

(e) Local Plan - Workshops

Councillor McEwen referred to the written report and the statement made by the Planning Portfolio Holder regarding the workshops to be held in the new year and asked if a workshop could be held in Ongar whose residents had expressed an intense interest in the process. She said that she appreciated the Portfolio Holder had attempted to spread the workshops across the District but pointed out that none was proposed to be held in the north of the District.

Councillor Bassett, Planning Portfolio Holder, stated that the venues for the workshops had been selected having regard to their suitability and that one was to be provided in each Plans Sub-Committee area. He emphasised that Councillor McEwen and a representative of Ongar Town Council would have the opportunity to attend all of the workshops irrespective of the venues.

(f) Local Plan – Brown Field Sites

Councillor Philip advised that he was pleased to read in the Planning Portfolio Holder's written report that the Forward Planning Team would be compiling a list of brown field sites which they had considered as part of the Local Plan process. He asked the Portfolio Holder when the information would be available and how it would be published bearing in mind that it would be important for residents to access the information and have an opportunity to comment on the list.

Councillor Bassett, Planning Portfolio Holder, stated that an Excel spreadsheet was being prepared which would identify sites to be considered wholly brown field, partly brown field/partly green field and green field. He stated that he expected the spreadsheet to be available within the next few days when it would be sent to all councillors. Councillor Bassett continued that officers in the Forward Planning Team were in addition, revisiting this issue to ensure that they had identified all of the brown field sites. He suggested that in some instances there may have been confusion over place names as officers did not necessarily have the same local knowledge as residents and ward members. Councillor Bassett invited members to draw his attention to sites which they considered had been missed or wrongly designated as part of this process.

(g) Local Plan – Workshops

Councillor Knapman drew attention to the statement in the Planning Portfolio Holder's written report that the results of workshop 1 would be analysed and reported back to participants to inform workshop 2. He pointed out that those not present at workshop 1 would be unable to participate fully at workshop 2 and he asked the Portfolio Holder to consider this issue. He also sought an assurance that the workshops would not be officer-led and would be conducted in plain English rather than technical planning language. Councillor Knapman also asked the Portfolio Holder to reconsider the intention that all participants should discuss all areas as he was not convinced that this would work.

Councillor Bassett, the Planning Portfolio Holder, stated that he would make all members aware of the results of workshop 1 so that they would be able to participate fully in workshop 2. He confirmed that the workshops would be member-led with the aim of setting out a strategy as to how to progress with preferred options. He emphasised his preference not to develop green field sites.

(The Chairman indicated that Councillor Knapman had in effect asked three questions despite his request at the outset of this item for members to ask only one question at a time. Accordingly he directed that the Portfolio Holder should not answer the third point raised by Councillor Knapman in order to allow other members an opportunity to ask questions within the agreed time limit).

(h) Council Car Park – Plume of Feathers, Church Hill, Loughton

Councillor Markham advised that the vacant car park had recently been cleared and he asked the Asset Management and Economic Development Portfolio Holder if the Council was proposing to re-market this site.

Councillor Grigg, Asset Management and Economic Development Portfolio Holder, advised that, together with officers, she was continuously looking at the Council's assets but had nothing planned at present for this site.

(i) Borders Lane, Loughton – Pothole

Councillor Leonard asked the Safer, Greener and Highways Portfolio Holder for an assurance that the jetstream system for repairing potholes would not be used in future on roads like Borders Lane in view of the limited time which the repair lasted.

Councillor Waller, Safer, Greener and Highways Portfolio Holder, reminded Councillor Leonard that this was a matter for Essex County Council and that the District Council had no control over the methods used by that authority. He said that he was prepared to make representations to the County Council but would be unable to influence their decision.

(j) Access to Civic Offices – Standards Committee

Councillor J H Whitehouse reported that the Independent Persons on the Council's Standards Committee had found it difficult to gain access to Committee Room 1 for a recent meeting of the Committee. She asked the Support Services Portfolio Holder to review the signage in the reception area and to improve the advertising of meetings on the Council's notice boards.

Councillor Ulkun, Support Services Portfolio Holder undertook to discuss these matters with officers with a view to introducing improvements.

(k) Countrycare

Councillor Angold-Stephens invited the Leader of the Council to write to Countrycare and the Essex Wildlife Trust to express his thanks for the work they had recently undertaken in erecting fencing and planting 800 hedging shrubs at the Roding Valley Nature Reserve all within a four hour period. He advised that the work had led to a great improvement in the street scene.

Councillor Whitbread, Leader of the Council, agreed that this was something to be applauded and said that he would be delighted to write to them expressing his thanks.

(l) Planning Applications – Pre-application Discussions

Councillor J M Whitehouse referred to a number of major development proposals being progressed by developers in the District and asked the Planning Portfolio Holder what advice was being given to potential developers seeking to develop Green Belt sites.

Councillor Bassett, Planning Portfolio Holder, stated that Planning officers listened to proposals, informed developers of relevant planning policies but made no judgement about proposals at the pre-application stage. He pointed out that the pre-application processes had been discussed at a recent meeting of the Planning Scrutiny Panel.

(m) The Box, Epping

Councillor Angold-Stephens reported that “The Box” in Epping provided a much needed service for young people. He advised that he had heard earlier in the day that the service was facing problems with short term funding and might be forced to close. He continued that he understood the paid staff had agreed to continue working until April without pay. He asked the Leader to consider whether funding could be provided to ensure that the service was kept open.

Councillor Whitbread, Leader of the Council, thanked Councillor Angold-Stephens for bringing this matter to the attention of the Council. He agreed that “The Box” provided a very good facility and that the Council was anxious to support the voluntary sector. He said that he understood grant application forms had been sent to “The Box” in the past but had not been returned and that they received support from elsewhere. However, he would ask the Policy and Research Officer to contact the organisation in order to establish if the Council could offer assistance.

83. MOTIONS

The Chairman reported that there were no motions to be considered at this meeting.

84. QUESTIONS BY MEMBERS UNDER NOTICE

The Chairman announced that there were no questions by members under notice to be considered at this meeting.

85. REPORT OF THE CABINET - HEALTH AND SAFETY AT WORK ETC ACT 1974 - PROSECUTION OF CASTERBRIDGE NURSERIES

Mover: Councillor Breare-Hall, Environment Portfolio Holder

In inviting the Environment Portfolio Holder to present this report the Chairman urged members to exercise caution when making comments or remarks in order to ensure that they did not prejudice the outcome of a court hearing to be heard early in the new year.

Councillor Breare-Hall submitted a report seeking a supplementary District Development Fund estimate to cover the estimated costs of the prosecutions of Casterbridge Nurseries and its employees.

Report as first moved ADOPTED**RESOLVED:**

That a supplementary District Development Fund estimate for 2012/13 of £40,000 be approved to cover the remaining estimated costs of the prosecutions of Casterbridge Nurseries and its employees.

86. REPORT OF THE CABINET - LOCALISATION OF COUNCIL TAX SUPPORT**Mover: Councillor Stavrou, Finance and Technology Portfolio Holder**

Councillor Stavrou submitted a report seeking adoption of the Local Council Tax Support Scheme and associated Exceptional Hardship Policy. In presenting the report Councillor Stavrou advised that since it had been written, Brentwood Borough Council had agreed to adopt the common core framework agreed by all of the other authorities in the County.

In response to questions, Councillor Stavrou advised that she was unaware of the approach being taken by London Borough Councils in relation to this matter. She explained the reasons for implementing the proposed scheme and by leave of the Council these reasons were expanded upon by the Director of Finance and ICT and the Assistant Director – Benefits.

Report as first moved ADOPTED**RESOLVED:**

- (1) That the Local Council Tax Support Scheme and the associated Exceptional Hardship Policy attached as Appendices to the report of the Cabinet be adopted; and
- (2) That delegations in the Constitution be updated to include reference to Local Council Tax Support as well as Council Tax Benefit.

87. REPORT OF THE CABINET - TECHNICAL REFORMS OF COUNCIL TAX**Mover: Councillor Stavrou, Finance and Technology Portfolio Holder**

Councillor Stavrou submitted a report focussing on the technical reforms of Council Tax as a result of the Local Government Finance Act 2012. She advised that the main areas of the technical reforms allowed for greater Council discretion over some discounts and exemptions and that it was necessary for the Council to determine its position in relation to these matters in order to establish the Council Tax Base for 2013/14.

The Portfolio Holder explained the reason for there being alternative recommendations and explained why she was recommending that the Council should adopt the first set of recommendations.

Report as first moved ADOPTED**RESOLVED:**

- (1) That with effect from 1 April 2013 properties under Section 11A of the Local Government Finance Act 1992 and falling within Class B of the Council

Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 classified as unoccupied and furnished (second homes) receive a discount of 5%;

(2) That with effect from 1 April 2013 properties in need of major repair as defined under Section 11A(4A) of the Local Government Finance Act 1992 and falling within Class D of the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 receive a discount of 50% for twelve months;

(3) That with effect from 1 April 2013 properties which are unoccupied and substantially unfurnished as defined under Section 11A(4A) of the Local Government Finance Act 1992 as defined under Class C of the Council Tax (Prescribed Classes of Dwellings) (England) Regulations 2003 receive a discount of 100% for a period of three months after which a discount of 0% will apply; and

(4) That with effect from 1 April 2013 properties which are long term empty dwellings for over two years under Section 11B of the Local Government Finance Act 1992 will be charged a Council Tax premium of 50%.

88. REPORT OF THE CABINET - CALENDAR OF MEETINGS 2013/14

Mover: Councillor Ulkun, Support Services Portfolio Holder

Councillor Ulkun submitted a report seeking adoption of a calendar of Council meetings for 2013/14.

In response to questions he confirmed that meetings of the Local Plan Cabinet Committee would be webcast and that the commencement time of Licensing Sub-Committee meetings held in the evening, if any, had yet to be determined.

Report as first moved ADOPTED

RESOLVED:

That the calendar of Council meetings for 2013/14 attached as an Appendix to these minutes be adopted.

89. REPORT OF THE CABINET - LOUGHTON CCTV

Mover: Councillor Waller, Safer, Greener and Highways Portfolio Holder

Councillor Waller submitted a report seeking a supplementary capital estimate to part fund the renewal and restructure of the current network of CCTV cameras covering High Road, Loughton.

In answer to questions, Councillor Waller acknowledged that in some areas parish councils provided funding for CCTV but emphasised the need for District Council provision. He invited members to inspect the control room in the Civic Offices in order to fully appreciate the service provided.

Report as first moved ADOPTED

RESOLVED:

That a supplementary capital estimate of £10,000 in 2012/13 be approved to part fund the renewal and restructure of the current network of CCTV cameras covering High Road, Loughton and to extend the system northwards to cover the shopping parades both sides of the High Road between Brooklyn Avenue and Traps Hill.

90. OVERVIEW AND SCRUTINY**(a) Report of the Chairman of the Overview and Scrutiny Committee**

The Council received a written report from Councillor Morgan, the Chairman of the Overview and Scrutiny Committee.

(b) Reports of the Overview and Scrutiny Committee

The Chairman announced that there were no reports to be considered under this item.

(c) Reports of Overview and Scrutiny Panels

The Chairman announced that there were no reports to be considered under this item.

91. DECISION BY THE LEADER OF COUNCIL - CHIEF EXECUTIVE APPRAISAL PANEL

The Council noted a decision taken by the Leader of the Council establishing a Chief Executive Appraisal Panel.

In response to questions, Councillor Whitbread confirmed that he would be discussing with the appropriate officers the training requirements of the Panel. He also explained the reasons for the make up of the Panel.

92. JOINT ARRANGEMENTS AND EXTERNAL ORGANISATIONS













The Chairman informed members that there were no reports to be considered on the business of joint arrangements and external organisations.

RESOLVED:

That the Council's appointed representatives on the Grange Farm Trust and the Citizens Advice Bureau submit written reports to the next meeting of the Council on the work of those bodies.

CHAIRMAN

Epping Forest District Council Calendar of Meetings 2013/14

2013							2014							
Meeting		May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Executive														
Council		21st		30th		26th		5th	17th	18th(20th)			22nd	20th
Cabinet			10th	22nd		9th	21st		2nd		3rd	3rd	7th	
FPM Cab Comm			20th			19th		14th		20th		20th		
NWA & AM Cab Comm				11th			10th		5th		13th		10th	
Local Plan Cab Comm				1st		2nd		18th		27th		24th		
Scrutiny														
OS Committee			4th	16th		3rd	15th	26th		28th	25th		1st	
Finance & Perf Mgmt			11th			17th		12th		20th		11th		
Housing				23rd			22nd			21st		25th		
Planning Services			18th			10th			10th				8th	
Safer, Cleaner, Greener				9th			29th			7th	11th		15th	
Constitution & Mbr Serv's			25th			24th		19th		14th		18th		
Planning														
District Development			26th		21st		16th		11th		19th		16th	
Plans East		22nd	19th	17th	14th	18th	9th	6th	4th	15th	12th	12th	9th	14th
Plans West		8th	5th	3rd-31st	28th	25th	23rd	20th	18th	29th	26th	26th	23rd	28th
Plans South		15th	12th	10th	7th	11th	2nd-30th	27th		8th	5th	5th	2nd	7th
Licensing														
Licensing Committee							9th						9th	
Licensing Sub (Day)			11th	9th	6th	10th	8th	12th	10th	7th	4th	4th	8th	
Licensing Sub (Evening)			20th	18th	15th	5th	17th	21st	19th	16th	13th	10th	17th	
Miscellaneous														
Audit & Governance			27th			23rd		28th			6th		3rd	
Housing Appeals Panel			3rd	8th	5th	2nd	7th	4th	9th	13th	10th	10th	14th	
Joint Consultative Comm				25th			24th			23rd			24th	
Local Councils Liaison				4th				7th				6th		
Standards Committee			13th			12th			12th			13th		
Local Highways Panel														
Webcast meeting		Easter 2014		Fri 18-Apr-14 - Mon 21-Apr-14				Local Elections		Thu 1-May-14				

This page is intentionally left blank

Report to the Council

Committee: Cabinet

Subject: Asset Management and Economic Development Portfolio **Date:** 19 February 2013

Portfolio Holder: Councillor Anne Grigg

Recommending:

That the report of the Asset Management and Economic Development Portfolio Holder be noted.

North Weald Airfield Review

The procurement exercise for the appointment of consultants to undertake the review of the Airfield has been completed with the appointment of Drivers Jonas Deloitte. Since Cabinet agreed at its meeting on 4 February to waive call-in, the consultants were able to commence their commission ahead of the original date of 18 February. This will be helpful in meeting the tight deadlines associated with the developing Local Plan. The rest of the timetable currently remains as I reported to the last Council as:

- interim conclusions to be reported to the North Weald Airfield & Asset Management Cabinet Committee on 22 April
- further refinement of options and final recommendation(s) by 10 May
- details to Local Plan workshops scheduled for late May / early June
- final option(s) / recommendation(s) to Cabinet on 10 June 2013

The final recommendation(s) will then go forward and into the "Preferred Options" consultation phase of the Local Plan development process.

This page is intentionally left blank

Report to the Council

Subject: Environment Portfolio

Date: 19 February 2012

Portfolio Holder: Councillor Will Breare-Hall

Recommending:

That the report of the Environment Portfolio Holder be noted.

Waste Management

At Cabinet on the 4th, it was agreed that I should establish a Portfolio Holder Advisory Group to assist the officers and myself in formulating the next waste management contract. It was also agreed that this process should include consideration of the Council's grounds maintenance service. Group Leaders have been requested to put forward their nominations. In order to ensure however that I get the widest possible views, all meetings of the Advisory Group will be open to all Members to attend and to contribute to.

Snow and ice on the roads resulted in some Waste and Recycling collections being missed at the beginning of the year. I am pleased to say that the 'catch up' arrangements worked effectively and collections for most properties were back to normal by their next collection day. Sita street cleansing crews and Grounds Maintenance teams carried out snow clearance and gritting in the town centres, high foot fall areas, sheltered housing schemes and some of Council's car parks.

Recycling performance for Quarter 3 is better than expected. Residents are to be congratulated for this but we need to continue spreading the message of reducing waste and recycling more. Steady progress is being made in the introduction of recycling schemes in the communal blocks of flats. Every block is dealt with on an individual basis and bespoke solutions agreed in consultation with the residents and agents.

At the last Waste Management Partnership Board it was agreed to let Sita carry out a pilot street cleansing recycling for larger items, for example cans, bottles, plastic and similar items. If this proves successful and feasible a district wide service will be considered.

Environmental Health & Neighbourhoods

At the last Cabinet I was also able to inform Members of the outcome of the recent trial in respect of the death of two and half year old Rhiya Malin at a nursery in Buckhurst Hill back in late 2007. The company which then owned and managed the nursery, Casterbridge, pleaded guilty ahead of the trial, but two individual employees were also prosecuted for offences under the Health & Safety at Work Etc Act 1974 and they pleaded not guilty. Karen Jacobs, the Nursery Manager was found not

guilty and Kayley Murphy, the room manager for Rhiya's class was found guilty. Sentencing has been delayed because the Court has now to consider any mitigating or aggravating features of Casterbridge's plea, and this may take a number of months to complete. As I indicated at Cabinet, in view of the on-going action and potential sensitivities, I will be unable to answer any questions on this particular matter.

Evidence gathered by the Council's Environment & Neighbourhood team led to a prosecution in Chelmsford Magistrates Court on 8 January 2013. Mr. Ben Gan Chapman - Ozcam of Eastern Avenue Romford pleaded guilty to three offences in relation to some fly-tipped waste on garage land at Bushfields Loughton. He was fined a total of £1,500 and ordered to pay £1006.73 towards the Council's prosecution costs which included £108.41 clearance costs. Fly-tipping in the area has noticeably reduced. However, annual fly-tipping incidents recorded for 2012 across the whole of the district, compared with the the same period the previous year have increased.

We have also recently started discussions with Essex County Council Trading Standards to see if their "Buy with confidence" scheme could be applied to waste contractors that operate in the area. The aim is to produce a list of audited companies that can be promoted by the Council, that our residents and local businesses can use with some confidence to dispose of their waste correctly, comply with their duty of care and avoid waste getting into the hands of potential fly-tippers.

Unfortunately we have recently had two incidents of dead horses being fly-tipped in the district and a stray horse being "fly-grazed" in a field in Roydon. This appears to be in line with reports that the cost of caring for horses has become too much for some members of the community.

Dog Control Orders (DCO) came into full force on 14 January 2013. We are due to provide Forest Wardens with training and subject to a police check, we will authorise their officers to issue the Council's incident ticket to record DCO offences and littering on and near their land. The evidence that wardens provide will be reported back to the Council to consider if it is sufficient to prosecute, and if so, whether or not the Council will offer a fixed penalty as an alternative to prosecution.

There has been no significant increase in reported incidents since the DCO came into force. We have had a few reports of professional dog-walkers exceeding the limit of four dogs in one persons control. We are in the process of warning any companies we can identify, with a view to enforcement action later in the year, if the DCO is not complied with in the future.

Land Drainage/Flooding

The recent wet weather continues to keep the Engineering, Drainage and Water team very busy. Some properties and areas that have not historically suffered from flooding have been affected during the recent heavy downpours. This is due to a combination of factors: the intensity and duration of rainfall, saturated ground, high ground water table, blocked highway gullies and the inability of Thames Water systems to cope with the quantity of water. The Council will continue to support residents and is persevering with both Essex Highways and Thames Water to try and reduce flood risk from their assets.

Report to the Council

Subject: Finance and Technology Portfolio

Date : 19 February 2013

Portfolio Holder: Councillor Syd Stavrou

Recommending:

That the report of the Finance & Technology Portfolio Holder be noted

Accountancy

This is always a very busy time of year for the Accountancy Service with the work to compile the budget and produce a variety of reports to the many meetings that consider the budget. As there is a separate report on the budget I will not say anything more about it here.

Benefits

Shortly after our last meeting on 18 December, the Department for Work and Pensions (DWP) announced that the implementation of the weekly benefit cap was being delayed. Instead of the cap being applied in all areas from 1 April 2013 it is now only being applied in four London Boroughs as pilots. The date when the cap will be effective for our residents is unclear as all the DWP have said so far is that the cap will be rolled out to other areas from the summer. This was rather frustrating news as a lot of time and effort had gone into identifying the residents who we thought would be affected and informing them about the change.

There have been no further announcements yet about when we will be required to start migrating Housing Benefit claims to Universal Credit or indeed what DWP wants the role of local authorities to be in administering Universal Credit. I will of course keep Members informed as any further information becomes available.

Revenues

Despite the difficult economic environment collection rates for both Council Tax and Non-Domestic Rates continue to be good. At the end of December the in-year collection rate for Council Tax was 77.87% which was slightly behind the target of 78.02%. In contrast Non-Domestic Rates was slightly ahead of the target of 81.27% with 81.33% having been collected.

Current collection rates are very similar to the position at this time last year, so as long as there is no significant downturn in the local economy in the last quarter of the year, the full year collection targets could still be achieved.

Performance Management

Key Performance Indicators

A range of Key Performance Indicators (KPI) for 2012/13 was adopted by the Finance and Performance Management Cabinet Committee in March 2012, and a

target was set for at least 70% of the indicators to achieve target performance by the end of the year.

For the first half year (1 April to 30 September 2012), 59.26% of the quarterly monitored KPIs achieved target performance. Cumulative performance reports for each KPI were considered by the Finance and Performance Management Scrutiny Panel at its meeting in November 2012. KPI performance for the third quarter of the year has recently been reviewed by Management Board, and detailed performance reports will be considered by the Scrutiny Panel next month.

Performance targets for the KPIs for 2013/14 are currently being developed, and will be considered by the Finance and Performance Management Cabinet Committee at its next meeting.

Key Objectives

Mid-year progress against the Council's key objectives for 2012/13, was reported to the Cabinet and the Overview and Scrutiny Committee in November/December 2012. The key objectives reflect national and local priorities, specific service challenges, and provide a statement of the authority's plans for the year. Outturn performance against the objectives will reported to Members in June 2013.

Draft key objectives for 2013/14 are currently being developed. In accordance with usual practice, the proposed objectives will be considered by the Overview and Scrutiny Committee at its next meeting, prior to adoption by the Cabinet on 11 March 2013. Once agreed, the key objectives will be published on the Council's website as a supplement to the current Corporate Plan, and mid-year progress will be reported in late 2013.

Technology

Presentation on Internet Connectivity

On 22 January the Overview and Scrutiny Committee received a presentation on internet connectivity from Ms Annette Thorpe (Regional Partnership Director for the East of England with British Telecom). This was an extremely interesting presentation which generated a good debate and a number of questions. For those Members who were unable to attend it is worth repeating some of the information Ms Thorpe conveyed.

Within the Department for Culture, Media and Sport there is a unit known as Broadband Delivery UK (BDUK) which is responsible for managing the Government's broadband funding. BDUK has provided Essex County Council (ECC) with £6.4 million and ECC have match funded this amount to upgrade internet services to areas that would not meet commercial criteria. ECC are expected to issue a tender for improved internet services at the end of April. As part of the process ECC will be seeking to identify areas of high demand that fall outside the operator's commercial plans. These areas will be known as "Intervention Areas" and will be the areas that funding is targeted at. Therefore it is important that residents and businesses register their need for improved internet services at www.essex.gov.uk/ruralbroadband.

Currently only 9 of the 22 telephone exchanges that serve this district are enabled for super-fast internet services so I do urge everyone to register so that this situation can be improved.

Telephone switch replacement project

The Invitation to Quote (ITQ) was published on 11 January by the Essex Procurement Hub on behalf of the Council. The Government Procurement Service (GPS) framework was used, which delivers savings to the UK public sector by aggregating spending power and avoiding the need for separate procurement exercises compliant with the European regulations. The closing date for expressions of interest is the 13 February and the successful supplier should be selected towards the end of March. Implementation will then start at the beginning of the new financial year.

This page is intentionally left blank

Report to the Council

Subject: Housing

Date: 19 February 2013

Portfolio Holder: Councillor David Stallan

Recommending:

That the report of the Housing Portfolio Holder be noted.

Site Licences for Permanent Residential Park Home Sites

I am pleased to report that, following approval last year of the conditions to be attached to site licences for the District's permanent residential park home sites, all the required site licences were successfully issued by mid-December 2012. Letters were also sent to all residents advising them of the new conditions.

Inspections have been carried out on all the sites to confirm any changes that have been made on site since the time of earlier inspections, carried out prior to the Cabinet meeting. It has been noted that, in some cases, hedges and fences have already been reduced in height to comply with the new conditions.

With the assistance of funding from the County Council, C.A.R.E. Caseworkers are helping older and other vulnerable residents to install smoke detectors that meet the standards required in the site licence conditions and to reduce the height of hedges where necessary. 31 applications for assistance were received from the 116 residents with closed porches requiring smoke detection works. Letters are also being sent out to 83 residents with hedges in excess of the permitted height, also inviting applications for assistance where they are eligible.

Consultation on the Draft new Tenancy Policy and the Draft Housing Allocations Scheme

The Housing Scrutiny Panel considered both the draft new Tenancy Policy and the revised Housing Allocations Scheme just before Christmas and, as a result, we are currently consulting on both documents. The consultation period closes on 15 March 2013. The Chairman of the Housing Scrutiny Panel will be presenting both draft documents to the Cabinet in April 2013.

The Housing Scrutiny Panel is recommending to the Cabinet that (subject to the outcome of the consultation exercise) the Council should introduce a Pilot Scheme to provide new 10-year fixed-term flexible tenancies to all new tenants of properties with three or more bedrooms (including an Introductory Tenancy period). The Scrutiny Panel has recommended that the scheme be reviewed after 12 months' operation.

The Housing Scrutiny Panel is also recommending a revised Housing Allocations Scheme, which proposes the most comprehensive change to the way in which the Council allocates its social housing. In particular, under the proposed new Local Eligibility Criteria, applicants will have had to have lived in the Epping Forest District for more than three continuous years, immediately prior to their date of registration, to join the Housing Register. Under the current Scheme, the residency period is 12 months.

Members or former members of the Armed or Reserve Forces or their spouses or family members will generally be exempt from the residency criteria

Furthermore, in order to qualify under the new Scheme, an applicant must have a housing need - as defined by at least one banding criterion - must not have sufficient funds to enable them to meet their own housing costs, and must not have been guilty of serious unacceptable behaviour within the previous three years.

Existing applicants who do not meet the new eligibility criteria will be removed from the Housing Register (although existing residents who have lived in the District for more than 2½ years will be allowed to remain).

There are currently around 6,600 applicants on the Housing Register. If the Cabinet agrees the proposals, it is anticipated that this number will reduce by around 3,000 applicants when the new scheme comes into force, around July this year.

Locata Housing Services (LHS) Hosting System

The Council's very successful Choice Based Lettings (HomeOption) Scheme has been administered by Locata Housing Services (LHS) since the Scheme was first introduced in November 2007.

I recently agreed the purchase and use of an additional IT module from LHS, in order to streamline existing housing registration and allocations processes and to enable all housing applicants to register on-line – although those applicants who do not have access to a computer, or generally have difficulty in applying, will be given assistance by officers. This will enhance the service to our customers and remove the need for officers to upload each applicant's individual information manually onto the current system. The new module will be commissioned later this year.

Council Housebuilding Programme

I reported at the last Council meeting that East Thames had been appointed, subject to contract, as the Council's Development Agent for our new Housebuilding Programme. Discussions with East Thames over the contract for its appointment are on-going and it is hoped that the contract will be signed and in place by the end of February 2013.

In the meantime, initial meetings have taken place with East Thames, in which a number of proposals on the programme have been formulated, including the format for financial modelling, site appraisals and feasibility studies. East Thames is now arranging joint site visits to all 60 identified potential development sites and will be meeting planning officers in due course to discuss any general planning requirements relating to the Programme, prior to the commencement of detailed feasibility studies.

The first meeting of the new Council Housebuilding Cabinet Committee is being arranged for mid-March 2013, where the general approach to many aspects of the Programme will be discussed and agreed.

Welfare Reform Mitigation Action Plan – Quarterly Progress Report

As members will be aware, in view of the significant effect that the welfare reforms will have on the Council and our residents, the Cabinet has adopted a Welfare Reform Mitigation Action Plan, which identifies around 60 separate actions to mitigate these effects.

In addition to progress with the Action Plan being monitored at officer level by the Mitigation Project Team, the Cabinet also asked the Housing Scrutiny Panel to monitor progress with the delivery of the Action Plan at its quarterly meetings. The first Quarterly Progress Report on the Welfare Reform Mitigation Action Plan was presented to the Housing Scrutiny Panel at its January meeting.

It was noted that very good progress has been made to date, with almost 40% of the identified actions having been either already achieved or being close to achievement. A further 40% of the remaining actions are either not yet, or no longer, required.

Funding to the Citizens Advice Bureau for Two Debt Advisor Posts

One of the actions within the Welfare Reform Mitigation Action Plan is to fund the appointment of two temporary full-time Debt Advisors by the Epping Forest Citizens Advice Bureau (CAB) for 18 months from April 2013. The funding of £67,900 will be predominantly met from the HRA's Housing Improvements and Service Enhancement Fund, with the remainder being met from the Government's Homelessness Prevention Grant. No expenditure will fall to the General Fund.

The posts will provide independent debt advice to both Council and non-Council tenants, to help them mitigate and deal with the effects of the Government's welfare reforms. It is also anticipated that the service will assist the Council, by helping to keep rent arrears and homelessness levels to a minimum.

The CAB has also agreed that, as a condition of the funding, one of the Advisors will be based at the Limes Centre in Chigwell for one afternoon each week.

Marden Close Conversion Scheme and Lease of Faversham Hall, Chigwell Row

At its meeting on 4th February 2013, the Cabinet agreed, in principle, that the Council undertakes the conversion of the 20 vacant bedsits at Marden Close, Chigwell Row into 10 one-bedroomed flats, and that our new Development Agent, East Thames Housing Group, should design and project-manage the scheme.

The bedsits have been unpopular and difficult-to-let in recent years. The converted one-bedroom flats will be let to general-needs applicants on our Housing Register.

The Cabinet also agreed that the details and delivery of the scheme should be overseen and agreed by the new Council Housebuilding Cabinet Committee which, in the first instance, will consider detailed Development and Financial Appraisals and approve the submission of a planning application. The scheme will be funded from the HRA's Housing Improvements and Service Enhancements Fund (see below).

The Cabinet also agreed that, in principle, Chigwell Parish Council should be offered a 10-year lease for the ground floor of neighbouring Faversham Hall (which is in the District Council's ownership) at a peppercorn rent, to let to the local community on key terms agreed by the Cabinet, following consultation with the Parish Council. However, if the Parish Council decides not to accept the lease, the Cabinet agreed that the District Council should pursue the conversion of the ground floor of Faversham Hall into two self-contained flats.

Housing Improvements and Service Enhancements – 2013/14

At its meeting in January 2013, the Housing Scrutiny Panel considered a report on progress and the latest forecast expenditure for the 17 separate housing improvements and service enhancements, previously agreed by the Cabinet, which are being

undertaken in the current year and funded from the HRA's Housing Improvements and Service Enhancements Fund. It was noted that very good progress has been made, with most of the projects completed.

The Scrutiny Panel also considered further housing improvements and service enhancements to be undertaken in 2013/14, funded from the additional £570,000 HRA resources available next year, and have recommended four projects to the Cabinet. This includes the establishment of a Major Capital Housing Projects Reserve, to enable resources to be accumulated and available when required for major capital housing projects. The Scrutiny Panel is proposing that £330,000 be allocated to the Reserve next year, with further sums of £850,000 in each of the following years, with the proposed Marden Close Conversion Scheme (referred to above) having the first call on the Reserve.

Even then, there will still be around £450,000 per annum available to spend in future years on new housing improvements and service enhancements.

Rough Sleepers

A number of members have raised concerns with me during the recent cold weather about those who may be rough sleeping in the District. The Council is required to submit a statistical return on a "snapshot" of rough sleepers in the District during November of each year. In order to assess the numbers, our officers contact a range of partner agencies, including Epping Forest Citizens Advice Bureau, the Police, Community Mental Health Team and the Community Drug and Alcohol Team. Following this consultation process, we did not identify any rough sleepers in November 2012.

In addition, the Council's Homelessness Prevention Team works hard to prevent any rough sleeping occurring. Where a person presents themselves to the Council as homeless, if - whilst the Council undertakes its investigations - there is a risk of rough sleeping, applicants are referred to a night shelter in either Chelmsford or Colchester. In 2011/2012, I agreed that a £4,500 Grant awarded to the Council by the Government for rough sleeping initiatives should be passed on to both these night shelters equally, to enable them to continue to accept both referrals from the Council and self-referrals from people who are either rough sleeping, or threatened with rough sleeping within the District.

'Safe and Well' - Home from Hospital Scheme

Members will recall my report in September 2012 when I explained that Caring and Repairing in Epping Forest (C.A.R.E.) was partnering with the Papworth Trust and the WRVS in a scheme to aid the timely discharge of older and disabled people from hospital and to reduce admissions and re-admissions. The Scheme, called 'Safe and Well', is now operating across West Essex. Through the Scheme, minor adaptations and equipment can be installed in people's homes to ensure that they are safe on their return from hospital. Service users are also provided with advice and support until they are well enough and have the confidence to cope.

The Papworth Trust, which provides Home Improvement Agencies in Harlow and Uttlesford, is offering specialist information and support relating to housing options, home safety living arrangements and benefits. They are also providing and fitting equipment as required. This may take place both pre- and post-admission, in liaison with district nurses and GPs.

Fully-trained WRVS volunteers are providing practical support, and befriend service users in hospital, and/or on their return home. This support is initially provided for up to 6 weeks, with options to extend if required. A transport scheme is also being put into place to take people to and from hospital and appointments.

C.A.R.E.'s role will be to provide Handyperson-type services to the users of the scheme in our District that are owner occupiers and private tenants. Voluntary Action Epping Forest (VAEF), who already operate some of the services outlined above, are also providing services under the scheme.

If any members would like further information on the Scheme, they can contact C.A.R.E. on 01992 564086 or at pshGrantsandCare@eppingforestdc.gov.uk.

Visit to Epping Depot

The Leader and I jointly visited the Housing Repairs Service recently for a tour of the Epping Depot and took the opportunity to witness for ourselves the new approach we are taking to provide a more customer-focussed, appointment-based approach to our Repairs Service for Council tenants.

Our tour started in the call centre where tenants first phone to report a repair, and continued to meet the Repairs Planners, who allocate all repairs jobs to tradesmen. We also had a live demonstration of calls being taken and jobs planned and appointed.

We were then given a demonstration of the Mears MCM IT system and were interested to see the level of detail now being held on each job, including photos taken before and after repair jobs are completed.

New supply-chain for materials

At its meeting on 4th February 2013, the Cabinet approved a new materials supply contract with Grafton Merchanting GB Ltd (Trading as Buildbase) as the sole supplier of materials for our Housing Repairs Service, for an initial period of 5-years (with an option to extend for up to a further 3 years). The appointment was based on an EU-compliant procurement exercise, taking account of both price and quality.

Buildbase submitted their tender on an "impressed van stock" approach, with each van regularly replenished with materials for the relevant trade as and when necessary. Buildbase will also link the control of materials to Mears' MCM IT system and the smartphones used by tradesmen. This will automate invoicing and stock level control, creating efficiency savings, particularly in the processing of orders and invoices.

The contract will also reduce significantly the risks associated with the stock control of materials, that has previously given concern to the Council's Audit and Governance Committee.

Training for Council staff in the event of flooding

Through the Council's Emergency Planning Team, officers have been in discussion with the Environment Agency over them undertaking an exercise-based training session on the deployment of sandbags in the event of a flood. The training was due to take place on 22 January 2012 in Loughton.

Although this had to be cancelled due to the snow, and will be rescheduled for later in the year, it is a good example of working in partnership with other organisations to mitigate the effects of natural emergencies on our residents.

Petition – Wildflower Meadow, Limes Farm, Chigwell

In accordance with the Council's Petitions Procedure, I am reporting to members here that the Council has received a petition, signed by 169 residents, requesting that the Council cultivates a "wildflower meadow" on an area of housing land on the outer edge of the Limes Farm Estate, Chigwell.

The Council's Principal Landscape Officer acknowledged the petition a few days after it was received and has already held two meetings with the lead petitioner to discuss the proposal.

In order to take the matter forward, myself and officers will be holding a meeting with ward members shortly, in order to seek their views on the request.

When I have considered all the issues, and taken into account the views of the ward members, I will make a formal Portfolio Decision on the Council's response to the petition.

Report to the Council

Subject: Safer, Greener, Highways Portfolio Date: 19 February 2013

Portfolio Holder: Councillor Gary Waller

Recommending:

That the report of the Safer, Greener & Highways Portfolio Holder be noted.

Safer Communities

In my last report I referred to a Domestic Homicide Review which, in my capacity as Chairman of the Community Safety Partnership (CSP), I had established following the death of a woman in Loughton. The Review Panel met again on 17 January when it considered progress in respect of the receipt of Individual Management Reports from the key agencies which may have had an involvement with either the victim or the perpetrator.

Safer Communities are now managing the Western Local Policing Area Partnership analyst. The analyst is co-located at the Civic Offices and Epping Police Station and is currently completing 4 strategic assessments for the Partnerships based in Epping Forest, Harlow, Brentwood and Thurrock. The team is also hosting the Housing Fraud Investigator, and this is working well with good daily interaction and exchange of information.

The Council's public space CCTV systems are continuing to provide crucial evidence for the police to investigate crimes, and have recently identified a rogue trader who defrauded an elderly victim out of a significant amount of money. As a result of this incident, and to raise awareness among the banks in the district, an initiative is being planned with Safer Communities, Police, Trading Standards and local banks, with the objective of preventing a recurrence.

Safer Communities are about to launch the 'Lock em Out' campaign which is based on a series of advice leaflets and booklets on burglary prevention, defensive planting, property marking and posters. The Epping Forest team led on this initiative, and it is likely to be rolled out across Essex this year, with the material having already been supplied to the Harlow and Brentwood areas. Funding was obtained through the Safer Essex Serious Acquisitive Crime Group.

Our Anti-social Behaviour Investigators remain busy dealing with serious complaints, and an ASBO on conviction application is currently being considered against a young person in the Loughton area

Highways and Parking

Cabinet has agreed to progress the Buckhurst Hill and Loughton Broadway parking reviews, focussing on smaller targeted areas which have congestion problems rather than large geographic areas. The Buckhurst Hill review will be implemented first, and arrangements for commencement are currently under way through Essex County Council. As soon as I have more information, I will share that with Members.

A new junction on the M11 (Junction 7a) has come a stage closer with an announcement that it is about to be assessed by the Department of Transport, having already been approved in principle by Essex County Council following a £500,000 feasibility study. While the junction is intended primarily to serve Harlow, it would be located within the Epping Forest District, so it will be important to develop a clear input into the consultations due to take place with key stakeholders in the coming months.

Countrycare

Since Christmas, Countrycare has been working on launching its environmental education programme. This has involved getting a leaflet about the available projects printed and sent off to 30 schools in and around the district. The content is available on the website as a PDF download.

Countrycare has also been busy planting trees, with six hundred saplings planted on Bobbingworth Nature Reserve (a former landfill site) to mark out the boundary between the parishes of Moreton and Bobbingworth. This boundary was once marked by Moreton Wood, which was unfortunately removed sometime between 1886 and 1912, but in time the new hedgerow will be beneficial for nesting birds and as a corridor of movement across the Reserve for other kinds of wildlife.

I was delighted to join a group of volunteers who planted a hundred trees at Weald Common Local Nature Reserve, paid for using money from the Jack Petchey Award. This project was chosen by the winner of the Award, Josh Russell, using funds which he had received as his prize, and 18 dedicated volunteers came along on a cold winter's day to join Josh and Countrycare in completing it. Snow had to be cleared from along the hedgerow before any of the planting could take place, but a hearty bonfire to burn the bramble and blackthorn which also needed to be cleared that day kept everyone warm.

Last year was a record one for Countrycare with the average number of volunteers attending having increased from 10 in 2007 to 14 in 2012. So far 2013 has seen a continuation of the rising trend with an average of 17 volunteers making themselves available for each task in January. The benefit resulting from this superb volunteer effort undoubtedly maximises the return received from our investment in Countrycare

Trees

I attended the one day quarterly meeting and seminar of Essex Tree and Landscape Officers at Theydon Bois Village Hall, an event intended in particular to discuss and publicise an important recent publication entitled 'Trees in the Landscape - A Guide for Decision Makers'. Addressing the meeting, I pointed out that in Epping Forest we are aiming to have a report presented to the Council in due course for it to consider adopting the 12 principles set out in the Guide.

Among the speakers was Jeremy Dagley, Conservation Manager at The Warren, on the Theydon Bois oak avenue, emphasising the care that the conservators are taking to ensure that their management reflects the community's views. Russell Horsey, now Deputy Director of the Institute of Chartered Foresters but previously a Tree Officer in Chris Neilan's team, discussed how the Guide can assist officers to ensure they have political and community support for their work. Finally, the recently published Community Tree Strategy for Loughton, which has been well received, constituted one of several case studies presented before the end of the day

Report to the Council

Committee: Cabinet

Date: 19 February 2013

Portfolio Holder: Councillor S-A Stavrou
(Finance and Technology)

LOCAL LAND AND PROPERTY GAZETTEER

Recommending:

That a supplementary DDF estimate for 2012/13 in the sum of £100,000 be approved to provide the short term resources required to bring the Council's Local Land and Property Gazetteer up to the national standard by 31 March 2013.

1. The Local Land and Property Gazetteer arrangements for managing addressing accuracy are governed by the Data Co-operation Agreement (DCA), a contractual agreement between the Council and GeoPlace LLP, a Limited Liability Partnership jointly owned by the Improvement and Development Agency for Local Government (trading as Local Government Improvement and Development) and Ordnance Survey.

2. We have been advised that the Council's address management performance indicators are currently below national standards.

3. As a result we understand there is a very real possibility that the Council may be declared a Non Contributing Authority in terms of Address Updates Quality Criteria, Maintenance and Update Schedule as set out in the DCA. We have been advised that in addition, GeoPlace has the right in terms of the agreement to invoke "Emergency Measures" to implement an "Essential Support Plan" within such timescales and costs as are reasonable. The penalties that may be invoked range from sending a team of specialists to correct the Council's Addressing Management Information at £500 per person per day to charging the Council for all Ordnance Survey Mapping (currently free of charge) which could be as high as £40,000 - £60,000 per annum.

4. Whilst these appear to be extreme remedies, they have to be seen in the context of the DCA. Originally all local authorities had individual licences with Ordnance Survey and operated their own mapping systems. However, as the costs of licensing were becoming prohibitive, the Government negotiated to provide a national service. In effect, the system now is that all local authorities, and indeed a range of other agencies including the emergency services, have access to Ordnance Survey mapping data free of charge, but in return, through the DCA, local authorities agree that their local part of the Gazetteer and Address Database will be kept accurate and up to date. This updating process is critically important for the emergency services who are being required to discard their own bespoke systems, and use those provided via the DCA, and therefore rely upon the integrity of the underpinning Gazetteer and Address Database.

5. It has been made clear by GeoPlace that they are very concerned about the accuracy of this Council's LLPG, and they require the Council to meet the required standards by the end of March 2013, or risk their intervention. It is important to note at this time that the Council is not only failing to meet the current standard, but will also need to attain a higher standard which comes into effect from April 2013.

6. At a recent meeting between Council officers and GeoPlace a number of procedural changes were agreed, including the Council taking steps to ensure that no further errors in the Gazetteer would be generated. However, it is clear that at the current level of resourcing the Council will be unable to meet the deadline for improving the Gazetteer, and short term additional resources are required.

7. We have been informed that at the meeting, an assessment was undertaken of the scale of the Gazetteer errors and the resources required to eliminate them. Although some additional in-house resources have already been applied and progress has been made, it is clear that these are not sufficient. We understand that it has been estimated that some 150 days of work will be required just to meet the existing standard and probably nearer 250 days to place the Council in a position whereby it is able to meet the new higher standard which commences in April.

8. Due to the nature of the work, this updating exercise requires people who are knowledgeable of gazetteers and related systems. Furthermore, the time pressures in achieving the deadline do not afford the opportunity to appoint someone with aptitude and then train and bring them up to the necessary skill level. We have, therefore, considered the following options:

- (a) seek to appoint, on a temporary basis, persons with the requisite experience;
- (b) obtain resources from GeoPlace, having negotiated a reasonable daily rate; or
- (c) seek assistance from a neighbouring local authority who has already achieved the required standard and is able to provide us with skilled personnel, at a reasonable daily rate.

9. We have concluded that it is necessary to take immediate steps to correct the Gazetteer and Address Database through an injection of DDF funding. At this stage we believe it would be prudent to apply funding based upon the worse case scenario, which is GeoPlace applying special measures at £500 per day, but taking into account the existing available in-house resources. Based upon the estimated 250 days to achieve not only the existing required standard but also enable us to meet the higher standard, will require funding of £125,000. It is very likely that the costs will be less than this, either through negotiation with GeoPlace or through obtaining specialist assistance through one of the other routes. Also, the existing in-house resources referred to earlier will reduce that overall demand. Therefore, to provide certainty for the 2013/14 budget and equally important the necessary outcome, we are recommending that approval be given to a supplementary DDF estimate of £100,000.

10. We are conscious of the need to resource this work adequately in the future, once the immediate problems have been overcome. However, we propose to leave this issue for now, pending any future structure considerations by the Chief Executive.

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

Report to the Council

Committee: Cabinet

Date: 19 February 2013

Portfolio Holder: Councillor S-A Stavrou
(Finance and Technology)

TREASURY MANAGEMENT STRATEGY STATEMENT AND INVESTMENT STRATEGY 2013/14 -2015/16

Recommending:

That the following attached documents be adopted:

- (a) Treasury Management Strategy Statement and Annual Investment Strategy 2013/14 to 2015/16;**
- (b) Minimum Revenue Provision (MRP) Statement;**
- (c) Treasury Management Prudential Indicators for 2013/14 to 2015/16;**
- (d) the rate of interest to be applied to any inter-fund balances; and**
- (e) Treasury Management Policy Statement**

(Note: At its meeting on 7 February 2013, the Audit and Governance Committee will consider how the risks associated with Treasury Management have been dealt with in the proposed Treasury Management Strategy Statement and Annual Investment Strategy. The Chairman of that Committee will report orally at the Council meeting on any comments or suggestions of that Committee).

Introduction

1. The Council's treasury activities are strictly regulated by statutory requirements and a professional code of practice (the CIPFA Code of Practice on Treasury Management – revised November 2009). There is a requirement for the Council to approve its treasury and investment strategy and prudential indicators each year.
2. The attached strategy has been prepared in line with advice from the Council's treasury advisors, Arlingclose.
3. There are no major changes to the strategy from the current strategy approved in March 2012.

Minimum Revenue Provision

4. Each year the Council has to approve its statement on the Minimum Revenue

Provision (MRP). In previous years the Council has been debt free and therefore, it has not been necessary to provide MRP in our accounts. However, the Council has taken on debt of £185.5m and this would normally require the local authority to charge MRP to the General Fund. The Department for Communities and Local Government has produced regulations to mitigate this impact, whereby the Council can ignore the borrowing incurred in relation to the Housing Self-financing when calculating MRP and therefore, (for MRP purposes only) the Council is classed as debt free and does not have to make provision for MRP.

Inter-fund balances

5. The Council has inter-fund borrowed for many years between the General Fund and Housing Revenue Account and the interest charge made between the funds has been based on the average interest earned on investment for the year. Under draft regulations issued by CIPFA, it is now proposed that the interest rate applicable to any inter-fund borrowing should be approved by full Council before the start of the financial year. As the Council has been undertaking inter-fund borrowing for many years, we are proposing to continue to use the average interest earned for the year on investments as the rate for any inter-fund borrowing.

Policy Statement

6. The Treasury Management Policy Statement is a high level statement setting out how the Council Treasury function will be undertaken. The Policy Statement was last updated as part of the 2011/12 Treasury Strategy and no amendments are proposed at this time.

Current Investments

7. The Council's investments are all denominated in UK sterling and the treasury officers receive regular information from our treasury advisors on the latest position on the use of Counterparties. The latest information supplied is as follows:

UK Banks and building societies:

(a) a maximum maturity limit of 12 months applies to HSBC, Standard Chartered Barclays Bank and Nationwide Building Society;

(b).a maximum maturity limit of 6 months applies to Lloyds TSB, Bank of Scotland, Royal Bank of Scotland and National Westminster Bank.

(c) a maximum maturity limit of 100 days applies to Santander UK plc.

European Banks:

All temporarily suspended for new investments.

Non European Banks:

A maximum maturity limit of 12 months applies to Australian, Canadian and US banks that are on our list.

Money Market Funds:

A maximum exposure limit of 10% of the total investment per MMF.

8. The Council currently has an investment portfolio of £55m, this will vary from day to day, depending on the cash flow of the authority. A breakdown of this portfolio by Country and length of time remaining on investments are shown in the two tables below.

Country of counterparty	£m
United Kingdom	50.0
France	0.0
Australia	0.0
Ireland **	5.0
Total	55.0

** The investments shown under Ireland relates to Money Market Funds that are AAA rated and approved to be used by Arlingclose, however they are domiciled in Ireland for tax purposes only.

Maturity profile of investment as at 7 January 2013	£m
Overnight (Call / Money Market Fund)	15.0
Up to 7 days	0.0
8 days to 1 month	10.0
1 month to 3 months	8.0
3 months to 6 months	10.0
6 months to 9 months	0.0
9 months to 1 year	2.0
Greater than 1 year	10.0
Total	55.0

9. The continued low interest rates, the use of fewer counterparties and the shorter durations of investments have reduced estimated interest income for 2013/14 to £446,000.

10. Following our meeting on 4 February 2013, the Audit and Governance Committee were due to consider this matter at its meeting on 7 February 2013 and the Chairman of that Committee will report orally at the council meeting on the views of that Committee.

11. We recommended as set out at the commencement of this report.

This page is intentionally left blank

Treasury Management Strategy Statement and Investment Strategy

2013/14 to 2015/16

1. Background

- 1.1. The Chartered Institute of Public Finance and Accountancy's Code of Practice for Treasury Management in Public Services (the "CIPFA TM Code") and the Prudential Code require local authorities to determine the Treasury Management Strategy Statement (TMSS) and Prudential Indicators (PIs) on an annual basis. The TMSS also includes the Annual Investment Strategy (AIS) that is a requirement of the CLG's Investment Guidance.
- 1.2. As per the requirements of the Prudential Code, the Authority adopted the CIPFA Treasury Management Code at Council on 22 April 2002.
- 1.3. The purpose of this TMSS is, therefore, to approve:
 - Treasury Management Strategy for 2013/14
 - Annual Investment Strategy for 2013/14
 - Prudential Indicators for 2013/14, 2014/15 and 2015/16
 - MRP Statement
- 1.4. The Authority has borrowed and invested substantial sums of money and therefore has potentially large exposures to financial risks including the loss of invested funds and the effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

2. Capital Financing Requirement

- 2.1 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). The CFR, together with Usable Reserves, are the core drivers of the Authority's Treasury Management activities.
- 2.2 The Authority currently has £185.5m of debt and £54m of investments. This is set out in further detail at **Appendix A**.
- 2.3 **Money Borrowed in Advance of Spending Need:** The Authority is able to borrow funds in excess of the current level of its CFR up to the projected level in 2015/16. The Authority is likely to only borrow in advance of need if it felt the benefits of borrowing at interest rates now compared to where they are expected to be in the future, outweighs the current cost and risks associated with investing the proceeds until the borrowing was actually required.

- 2.4 The forecast movement in the CFR in coming years is one of the Prudential Indicators (PIs). The movement in actual external debt and usable reserves combine to identify the Authority's borrowing requirement and potential investment strategy in the current and future years.

Table 1: Balance Sheet Summary Analysis

	2012/13 Estimate £m	2012/13 Revised Estimate £m	2013/14 Estimate £m	2014/15 Estimate £m	2015/16 Estimate £m
HRA CFR	153.575	154.391	154.391	154.391	154.391
General Fund CFR	31.097	30.281	30.281	30.281	30.281
Total CFR	184.672	184.672	184.672	184.672	184.672
Less: Existing Profile of Borrowing	0.0	185.456	185.456	185.456	185.456
Less: Other Long Term Liabilities	0.0	0.0	0.0	0.0	0.0
Cumulative Maximum External Borrowing Requirement	184.672	(0.784)	(0.784)	(0.784)	(0.784)
Usable Reserves	47.000	47.000	43.800	43.800	43.800
Cumulative Net Borrowing Requirement/(Investments)	137.672	(47.784)	(44.584)	(44.584)	(44.584)

3. Interest Rate Forecast

- 3.1 The Arlingclose interest rate forecast continues its theme of the last few years, that is, that interest rates will remain low for even longer. Indeed, the forecast is for official UK interest rates to remain at 0.5% until 2016 given the moribund outlook for economic growth and the extension of austerity measures announced in the Chancellor's Autumn Statement. Until there is a credible resolution of the problems that stalk the Eurozone - and that resolution requires full-scale fiscal union which faces many significant political hurdles - then the UK's safe haven status and minimal prospect of increases in official interest rates will continue to combine and support the theme within the forecast.
- 3.2 The economic and interest rate forecast provided by the Authority's treasury management advisor is attached at *Appendix C*. The Authority will reappraise its strategies from time to time in response to evolving economic, political and financial events.

4. Borrowing Strategy

- 4.1 Treasury management and borrowing strategies in particular continue to be influenced not only by the absolute level of borrowing rates but also the relationship between short and long term interest rates. This difference creates a “cost of carry” for any new longer term borrowing where the proceeds are temporarily held as investments because of the difference between what is paid on the borrowing and what is earned on the investment. The cost of carry is likely to be an issue until 2016 or beyond. As borrowing is often for longer dated periods (anything up to 50 years) the cost of carry needs to be considered against a backdrop of uncertainty and affordability constraints in the Authority’s wider financial position.
- 4.2 The Authority’s capital expenditure plans do not currently imply any external borrowing requirement in 2013/14. This is illustrated in Appendix B which sets out the programme of capital expenditure and financing.

5. Sources of Borrowing and Portfolio Implications

- 5.1 In conjunction with advice from its treasury advisor, Arlingclose Ltd, the Authority will keep under review the following borrowing sources:
- Internal
 - PWLB
 - Local authorities
 - European Investment Bank
 - Leasing
 - Structured finance
 - Capital markets (stock issues, commercial paper and bills)
 - Commercial banks

6. Debt Rescheduling

- 6.1 The Authority’s debt portfolio can be restructured by prematurely repaying loans and refinancing them on similar or different terms to achieve a reduction in risk and/or savings in interest costs.
- 6.2 The lower interest rate environment and changes in the rules regarding the premature repayment of PWLB loans has adversely affected the scope to undertake meaningful debt restructuring although occasional opportunities arise. The rationale for undertaking any debt rescheduling or repayment would be one or more of the following:
- Reduce investment balances and credit exposure via debt repayment
 - Align long-term cash flow projections and debt levels
 - Savings in risk adjusted interest costs

- Rebalancing the interest rate structure of the debt portfolio
- Changing the maturity profile of the debt portfolio

6.3 Borrowing and rescheduling activity will be reported to the Finance & Performance Management Cabinet Committee in the Annual Treasury Management Report and the regular treasury management reports presented to the Audit and Governance Committee.

7. Annual Investment Strategy

7.1 In accordance with Investment Guidance issued by the CLG and best practice this Authority’s primary objective in relation to the investment of public funds remains the security of capital. The liquidity or accessibility of the Authority’s investments is secondary, followed by the yield earned on investments which is a tertiary consideration.

7.2 The Authority and its advisors remain on a heightened state of alert for signs of credit or market distress that might adversely affect the Authority.

7.3 Investments are categorised as “Specified” or “Non-Specified” within the investment guidance issued by the CLG.

Specified investments are sterling denominated investments with a maximum maturity of one year. They also meet the “high credit quality” as determined by the Authority and are not deemed capital expenditure investments under Statute. Non specified investments are, effectively, everything else.

7.4 The types of investments that will be used by the Authority and whether they are specified or non-specified are as follows:

Table 2: Specified and Non-Specified Investments

Investment	Specified	Non-Specified
Term deposits with banks and building societies	✓	✓
Term deposits with other UK local authorities	✓	✓
Investments with Registered Providers	✓	✓
Certificates of deposit with banks and building societies	✓	✓
Gilts	✓	✓
Treasury Bills (T-Bills)	✓	✗

Bonds issued by Multilateral Development Banks	✓	✓
Local Authority Bills	✓	✗
Commercial Paper	✓	✗
Corporate Bonds	✓	✓
AAA-Rated Money Market Funds	✓	✗
Other Money Market and Collective Investment Schemes	✓	✓
Debt Management Account Deposit Facility	✓	✗

Further details can be found in **Appendix D & E**.

- 7.5 Registered Providers (RPs) have been included within specified and non-specified investments for 2013/14. Investments with RPs will be analysed on an individual basis and discussed with Arlingclose prior to investing.
- 7.6 The minimum credit rating for non-UK sovereigns is AA+ (or equivalent). For specified investments the minimum long term rating for counterparties is A- (or equivalent). As detailed in non-specified investments in Appendix E, the Director of Finance will have discretion to make investments with counterparties that do not meet the specified criteria on advice from Arlingclose.

The other credit characteristics, in addition to credit ratings, that the Authority monitors are listed in the Prudential Indicator on Credit Risk (PI 12, page 21).

Any institution will be suspended or removed should any of the factors identified above give rise to concern. Specifically credit ratings are monitored by the Authority on a daily basis. Arlingclose advises the Authority on ratings changes and appropriate action to be taken.

The countries and institutions that currently meet the criteria for investments are included in **Appendix D**.

It remains the Authority's policy to make exceptions to counterparty policy established around credit ratings, but this is conditional and directional. What this means is that an institution that meets criteria may be suspended, but institutions not meeting criteria will not be added.

- 7.7 **Authority's Banker** - The Authority banks with Nat West Bank. At the current time, it does meet the Authority's minimum credit criteria. Even if the credit rating falls below the Authority's minimum criteria they will continue to be used for short term liquidity requirements (overnight and weekend investments) and business continuity arrangements.

8. Investment Strategy

- 8.1 With short term interest rates low for some time, an investment strategy will typically result in a lengthening of investment periods, where cash flow permits, in order to lock in higher rates of acceptable risk adjusted returns. The problem in the current environment is finding an investment counterparty providing acceptable levels of counterparty risk.
- 8.2 In order to diversify a portfolio largely invested in cash, investments will be placed with approved counterparties over a range of maturity periods. Maximum investment levels for each counterparty will be set to ensure prudent diversification is achieved.
- 8.3 Money market funds (MMFs) will be utilised but good treasury management practice prevails and whilst MMFs provide good diversification the Authority will also seek to mitigate operational risk by utilising at least two MMFs. The Authority will also restrict its exposure to MMFs with lower levels of funds under management and will not exceed 0.5% of the net asset value of the MMF. In the case of Government MMFs, the Council will ensure exposure to each Fund does not exceed 2% of the net asset value of the Fund.

8.4 Collective Investment Schemes (Pooled Funds):

The Authority has evaluated the use of Pooled Funds and determined the appropriateness of their use within the investment portfolio. Pooled funds enable the Authority to diversify the assets and the underlying risk in the investment portfolio and provide the potential for enhanced returns.

- 8.5 Investments in pooled funds will be undertaken with advice from Arlingclose Ltd. The Authority's currently has none of these investments.

9. Policy on Use of Financial Derivatives

- 9.1 Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. LOBO loans and callable deposits). The general power of competence in Section 1 of the Localism Act 2011 removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The CIPFA Code requires authorities to clearly detail their policy on the use of derivatives in the annual strategy.
- 9.2 The Authority will only use standalone financial derivatives (such as swaps, forwards, futures and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will

not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

- 9.3 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit.
- 9.4 The local authority will only use derivatives after seeking expertise, a legal opinion and ensuring officers have the appropriate training for their use.

10. Housing Revenue Account Self-Financing

- 10.1 Central Government completed its reform of the Housing Revenue Account Subsidy system at the end of 2011/12. Local authorities are required to recharge interest expenditure and income attributable to the HRA in accordance with Determinations issued by the Department for Communities and Local Government.
- 10.2 The Determinations do not set out a methodology for calculating the interest rate to use in each instance. The Council is therefore required to adopt a policy that will set out how interest charges attributable to the HRA will be determined. The CIPFA Code recommends that authorities present this policy in their TMSS.
- 10.3 On 28 March 2012, the self financing loans were allocated to the Housing Revenue Account (HRA). If in the future any new long-term loans are attained they will be assigned in their entirety to either the General Fund or HRA pool. Interest payable and other costs/income arising from long-term loans (e.g. premiums and discounts on early redemption) will be charged/credited to the respective revenue account.
- 10.4 Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured annually and interest transferred between the General Fund and HRA at the monthly net average rate earned by the Council on its portfolios of treasury investments and short-term borrowing.

11. 2013/14 MRP Statement

- 11.1 The Council is required to set an annual policy on the way it calculates the prudent provision for the repayment of borrowing (MRP). This year's policy can be found in Appendix F of this report.

12. Monitoring and Reporting on the Treasury Outturn and Prudential Indicators

12.1 The Director of Finance & ICT will report to the Finance & Performance Management Cabinet Committee on treasury management activity/performance and Performance Indicators as follows:

- Mid-year against the strategy approved for the year. The Authority will produce an outturn report on its treasury activity no later than 30th September after the financial year end.
- Audit & Governance Committee will be responsible for the scrutiny of treasury management activity and practices.

13. Other Items

13.1 Training

CIPFA's Code of Practice requires the Director of Finance & ICT to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.

13.2 Treasury Management Advisors

The Authority uses Arlingclose as Treasury Management Advisors and receives the following services:

- Credit advice
- Investment advice
- Technical advice
- Economic & interest rate forecasts
- Workshops and training events
- HRA support

The Authority maintains the quality of the service with its advisors by holding *quarterly* meetings and tendering periodically.

Appendix A - Existing Investment & Debt Portfolio Position (Section 2.2)

	07/01/13 Actual Portfolio £m	07/01/13 Average Rate %
External Borrowing:		
PWLB - Fixed Rate	153.656	3.48
PWLB - Variable Rate	31.800	0.62
Total Gross External Debt	185.456	2.99
Investments:		
<i>Managed in-house</i>		
Short-term investments	44.452	0.92
Long-term investments	10.000	1.15
Total Investments	54.452	0.97
Net Debt	131.004	

Appendix B
Prudential Indicators 2013/14 - 2015/16

1. Background:

There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA’s Prudential Code for Capital Finance in Local Authorities (the “CIPFA Prudential Code”) when setting and reviewing their Prudential Indicators.

2. Gross Debt and the Capital Financing Requirement:

This is a key indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

If in any of these years there is a reduction in the capital financing requirement, this reduction is ignored in estimating the cumulative increase in the capital financing requirement which is used for comparison with **gross** external debt.

The Director of Finance reports that the Authority had no difficulty meeting this requirement in 2012/13, nor is there any difficulties envisaged for future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

3. Estimates of Capital Expenditure:

3.1 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax and in the case of the HRA, housing rent levels.

Capital Expenditure	2012/13 Approved	2012/13 Revised	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
	£m	£m	£m	£m	£m
Non-HRA	5.601	3.451	4.326	2.230	1.221
HRA*	12.863	9.518	13.918	16.223	15.074
Total	18.464	12.969	18.244	18.453	16.295

3.2 Capital expenditure will be financed or funded as follows:

Capital Financing	2012/13 Approved	2012/13 Revised	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
	£m	£m	£m	£m	£m
Capital receipts	4.923	2.763	4.398	2.224	1.298
Government Grants	0.394	0.210	0.433	0.400	0.306
Other Contributions	0.334	0.548	0.504	0.169	0.169
Major Repairs Allowance	7.613	5.218	8.709	9.960	8.822
Revenue contributions	5.200	4.230	4.200	5.700	5.700
Total Financing	18.464	12.969	18.244	18.453	16.295

Table 1 shows that the capital expenditure plans of the Authority can be funded entirely from sources other than external borrowing.

4. Ratio of Financing Costs to Net Revenue Stream:

4.1 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs. The definition of financing costs is set out in the Prudential Code.

4.2 The ratio is based on costs net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2012/13 Approved	2012/13 Revised	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
	%	%	%	%	%
Non-HRA	-0.03	-0.42	-0.34	-0.46	-0.91
HRA	19.11	16.66	16.82	16.15	15.65

5. Capital Financing Requirement:

5.1 The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose. The calculation of the CFR is taken from the amounts held in the Balance Sheet relating to capital expenditure and financing.

Capital Financing Requirement	2012/13 Approved £m	2012/13 Revised £m	2013/14 Estimate £m	2014/15 Estimate £m	2015/16 Estimate £m
HRA	153.575	154.391	154.391	154.391	154.391
Non-HRA	31.097	30.281	30.281	30.281	30.281
Total CFR	184.672	184.672	184.672	184.672	184.672

5.2 The Council is to embark on a house building programme. The preliminary work started during 2012/13 with the works themselves starting in 2013/14. Whilst the business plan includes a very modest allocation for this, it is expected that the programme will be expanded in years beyond 2014/15 once the first schemes have been completed successfully and following the Government announcement with regards to “Reinvigorating Right to Buy and One for One Replacement” where the Government desire is at a national level every additional home sold under Right to Buy will be replaced by a new home for affordable rent. Given the need to borrow for any additional house building the Council took advantage of the competitive borrowing rates whilst it could, rather than borrowing in a few years time when those rates will be unavailable. In the meantime this will allow the General Fund to continue (as it has done for a number of years) to internally borrow from the Housing Revenue Account at an appropriate rate, resulting in no detrimental impact on the General Fund from self-financing and would be fair to the HRA as it will still broadly receive the same level of income that it would have had if it had invested the money, rather than loaned internally to the GF.

6. Incremental Impact of Capital Investment Decisions:

6.1 This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax and Housing Rent levels. The incremental impact is calculated by comparing the total revenue budget requirement of the current approved capital programme with an equivalent calculation of the revenue budget requirement arising from the proposed capital programme.

Incremental Impact of Capital Investment Decisions	2012/13 Approved £	2013/14 Estimate £	2014/15 Estimate £	2015/16 Estimate £
Increase in Band D Council Tax	0.32	-0.01	-0.25	0.17
Increase in Average Weekly Housing Rents	9.33	-2.83	-2.57	-2.52

7. Authorised Limit and Operational Boundary for External Debt:

- 7.1 The Authority has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Authority and not just those arising from capital spending reflected in the CFR.
- 7.2 The **Authorised Limit** sets the maximum level of external debt on a gross basis (i.e. excluding investments) for the Authority. It is measured on a daily basis against all external debt items on the Balance Sheet (i.e. long and short term borrowing, overdrawn bank balances and long term liabilities). This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Authority's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices.
- 7.3 The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit).
- 7.4 The Operational Boundary has been set on the estimate of the most likely, i.e. prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.
- 7.5 The Operational Boundary links directly to the Authority's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

	2012/13 Approved £m	2012/13 Revised £m	2013/14 Estimate £m	2014/15 Estimate £m	2015/16 Estimate £m
Authorised Limit for Borrowing	200.00	200.00	200.00	200.00	200.00
Authorised Limit for External Debt	200.00	200.00	200.00	200.00	200.00
Operational Boundary for Borrowing	188.00	188.00	188.00	188.00	188.00
Operational Boundary for External Debt	188.00	188.00	188.00	188.00	188.00

8. Adoption of the CIPFA Treasury Management Code:

8.1 This indicator demonstrates that the Authority has adopted the principles of best practice.

Adoption of the CIPFA Code of Practice in Treasury Management
The Council approved the adoption of the CIPFA Treasury Management Code at its meeting on 22 April 2002.

The Authority has incorporated the changes from the revised CIPFA Code of Practice into its treasury policies, procedures and practices.

9. Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure:

9.1 These indicators allow the Authority to manage the extent to which it is exposed to changes in interest rates. This Authority calculates these limits on net principal outstanding sums, (i.e. fixed rate debt net of fixed rate investments / net interest paid (i.e. interest paid on fixed rate debt net of interest received on fixed rate investments))

9.2 The upper limit for variable rate exposure has been set to ensure that the Authority is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.

	Maximum during 2011/12	2012/13 Approved	2012/13 Revised	2013/14 Estimate	2014/15 Estimate	2015/16 Estimate
	%	%	%	%	%	%
Fixed						
Upper Limit for Fixed Interest Rate Exposure on Debt	83	100	100	100	100	100
Upper limit for Fixed Interest Rate Exposure on Investments	(74)	(100)	(100)	(100)	(100)	(100)

<u>Variable</u>						
Upper Limit for Variable Interest Rate Exposure on Debt	17	25	25	25	25	25
Upper Limit for Variable Interest Rate Exposure on Investments	(26)	(75)	(75)	(75)	(75)	(75)

9.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Authority's treasury management strategy.

10. Maturity Structure of Fixed Rate borrowing:

10.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

10.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

10.3 LOBOs are classified as maturing on the next call date i.e. the earliest date that the lender can require repayment.

Maturity structure of fixed rate borrowing	Existing level (or Benchmark level) at 31/03/12 %	Lower Limit for 2013/14 %	Upper Limit for 2013/14 %
under 12 months	0	0	100
12 months and within 24 months	0	0	100
24 months and within 5 years	0	0	100
5 years and within 10 years	0	0	100

10 years and within 20 years	0	0	100
20 years and within 30 years	100	0	100
30 years and within 40 years	0	0	100
40 years and within 50 years	0	0	100
50 years and above	0	0	100

11. Credit Risk:

11.1 The Authority considers security, liquidity and yield, in that order, when making investment decisions.

11.2 Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Authority's assessment of counterparty credit risk.

11.3 The Authority also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:

- Published credit ratings of the financial institution (minimum A- or equivalent) and its sovereign (minimum AA+ or equivalent for non-UK sovereigns);
- Sovereign support mechanisms;
- Credit default swaps (where quoted);
- Share prices (where available);
- Economic fundamentals, such as a country's net debt as a percentage of its GDP);
- Corporate developments, news, articles, markets sentiment and momentum;
- Subjective overlay.

11.4 The only indicators with prescriptive values remain to be credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.

12. Upper Limit for total principal sums invested over 364 days:

12.1 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Authority having to seek early repayment of the sums invested.

Upper Limit for total principal sums invested over 364 days	2012/13 Approved £m	2012/13 Revised £m	2013/14 Estimate £m	2014/15 Estimate £m	2015/16 Estimate £m
	30	30	30	30	30

Appendix C - Economic & Interest Rate Forecast (Sections 4.1 & 5.1)

	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16
Official Bank Rate													
Upside risk			0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Central case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk		-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
3-month LIBID													
Upside risk	0.25	0.25	0.25	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	0.75
Central case	0.40	0.40	0.40	0.45	0.45	0.50	0.50	0.50	0.55	0.55	0.55	0.60	0.60
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
1-yr LIBID													
Upside risk	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	0.75
Central case	0.85	0.90	0.95	0.95	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.10	1.10
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
5-yr gilt													
Upside risk	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00
Central case	0.95	0.95	0.95	0.95	1.00	1.00	1.00	1.00	1.10	1.10	1.10	1.20	1.20
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
10-yr gilt													
Upside risk	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.00	1.00
Central case	2.00	2.00	2.05	2.05	2.05	2.05	2.10	2.10	2.10	2.20	2.20	2.20	2.20
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
20-yr gilt													
Upside risk	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00
Central case	2.90	2.90	2.90	2.90	3.00	3.00	3.00	3.00	3.10	3.10	3.10	3.10	3.10
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25
50-yr gilt													
Upside risk	0.50	0.50	0.50	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00
Central case	3.35	3.35	3.35	3.40	3.40	3.40	3.50	3.50	3.50	3.50	3.60	3.60	3.60
Downside risk	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25

Underlying Assumptions:

- UK growth is unlikely to return to above trend for the foreseeable future. Q3 GDP was strong at 0.9% but this momentum is unlikely to be sustained in Q4 or in 2013. The rebalancing from public-sector driven consumption to private sector demand and investment is yet to manifest, and there is little sign of productivity growth. Further contraction in the Eurozone, including Germany's powerful economy, and slower forecast growth in the emerging economies (Brazil/Mexico/India) are exacerbating the weakness.
- Consumer Price Inflation has fallen to 2.7 % from a peak of 5.2%. Near term CPI is likely to be affected by volatility in commodity prices and its decrease towards the 2% target is expected to be slower than previously estimated. Real wage growth (i.e. after inflation) is forecast to remain weak.
- The fiscal outlook for bringing down the structural deficit and stabilise debt levels remains very challenging. Weakened credibility of the UK reining its levels of debt poses a risk to the AAA status, but recent history (US, France) suggests this may not automatically result in a sell-off in gilts.
- In the absence of large, unexpected decline in growth, QE is likely to remain on hold at £375bn for now. The availability of cheaper bank borrowing and subsequently for corporates through the Funding for Lending Scheme (FLS) is a supporting factor.
- The US Federal Reserve's shift in its rate guidance from a date-based indication to economic thresholds (6.5% unemployment, inflation 1 - 2 years out projected to remain below 2.5%, longer term inflation expectations remain well anchored) is likely to increase market uncertainty around the highly volatile US employment data releases.

- The Eurozone is making slow headway which has curtailed some of the immediate risks although peripheral countries continue to struggle. Fully-fledged banking and fiscal union is still some years away.
- In the US, the issues of spending cuts, reducing the budget deficit and raising the country's debt ceiling remain unresolved. A failure to address these by March 2013 could lead to a similar showdown and risks a downgrade to the US sovereign credit rating by one or more agencies.
- A reversal in market risk sentiment from current "risk on" to "risk off" could be triggered by economic and/or political events - impending Italian and German elections, US debt ceiling impasse, difficulty surrounding Cyprus' bailout, and contagion returning to haunt the European peripheral nations - could inject renewed volatility into gilts and sovereign bonds.

**Appendix D - Current Recommended Sovereign and Counterparty List as at 31/12/2012
(Section 8)**

Country/ Domicile	Counterparty	Maximum Counterparty Limit £m	Maximum Group Limit (if applicable) £m	Maximum Maturity Limit
UK	Santander UK Plc (Banco Santander Group)	10.0		100 days
UK	Bank of Scotland (Lloyds Banking Group)	10.0	10.0	6 months
UK	Lloyds TSB (Lloyds Banking Group)	10.0		6 months
UK	Barclays Bank Plc	10.0		1 year
UK	HSBC Bank Plc	10.0		1 year
UK	Nationwide Building Society	10.0		1 year
UK	NatWest (RBS Group)	10.0	10.0	6 months
UK	Royal Bank of Scotland (RBS Group)	10.0		6 months
UK	Standard Chartered Bank	10.0		1 year
Australia	Australia and NZ Banking Group	10.0		1 year
Australia	Commonwealth Bank of Australia	10.0		1 year
Australia	National Australia Bank Ltd (National Australia Bank Group)	10.0		1 year
Australia	Westpac Banking Corp	10.0		1 year
Canada	Bank of Montreal	10.0		1 year
Canada	Bank of Nova Scotia	10.0		1 year
Canada	Canadian Imperial Bank of Commerce	10.0		1 year
Canada	Royal Bank of Canada	10.0		1 year
Canada	Toronto-Dominion Bank	10.0		1 year
Finland	Nordea Bank Finland	8.0		1 year
France	BNP Paribas	8.0		100 days
France	Credit Agricole CIB (Credit Agricole Group)	8.0		100 days
France	Credit Agricole SA (Credit Agricole Group)	8.0		100 days

France	Société Générale	8.0		100 days
Germany	Deutsche Bank AG	8.0		1 year
Netherlands	ING Bank NV	8.0		100 days
Netherlands	Rabobank	8.0		1 year
Netherlands	Bank Nederlandse Gemeenten	8.0		1 year
Sweden	Svenska Handelsbanken	8.0		1 year
Switzerland	Credit Suisse	8.0		100 days
US	JP Morgan	8.0		1 year

***Please note this list could change if, for example, a counterparty/country is upgraded, and meets our other creditworthiness tools or a new suitable counterparty comes into the market. Alternatively, if a counterparty is downgraded, this list may be shortened.*

Group Limits - For institutions within a banking group, the authority executes a limit of that of an individual limit of a single bank within that group.

The Council is not currently investing with the Euro Zone counterparties but the limits above are those recommended by Arlingclose.

Appendix E - Non-Specified Investments

Instrument	Maximum maturity	Maximum £M	Capital expenditure?	Example
Call accounts, term deposits & CDs with banks, building societies & local authorities which do not meet the specified investment criteria (on advice from TM Adviser)	5 years	20	No	
Deposits with registered providers	5 years	20	No	
Gilts	5 years	10	No	
Bonds issued by multilateral development banks	5 years	5	No	<i>EIB Bonds, Council of Europe Bonds etc.</i>
Sterling denominated bonds by non-UK sovereign governments	5 years	5	No	
Money Market Funds and Collective Investment Schemes	5 years	20	No	<i>Investec Target Return Fund; Elite Charteris Premium Income Fund; LAMIT; M&G Global Dividend Growth Fund</i>
Corporate and debt instruments issued by corporate bodies purchased from 01/04/12 onwards	5 years	5	No	
Collective Investment Schemes (pooled funds) which do not meet the definition of collective investment schemes in SI 2004 No 534 or SI 2007 No 573	These funds do not have a defined maturity date	10	Yes	<i>Way Charteris Gold Portfolio Fund; Lime Fund</i>

Appendix F - MRP Statement 2013/14

CLG's Guidance on Minimum Revenue Provision (issued in 2010) places a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Secretary of State and local authorities are required to "have regard" to such Guidance under section 21(1A) of the Local Government Act 2003.

The four MRP options available are:

- Option 1: Regulatory Method
- Option 2: CFR Method
- Option 3: Asset Life Method
- Option 4: Depreciation Method

NB This does not preclude other prudent methods.

MRP in 2013/14: Options 1 and 2 may be used only for supported (i.e. financing costs deemed to be supported through Revenue Support Grant from Central Government) Non-HRA capital expenditure funded from borrowing. Methods of making prudent provision for unsupported Non-HRA capital expenditure include Options 3 and 4 (which may also be used for supported Non-HRA capital expenditure if the Authority chooses). There is no requirement to charge MRP in respect of HRA capital expenditure funded from borrowing.

The MRP Statement will be submitted to Council before the start of the 2013/14 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Authority at that time.

The Authority's CFR at 31st March 2012 became positive as a result of the Housing Subsidy reform settlement. This would normally require the Authority to charge MRP to the General Fund in respect of Non-HRA capital expenditure funded from borrowing. CLG has produced draft regulations intended to mitigate this impact, and as such under Option 2 (the CFR method) there is no requirement to charge MRP in 2013/14.

TREASURY MANAGEMENT POLICY STATEMENT

1. INTRODUCTION AND BACKGROUND

1.1 The Council adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code.

1.2 Accordingly, the Council will create and maintain, as the cornerstones for effective treasury management:-

- A treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
- Suitable treasury management practices (TMPs), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

1.3 The Council (i.e. full Council) will receive reports on its treasury management policies, practices and activities including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

1.4 The Council delegates responsibility for the implementation and monitoring of its treasury management policies and practices to Finance & Performance Cabinet Committee and for the execution and administration of treasury management decisions to Director of Finance & ICT who will act in accordance with the organisation's policy statement and TMPs and CIPFA's Standard of Professional Practice on Treasury Management.

1.5 The Council nominates Audit & Governance Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

2. POLICIES AND OBJECTIVES OF TREASURY MANAGEMENT ACTIVITIES

2.1 The Council defines its treasury management activities as:

"The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

2.2 This Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

2.3 This Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the

principles of achieving value for money in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management.”

2.4 The Council’s borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which the borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.

2.5 The Council’s primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Authority’s investments followed by the yield earned on investments remain important but are secondary considerations.

Report to Council

Date of meeting: 19 February 2013

**Subject: Overview and Scrutiny report to Council –
January 2013**

Contact for further information: Councillor R Morgan



Recommendation:

That the Overview and Scrutiny progress report from December 2012 to the present be noted.

Report.

Overview and Scrutiny Committee Meeting – 29 January 2013

1. At our meeting on Tuesday, 29 January 2013, we received a presentation from two representatives from British Telecom; Annett Thorpe, the Regional Partnership Director - East of England and David Leigh, the BT Accounts Manager for EFDC. We noted that BT had a £2.5 billion investment programme for the UK that would finish in 2014 by which time they had hoped to upgrade just about two thirds of the UK. We noted that it was a massive Civil Engineering task that they faced.

2. The Committee proceeded to question the representatives on the speed of broadband in our area and the continual need for the public to be educated in the IT jargon used by the various broadband providers. Reaching all the rural areas in our District would be a challenge but work had been completed to make superfast broadband available in the district's major towns. One Member claimed that there were very low speeds in Langston Road, which, of course, would be a particular concern of this Council and they agreed to look into it.

3. We also received four reports from the Constitution and Member Services Standing Panel. One was on the Audit and Governance Committee report on Portfolio Holder Assistants. As there had been no Portfolio Holder Assistants appointed this year they recommended, and we agreed, that the issue be reviewed again when Portfolio Holder Assistants were appointed once more.

4. The second report was on the revision to the access to information rules. We also agreed to this and this would be going to Council for your agreement.

5. The third report was on the period of notice for questions to Cabinet, Council and other related meetings. We amended the recommendations slightly so that all periods for submission of questions should read "at least four working days before the meeting". We agreed the recommendations with this amendment and this would also be coming to Council for final approval.

6. The last report we received from the Constitution and Member Services Standing Panel was a review of the Appointments Panel, which was deemed to be successful and agreed its continuance be formalised in the constitution. We agreed with this and this report would also be coming to Council for approval.

7. Next we agreed the Terms of Reference for the newly established Overview and Scrutiny Review Task and Finish Panel and then went through our Work Programme, adding two new presentations, one on Corporate Parenting and one from the Probation Service; however we face a log jam of reviews and it is likely some may be held over until the next Council year.

8. We then considered the request from Councillor Stallan to establish a Task and Finish Panel to review the protocol for (planning) site visits. After a lively debate it was agreed that this should initially go to a special meeting of the District Development Control Committee planning Chairmen and Vice-chairmen to consider this request and make a recommendation.

9. We then considered a planning report on expanding the current pre-application charging to include advice on minor type applications. We agreed with the additional charges and also added a proposal for an additional charge on retrospective applications. An amended report with this addition will be going to a future Cabinet meeting for their consideration.

10. Lastly we received a report detailing how the PCC elections held in November 2012 were run and any associated problems that were incurred at the time.

Report to Council

Report of: Constitution and Member Services Standing
Scrutiny Panel

Date: 19 February 2013

Chairman: Councillor M Sartin

1. APPOINTMENTS AT ANNUAL COUNCIL - REVIEW

RECOMMENDING:

- (1) That the continued successful operation of the Appointments Panel be noted;**
 - (2) That the following changes be made to the Constitution:**
 - (a) the revocation of the Protocol on the Allocation of Chairmanships and Vice Chairmanships and Outside Organisation Places in favour of measures (ii) and (iii) below;**
 - (b) the formal inclusion of the Terms of Reference of the Appointments Panel in the 'Responsibility for Functions' Section of the Constitution and table of Responsibility for Council Functions Table in Part 3 of the Constitution as set out in Appendix 1 to this report;**
 - (c) consequential amendments to the Council Procedure Rules section 1 to reflect the Report of the Appointments Panel directly to the Annual Council meeting covering those matters set out in its Terms of Reference; and**
 - (d) authorisation for the Assistant to the Chief Executive to make the consequential amendments to the Council Constitution set out above; and**
 - (3) That 9 and 14 May (reserve date) 2013 be approved as the date(s) for the Appointments Panel for 2013 and thereafter the dates be set as part of the annual calendar of meetings subject to the last Panel meeting being held at least seven days before the Annual Council meeting each year.**
-

Introduction:

1. We have been asked to undertake a further review of the Appointments Panel process prior to Annual Council. Members will recall our discussions in February 2012 on the Appointments Panel and also a review of the process of the annual meeting resulted in a report to Council which confirmed the operation of the Appointments Panel for that year and continued the suspension of the relevant protocol for a further year.
2. The Overview and Scrutiny Committee requested that the operation of the new system be further reviewed after one year. This is the second such review.

3. This report sets out proposals for moving to the permanent establishment of the Panel, deletion of the previous protocol, entries into the 'Responsibility for Functions' section of the Constitution, and changes to the Council Procedure Rules.

Report:

4. The original request to the Panel to look at the operation of the Annual Council meeting covered a number of issues which included briefing information; liaison and consultation between political groups, pro rata on outside organisations and the process of appointment; simplifying paperwork at the Annual Meeting; suggestions for improvement of the civic ceremonial aspects of the annual meeting and a review of the appointment process of the Vice-Chairman of Council.

Operation of the Appointments Panel

5. Last year the Council operated the Appointments Panel for the second time. As in the previous year documentation was circulated by officers prior to the election period. This information comprised:
 - (a) A pre-election pro rata exemplification table
 - (b) A pro rata advice sheet
 - (c) Counsel opinion on calculating pro rata
 - (d) New Group Constitution Forms
 - (e) Individual group member forms
 - (f) Terms of Reference of the Panel
 - (g) A blank Committee nominations sheet (showing previous years nominations)
 - (h) A blank outside organisations sheet for council appointed bodies
 - (i) Vice Chairman nomination forms (as appropriate)
6. In 2012 the Appointments Panel met on 11 and 15 May and in those two meetings managed to report fully on all matters. This enabled a supplementary agenda to be circulated prior to Council on 22 May 2012 meeting the target set by Council of not having tabled schedules of appointment recommendations.
7. We are of the view that the Panel has operated successfully for two years and should be permanently established. It is suggested that further annual review and treating the Panel as a temporary measure is no longer necessary. As with any other part of the Constitution, there will inevitably be reason to review arrangements as and when necessary.
8. The Panel's Terms of Reference are attached to this report. We are recommending that these Terms of Reference be included into Part 3 of the Constitution, "Responsibility for Functions" and a corresponding entry made into the "Responsibility for Functions" responsibility table in Section 2. This would have the effect of formalising the Council/Appointments Panel relationship for future years.

Protocol on the Allocation of Chairmanships and Vice-chairmanships and Outside Organisations

9. Members will recall that the protocol (attached) has been suspended for two years (except for sections 6(a) to (c)) to allow the new system to operate. The Panel reviewed this element in the light of operational experience. The protocol sections are either a reiteration of statute, no longer subject to statute (Standards Committee restrictions for example) or covered by the Terms of Reference of the Appointments Panel.

10. We are therefore recommending the rescinding of the protocol subject to amendments to the Councils Procedure Rules section 1 to reflect the relationship the Council now has with the Panel. This would have the effect of simplifying Sections 1.1 and 1.2 so that they accord with the Terms of Reference of the Panel (attached). If agreed, the Proper Officer will draft appropriate amendments.

Date for the Appointments Panel for 2013

11. It is suggested that 9 and 14 May 2013 should be the recommended dates for the Appointments Panel meeting this year. There are no scheduled District Elections for May 2013 which should make the process of agreeing memberships easier. In future years we are recommending that these dates be set at the same time as the remainder of the Council calendar of meetings subject to the latest date for any Panel meeting being at least seven days prior to the Annual Council meeting giving time for its report to be circulated in advance.
12. We recommend as set out at the commencement of this report.

Z:\IC\REPORT-C.C40\16 2013\19 FEBRUARY 2013 – APPOINTMENTS AT ANNUAL COUNCIL – REVIEW.doc

This page is intentionally left blank

**APPOINTMENTS PANEL
TERMS OF REFERENCE**

1. Title

The Panel shall be known as the “Appointments Panel”.

2. Terms of Reference

(a) To receive and make recommendations to the Annual Council on nominations for the following appointments from political groups and non-affiliated members:

- (i) Chairman and Vice Chairman of Council;
- (ii) Leader; Deputy Leader and Cabinet members;
- (iii) Chairmen; Vice-Chairmen and membership of Cabinet Sub-Committees;
- (iv) Chairmen; Vice-Chairmen and members of Committees and Sub-Committees (excluding Scrutiny Panels); Panels; Boards Working Groups and similar bodies;
- (v) Outside body appointments falling to the Council to fill;

(b) In recommending appointments to the Council, the Panel will:

- (i) Propose nominations based on the entitlement of each political group in accordance with the statutory pro rata;
- (ii) Ensure that consideration is given to any nominations made by non-affiliated members for any position or appointment;
- (iii) Ensure, so as far is practicable, an equitable allocation of Chairmanships and Vice Chairmanships across the political groups or to non-affiliated members having majority support that is not inconsistent with the provisions of the Council’s Protocol; and
- (iv) Permit schedules of recommended appointments to be circulated to all members prior to the date of the Council meeting.

(c) The Panel shall, in recommending outside body appointments to the Council, do so as to give precedence to local ward members for those that have a ‘local’ designation and an equitable allocation of places across the political groups of the Council;

3. Membership

(a) Each statutory Political Group on the Council shall appoint two members from to form the Panel;

(b) Where an appointed member ceases to be a member of the Council, the appropriate Political Group Leader may nominate a substitute from within their membership;

(c) All unaffiliated members of the Council shall have the right to attend the Panel meetings and/or submit nominations in accordance with statutory provision.

4. Chairman

(a) The Chairman of the Panel shall normally be the Leader of the Council but if the Leader is not a member or present, the Chairman shall be determined by the Panel; and

(b) The Chairman shall be responsible for reporting the recommendations of the Panel to full Council.

5. Meetings

(a) Meetings of the Panel shall be held as required following elections each Council year at the Civic Offices, Epping at the date and time indicated on the agenda timed so as to enable the prior circulation of their recommendations for nominations to the Council.

(b) Minutes and agenda of the Panel meetings shall be circulated to the following:

- Panel Members
- Group Leaders or Deputy Group Leader not members of the Panel
- Unaffiliated Members of the Council

6. Effect of Nominations

Nothing in these Terms of Reference precludes any Political Group or non-affiliated member of the Authority from making nominations directly at full Council or from any group or non-affiliated members changing or withdrawing previously made nominations.

7. Officers

The Panel will be supported by the attendance of relevant officers from the Office of the Chief Executive and such other officers as may, from time to time, be required.

APPENDIX 2

NB WITH THE EXCEPTION OF PARAGRAPHS 6(a)-(c) THIS PROTOCOL WAS SUSPENDED BY THE COUNCIL FOR THE COUNCIL YEAR 2012/13

EXISTING PROTOCOL – ALLOCATION OF CHAIRMANSHIPS AND VICE-CHAIRMANSHIPS AND OUTSIDE ORGANISATION PLACES

Purpose of Protocol	Comment
<p>1. To formalise the understandings between political groups represented on Epping Forest District Council in its response to the new constitution required by the Local Government Act 2000.</p> <p>2. To establish arrangements which secure the allocation of the following Chairmanships on an agreed basis between the political groups:</p> <ul style="list-style-type: none">(a) Leader(b) Deputy Leader(c) Chairman and Vice-Chairman of Committees and Sub-Committees (including Scrutiny Committees);(d) Chairmen and Vice-Chairmen of Panels, Boards, Working Groups and similar bodies;(e) Chairmen of Policy Advisory Groups; and(f) Chairmen and Vice-Chairmen of Cabinet Committees. <p>3. To ensure that the operation of the protocol recognises the statutory requirements and local arrangements approved by the Council as part of its constitution.</p>	<p>Replaced by TOR 2(a) (i)-(v) (Appendix 1)</p>
Statutory and Local Requirements	
<p>4. This protocol will recognise:</p> <ul style="list-style-type: none">(a) that the Chairman of the Council shall not be a member of the Cabinet;(b) that no member of a Scrutiny Committee (including its Chairman or Vice-Chairman) shall be a member of the Cabinet;(c) that the Chairman of the Standards Committee and any Sub-Committee thereof shall not be a Councillor;(d) that the Chairman or Vice-Chairman of any Cabinet Committee must be a member of the Cabinet; and	<p>- statutory</p> <p>- statutory</p> <p>- no longer statutory</p> <p>- statutory</p>

(e) that the appointments of Chairmen and Vice-Chairmen of other Council Committees, Sub-Committees, Working Groups, Panels and Boards shall be in accordance with the Council's own rules as set out in the constitution.

5. In making all such appointments, the Council will take account of the legal requirements to ensure that members of the Cabinet must not be involved in any of the activities of the Overview and Scrutiny Committees. - statutory

Provisions of Protocol - Chairmanships and Vice-Chairmanships

6. The following provisions shall apply to the operation of this protocol and the making of appointments:

(a) all appointments shall be made against the requirement to achieve a pro rata allocation of Chairmanships and Vice-Chairmanships between political groups; replaced by 2(b)(ii)

(b) for the purpose of achieving the requirement set out in (a) above, the calculation of pro rata requirements shall be carried out separately in respect of the total number of Chairman and Vice-Chairman positions;

(c) each political group shall have an equal opportunity to submit nominations from its membership for positions of Chairmen and Vice-Chairmen in respect of the bodies covered by this protocol; replaced by 2(b)(ii)

(d) any political group shall nominate from within its own membership only but shall be free to support the nomination of another political group for any such position;

(e) in making nominations for such positions, each political group acknowledges that any of its nominees must command majority support within the Council and that the decision of the Council on any appointment is final;

(f) each political group undertakes to enter into discussions with other groups on individual nominees and the number of nominations to be submitted and shall be enabled to withdraw the name of any nominee prior to or at the appropriate Council meeting; facilitated by Appointments Panel

(g) notwithstanding the discussions specified under paragraph (c) above, political groups shall retain the right to submit their nominations to the Council for consideration notwithstanding the outcome of the discussions indicated; and

(h) the Council and other political groups will acknowledge the right of any political group not to submit a nomination or to withdraw such a nomination after discussion with other groups.

} replaced by TOR 6

Provisions of Protocol - Outside Organisations

7. The following provisions shall apply to the operation of this protocol for appointments to outside organisations:
- (a) all appointments shall be made by the Council;
 - (b) appointments shall be designated by the Council as "Executive" or "Non Executive";
 - (c) appointments may also be designated as "local" in character in which case, local ward members shall be given precedence. replaced by TOR 2(c)
 - (d) appointments may be designated by the Council as specialist in which case Councillors (irrespective of political group membership) with the appropriate skills, experience or personal qualities shall be given precedence; no longer specialist category
 - (e) after considering the "local" and "specialist" categories, all political groups will agree on an annual basis how many seats are to be allocated to each group taking into account their overall numbers on the Council and their expressed preferences;
 - (f) in relation to the organisations designated as local, the political group or groups represented in relevant wards shall agree nominations to be put forward; and replaced by TOR 2(c)
 - (g) all groups will recognise the right, notwithstanding prior discussion required by this protocol, to submit its nominations for consideration by the Council. replaced by TOR 6

Definition of Political Group

8. For the purposes of this protocol, a political group shall be defined in accordance with the Local Government Act 1989 (i.e. two or more Councillors).

Changes to this Protocol

9. Any alteration of this protocol shall require the consent of the full Council, with no less than 65% (rounded up to the nearest whole number) of the Council's membership attending that meeting voting in favour.

This page is intentionally left blank

REPORT TO THE COUNCIL

Report of: Constitution and Member Services Standing
Scrutiny Panel

Date: 19 February 2013

Chairman: Councillor M Sartin

1. ACCESS TO INFORMATION RULES

RECOMMENDING:

- (a) That the revised Access to Information Rules be approved and published in the Constitution; and
- (b) That the Assistant to the Chief Executive be appointed as Proper Officer in respect of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in conjunction with his existing delegation in respect of the Access to Information Act 1985.
-

Introduction

1. On 10 September 2012, the Government brought into force new regulations concerning access to information/meetings for Local Authority Executives. We have reviewed the impact of these regulations on the Access to Information Rules in the Council's Constitution.

Scope of the Regulations

2. We have been advised that the 2012 Regulations are a long and complex document which makes changes to the access to information arrangements for local authority executives whilst consolidating existing provisions in other regulations made over the years.
3. The 2012 Regulations provide for the following:
- (a) Executives must give 28 days' notice of their intention to make decisions in private session, whether the meeting is wholly private or in part;
- (b) coupled with the 28 day notice period, the public can make representations to the Council if they do not consider that making a decision in private session is appropriate and should be dealt in open session;
- (c) the existing notice period for Executive meetings and providing copies of relevant agenda and reports (5 clear days) is reaffirmed but this must now be coupled with a statement of whether any representations were received at the 28 day stage about any report that being dealt with in public session and, if appropriate, the reasons why the report has remained private, if that is the case;
- (d) the present requirements for excluding the public have been reaffirmed; namely confidential business (where the executive must deal with those matters in

private) and exempt business (where the executive may pass a resolution to deal with those matters in private if it so wishes after taking account of the public interest test);

(e) an Executive may also exclude the public from a meeting where a lawful power is used to maintain orderly conduct or prevent misbehaviour;

(f) the 28 days' notice of private meetings of the Executive, must be accompanied by a statement of why the meeting (or part thereof) will be held in private which must be made available at the Council offices and on its website;

(g) the Regulations re-state the rule that there is no entitlement for an agenda, item or report to be available for inspection by the public before a copy is available to Councillors;

(h) the Regulations specify publicity requirements in connection with key decisions and these are in effect the same notice notifying the public on whether business is to be dealt with in private session;

(i) general exceptions from the key decision notification and the 28 days' notice period are reaffirmed, namely a general exception (impractical to give the notice) and special urgency, in both cases the Proper Officer must consult the Chairman of the Overview & Scrutiny Committee (or if absent the Chairman of the Council) in order to allow the item to proceed, such decisions being subject to a separate notice which must be published as and when the approval is given;

(j) provisions relating to the inspection by the public of documents and background papers are included as is the supply of such documents to the press (to charge the latter postage, copying and other necessary charge for transmission);

(k) additional rights are set out for access to documents by members of local authorities although there are some exclusions in terms of exempt and confidential business which can permit the Executive to refuse to supply the information;

(l) additional rights of access to documents for members of Overview and Scrutiny Committees are also included in the regulations but they are not entitled to a document containing certain kinds of exempt or confidential information unless the document is part of a scrutiny review of a decision which is part of a programme of work the Overview and Scrutiny Committee or a Panel, (NB the Executive must provide a statement to the Overview and Scrutiny Committee if supply of a document is refused).

4. In regard to items (k) and (l) above, we asked questions about the practical implications for individual members. We noted that the regulations were intended to give grounds if required to refuse access to confidential documents. We noted that current practice was to be supportive of such requests and this kind of situation had scarcely ever arisen.

Response to the Regulations

5. Most of the provisions are already followed by this Council. We noted however, that officers already have been briefed on the importance now attaching to the 28 day period of notice in respect of decisions in private, which if not adhered to and not covered by the general exception or special urgency provisions, might lead to challenge. It is planned to give the 28 days' notice of the private meetings through

the existing forward plan, the format for which has been amended. We noted that officers had been reminded of the need to be diligent in listing background papers and having copies readily to hand and on the website for members of the public and councillors.

6. The Access to Information Act Rules in the Constitution now require amendment. Appendix 1 to this report shows changes in bold text. We noted that, such is the complexity of these regulations that the wording of the Rules is merely a summary designed for the public but in giving advice to Councillors and the public, reference will always be made to the Regulations themselves to reflect the new provisions for Executive meetings.

Executive Decisions made by Officers

7. We were advised that these regulations appear to require that all executive decisions made by officers must be recorded in the same way as, for instance, Portfolio Holder decisions. This has attracted much criticism from many parts of Local Government in that it may cover day-to-day management and administrative decisions within the responsibilities of Directors. The regulations also seem to imply routine delegated authorities of the kind set out in Part III of the Constitution would also have to be recorded in the same way. One example might be that every decision on allocation of housing accommodation would have to be recorded separately from what is shown in the case file.
8. We understand that these concerns have been directed to the Government and as a result Ministerial advice has been received which indicates that the purpose of the regulations is not to ensure written recording of every managerial decision made within authorities but to concentrate on those decisions being made by officers on behalf of the Executive. With this in mind, a new section has been added to the Rules stating that the only Executive decisions by officers which must be recorded are those which derive directly from a decision by the Cabinet, a Cabinet Committee or a Portfolio Holder to delegate a task to a Director.
9. Thus, the decision of the Cabinet to delegate the function would be subject to call-in and the delegated authority would only be exercised by the officer once the call-in period had expired. The action of the officer concerned would be limited to the terms of the delegation and if there were any change the officer would have to report back to the Cabinet, etc. for a revised authority. We support this proposed arrangement as a means of avoiding unnecessary administrative work.

Appointment of Proper Officer

10. In the Constitution's Schedule of Delegation, the Assistant to the Chief Executive is already designated for the purpose of Access to Information under the Local Government Act 1972 (as amended). We recommend that he also be authorised as Proper Officer for the 2012 Regulations for the avoidance of doubt.

This page is intentionally left blank

ACCESS TO INFORMATION PROCEDURE RULES

CONTENTS

Rule Page

1. Scope
2. Additional Rights to Information
3. Rights to Attend Meetings
4. Notices of Meetings
5. Access to Agenda and Reports before the Meeting
6. Supply of Copies
7. Access to Minutes Etc. after the Meeting
8. Background Papers
9. Summary of Public's Rights
10. Exclusion of Access by the Public to Meetings
11. Exclusion of Access - Standards Committee Meetings
12. Exclusion of Access by the Public to Reports
- 13. Additional Rules Applicable to the Executive**

ACCESS TO INFORMATION PROCEDURE RULES

1. SCOPE

These rules apply to all meetings of the Council, overview and scrutiny committees, area committees (if any), the Standards Committee and regulatory committees and public meetings of the executive (together called meetings). **Rules specific to the Executive are set out in Section 13**

2. ADDITIONAL RIGHTS TO INFORMATION

These rules do not affect any more specific rights to information contained elsewhere in this Constitution or the law.

3. RIGHTS TO ATTEND MEETINGS

Members of the public may attend all meetings subject only to the exceptions in these rules.

4. NOTICES OF MEETING

The Council will give at least five clear days notice of any meeting by posting details of the meeting at the Civic Offices, High Street, Epping, Essex CM16 4BZ.

5. ACCESS TO AGENDA AND REPORTS BEFORE THE MEETING

The Council will make copies of the agenda and reports open to the public available for inspection at the designated office at least five clear days before the meeting. If an item is added to the agenda later, the revised agenda (where reports are prepared after the summons has been sent out, the designated officer shall make each such report available to the public as soon as the report is completed and sent to councillors) will be open to inspection for the time the item was added to the agenda.

6. SUPPLY OF COPIES

The Council will supply copies of:

- (a) any agenda and reports which are open to public inspection;
- (b) any further statements or particulars necessary to indicate the nature of the items in the agenda; and
- (c) if the Chief Executive thinks fit, copies of any other documents supplied to councillors in connection with an item to any person on payment of a charge for postage and any other costs.

7. ACCESS TO MINUTES ETC. AFTER THE MEETING

The Council will make available copies of the following for six years after a meeting:

- (a) the minutes of the meeting or records of decisions taken, together with reasons, for all meetings of the executive, excluding any part of the minutes of proceedings when the meeting was not open to the public or which disclose exempt or confidential information;
- (b) a summary of any proceedings not open to the public where the minutes open to inspection would not provide a reasonably fair and coherent record;
- (c) the agenda for the meeting; and
- (d) reports relating to items when the meeting was open to the public.

8. BACKGROUND PAPERS

8.1 List of Background Papers

The Chief Executive will set out in every report a list of those documents (called background papers) relating to the subject matter of the report which in his/her opinion:

- (a) disclose any facts or matters on which the report or an important part of the report is based; and
- (b) which have been relied on to a material extent in preparing the report but 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.

8.2 Public Inspection of Background Papers

The Council will make available for public inspection for four years after the date of the meeting one copy of each of the documents on the list of background papers.

9. SUMMARY OF PUBLIC'S RIGHTS

A written summary of the public's rights to attend meetings and to inspect and copy documents must be kept at and available to the public at the Civic Offices, High Street, Epping, Essex CM16 4BZ.

10. EXCLUSION OF ACCESS BY THE PUBLIC TO MEETINGS

10.1 Confidential Information - Requirement to Exclude Public

The public must be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that confidential information would be disclosed.

10.2 Exempt Information - Discretion to Exclude Public

The public may be excluded from meetings whenever it is likely in view of the nature of the business to be transacted or the nature of the proceedings that exempt information would be disclosed.

Where the meeting will determine any person's civil rights or obligations, or adversely affect their possessions, Article 6 of the Human Rights Act 1998 establishes a presumption that the meeting will be held in public unless a private hearing is necessary for one of the reasons specified in Article 6.

10.3 Meaning of Confidential Information

Confidential information means information given to the Council by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order.

10.4 Meaning of Exempt Information

Exempt information means information falling within the following 7 categories (subject to any condition):

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes -
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.

10.5 Qualifications

1. Information falling within paragraph 3 above is not exempt information by virtue of that paragraph if it is required to be registered under -
 - (a) the Companies Act 1985;
 - (b) the Friendly Societies Act 1974;
 - (c) the Friendly Societies Act 1992;
 - (d) the Industrial and Provident Societies Act 1965 to 1978;
 - (e) the Building Societies Act 1986; or
 - (f) the Charities Act 1993.
2. Information is not exempt information if it relates to proposed development for which the local planning authority may grant itself planning permission pursuant to regulation 3 of the Town and Country Planning General Regulations 1992(a).
3. Information which -
 - (a) falls within any of paragraphs 1 to 7 above; and
 - (b) is not prevented from being exempt by virtue of paragraph 10.5 (sub paragraphs 1 or 2) above,

is exempt information if and so long, as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

11. EXCLUSION OF ACCESS BY THE PUBLIC - STANDARDS COMMITTEE MEETINGS

The provisions contained in paragraph 10 above shall apply with any necessary exceptions to the proceedings of the Standards Committee.

Furthermore, where a meeting of a Standards or a Sub-Committee of a Standards Committee is convened to consider a matter referred under the provisions of Section 64(2) or 71(2) of the Local Government Act the provisions of Schedule 12A of the 1972 Act shall apply with the addition of the following descriptions of exempt information:

- (a) Information which is subject to any obligation of confidentiality.
- (b) Information which relates in any way to matters concerning national security.
- (c) The deliberations of a standards committee or of a sub-committee of a standards committee established under the provisions of Part 3 of the Local Government Act 2000 in reaching any finding on a matter referred under the provisions of section 60(2) or (3), 64(2), 70(4) or (5) or 71(2) of that Act.

12. EXCLUSION OF ACCESS BY THE PUBLIC TO REPORTS

If the Chief Executive thinks fit, the Council may exclude access by the public to reports which in his or her opinion relate to items during which, in accordance with Rule 10, the meeting is likely not to be open to the public. Such reports will be marked "Not for publication" together with the category of information likely to be disclosed.

13. ADDITIONAL RULES APPLICABLE TO THE EXECUTIVE

The following additional rules apply to the Executive, its Committees, individual Cabinet members and officers where appropriate.

IMPORTANT NOTE

THESE RULES SUMMARISE THE PROVISIONS OF THE LOCAL AUTHORITIES (EXECUTIVE ARRANGEMENTS) (MEETINGS AND ACCESS TO INFORMATION) (ENGLAND) REGULATIONS 2012 TO WHICH REFERENCE MUST BE MADE.

13.1 Admission of the Public to Meetings of the Executive

Any meeting of a decision-making body must be held in public and the public only excluded in the following circumstances:

(a) if any part of the meeting is likely to disclose confidential or exempt business;
or

(b) a lawful power of exclusion is used to maintain orderly conduct or prevent
misbehaviour.

A person attending the meeting for the purpose of reporting the proceedings is to be afforded reasonable facilities for the purpose.

13.2 Private Meetings of the Executive

Notice of the Executive's intention to hold a private meeting (whether this is a whole meeting or a part) shall be given at least 28 days in advance at the Council Offices and on the website. The notice must give reasons for holding the meeting in private.

Further notice must be given of a private meeting at least 5 clear days before the meeting, at the Council Offices and on the website giving the reasons for holding the meeting in private and any representations received from the public about why it should be held in public.

13.3 Private Meetings of the Executive – Urgency

Where the date of the meetings is such that it is impracticable to comply with paragraph 13.2 above, the meeting may only be held in private where:

- **the approval of the Chairman of Overview and Scrutiny Committee has been obtained or, in his or her absence, that of the Chairman of the Council;**
- **a notice at the Council Offices and on the website has been published indicating the reasons as to urgency and why meeting cannot be reasonably deferred.**

13.4 Procedures prior to Public Meetings of the Executive

Public meetings of the Executive may only be held where:

- **the time and place of the meeting has been published at the Council Offices and on the website at least 5 clear days before the meeting; or**
- **where the meeting is convened at shorter notice, the time and place, at which it is convened;**
- **a copy of the agenda (or part thereof) has been available for inspection by the public at least 5 clear days before the meeting (or at such shorter notice as indicated above).**

13.5 Access to Executive Agenda and Reports for Public Meetings

There is no requirement for a copy of the agenda, item or report to be available for inspection by the public until a copy is available to members of the decision-making body concerned.

13.6 Key Decisions

1. Definition

Key decisions are defined in Article 13.03 of this Constitution.

2. Publicity for Key Decisions

Where the Executive intends to make a key decision it may not be made until a public notice to that effect has been available at the Council Offices and on the website for at least 28 days beforehand. The notice must include:

- **the subject matter**
- **the name of the decision-maker**
- **the date on or period during which the decision will be made**

- a list of documents submitted to the decision taker for consideration in connection with the decision
- the address where copies can be obtained (subject to any redacted content)
- any other documents to be provided to the decision taker and how details may be requested.

The notice must not disclose any exempt or confidential information but must, otherwise, give particulars of the subject matter.

3. General Exceptions to Key Decisions Procedure

Where publication of a proposed key decision cannot practically be achieved under paragraph 13.6(2) above, the Proper Office shall:

- inform the Chairman of the Overview and Scrutiny Committee (or, if he or she is not available for any reason, every member of that Committee) of the decision;
- publish a notice at the Council Offices and the website of the matter concerned;
- at the end of that period of 5 clear days from the day of publication of that notice, publish a further notice of why compliance in paragraph (b) is impracticable at the Council Offices and on the website.

4. Key Decisions – Special Urgency

Where the date on which a key decision must be made renders compliance with paragraphs 13.6(2) and 13.6(3) above impracticable, that decision may only be made if it is urgent and cannot reasonably be deferred.

The requirements under 13.6(3) above (General Exception) shall also apply to any such decision.

13.7 Reports to the Council Where Key Decision Procedures Not Followed

In cases where an executive decision has been made and the decision taker did not treat it as a key decision, the Overview and Scrutiny Committee may require a report to the Council from the Executive explaining:

(a) the decision and the reasons for it;

(b) who made the decision;

(c) the reason the Executive considered that it was not a key decision, if that is their opinion.

13.8 Recording of Executive Decisions at Meetings and by Individuals

All executive decisions (including those of individual portfolio holders) must be recorded by means of a written statement. This must be produced as soon as reasonably practical after the decision is made.

A written statement must include the following:

- **a record of the decision and the date on which it was made;**
- **reasons for the decision;**
- **alternative options considered and rejected;**
- **any conflict of interest declared;**
- **any dispensation granted by the Head of Paid Service.**

This statement applies to decisions by the Cabinet, Cabinet Committee, Portfolio Holders and officers acting under specific delegations approved by the Executive at a meeting or by a Portfolio Holder. The requirement to record executive decisions made by officers will not extend to management of services or exercise of delegated authorities for service provision as recorded in Part 3 of the Constitution (Responsibility for Functions).

13.9 Inspection of Documents and Background Papers following Executive Decisions

Any records and reports relevant to a recorded Executive decision shall be available for inspection by the public as soon as reasonably practical at the Council Offices and on the website.

Copies of such documents must be supplied to the press on payment of postage and copying and any necessary transmission costs in accordance with the scheme operated for the time being by the Council.

A list of background papers in respect of a public meeting of the Executive must be available for inspection at the Council Offices and on the website. The list must be accompanied by at least one copy of each background paper.

13.10 Additional Rights of Access to Documents by Councillors

Any document in the possession of the Executive and which contains material relating to business at a public meeting, must be available for inspection by any Councillor of the Authority at least 5 clear days before any relevant meeting.

Where a meeting is convened or an item added to an agenda at shorter notice relevant documents must become available when the meeting is convened or item added.

Documents relating to decisions at private meetings, by Portfolio Holders or by an officer, must become available no longer than 24 hours after the meeting concludes or the decision is made.

Documents disclosing exempt information (except paras 3 and 6 of paragraph 10.4. of these rules) are not required to be available for inspection. Documents disclosing exempt information category 3 shall only be available in so far as they relate to any terms for a contract with the Council or any contract negotiations.

13.11 Additional Rights of Access for Members of Overview and Scrutiny Committees

A member of the Overview and Scrutiny Committee is entitled to a copy:

(a) of any document under the control of the Executive;

**(b) containing material relating to (i) business transacted at a public meeting; or
(ii) a decision of a portfolio holder or officer.**

When requested the document must be provided by the Proper Officer no later than 10 clear days after the request is received.

There is no entitlement to a copy of any such document if it contains exempt or confidential information unless:

(a) it is relevant to a review or scrutiny of a decision with which that member is carrying out; or

(b) it is relevant to a review being conducted by the Overview and Scrutiny Committee or any of its Panels and which is contained in their programme of work; or

If the Executive determines that there is no entitlement to any such document, a written statement must be provided to the Overview and Scrutiny Committee.

13.12 Executive Reports to the Council

The Leader of Council must submit one report per year containing details of decisions made by the Executive on grounds of urgency. The frequency of such reports shall otherwise be as determined by the Council.

This page is intentionally left blank

REPORT TO THE COUNCIL

Report of: Constitution and Member Services Standing
Scrutiny Panel

Date: 19 February 2013

Chairman: Councillor M Sartin

1. QUESTIONS – PERIODS OF NOTICE AND RELATED MATTERS

RECOMMENDING:

(1) That the following changes be made in respect of questions under notice by Councillors and the public at Council and Cabinet meetings:

Questions under notice from Councillors at Council Meetings

(a) That Council Procedure Rule 12.3(a) be amended by deleting the words “at least seven days before the meeting” and substituting “at least four working days before the meeting”;

Questions under notice from Members of the Public at Council Meetings

(b) That Council Procedure Rule 11.3 be amended by deleting “no later than midday seven working days before the meeting” and substituting “at least four working days before the meeting”;

Questions under notice from Members of the Public at Cabinet Meetings

(c) That, pursuant to paragraph 2.2(ix) of the Executive Procedure Rules, the deadline for submission of public questions at Cabinet meetings be amended by deleting “by 4.00pm on the day of the Cabinet meeting” and substituting “at least four working days before the Cabinet meeting” ;

(d) That, in future, members of the public be required to provide the full text of their question by the deadline and not merely an indication of the subject matter as at present;

(e) That the current limitation of one questioner per subject at Cabinet meetings be rescinded but that the limit of two questions per member of the public be retained;

All Questions by Members of the Public (Council and Cabinet Meetings)

(f) That, in future, where the member of the public asking a question is not in attendance at the relevant meeting, the question be withdrawn and a reply sent in writing by letter or by email and published in the Council bulletin.

All Questions by the Public or Councillors at Council Meetings

(g) That, in future, written copies of questions and answers be supplied only to the Portfolio Holder and the questioner;

- (h) That the order of questions at Council meetings be amended to the following:**
 - (i) Public questions;**
 - (ii) Questions under notice by Councillors;**
 - (iii) Questions on Portfolio Holder reports by Councillors;**
 - (iv) Questions by Councillors without notice to Portfolio Holders.**
 - (2) That these proposals be reviewed after one year; and**
 - (3) That, the Assistant to the Chief Executive be authorised to make the appropriate amendments to the Council's Constitution.**
-

Introduction

1. We were asked by Management Board to review the deadlines for submission of questions by members of the public and Councillors at Council and Cabinet meetings. We were asked to do so because there had been concern that it was becoming increasingly difficult to compile answers for Portfolio Holders at these meetings in the time between the meeting and the deadline for questions being submitted.

Current Provisions

2. Currently the following deadlines apply to questions under notice:
 - (a) Questions by the public at Council meetings – midday seven working days before the date of the meeting;
 - (b) Questions under notice by members of the Council at Council meetings – seven working days before the relevant Council meeting;
 - (c) Public questions at Cabinet meetings – 4.00pm on the day of the Cabinet meeting with stipulations that no more than one questioner per subject is allowable and a provision whereby the full text of a question need not be supplied, merely the subject matter.

Arrangements for Replies

3. Replies are given orally at the meeting concerned. We noted that in the case of Council meetings, a copy of the replies is supplied shortly before the meeting to the questioner and is tabled for all other Councillors attending the meeting. In the case of questions by the public, the replies given orally and then communicated subsequently in writing to the questioner concerned. All questions and replies are recorded in the minutes of the relevant meeting and the same procedure applies at Cabinet meetings.

Deadlines for Submission of Questions

4. Our initial conclusion on the deadlines for questions was that there were inconsistencies which needed to be addressed. For instance, questions by the public

at Cabinet need not be received until 4.00pm on the day of the meeting. In the case of Council meetings, questions under notice by Councillors must be received seven working days before the date of the meeting whilst public questions must be received by midday seven working days before that meeting.

5. It was suggested by Management Board that if the deadline for submission of questions was brought forward to say 14 days in all cases, this would have a number of advantages:
 - (a) it would allow more time for officers to draft replies and consult with Portfolio Holders; and
 - (b) the longer timescale would allow the text of questions to be published in the main agenda for these meetings without using supplementary agendas.
6. Although we could see these as improvements, we felt that fourteen days was too long before a meeting. We took the view that questions, particularly by the public, need to be of current interest and this would be difficult to achieve if public and Councillors were not aware of the business at the meeting until after they submitted their question.
7. We were also unhappy about the deadline set for questions by the public at Cabinet meetings. We felt that 4.00pm on the day of the Cabinet meeting was an impossibly short timetable for Portfolio Holders to receive draft questions, consider the implications of the question and consult officers before giving replies at the meeting. We feel that this deadline may detract from the quality of replies given and might also result in an increased number of written responses in lieu of a reply at the meeting.
8. We feel that four working days before a meeting is preferable to the current arrangements. This is far enough ahead of the meetings to allow proper consultation and drafting of questions and it allows questions to be based on the actual agenda.

Public Questions at Cabinet Meetings

9. In reviewing deadlines for questions, we noted that for Cabinet meetings the public are not required to give the full text of their question by the deadline but merely an indication of the subject matter. Although, officers encourage members of the public to submit full questions when giving notice, we feel that this should become a requirement and are recommending accordingly.
10. Another requirement for questions at Cabinet meetings is that a restriction is applied whereby only one question on one subject matter can be raised. We believe that this is not a helpful provision in the constitution, particularly if a large number of the public are concerned about an issue. We therefore propose that this restriction should be discontinued with reliance placed on the existing limit of no more than two questions per person.

11. Public Questions at Council Meetings

We propose on three points:

(a) Supply of Questions and Answers

We do not feel that it is necessary for copies of questions and answers to be circulated to all members at Council meetings. We think that the full copy of the

question and the reply should be available to the Portfolio Holder concerned and the member of the public/Councillor. Questions and answers would continue to be published in full in the minutes of the meeting.

(b) Order of Questions at Council Meeting

The Constitution is not prescriptive about the order in which these should be taken at Council meetings and our view is that a more logical sequence would be adhered if the order were revised as follows:

- (i) Public questions under notice;
- (ii) Councillors' questions under notice;
- (iii) Questions on Portfolio Holder reports by Councillors; and
- (iv) Questions without notice to Portfolio Holders.

(c) We would point out that the Chairman of the Council still has discretion about the order of business at Council meetings if a different order of questions were appropriate. The provision for asking urgent questions is unchanged.

(d) Absence of Member of the Public Asking Questions

We are proposing that if a member of the public cannot attend a Council or Cabinet meeting to ask their question, the matter should not be dealt with and written reply sent subsequently we think this is preferable to recent practice for questions to be asked by someone else. If another person asks the question, they may find it difficult to ask a supplementary question.

12. Further Review

We hope that the Council will support our recommendations but we are also recommending a further review in one year's time so that the Council has an opportunity to learning from any experience gained.

EPPING FOREST DISTRICT COUNCIL - REMUNERATION AND EXPENSES SCHEME

The Epping Forest District Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) England Regulations 2003, hereby makes the following scheme:

1. This scheme may be cited as the Epping Forest District Council Members' Allowance Scheme and shall have effect for the period 24 May 2012 to 21 May 2013.

2. **In this scheme:**

"Councillor" means a member of the Epping Forest District Council who is a Councillor;

"independent member" means a co-opted member of an Overview and Scrutiny Committee, or the Audit and Governance Committee who is not an elected councillor;

"year" means the 12 months ending with 21 May 2013.

3. **Basic Allowance**

Subject to the Council determining the level of implementation each year and to paragraph 7, £4,300 shall be paid to each Councillor. An annual supplementary basic allowance of £500 per Councillor (in the first year of office) and £250 per Councillor (for each subsequent year of office) shall be payable in accordance with Appendix 1 to this scheme.

4. **Special Responsibility Allowances**

(1) For each year a special responsibility allowance shall be paid to those Councillors who hold the special responsibilities in relation to the allowances specified in Schedule 1 to this scheme. There is no restriction on the number of separate SRA's which are payable to an individual member.

(2) Subject to the Council determining the level of implementation each year and to paragraph 7, the amount of each allowance shall be the amount specified against that special responsibility in Schedule 1 for the year.

5. **Travelling and Subsistence (including Cycle Allowance)**

(1) These expenses may be claimed by members of the Council in connection with the carrying out of approved duties specified in Schedules 2, 3 and 4 of this scheme.

(2) Payments may be claimed up to the maximum casual user rate set for officers of the Council as adjusted annually by the National Joint Council for Local Government Services (travel expenses) and as and when by the Council (subsistence expenses).

6. **Child Care and Dependant Carers' Allowances**

(1) The maximum rate for this allowance shall be set at a rate of £8.54 per hour.

(2) A member of the Council shall be eligible to claim up to four hours of the allowance for the performance of approved duties under this scheme and for the purpose of contributing to the cost of providing personal care to immediate dependants who are in need of care and supervision.

(3) The rate applicable shall be subject to automatic increases on an annual basis in line with the % increase of the Adult National Minimum Wage.

(4) The allowance is not payable in respect of carers who are members of the member's immediate and close family i.e. parents, children, spouses, co-habitees or members of the same household as the member.

(5) All claims shall be subject to Audit checks and no claim in excess of the maximum level will be payable, whatever the circumstances.

7. Renunciation

A councillor or independent member may by notice in writing given to the Assistant to the Chief Executive elect to forego any part of his entitlement to an allowance under this scheme.

8. Part-year Entitlements

(1) The provisions of this paragraph shall have the effect of regulating the entitlements of a councillor to basic and special responsibility allowances where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.

(2) If an amendment to this scheme changes and the amount to which a councillor is entitled by way of a basic allowance or a special responsibility allowance, then in relation to each of the periods:

(a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect; or

(b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the end of the year;

the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.

(3) Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a basic allowance shall be to the payment to such part of the basic allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.

(4) Where this scheme is amended as mentioned in sub-paragraph (2), and the term of office of a Councillor does not subsist throughout the period mentioned in such-paragraph (2)(a), the entitlement of any such councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole of the same proportion as the number of days during which his term of office as a Councillor subsists bears to the number of days in that period.

(5) Where a Councillor has during part of, but not throughout a year such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of that allowance as bears to the whole of the same proportion as the number of days during which he/she has such special responsibilities, bears to the number of days in that year.

(6) Where this scheme is amended as mentioned in sub-paragraph (2), and a Councillor has during part, but does not have throughout the whole, of any period mentioned in sub-paragraph (2)(a) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that Councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

9. Claims and Payments

(1) Payments shall be made in respect of basic and special responsibility allowances, subject to subparagraph (2), in instalments of one quarter of the amount specified in this scheme in each of the following months
July/October/January/March;

(2) Where a payment of one-quarter of the amount specified in this scheme in respect of a basic allowance or a special responsibility allowance would result in the Councillor receiving more than the amount to which by virtue of paragraph 8(1), he or she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.

(3) Claims must be made within a period of one year of the duty being carried out. Payments after that period will only be made in exceptional circumstances.

10. Uprating for Inflation

There will be no inflationary adjustment to the allowances set out in this scheme except those relating to travel, subsistence and child and dependant carers.

11. Co-optees' Allowance

Co-optees' allowance will be payable to independent members as set out in Schedule 5 to this scheme.

12. Withholding/Recovery of Payments

12.1 Where any councillor or independent member has already received a payment in respect of any period during which they have:

(a) ceased to be a member of the Authority; or

(b) not been entitled in any other way to receive the allowance in respect of that period, the Council may require that such part of the allowance as relates to the period in question shall be repaid to the Authority.

13. Pensionable Status

13.1 Remuneration payable to Councillors of the Epping Forest District Council under this scheme shall be entitled to pensionable status in accordance with a scheme made under Section 7 of the Superannuation Act 1972, if they opt in to the Essex Superannuation Scheme.

13.2 For the purposes of a Paragraph 13.1 above basic allowance and special responsibility allowance will be treated as amounts in respect of which such pensions are payable in accordance with a scheme under that Act.

14. Further Guidance

Further guidance on this scheme can be found in Appendix 2.

SCHEDULE 1

1. The following are specified as the special responsibilities in respect of which special responsibility allowances are payable and the amounts of those allowances.

DUTY	ANNUAL AMOUNT OF SRA
Leader of Council	£10,750
Cabinet members	£6,450 (each)
Chairman, District Development Control Committee	£3,225
Chairmen of Area Plans Sub-Committees	£3,225 (each)
Chairman of Overview and Scrutiny Committee	£4,300
Chairmen of Licensing Sub Committee (6)	£3,225 (divided equally between the five appointed Chairmen).
Chairmen of Complaints, Staff Appeals and Housing Appeals and Review Panels	£110 (per meeting held)
Chairman of Audit and Governance Committee	£2,150
Chairman of the Standards Committee	£TBD
Chairmen of Standing Scrutiny Panels	£2,150 (each)

SCHEDULE 2 APPROVED DUTIES

1. The following are specified as an approved duty for the purpose of the payment of travelling and subsistence expenses, attendance at any of the following:
- (a) a meeting of the authority, the Cabinet, a Cabinet Committee, the Overview and Scrutiny Committee and its Panels, the Standards Committee and its Sub-Committees, or as a member of any other Committee or sub-committee, panel, working group, special committee or board of the authority;
 - (b) any other meeting held by the Authority provided that:
 - (i) where the authority is divided into two or more political groups, it is a meeting to which members of at least two such groups have been invited; or
 - (ii) if the authority is not so divided, it is a meeting to which at least two members of the authority have been invited;
 - (c) duties relating to the supervision of tender opening as required by the Council's Standing Orders;
 - (d) attendance as representative of the Council at any approved conference or meeting of the outside organisations set out in Schedules 3 and 4;
 - (e) attendance at any meeting or other official function at the request of the Chief Executive, Deputy Chief Executive, a Service Director or an Assistant Director including meetings between group representatives for a particular Committee and officers;
 - (f) any other duty approved by the Council or the Cabinet or any other committee, sub-committee, special committee or Board or Panel or any duty of a class so approved, for the purpose of, or in connection with, the discharge of functions or the body, or of any of its committees or sub-committees;
 - (g) attendance by a Councillor at a meeting of which he or she is not a member for the purpose of explaining a motion referred from the Council;
 - (h) attendance as a Councillor at the invitation of the Local Government Commissioner for Administration for the purpose of investigating a complaint against this Council of maladministration;
 - (i) attendance as an appointed representative of Epping Forest District Council at any meeting of Essex County Council or any of its committees or sub-committees for the purpose of formal consultations on any matter affecting the powers or duties of this Council or the district or any part thereof;
 - (j) attendance on behalf of the Council or the Cabinet or as a Chairman on behalf of a Committee at an official function;
 - (k) attendance at seminars and training courses arranged by the authority;
 - (l) consultation meetings arranged by the authority where the member's attendance is required or where the business directly affects the member's ward;

(m) site visits arranged by Area Plans Sub-Committees or the District Development Control Committee;

(n) informal site visits by individual Councillors in respect of their duties as members of an Area Plans Sub-Committee.

2. There is specified as an approved duty for the purpose of paying travelling and subsistence expenses attendance at any of the outside organisations shown in Schedule 4.

3. Attendance by members of the Council at meetings of outside organisations not shown in Schedule 4 shall NOT qualify for payment of travelling and subsistence expenses.

SCHEDULE 3 CONFERENCE AND MEETINGS

Conference and meetings organised by any person or body who is not doing so by way of trade nor whose objects are wholly or partly political, attendance at which is authorised by or on behalf of the authority and which does not involve an absence overnight from the councillors normal place of residence.

Appropriate subsistence and travelling expenses (ordinary return rail fare or car mileage at the appropriate rate whichever is the less if travel outside the Epping Forest District is required).

Conferences and meetings organised by any person or body who is not doing so by way of trade nor whose objects are wholly or partly political, attendance at which is authorised by or on behalf of the authority and which involves an absence from the Councillors normal place of residence of one or more nights.

Appropriate subsistence and travelling expenses (ordinary rail fare or car mileage at the appropriate rate, whichever is the less if travelling outside the Epping Forest District is required).

SCHEDULE 4 OUTSIDE ORGANISATIONS

Attendance as appointed representative of the Council on any outside organisations.

**SCHEDULE 5
CO-OPTEES' ALLOWANCE**

Independent Chairman of the EFD Standards Committee:	£1000 per annum (until 30 June 2012)
Other Independent Members of the EFD Standards Committee:	£ 500 each per annum (until 30 June 2012)
Co-opted independent members of an Overview and Scrutiny Committee	£ 500 each per annum
Co-opted members of the Audit and Governance Committee	£ 500 each per annum

Member Remuneration Scheme

Members Connectivity Scheme – Agreement between Epping Forest District Council and Members of the Council

Basic Allowances paid to Councillor by Epping Forest District Council (“the Council”) are made in accordance with Section 18 of the Local Government and Housing Act 1989 as amended by Section 99 of the Local Government Act 2000.

Relevant regulations applied in formulating this agreement are The Local Authorities (Members Allowances)(England) Regulations 2003.

Grants in respect of the Member Connectivity Scheme have been considered and agreed by the Council’s Independent Remuneration Panel on 12 October 2005, as being a supplement to the Basic Allowance.

Terms and Conditions of Agreement

1. In signing this agreement the Councillor undertakes to:
 - (i) provide IT equipment to enable them to view agenda and minutes documents, forward plan and such other documents that may be put on the Council’s extranet or internet site;
 - (ii) abide by the Connectivity Scheme (Annex 1) and Standards Committee Guidance on the use of ICT (Annex 2); the Council’s other adopted ICT related policies including the security of any data and remote working policies; and the provisions of the Local Government Act 1972 regarding the transmission of Exempt Business as defined in Schedule 12A (or other exemption categories that may be enacted) outside of the Council and any internal meeting, all of which should be considered confidential until published for public consumption;
 - (iii) treat any contact information relating to officers and members that does not appear on the Council’s public website as confidential;
2. The Council undertakes to provide:
 - (i) An ‘extranet’ (a private intranet) connection to the Council’s IT network using a ‘token’ scheme to control access and a user name and password for each member;
 - (ii) Training on the use of the system;
 - (iii) ICT support relating to 2(i) above and advice from Democratic Services (DS) on 2(ii) above;
 - (iv) A paper copy of the agenda to members of Council, each Committee, Sub-committee or Panel (unless the member indicates in writing otherwise);
 - (v) Email notification of publication of agenda and minutes to all members;
 - (vi) Headed paper and envelopes for use by members for Councillor correspondence.

Payment of Allowances

3. The addition to the Basic Allowance will be paid to each Councillor entering into this agreement quarterly in arrears (currently £500 per annum for the first year in office and £250 per annum for subsequent years).

4. The Council may review the payment of such allowances from time to time as necessary and may change or cease payment upon resolution at Full Council.

Acceptance

I confirm that I have read and accepted the terms and conditions of this agreement.

Signed by Councillor:	Dated:
Name (Please print):	
Signed on behalf of the Council:	Dated:
Ian Willett Assistant to the Chief Executive	

Member Connectivity Scheme

This document provides information on the Member Connectivity Scheme.

Introduction

The Connectivity Scheme has been introduced to enable members to receive electronic notification of and Internet access to papers for Council meetings and associated information. The scheme has been made possible following the introduction of the Committee Management System (CoMS) which publishes our publicly available agenda to the Internet via the Council's website. The Connectivity Scheme will, however, provide members with access to a wider range of information including agenda planning, up-to-date notification of publication, call-in and portfolio holder decision-making.

The Agreed Scheme

The Connectivity Scheme provides members with an additional allowance (payable as part of the existing Scheme of Members Allowances) towards acquiring computer equipment and to use this equipment to access information on the Council's Agendas and Minutes via the Internet.

Members would be expected to use this system to access all agenda and minutes information **and** cease to receive hard copy agenda (except for those of which they are a member or required to attend by virtue of a position).

Under the scheme you will receive £500 per annum (payable normally quarterly in arrears) in your first year of service as a Councillor from which members will be expected to assist with the cost of a Personal Computer (PC) (if necessary); Internet connection and any consumables. This sum will be subject to tax and National Insurance. After the first year, the payment will be £250 per annum as it is designed to assist you with the cost of consumable items for your personal computer.

Equipment Specification

The minimum specification required for PC equipment is:

- (i) A PC that can access the Internet;
- (ii) A broadband connection to your home;
- (iii) A valid email account;
- (iv) Internet Browser software; and
- (v) A printer capable of printing A4 pages.

Data and Equipment Security and Use Guidance

The equipment is the individual member's property and can be used for non-council activities. Members must adhere to:

- (i) The User Policy Statement for the CoMS system;
- (ii) Issued Standards Committee Guidance on the Use of IT by Members;
- (iii) The Council's other adopted ICT related policies including the security of any data and remote working policies;
- (iv) The provisions of the Local Government Act 1972 regarding the transmission of Exempt Business as defined in Schedule 12A outside of the Council.

What the Council will provide:

The Council will:

- (i) Provide an 'extranet' (a private intranet) connection using a 'token' scheme to control access and a user name and password for each member;
- (ii) Training on the use of the system;
- (iii) ICT support relating to (i) above and advice from DS on (ii) above;
- (iv) A paper copy of the agenda to members of each Committee (unless the member indicates in writing otherwise);
- (v) Email notification of publication of agenda and minutes to all members;
- (vi) Headed paper and envelopes for use by members for Councillor correspondence.

What the Council will not provide:

The Council will **not**:

- (i) Provide ICT support for PC's or any peripherals purchased by members under the scheme;
- (ii) Advise on purchase of equipment or choice of ISP.
- (iii) Provide a paper copy of agenda for other Committees if you are not a member. Paper copies of Agenda will be available at the meeting in small quantities.
- (iv) Plain paper and print cartridge consumables.

Glossary of Terms used in this document

Broadband – a system of connecting to the Internet that allows voice, data, and video to be broadcast over the same medium at the same time. They may also allow multiple data channels to be broadcast simultaneously. It is much faster than traditional dial-up methods of connection.

Browser – Software that allows a computer user to find and view information on the Internet.

Committee Management System – A computer system used by EFDC to publish and archive all Agenda and Minutes of Council meetings and publish these to the Internet and Intranet.

Email account – An account provided by your ISP by which you can receive email. Your current or chosen ISP will be able to provide details of how you can set an account up.

Extranet - An extension of the Council's Intranet giving authorised people controlled access to the Intranet from outside of the Council's network.

Exempt Business – Items of business on an agenda that are confidential to the Council and should not be disclosed to third parties.

Internet – A network that links computer networks all over the world by satellite and telephone, connecting users with service networks such as e-mail and the World Wide Web.

Internet Browser – See Browser.

ISP - Internet service provider. A company that provides Internet connection services

IT helpdesk – The Council provides a helpdesk to support its applications. Its contact number is 01992 564321

Password – In this case means a word that when entered on the password screen allows access to the extranet

Peripherals – A piece of computer hardware such as a printer or a disk drive that is external to but controlled by a computer's central processing unit.

Personal Computer (PC) – A computer with its own operating system and a wide selection of software, intended to be used by one person.

Portfolio holder decision-making – Means an executive decision made by a member of the Cabinet

DS – Democratic Services at EFDC.

Remote working – Is another way of describing someone accessing the Council's network from outside of the building i.e. remotely.

Token – A piece of equipment that provides a secondary form of identification when accessing the Council's extranet.

User name – In this instance means your name on the system. Normally a combination of your initials and your surname.

Extract from the protocol on use of Council Facilities by members:

Guidance on the Use of IT by Councillors

1. Purpose of Guidance

- 1.1 The Council provides Councillors with an allowance towards the costs of providing and maintaining equipment, software or other consumables necessary to allow them to access the Committee Management System. This protocol gives advice on use of computer equipment in order to minimise risks to both the Council and to individual Councillors.

2. Security

- 2.1 Under the terms of the Connectivity Scheme, Councillors are responsible for:
- (i) ensuring that their password and secondary authentication equipment remain accessible only by themselves;
 - (ii) abiding by the Council's published ICT policies and standards relating to security of systems and data and remote working;
 - (iii) meeting the requirements of the Local Government Act 1972 and any subsequent Act in relation to exempt and confidential information; and
 - (iv) adhering to specific user policies for systems they are given access to.

3. Use of Equipment

- 3.1 Councillors should be mindful of the onus placed upon them under 2 above. They should ensure that any material down-loaded via the Intranet is kept securely at any remote location. Councillors should ensure that if the computer is shared, proper arrangements are made to limit access to materials stored by the member, that fall into exempt and confidential categories. Such material will be routinely endorsed "Restricted".
- 3.2 Councillors should not store or download any material which:
- (i) causes the Council to be brought in to disrepute;
 - (ii) contravenes the Access to Information or Data Protection Acts or similar legislation;
 - (iii) is illegal or inconsistent with the high standards expected of those in public office;
 - (iv) is defamatory; or
 - (v) breaches the Council's Code of Conduct (including confidentiality).

- 3.3 If a Councillor uses their computer for the preparation of any material of a personal or political nature, he/she must make it clear that such material is published in a private capacity and not by or on behalf of the Council, and that no costs have been incurred by the Council as a consequence of its publication. Similarly, a Councillor should not express views on any matter relating to the Council without expressly indicating that the views are personal and not those of the Authority.
- 3.4 Councillors should be aware that the internet is a completely unregulated medium and they are not protected in any way from viruses etc.
- 3.5 The Council accepts no responsibility for Councillors' use of IT equipment.

For more information see the Member Connectivity Scheme and related ICT Policies.

MEMBER REMUNERATION SCHEME

EPHING FOREST DISTRICT COUNCIL GUIDANCE NOTE ON ALLOWANCES AND EXPENSES FOR MEMBERS

1. INTRODUCTION

- 1.1 A Councillor is eligible for the payment of attendance allowances and for reimbursement of travel and subsistence expenses in respect of approved duties carried out on behalf of the Council. An approved duty is one which has been authorised by or on behalf of the Council in advance.
- 1.2 The Council has a formal scheme for allowances which is updated from time to time. A copy of the scheme is set out elsewhere in the Constitution binder. This note is of a more informal nature and is designed to assist members in dealing with their claims and explaining the arrangements to the public.

2. BASIC ALLOWANCE (INCLUDING SUPPLEMENTARY BASIC ALLOWANCE)

- 2.1 This is a flat rate allowance payable to all members of the Council. This annual amount is paid in quarterly instalments. Members do not have to claim this amount.
- 2.2 A grant of £500 per annum per member (first year of service) and £250 per annum (second and subsequent years) as a supplement to the basic allowance will be payable to assist members in receiving electronic notification of and Internet access to papers for Council meetings and associated information subject to the member signing an agreement to undertake to meet the terms and conditions set out in the Members' Connectivity Scheme (set out in Appendix 1 attached).

3. SPECIAL RESPONSIBILITY ALLOWANCE

- 3.1 This is a special allowance payable to the Leader, Cabinet members and certain Chairmen. It is designed to reflect the additional responsibilities of these office holders. This amount is paid in quarterly instalments during the year and does not have to be claimed.

4. TRAVEL EXPENSES

- 4.1 Members may re-claim reasonable travel expenses (including public transport tickets, taxi fares, parking costs where appropriate subject to submission of evidence of expenditure) in respect of approved duties.

4.2 Car Travel

The normal rates for car travel are the same as the higher rates paid to officers classed as casual users. Claims must be fixed on the rates applicable at the time of the journey. These rates are set out on the reverse of the claim form and are reviewed annually.

4.3 Shortest Distance

Claims for car travel should be by reference to the shortest distance from home to the Council offices or other venue for the approved duty concerned. No claim for additional expenses will be entertained unless there is a valid reason for incurring the additional mileage.

4.4 Travel Direct from Workplace etc

For claims involving direct travel from a Councillor's place of work (or other departure point) for an approved duty, the distance claims shall be limited to the home to meeting venue element of the journey. All such claims must be endorsed "CLAIM LIMITED" on the form.

4.5 Travel Outside the District – Limit on Amount Claimable

For journeys to approved meetings outside the District or by members resident outside the district, claims irrespective of mode of travel must not exceed the lower of:

- (a) second class return rail fare plus underground and other fares from station to destination at each end of the journey; or
- (b) the appropriate car mileage.

This is subject to consideration of any special circumstances as set out in 4.6 below.

4.6 Travel over Long Distances – Special Circumstances

If, for any reason, a councillor undertakes travel over long distances or from outside the District, members are advised to contact the Assistant to the Chief Executive in advance for advice on what would constitute a reasonable claim in the circumstances.

4.7 Use of Public Transport within Epping Forest District

The rate for travel by public transport must not exceed the ordinary fare (or any available cheap fare). Where more than one class of fare is available, the first class fares may be claimed. A member may not claim travelling expenses in respect of a single duty from more than one body. In all such claims evidence of expenditure (i.e. tickets or other receipts) MUST be provided. No claim will be allowed without such evidence.

4.8 Cycle Allowance

This allowance is payable at the highest of the higher casual rates paid to officers classed as casual users.

4.9 Child and Dependant Carer's Allowance

This allowance may be claimed at a rate equivalent to the current rate for the Adult National Minimum Wage. Certain conditions are set out in the Scheme.

5. **SUBSISTENCE EXPENSES**

- 5.1 Subsistence expenses (covering refreshments and meals etc paid for by a member) are claimable by councillor in respect of making attendances connected with approved duties on behalf of the Council. The rates for such expenses are set out (by reference to meal time and periods of absence) on the reverse of the form which is supplied to members on a quarterly basis. These rates may not be exceeded. Periods of absence will be calculated on the basis of departure from home or place of work if it is not possible to return home in the time available.

- 5.2 All claims for subsistence must be accompanied by receipts in respect of meals etc as evidence of expenditure actually having been incurred. No claims will be allowed in the absence of such evidence.
- 5.3 Special arrangements exist in respect of subsistence expenses in respect of duties involving an absence overnight from a councillor's normal place of residence. These are outlined under Section 7 relating to conferences.
- 5.4 A Councillor may not claim subsistence expenses in respect of a single duty from more than one body.

6. CONFERENCES

- 6.1 Attendance at Conferences and payment of allowances and expenses are subject to prior approval by the Council, Cabinet, appropriate committee, Leader or Deputy Leader in all cases.
- 6.2 All conferences deemed to be approved duties shall, in accordance with statutory requirements, be relevant to the District and not wholly or partly commercial or political in their objectives.

Allowances for Attendance at Conferences (Involving An Absence from Home)

Subsistence - Nights Away from Home

- 6.3 For conferences involving one or more night's absence, claims can be made for reasonable day or overnight expenses that are necessarily and exclusively incurred in the attendance as an authorised representative of the Council at a meeting, conference or seminar that it held outside of the Epping Forest District.

Claims for Subsistence

- 6.4 These claims should cover such items as hotel bills, refreshments, meals (other than free meals which should be discounted) and similar items. No claims will be allowed unless evidence is provided of all expenditure being claimed. All relevant bills and receipts should be forwarded to the Assistant to the Chief Executive with claims.

Travel Claims

- 6.5 The guidance outlined under paragraph 4.5 will apply to all conferences.

7. TAXATION AND NATIONAL INSURANCE IMPLICATIONS

- 7.1 Details of the tax and national insurance implications of allowance payments and expenses claimed are available from the Director of Finance and ICT.

8. ALTERATION OF CLAIMS

- 8.1 All claim forms submitted by members are checked by Democratic Services. The Assistant to the Chief Executive (or the Assistant Director - Democratic Services acting on his behalf) is authorised to reduce incorrect claims in the following circumstances:

- (a) where a member does not attend at a claimed meeting;
- (b) where a claimed meeting is not approved;

- (c) where an incorrect amount of allowance is claimed; and
- (d) where a correct date has not been claimed.

8.2 Any changes under paragraph 8.1 will be notified to members after the claim form has been processed. Any other problems with members' claims will be referred back for the claimant and processing of the claim will not take place until the query has been clarified.

9. INTERPRETATION

9.1 These guidelines are subject to the overall interpretation of the Chief Executive as to what constitutes a reasonable claim in any individual circumstances.

SCHEME OF MEMBERS' ALLOWANCES

STATEMENT CONCERNING IMPLEMENTATION 24 May 2012 to 21 May 2013

The Council decided at its meeting on 11 June 2011 to implement the amount of Basic, Special Responsibility and Co-optees Allowances provided in the scheme as set out below:

Basic Allowance: £3,150 per annum per Councillor plus a supplementary basic allowance of £500 (for first year in office) and £250 (in subsequent years) for Member Connectivity (see Appendix 1).

The amounts set out below show the amounts of Special Responsibility Allowance (SRA) payable during the year:

DUTY	ANNUAL AMOUNT OF SRA
Leader	£7,875
Cabinet members (9)	£6,300 each
Chairman of District Development Control Committee	£2,362
Chairmen of Area Plans Sub-Committees (3)	£2,362 each
Chairman of Overview and Scrutiny Committee	£3,150
Chairmen of Housing Appeals and Review, Complaints and Staff Appeals Panels	£ 110 each (per meeting held)
Chairmen of Licensing Sub Committee (6)	£2,362 divided between the 6 Chairmen
Chairman of Audit and Governance Committee	£2,150
Chairmen of Standing Scrutiny Panels	£2,150 each
The amounts payable during the year for independent members are:	
Chairman of the Standards Committee (until 30 June 2012)	£1,000
Co-opted members other than the Chairman of the Standards Committee	£ 500

In addition the Council has resolved to pay the sum of £500 per annum to the three Independent Members of the Remuneration and Parish Remuneration Panels equivalent to the co-optees allowance.

A copy of the full scheme is available on request from Democratic Services, Civic Offices, Epping.

This page is intentionally left blank

Report to the Council

Committee: Independent Remuneration Panel

Date: 19 February 2013

Members of the Panel: D Jackman, Ms R Kelly and S Lye

MEMBERS' ALLOWANCES SCHEME REVIEW

Recommendations:

Basic Allowance

- (1) That no change be made to the amount of Basic Allowance of £4300 per member per annum;

Implementation

- (2) That in formulating the budget for 2014/15 the Council considers increasing the level of implementation of the Basic Allowance currently set at £3150 per member per annum;

Special Responsibility Allowances – Chairman of the Standards Committee

- (3) That except for the Chairman of the Standards Committee, no change be made to the Special Responsibility Allowances;
- (4) That the Chairman of the Standards Committee be paid a Special Responsibility Allowance of £500 for the year 2013/14;
- (5) That the Panel gives further consideration to this Allowance as part of its next review of the Allowances Scheme;

Independent Persons

- (6) That, although not part of the Members' Allowances Scheme, the Independent Persons appointed by the Council as part of its standards arrangements be paid an allowance of £250 per member per annum;

Independent Remuneration Panel

- (7) That the Assistant to the Chief Executive review the payments made to members of the Independent Remuneration Panel and report to a future meeting of the Council on the suggestion of the Panel that the payments to Panel members be reduced;

Connectivity Scheme

- (8) That the amount of the Connectivity Allowance payable to members be reduced to a payment of £250 per member per annum, with payments being made subject to fulfilment of the requirements for payment;

- (9) That the payment of £250 per member per annum be reviewed if and when the law allows the Council to consider replacing paper agenda, reports etc with electronic tablets;

Travel Outside of the District

- (10) That no change be made to the provisions of the Allowances Scheme regarding the limit placed on the amount of expenses claimable for travel outside of the District;

Meetings regarding Joint Arrangements and Partnership Working

- (11) That the following paragraph be added to the list of approved duties in Schedule 2 of the Allowances Scheme:

“1(o) attendance at a meeting concerning joint working or partnership arrangements to represent the Council’s interests”;

Councillors’ Pensions

- (12) That the proposal of the Government to deny councillors access to the Local Government Pension Scheme from April 2014 be noted.

Current Members’ Allowances Scheme

1. We have reviewed the following aspects of the Members’ Allowances Scheme:
- (a) Basic Allowance;
 - (b) Special Responsibility Allowances;
 - (c) Standards Committee – Chairman;
 - (d) Standards Committee - Independent Persons;
 - (e) IT Connectivity Allowance;
 - (f) Travel outside of the District; and
 - (g) Meetings of associations or partnerships of authorities to which the Council is invited.

Basic Allowance

2. Last year some members of the Council expressed concern about us placing reliance on the hourly National Minimum Wage multiplied by an average number of hours worked per week as a factor in recommending the amount of Basic Allowance.

3. In response we asked the officers to establish from other authorities the matters taken into account by their Remuneration Panels in recommending the level of Basic Allowance.

4. We have been informed that it is apparent from the contacts with other authorities that the main factor, which is now taken into account, is comparison data available from other Councils.
5. Whilst we have taken account of the National Minimum Wage as one of the indicators for recommending the level of Basic Allowance, particularly in the early days of allowances when there was little comparison data available, we have also regularly taken account of the levels paid at similar authorities.
6. The latest comparison figures available to us show that the average amount of Basic Allowance paid by similar councils in the region is £4,500 per annum per member compared with this Council's Basic Allowance of £4,300 per annum, with implementation currently at £3,150 per annum.
7. The current National Minimum Wage rate for those aged 21 and over is £6.19 per hour. In 2010 a national census of local authority members showed that the average number of hours spent by councillors on Council business was 16.3 per week.
8. Applying the current National Minimum Wage x 16.3 hours per week to a 46.4 week year (allowing for statutory leave of 28 days including 8 Bank Holidays) results in an amount of £4681 per annum.
9. There has not been a comprehensive survey of councillors' allowances in recent years. However, in view of the economic climate in those years the comparison figures for similar councils in the Region, which we have taken into account, are still considered fairly accurate. The difference between the two calculation methods appears to be growing but far from undervaluing the role it is the National Minimum Wage calculation figure which is increasing.
10. We remain of the view that both calculation methods are worthwhile taking into account. However, comparison with the amounts paid by similar authorities in the Region will be given greater weight in our future considerations.
11. In the light of the above calculations and bearing in mind that the Council is still only implementing a Basic Allowance of £3150 per member per year which is £1150 below our recommended figure and the amount included in the adopted Member Remuneration Scheme we are not recommending any change in the amount of Basic Allowance.

Implementation

12. We have again discussed the Council's level of implementation of the Basic Allowance, currently £3,150 per annum and we are urging the Council to review the level of implementation as this sum is considerably less than the amounts paid to councillors in similar authorities in the same Region. We are fully aware that the level of implementation is a matter for the Council and not the Panel and we appreciate the need for restraint in setting the Council's budget in the current economic climate. However, we believe that by paying a Basic Allowance considerably less than similar authorities, there is a danger of undervaluing the role which could make it more difficult to attract potential candidates to stand for election in future. We accept that at this stage the Council will not wish to increase its budget for 2013/14. We are recommending therefore that in formulating its budget for 2014/15 the Council considers increasing the level of implementation of Basic Allowance.

Special Responsibility Allowances

13. Apart from the Standards Committee Chairman, which is referred to below, we have not undertaken a review of Special Responsibility Allowances as we understand that there has been no change in responsibilities since our last review.

Chairman of the Standards Committee

14. Our attention has been drawn to the new standards regime introduced from July 2012, under the provisions of the Localism Act 2011, which requires that only District Councillors can be members of the Standards Committee. Under the previous standards regime the Chairman of the Standards Committee was an Independent Member (not an elected member) who received an allowance of £1,000 per annum. As a result of the new provisions the Chairman of the Standards Committee is now a District Councillor. We have reviewed the Special Responsibility Allowance for this position and have taken account of a Member Role Accountability Statement for the Chairman.

13 We understand that the Chairman will chair four meetings of the Standards Committee each year and possibly some sub-committees dealing with allegations of breaches of the Members' Code of Conduct. We have been informed that under the new regime the Chairman is unlikely to chair as many meetings as the previous Independent Chairman as under the former regime allegations about District and all Parish/Town councillors were considered by the District Council. However, under the new regime Parish/Town Councils are able to establish their own Standards Committee and as a result only 6 of the 24 Town/Parish Councils in the District have affiliated to the District Council's Standards Committee. We believe it likely therefore that there will be a reduction in the workload for District Council sub-committees considering allegations. We have also been informed that under the new regime the Council's Monitoring Officer has greater discretion to determine allegations without the need for them to be considered at a formal meeting, which again is likely to result in fewer sub-committee meetings being held.

14. In considering this allowance we have been unable to take account of the amounts paid by other authorities since the new arrangements were only introduced nationally in July 2012 and comparative data is not yet available. Direct comparison is also likely to be difficult in the light of the arrangements made by Parish/Town Councils in this District.

15. We know that the Chairman will chair at least four meetings a year but we have found it difficult to identify the extent of the other principal accountabilities of the post. In the light of the new standards arrangements introduced in this District we do not at present believe that the post will have the same level of responsibility as that of the previous position of Chairman of the Committee.

16. Accordingly, we are recommending a Special Responsibility Allowance of £500 per annum for this role. We are also recommending that we give further consideration to this amount when we next review the Allowances Scheme at which time the new arrangements will have been in operation for some time and the full extent of the role should be clearer.

Independent Persons

17. Members will be aware that under the previous standards regime, the Standards Committee comprised three District Councillors, three Town/Parish Councillors, and three Independent Members appointed following advertisement, interview etc. All of the members of the Committee had voting rights and an Independent Member chaired the Committee.

Also, Independent Members chaired all of the Sub-Committees dealing with allegations of breaches of the Members' Code of Conduct. As advised earlier in this report, the Chairman of the Committee received an allowance of £1,000 per annum and the other two Independent Members received an allowance of £500 per annum.

18. We have been advised that under the new regime a new role is created, that of Independent Person. We have been informed that the legislation requires the District Council to appoint at least one Independent Person. We note that following advertisement and interview, this Council has appointed four Independent Persons and, one reserve who will take the place of one of the four (a former Independent Member) who will cease to be an Independent Person on 30 June 2013 in accordance with the legislation.

19. We understand that the views of an Independent Person must be sought and taken into account by the Council's Monitoring Officer before a decision is made on an alleged breach, of the Code of Conduct, which it decides to investigate.

20. We further understand that the views of an Independent Person may also be sought on any other aspect of a complaint, by a District or Town/Parish Councillor who may be the subject of a complaint, or by a complainant.

21. We have been advised that areas for possible consultation with Independent persons include:

- (a) dispensations;
- (b) sensitive Interests;
- (c) deciding on whether to investigate a complaint or take "other action";
- (d) determining whether breaches of the Code have occurred; and
- (e) sanctions which should be applied for breaches of the Code.

22. The role of Independent Persons is therefore to express views on a number of issues. Although they will attend meetings of the Standards Committee and the Sub-Committees dealing with allegations of breaches of the Code, they will not be members of the Committee or Sub-Committee and they will not have voting rights. The main roles are expected to be expressing views on allegations to the Council (Standards Committee and/or Monitoring Officer), to subject members and possibly to complainants. The role remains somewhat under-defined nationally but it is clear that it is a very different role to that previously undertaken by the Independent Members of the former Standards Committee.

23. As Independent Persons are not members of the Council or of its committees or sub-committees, any remuneration falls outside of the Council's Members Allowances Scheme. However, in order to assist the Council in determining an appropriate payment we have been asked consider the matter and make a recommendation to the Council.

24. We have taken account of an exchange of views between authorities about the payment of an allowance to Independent Persons. Proposals received from other authorities vary between:

- (a) £300-£500 annual payment plus £30-£50 per matter dealt with;
- (b) travel and subsistence expenses only;

(c) 25% of the Basic Allowance which for that particular authority equates to £1,072 per annum;

(d) £1,000 per annum, with a reserve person receiving £250 per annum.

25. In our view it is difficult to determine the extent of this role until the new standards arrangements have been in operation for some time. However, having regard to the expected role and the number of Independent Persons appointed by the Council we are recommending payment of £250 per Independent Person per annum. We are also recommending that we give further consideration to this amount when we next review the Allowances Scheme at which time the new arrangements will have been in operation for some time and the full extent of the role should be clearer.

Independent Remuneration Panel

26. Clearly it is not our role to make any recommendation about any amount paid to members of the Independent Remuneration Panel. The Council decided some years ago that an amount of £500 per member per annum should be paid.

27. When that amount was agreed we were meeting several times a year to develop what has since become a fairly stable Allowances Scheme no longer requiring fundamental changes, especially in the current climate of financial restraint. As a result we are now meeting only once or twice a year and undertaking background reading.

28. We have compared our role and payments with those in the Members' Allowances Scheme and we have concluded that the amounts paid to us should be reduced to reflect our current role.

29. If the Council agrees with our view we suggest that the Assistant to the Chief Executive be asked to review the payments and submit a report to a future Council meeting to enable members to approve an amended amount.

Connectivity Allowance

30. As part of the adopted Allowances Scheme, members receive a Connectivity Allowance if they undertake training and agree to receive electronic notification of and internet access to papers for Council meetings and associated information.

31. An amount of £500 per annum is payable to members in their first year of office and this was introduced to assist them with the cost of upgrading or providing personal computers (if necessary), Internet connection and any consumables. The payment of £250 per annum in subsequent years was designed to assist with the cost of consumable items for the computer. There was a degree of "front loading" of this allowance as, at the time of its introduction, councillors' home work stations often needed broadband and other upgrades to be able to access the Council's own IT networks, particularly the Committee Management System.

32. Last year we were advised that some Overview and Scrutiny Committee Members had queried why the Council should continue to pay this sum at a time when the vast majority of councillors have the required access to the Internet in their homes.

33. At that time we decided that further consideration about the relevance of these allowances should be deferred pending the outcome of the introduction of possible electronic

agenda despatch/use of electronic tablets, which we understood was being considered by the Council.

34. We have been informed that during the last year in an attempt to progress electronic agenda despatch, the Council made an approach to the Department for Communities and the Local Government requesting consideration be given to a change in the law to allow councils to send agenda, minutes and committee reports to their members by electronic means. We understand that a reply was received from Brandon Lewis M.P., Parliamentary Under Secretary of State in which he agreed it is an interesting idea and he would ask his officials to explore how to take this forward. However, to date there has been no further communication from Government.

35. It appears that it may be some time before there is a change in the law and we have therefore given further consideration to the Connectivity Allowance in view of the comments made by members.

36. There has been a considerable increase in the ownership of broadband and computers since the Allowance was introduced and on balance, therefore, we no longer see the need for the "front loading" of this allowance.

37. The "front loading" element of the allowance was effectively £250 of the first year payment of £500 and we are recommending that the allowance be reduced to a payment of £250 per member per annum. This will of course only affect newly elected members from 2013/14 onwards or existing members who have not signed up to the Connectivity Scheme.

38. If the Council is successful in achieving a change in law, which could result in members accessing agenda, minutes, reports etc via an electronic tablet, we suggest that at time we review the need for the continuation of the £250 per annum allowance.

Travel Outside of the District

39. Members may reclaim reasonable travel expenses (including rates for car travel, public transport tickets, taxi fares, parking costs where appropriate subject to submission of evidence of expenditure) in respect of approved duties.

40. In relation to travel outside of the District the scheme imposes a limit on the amount claimable. For journeys to approved meetings outside the District or by members resident outside the District, claims irrespective of mode of travel may not exceed the lower of:

(a) rail fare plus underground and other fares from station to destination at each end of the journey; or

(b) the appropriate car mileage.

41. We have been informed that recently some members have raised concerns about this restriction, in particular when it is applied in relation to destinations which are difficult if not impossible to reach by way of public transport.

42. In accordance with the Allowances Scheme if members submit car mileage claims for such journeys the amount claimed will often be reduced in order to reflect the cost of public transport/parking fees at stations/ taxis irrespective of the fact that the use of public transport may involve a long and tortuous route.

43. We have discussed this issue and in our experience it is a common feature of expense payment schemes in both the public and private sector. In order to avoid any misunderstanding we would emphasise to members that the scheme does not prevent them from travelling by car by choice....the scheme merely caps the cost to the public purse of any travel to what is reasonable (bearing in mind that mileage allowances incorporate significant sums for standing charges {road tax, insurance, depreciation} so that claiming this sum could be viewed as profiteering). Any claim must therefore have regard to paragraph 39 above.

44. In our view there is no need to change this part of the Scheme.

Meetings regarding Joint Arrangements or Partnership Working

45. We understand there is an increasing requirement for members to attend meetings to discuss joint working arrangements or partnership arrangements with other authorities. Often formal appointments have not been made to these associations and as a result attendance at such meetings is not covered by the list of "approved duties" which can lead to friction between members and officers when expense claims are questioned.

46. We acknowledge the need for meetings of this nature and we are recommending the addition of the following paragraph to the list of approved duties in Schedule 2 of the Allowance Scheme;

"1(o) attendance at a meeting concerning joint working or partnership arrangements to represent the Council's interests"

Councillors' Pensions

47. Our attention has been drawn to a Government proposal to end access to the Local Government Pension Scheme for councillors. We have been informed that more than 4000 councillors have joined the Local Government Pension Scheme since it was made available to them in 2003 and that two current Epping Forest District councillors are in the scheme.

48. We understand that the Government's intention is to deny councillors access to the scheme from April 2014. Councillors already in the scheme will have their pension provision accrued up to that date protected, but will not be able to acquire any more benefits after that date. We also understand this will not prevent councillors contributing to a personal pension if they so wish by putting aside part of their (taxable) allowances into such a pension.

Report to the Council

Committee: Cabinet

Date: 19 February 2013

Subject: Call-In and Urgency – National Non-Domestic Rates Return
(NNDR 1 – 2013/14)

Portfolio Holder: Councillor S-A Stavrou (Finance and Technology)

Recommending:

To note that the Chairman of the Council agreed that the decision of the Finance and Technology Portfolio Holder to approve the NNDR 1 form, following consultation with the Chairman of the Overview and Scrutiny Committee, should be treated as a matter of urgency and should not be subject to call-in.

.

1. At the Council meeting on 6 November 2012 it was agreed that authority to approve the NNDR 1 form be delegated to the Finance and Technology Portfolio Holder in consultation with the Chairman of the Overview and Scrutiny Committee. A provisional return was sent to the Department for Communities and Local Government (DCLG) by the deadline of 7 January 2013 and the final version had to be returned to the DCLG by 31 January 2013.
2. The purpose of the NNDR 1 form is to establish the tax base for Business Rates for the forthcoming financial year. The advent of the Business Rates Retention scheme means that the NNDR 1 is a key document in the budget setting process as retained Business Rates form a significant proportion of the Council's core funding, supplemented by the Revenue Support Grant.
3. Failure to return the form to DCLG by 31 January 2013 would have led to the Council budget setting process not having been carried correctly with the potential risk of a successful legal challenge.
4. Accordingly, the Chairman of the Council agreed, in accordance with Rule 21 of the Overview and Scrutiny Procedure Rules, that the decision of the Portfolio Holder was reasonable in the circumstances, should be treated as a matter of urgency and should not be subject to call-in as any delay likely to be caused by the call-in process would have seriously prejudiced the Council's interests.

This page is intentionally left blank

Report to the Council

Committee: Cabinet

Date: 19 February 2013

Subject: Call-In and Urgency – Review of North Weald Airfield –
Appointment of Consultants

Portfolio Holder: Councillor A Grigg (Asset Management and Economic
Development)

Recommending:

To note that the Chairman of the Council agreed that the decision of the Cabinet to appoint Drivers Jonas Deloitte to deliver the review of North Weald Airfield at a cost of £145,000 plus meetings disbursements should be treated as a matter of urgency and should not be subject to call-in.

.

1. The Cabinet at its meeting on 10 September 2012 agreed to appoint consultants to undertake a review of North Weald Airfield and sought approval to a supplementary District Development Fund estimate of £150,000. The Council approved a supplementary estimate of £150,000 at its meeting on 27 September 2012.
2. A procurement exercise was undertaken to secure consultants managed by the Essex Procurement Hub utilising the Government Procurement Service Multi-Disciplinary Consultancy Framework. Tender documents were issued to 10 consultants but only three responded and only two tenders were received.
3. Following a comprehensive assessment process including analysis by an Officer Project Team and presentations and questioning by the North Weald Airfield and Asset Management Cabinet Committee and North Weald Ward members, Drivers Jonas Deloitte were the highest scoring consultant.
4. There is a need for the commission to be commenced without delay and completed in accordance with the timeframe of the Local Plan development process in order to limit the risks of the Local Plan being considered “unsound” at any future inquiry.
4. Accordingly, the Chairman of the Council agreed, in accordance with Rule 21 of the Overview and Scrutiny Procedure Rules, that the decision of the Cabinet was reasonable in the circumstances, should be treated as a matter of urgency and should not be subject to call-in as any delay likely to be caused by the call-in process would have seriously prejudiced the Council’s interests.

This page is intentionally left blank

EPPING FOREST DISTRICT COUNCIL

LEADER DECISION

Ref No: 8/2012/3

Subject: Cabinet Committee on Council Housebuilding

Decisions:

- (1) To establish a Cabinet Committee on Council Housebuilding with immediate effect;
- (2) To set the following terms of reference for the new Committee:
 - (a) To consider and recommend to the Cabinet the Development Strategy for the Council's Housebuilding Programme on an annual basis;
 - (b) To consider and sign-off development appraisals and financial appraisals produced by the Council's appointed Development Agent for sites previously identified by the Cabinet as having development potential and that could be included within the Council's Housebuilding Programme;
 - (c) To approve the submission of detailed planning applications, and/or if more appropriate outline planning applications, by the Council's appointed Development Agent for sites that the Cabinet Committee considers are suitable for development and viable, having regard to the development appraisals and financial appraisals for the sites;
 - (d) To invite ward members to attend meetings of the Cabinet Committee when potential development sites in their ward are under consideration, and to provide an opportunity for ward members to provide comments on proposed developments, before development appraisals and financial appraisals are signed-off and approvals to submit planning applications are given;
 - (e) To approve the subsequent development of sites considered suitable for development and viable that receive planning permission, subject to the acceptance of a satisfactory tender for the construction works;
 - (f) To approve, and include within financial appraisals, the use of the following sources of funding for the development of individual sites within the Council's Housebuilding Programme:
 - (i) the agreed Housing Capital Programme Budget for the Housebuilding Programme;
 - (ii) capital receipts made available through the Council's Agreement with the Department of Communities and Local Government allowing the use of receipts from additional Right to Buy (RTB) sales as a result of the Government's increase in the maximum RTB Discount to be spent on housebuilding;
 - (iii) financial contributions received from developers for the provision of affordable housing within the District, in lieu of on-site affordable housing provision, in compliance with Section 106 Planning Agreements; and
 - (iv) grant funding received from the Homes and Communities Agency;

(g) To approve the submission of the Council's Pre-Qualification Questionnaire to the Homes and Communities Agency (HCA), applying for Investment Partner status with the HCA;

(h) To consider and accept tenders received for the construction works on sites included within the Council Housebuilding Programme;

(i) To determine whether, in addition to the potential development sites already considered by the Cabinet, sites with development potential within the following categories should be added to either the Housebuilding Programme's Primary List or Reserve List and detailed development appraisals and financial appraisals undertaken by the Council's Development Agent:

- (i) Other specific garage sites comprising 6 or less garages;
- (ii) Specific garage sites where garage vacancies arise with no waiting list of applicants; and
- (iii) Specific areas of Council-owned land on housing sites considered to be surplus to requirements;

(j) To determine whether sites on the Reserve List of potential development sites previously agreed by the Cabinet should be promoted to the Primary List, and detailed development appraisals and financial appraisals undertaken by the Council's Development Agent, due to:

- (i) There being insufficient numbers of properties that can be viably developed from the Primary List of potential development sites to deliver a Housebuilding Programme of 120 new homes over a six-year period; and/or
- (ii) The Cabinet subsequently deciding to increase the size of the Housebuilding Programme and there being insufficient numbers of properties that can be viably developed to deliver a larger Programme;

(k) To monitor and report to the Cabinet on an annual basis:

- (i) Progress with the Council Housebuilding Programme; and
- (ii) Expenditure on the Housing Capital Programme Budget for the Council Housebuilding Programme, ensuring the use (within the required deadlines) of the capital receipts made available through the Council's Agreement with the Department of Communities and Local Government allowing the use of receipts from additional Right to Buy (RTB) sales as a result of the Government's increase in the maximum RTB Discount to be spent on housebuilding.

(3) That the following Portfolio Holders be appointed to the proposed Cabinet Committee:

Housing Portfolio Holder (Chairman)
Finance and Technology Portfolio Holder
Planning Portfolio Holder
Environment Portfolio Holder
Safer, Greener and Highways Portfolio Holder

(4) That the Cabinet Committee meet as and when required, as determined by the Housing Portfolio Holder in consultation with other Committee members.

Explanatory Note

1. The Cabinet has over several meetings during 2012 prepared a Council Housebuilding Programme. Potential sites for such developments have been identified and a development agent appointed to review the feasibility of schemes and advise the Council.
2. I have decided that the most effective way of progressing schemes is by means of a Cabinet Committee. I have coupled this with terms of reference under which the Committee may make delegated decisions without awaiting confirmation from the full Cabinet in respect of schemes and various steps in the process. The terms of reference also encompass financial arrangements.
3. I have decided to appoint 5 portfolio holders and have appointed the Housing Portfolio Holder as Chairman.

Legal and Constitutional Powers

Local Government Act 2000

Local Government and Public Access to Health Act 2007

Localism Act 2011

Signed: _____
Councillor Chris Whitbread, Leader of Epping Forest District Council

Date:

Z/CSS/BUREAU/COUNCIL HOUSEBUILDING CABINET COMMITTEE/LEADER DECISION - DECEMBER

This page is intentionally left blank



PO Box 11, County Hall, Chelmsford CM1 1LX
Registered Charity Number 1111200

2 January 2013

PRESS RELEASE

During the year 2012 the Stansted Airport Community Trust awarded grants to the value of £105,500 to a wide variety of organisations within a ten mile radius of Stansted Airport.

Thaxted Windmill Management Committee approached the Trust. They were looking to raise in excess of £40,000 to replace the sails on the iconic landmark windmill. The Trustees considered this an exceptional project and awarded them £4,000 which enabled them to access a larger grant from Viridor. The result; new sails!

Dunmow Jubilee Allotments has 85 members and their families. They applied to the Trust to establish an apiary. The bees should be in their new homes this summer and the result will be better pollinated crops and Dunmow Honey!

If you think that your organisation qualifies and could benefit from some additional funding of up to £2,000 to help with a project that you have in mind then please contact SACT, PO Box 11, County Hall, Chelmsford CM1 1LX or email cllr.susan.barker@essex.gov.uk for an application form or advice.

The closing date for the next round of applications is 28 February 2013.

The Trust does not fund projects for parish councils or individuals and does not grant money for completed projects.

For further details contact:

Cllr Susan Barker, Chairman Stansted Airport Community Trust
Tel: 01245 231250 Email: cllr.susan.barker@essex.gov.uk

This page is intentionally left blank

Charity Number: 285162

Grange Farm Centre Trust
Trustees' Report and Financial Statements
For The Year Ended 5th April 2012



Grange Farm Centre Trust

Contents



	Page
Legal and administrative information	1 - 2
Trustees report	3 - 7
Auditors' report to the trustees	8 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 - 19

Grange Farm Centre Trust

Legal and Administrative Information



Charity number	285162																				
Clerk to the Trustees	Mr N E Gadsby																				
Registered Office	181 High Street Epping Essex CM16 4BQ																				
Trustees	<table><tr><td>Mr A Pelican</td><td>Co-optative Trustee</td></tr><tr><td>Mr R D Neville</td><td>Co-optative Trustee</td></tr><tr><td>Mr R Flaxman</td><td>Co-optative Trustee</td></tr><tr><td>Mrs A Wheeler</td><td>Co-optative Trustee</td></tr><tr><td>Mr B Scrutton</td><td>Nominated by Epping Forest District Council</td></tr><tr><td>Mr D Johnson</td><td>Nominated by Epping Forest District Council</td></tr><tr><td>Mrs P Smith</td><td>Nominated by Epping Forest District Council</td></tr><tr><td>Mrs E Webster</td><td>Nominated by Essex County Council – Resigned - 1 May 2012</td></tr><tr><td>Mr R Church</td><td>Nominated by Essex County Council – Appointed 1 May 2012</td></tr><tr><td>Mr M Tomkins</td><td>Nominated by Essex County Council</td></tr></table>	Mr A Pelican	Co-optative Trustee	Mr R D Neville	Co-optative Trustee	Mr R Flaxman	Co-optative Trustee	Mrs A Wheeler	Co-optative Trustee	Mr B Scrutton	Nominated by Epping Forest District Council	Mr D Johnson	Nominated by Epping Forest District Council	Mrs P Smith	Nominated by Epping Forest District Council	Mrs E Webster	Nominated by Essex County Council – Resigned - 1 May 2012	Mr R Church	Nominated by Essex County Council – Appointed 1 May 2012	Mr M Tomkins	Nominated by Essex County Council
Mr A Pelican	Co-optative Trustee																				
Mr R D Neville	Co-optative Trustee																				
Mr R Flaxman	Co-optative Trustee																				
Mrs A Wheeler	Co-optative Trustee																				
Mr B Scrutton	Nominated by Epping Forest District Council																				
Mr D Johnson	Nominated by Epping Forest District Council																				
Mrs P Smith	Nominated by Epping Forest District Council																				
Mrs E Webster	Nominated by Essex County Council – Resigned - 1 May 2012																				
Mr R Church	Nominated by Essex County Council – Appointed 1 May 2012																				
Mr M Tomkins	Nominated by Essex County Council																				
Custodian Trustee	Epping Forest District Council Civic Centre High Street Epping Essex CM16 4BZ																				
Auditors	Gane Jackson Scott LLP 144 High Street Epping Essex CM16 4AS																				
Bankers	Barclays Bank Plc 183 High Street Epping Essex CM16 4BH																				

Grange Farm Centre Trust

Legal and Administrative Information



Investment Advisors

Investec Wealth & Investment Ltd – No 1
2 Gresham Street
London
EC2V 7QN

Investec Wealth & Investment Ltd – No 2
(Formerly Shore Capital Limited)
Bond Street House
2 Gresham Street
London
EC2V 7QN

Investec Wealth & Investment Ltd – No 3
(Formerly Williams De Broë previously known as BNP Paribas
Wealth Management)
2 Gresham Street
London
EC2V 7QN

Solicitors

Foskett Marr Gadsby & Head
181 High Street
Epping
Essex
CM16 4BQ

Grange Farm Centre Trust
Report of the Trustees
For The Year Ended 5th April 2012



The Managing Trustees present their report and the financial statements for the year ended 5th April 2012. The trustees who served during the year and up to the date of this report are set out on page 1.

Governing document

Grange Farm Centre Trust ("The Charity") is administered and managed subject to and in conformity with the provisions of a Scheme dated 25th September 1984 ("The Scheme") approved and established by the Charity Commission.

Object of the charity and area of benefit

The object of the Charity is to provide or to assist in the provision of facilities for recreation and leisure-time occupation for the benefit of the inhabitants of the area of benefit in particular and the public generally with the object of improving the conditions of life of the said inhabitants.

The area of benefit is The Metropolitan Police District and such part of the district of Epping Forest, in the County of Essex, as is not included in the said Police District.

Public benefit statement

The Trustees are mindful of the need to meet the Public Benefit requirement and have been made aware of the guidance given to Trustees by the Charity Commission. They consider that they have complied with their duty by

- a) the provision & maintenance of the site at Grange Farm, Chigwell, Essex, for recreation and leisure time facilities for the benefit of the general public and
- b) by the provision of grants to qualifying organisations within the area of benefit.

The site at Chigwell provides the following:

- Sportsfields
- A Pavilion/Interpretation Centre
- Meadow Lands
- Part of Roding Valley Nature Reserve ("RVNR"), a described as a "Local Nature Reserve" in accordance with S21 National Parks & Access to the Countryside Act 1949, which is managed on behalf of the Charity by Essex Wildlife Trust ("EWT") under a 25 year management agreement dated 16th March 2011.

Trustees

The scheme provides for 9 Managing Trustees made up as follows:

- 4 Co-optative Managing Trustees
- 5 Nominative Managing Trustees

The Co-optative Managing Trustees are appointed by the body of Trustees for a term of five years.

The Nominative Managing Trustees are appointed as follows:

- 3 by Epping Forest District Council for terms of 4 years
- 2 by Essex County Council both for a term of office ending on the date of the appointment of their successors.

On appointment each Trustee is provided with a full package of documents and from time to time receives education and training.

Grange Farm Centre Trust
Report of the Trustees
For The Year Ended 5th April 2012



Management of the Trust

During the year the trustees, as a body, met on 4 occasions. Throughout the year Trustees received reports from working sub-committees created to deal with specific issues. These sub-committees comprise:

• **Grange Farm Site Management Committee ('GFSMC')** - the membership of which is:

P Smith - Chairman
R Neville
B Scrutton
R Church
R Draper - Site Manager (ex-officio)

The remit of the GFSMC is to:

- Oversee the Management of land and Premises held within the Charity as directed by the Managing Trustees.
- Implement, Maintain and Monitor the operational budget as approved by the Managing Trustees
- Provide recommendations to the Managing Trustees from time to time

The committee meets on a monthly basis and receives reports from the Site Manager and where appropriate other sources. Minutes of all meetings are circulated to all Managing Trustees.

• **Investment Committee** - the membership of which is:

R Neville - Chairman
A Pelican
B Scrutton

The remit of this committee is to:

- Oversee investments of the Charity for growth and income
- Provide regular reports to the Managing Trustees on capital investment performance
- Provide recommendations to the Managing Trustees for the appointment of Investment Fund Managers
- Maintain relationships with appointed Investment Fund Managers
- Provide assurances to the Managing Trustees on conformity to prevailing Financial, Taxation and Charity Commission Regulations

The committee meets as and when required and Minutes of all Meetings are circulated to Managing Trustees.

• **Grants Committee the membership of which is:**

R Flaxman
A Wheeler

The committee meets as and when required, to consider applications from qualifying organisations within the area of benefit for financial assistance. Their recommendations are then considered at the quarterly meetings of the Managing Trustees.

• **Roding Valley Nature Reserve:**

B Scrutton represents the Charity on the Management Committee of the Reserve established under the Management agreement with EWT.

Grange Farm Centre Trust
Report of the Trustees
For The Year Ended 5th April 2012



Review of the year

• **Site at Grange Farm, Chigwell**

Over the past two years the Charity has, after consultation with others, commissioned the construction of a Pavilion/Interpretation Centre ("the building") and the refurbishment of the Meadowlands at the site. The building was completed in February 2011 and comprises:

- A community hall
- Changing facilities for the adjacent sports fields
- An Interpretation Centre for RVNR
- An office and other facilities for EWT
- An office and accommodation for the resident Site Manager

On 23 November 2011, HRH The Duke of Wessex, Prince Edward, officially opened the building.

On 10 March 2012, Sir Trevor Brooking marked Colebrook Royals Football Clubs official new home at Grange Farm.

• **Financial Review**

• **Restricted Funds**

Restricted Funds are those subject to special conditions imposed by the Scheme. The Managing Trustees believe the following:

Fund A - comprises approximately 25 acres of land to the North of the M11 motorway to be preserved and maintained as an open space for the use and benefit of the inhabitants of the area of benefit. This forms part of Roding Valley Nature Reserve.

Fund B - comprises approximately 68 acres of land which has been restored and upon which the building has been constructed.

In the past the Charity has sold some freehold land and the capital has been invested in trust for the Charity and can only be applied by the Managing Trustees in purchasing other land and building to be settled upon trust for use in the object of the Charity in accordance with Charity Commission guidelines.

All these Funds are considered Restricted Funds.

Surplus monies received from the sale of property interest have either been reinvested in land & buildings or have been invested to produce income for the Charity.

During the year the Charity received funding (under a S.106 agreement) from the developer of an adjacent residential development and a grant from The Football Foundation. This funding was specifically for the construction of the building and the creation of up to 6 sports pitches.

The total construction cost of the building was £2,181,615 of which the developer and The Football Foundation contributed £1,195,098 and the Charity £986,517 from these Restricted funds.

In the year, the value of the Charity's investment portfolio fell by £275,619 (2011 increase £449,471).

Grange Farm Centre Trust
Report of the Trustees
For The Year Ended 5th April 2012



• **Unrestricted Funds**

The Managing Trustees believe that all other funds are unrestricted funds.

During the year the unrestricted funds fell by £25,577 (2011 £32,331) as the Charity assumed responsibility for the maintenance of the site at Grange Farm.

Applications for grants were received and dealt with resulting in awards totalling a net figure of £58,840 to 15 applicants (5th April 2011 £114,975 to 21 applicants). All awards were made in accordance with the Charity's parameters for grants. Details of the recipients are set out below:

Grants approved in the year:

Over the Wall

Richard House Children's Hospice

Old Parkonians Association

Get Set Girls

Ideal Plus

Ambitions About Autism

Handicapped Children's Action Group

CCHF All About Children

Chigwell Row Campsite

Buckhurst Hill Junior Sports Club

Clapton Common Boys Club

Waltham Abbey Youth

Mitcham Rugby Club

Woodford Green Athletics Club

Epping Cricket Club

Freehold - Grange Farm, Chigwell

As at 5th April 2012 the Charity owns the freehold of the site at Grange Farm, Chigwell, Essex of approximately 93 acres. Title to the land is vested in the Custodian Trustee for the benefit of the Charity. In 2007 the Charity disposed of part of the site for residential development. The developer of that site entered into an s106 agreement with the Charity, Epping Forest District Council, the charity and others in which the developer undertook to:-

- a) refurbish the land returned to the Trust and the Access Way to agreed standards and to create playing fields, a wildflower meadow and an informal leisure area;
- b) contribute a capital sum towards the construction of the building; and
- c) contribute capital sums for the future maintenance of the site, building and Access Way.

The facilities are used by Colebrook Royals Football Club at weekends with some 22 teams of children (boys, girls and men) to play football. During the week an increasing number of community groups use the Community Hall. When not in use by these community groups, the facilities are available for hire to other organisations and individuals.

Grange Farm Centre Trust
Report of the Trustees
For The Year Ended 5th April 2012



Investments

Quoted investments are held within three different management teams at Investec Wealth & Investment Limited. ("Investec") During the year the instruction to all three managers changed from capital growth with medium risk to 3% net income with capital growth with medium risk. These objects are monitored regularly by the Charity's Investment Committee.

Investment risk

The Managing Trustees have appointed Investec (formerly Williams De Broë previously known as BNP Paribas Wealth Management), Investec and Investec (formerly Shore Capital Limited), to be investment advisers to the trust under S.11 of the Trustees Act 2000.

Investec have assured The Charity that appropriate Chinese Walls have been put in place to keep the three Investment teams separate. Each portfolio of investments is structured to produce an income for the Charity with medium risk.

Reserves policy

The Managing Trustees considers that the current level of the Restricted Fund constitutes a strong reserve and its maintenance in real terms is a priority of the Managing Trustees.

The Managing Trustees consider that the current level of the Unrestricted Fund is necessary in view of the loss suffered in the year and the expected excess of expenditure over income in the foreseeable future.

The future

The Unrestricted Fund lost £27,577 year ended 5 April 2012 and the Managing Trustees expect to continue to spend more money than they receive over the next few years to carry out the objects of the Charity.

Statement as to disclosure of information to auditors

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Grange Farm Centre Trust
Report of the Trustees
For The Year Ended 5th April 2012



The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

N E Gadsby - Clerk

Independent Auditor's Report to the Trustees of Grange Farm Centre Trust

We have audited the financial statements of Grange Farm Centre Trust for the year ended 5th April 2012 which comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees' Report, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates and judgements made by the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 5th April 2012 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Charities Act 2011 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Independent Auditor's Report to the Trustees of Grange Farm Centre Trust (Continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Paul James Thain
(Senior Statutory Auditor)
Gane Jackson Scott LLP
Chartered Certified Accountants and
Statutory Auditors

144 High Street
Epping
Essex CM16 4AS

Grange Farm Centre Trust



Statement of Financial Activities For The Year Ended 5th April 2012

	Notes	Unrestricted Funds £	Restricted Funds £	2012 Total £	2011 Total £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Other income	2	-	1,195,098	1,195,098	-
Investment income	3	242,713	-	242,713	199,865
Letting income	4	9,914	-	9,914	-
Total incoming resources		<u>252,627</u>	<u>1,119,098</u>	<u>1,447,725</u>	<u>199,865</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Investment management costs	7	-	55,110	55,110	122,937
Charitable activities	5	271,694	-	271,694	165,116
Governance costs	6	8,510	-	8,510	6,010
Total resources expended		<u>280,204</u>	<u>55,110</u>	<u>335,314</u>	<u>294,063</u>
Incoming/Outgoing/resources before other recognised gains and losses		(27,577)	1,139,988	1,112,411	(94,198)
Other recognised gains and losses					
Gains/(Losses) on investment assets		-	(227,622)	(227,622)	449,471
Net movement in funds		(27,577)	912,366	884,789	355,273
Total funds brought forward		<u>617,696</u>	<u>9,547,725</u>	<u>10,165,421</u>	<u>9,810,148</u>
Total funds carried forward		<u>590,119</u>	<u>10,460,091</u>	<u>11,050,210</u>	<u>10,165,421</u>

The notes on pages 13 to 19 form an integral part of these financial statements.

Grange Farm Centre Trust

Balance Sheet as at 5th April 2012



	Notes	2012		2011	
		£	£	Total £	Total £
Fixed Assets					
Freehold Land & Buildings	9		2,181,615		5,100
Plant and Equipment	9		42,638		-
Assets under construction	9		-		844,379
Investments	10		8,393,914		8,651,533
			<u>10,618,167</u>		<u>9,501,012</u>
Current Assets					
Debtors	11	53,950		50,875	
Cash at bank and in hand		<u>542,016</u>		<u>762,536</u>	
Total resources expended		595,966		813,411	
Creditors: amounts falling due within one year	12	<u>169,923</u>		<u>149,002</u>	
Net current assets			<u>432,043</u>		<u>664,409</u>
Net assets			<u>11,050,210</u>		<u>10,165,421</u>
Funds					
Restricted Funds			10,460,091		9,547,725
Unrestricted Funds			<u>590,119</u>		<u>617,696</u>
Total funds			<u>11,050,210</u>		<u>10,165,421</u>

The financial statements were approved by the trustees on 30th October 2012 and signed on its behalf by

.....
Mrs P Smith
Chairman

.....
Mr R Neville
Treasurer

The notes on pages 13 to 19 form an integral part of these financial statements.

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention, except for investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Charities Act 2011.

1.2. Fund accounting

Unrestricted funds represent income received for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are those subject to special conditions imposed by the donor. The restrictions are binding upon the trustees.

The restricted funds are formed by two amounts.

Fund A - comprises approximately 25 acres of land to be preserved and maintained as an open space for the use and benefit of the inhabitants of the area of benefit. A market value of £100 is placed upon this land.

Fund B - comprises 68 acres of land over which the Trust have entered into contracts for their refurbishment.

The trustees have placed the value of £5,000 on their interest in the freehold reversion to this land. The capital has been invested in trust for the Charity and can only be applied by the trustees in purchasing of other land and buildings to be settled upon trust for use in the object of the Charity. As such the Trustees believe this is a Restricted Fund.

The Unrestricted Funds comprised the income from Restricted Fund B and from other Income realised in the year, which shall be utilised to provide or to assist in the provision of facilities for recreation and leisure time occupation for the benefit of the inhabitants of the area of benefit.

1.3. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Income from others was provided by others specifically to fund the construction of the Pavilion/Interpretation Centre and the refurbishment of the sports fields. As such the trustees regard these funds as restricted.

Income from investments is included in the year in which it is receivable.

Income from Lettings is included in the year to which it relates.

1.4. Resources expended

Expenditure is recognised on an accruals basis and is recognised in the statement of financial activities when there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of those resources.

Grants are included as expenditure in the period for which the award is given. Details of recipients of grants paid are listed in the Trustees Report.

Governance costs are those costs relating to the governance infrastructure which allows the charity to operate and to generate the information required for public accountability.

Support costs comprise those costs relating to the direct management and general running of the charity. They are allocated across the expense categories on a basis which reflects their effective contribution to that expense category.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

- Freehold land - Not depreciated
- Freehold building - Not depreciated
- Assets under construction - Not depreciated as not yet brought into use
- Plant and Equipment - Between 10% and 33% dependent on expected useful life of the asset.

1.5. Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Grange Farm Centre Trust

Notes to The Financial Statements For The Year Ended 5th April 2012



	Unrestricted Funds 2012 £	Restricted Funds 2012 £	Total 2012 £	Total 2011 £
2. Other income				
Developer's S106 contributions	-	750,802	750,802	-
Football foundation grant	-	444,296	444,296	-
	<u>-</u>	<u>1,195,098</u>	<u>1,195,098</u>	<u>-</u>
3. Investment Income				
Bank interest receivable	186	-	186	1,608
Investment interest	2,087	-	2,087	556
UK Government stocks	16,571	-	16,571	4,045
Fixed interest securities	24,346	-	24,346	54,550
UK equities	146,692	-	146,692	90,229
Overseas equities	52,831	-	52,831	48,877
	<u>242,713</u>	<u>-</u>	<u>242,713</u>	<u>199,865</u>
4. Letting Income				
Hire of building	2,870	-	2,870	-
Hire of pitches	3,800	-	3,800	-
Other income	3,244	-	3,244	-
	<u>9,914</u>	<u>-</u>	<u>9,914</u>	<u>-</u>
5. Charitable activities				
Grants payable	58,840	-	58,840	114,975
Support costs (note 7)	212,854	-	232,854	50,141
	<u>271,694</u>	<u>-</u>	<u>291,694</u>	<u>165,116</u>
6. Governance costs				
Audit fees	6,000	-	6,000	6,000
Support costs (note 7)	2,510	-	2,510	10
	<u>8,510</u>	<u>-</u>	<u>8,510</u>	<u>6,010</u>

Grange Farm Centre Trust

Notes to The Financial Statements For The Year Ended 5th April 2012



	Unrestricted Funds		Restricted Funds	Total	Total
	Charitable Activities	Governance		2012	2011
	£	£	£	£	£
7. Analysis of support costs					
Clerks management fees	22,140	2,460	-	24,600	24,216
Trustee Insurance	2,809	-	-	2,809	2,809
Legal & professional fees	32,681	-	-	32,681	58,611
Investment management fees	-	-	55,110	55,110	61,867
Maintenance cost					
Roding Valley Nature Reserve	14,900	-	-	14,900	15,100
Pavilion/Interpretation Centre	54,290	-	-	54,290	4,804
Site & Playing Fields	83,172	-	-	83,172	4,955
Depreciation - Plant & Equipment	2,754	-	-	2,754	-
Trustee expenses	108	10	-	118	697
Bank charges	-	40	-	40	29
	212,854	2,510	55,110	270,474	173,088

8. Employees

	2012	2011
Employment costs		
Wages and salaries	9,500	-
Employers national insurance	823	-
	10,323	-

The average monthly numbers of employees during the year calculated on the basis on full time equivalents, was as follows:

	2012 Number	2011 Number
Employees	1	-

Grange Farm Centre Trust

Notes to The Financial Statements For The Year Ended 5th April 2012



9. Tangible fixed assets

	Restricted Funds		Unrestricted Funds	Total	Total
	Freehold Land £	Pavilion/ Interpretation Centre £	£	2012 £	2011 £
9.1 Freehold land & buildings					
Cost					
At 6th April 2011	5,100	-	-	5,100	5,100
Transfer Asset under Construction	-	844,379	-	844,379	-
Additions	-	1,332,136	-	1,332,136	-
At 5th April 2012	<u>5,100</u>	<u>2,176,515</u>	<u>-</u>	<u>2,181,615</u>	<u>5,100</u>
Net book value					
At 6th April 2011	<u>5,100</u>	<u>-</u>	<u>-</u>	<u>5,100</u>	<u>5,100</u>
At 5th April 2012	<u>5,100</u>	<u>2,176,515</u>	<u>-</u>	<u>2,181,615</u>	<u>5,100</u>
9.2 Asset under Construction					
At 6th April 2011	-	844,379	-	-	326,696
Additions	-	-	-	-	481,683
Transfer to Freehold Buildings	-	(844,379)	-	-	-
At 5th April 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>844,379</u>
9.3 Plant & Equipment					
Cost					
At 6th April 2011	-	-	-	-	-
Additions	-	-	45,392	45,392	-
At 5th April 2012	<u>-</u>	<u>-</u>	<u>45,392</u>	<u>45,392</u>	<u>-</u>
Accumulated Depreciation					
At 6th April 2011	-	-	-	-	-
Provided in year	-	-	2,754	2,754	-
At 5th April 2012	<u>-</u>	<u>-</u>	<u>2,754</u>	<u>2,754</u>	<u>-</u>
Net Book Value					
At 6th April 2011	<u>-</u>	<u>-</u>	<u>42,638</u>	<u>42,638</u>	<u>-</u>
At 5th April 2012	<u>-</u>	<u>-</u>	<u>42,638</u>	<u>42,638</u>	<u>-</u>

Grange Farm Centre Trust

Notes to The Financial Statements For The Year Ended 5th April 2012



- 9.4 Included under Professional fees for Pavilion/Interpretation Centre is an amount of 42,484 (5th April 2011 £35,720) paid to Mr R D Neville as trustee. The Trust entered into a formal agreement with Mr Neville to use his expertise in connection with project managing the refurbishment of the Trust's site and construction of a Pavilion/Interpretation Centre. This arrangement has been approved by the Charity Commission.

10. Investments

	Restricted Funds	Unrestricted Funds	Total 2012	Total 2011
	£	£	£	£
Valuation				
At 6th April 2011	8,651,533	-	8,651,533	8,071,743
Additions	2,607,236	-	2,607,236	4,171,061
Disposals	(2,637,233)	-	(2,637,233)	(4,040,742)
Revaluation	(227,622)	-	(227,622)	449,471
At 5th April 2012	8,393,914	-	8,393,914	8,651,533
Investments are held within portfolios managed in the UK				
Historical cost as at 5th April 2012			7,295,279	7,450,701

Investments include no securities with a market value of 5% or more of the total portfolio.

11. Debtors

	Restricted	Unrestricted	Total 2012	Total 2011
	£	£	£	£
Income tax	-	5,504	5,504	2,787
Other debtors	-	48,446	48,446	48,088
	-	53,950	53,950	50,875

12. Creditors: amounts falling due Within one year

	Restricted	Unrestricted	Total 2012	Total 2011
	£	£	£	£
Other creditors	-	37,240	37,240	57,323
Expense creditors	-	132,683	132,683	91,679
	-	169,923	169,923	149,002

Grange Farm Centre Trust

Notes to The Financial Statements For The Year Ended 5th April 2012



13. Analysis of net assets between funds

	Fixed Assets £	Investments £	Net current assets £	Total funds £
Restricted Funds				
Fund A	100	-	-	100
Fund B	2,181,515	8,393,914	(115,438)	10,459,991
	<u>2,181,615</u>	<u>8,393,914</u>	<u>(115,438)</u>	<u>10,460,091</u>
Unrestricted Funds				
	42,638	-	547,481	590,119
	<u>2,224,253</u>	<u>8,393,914</u>	<u>432,043</u>	<u>11,050,210</u>

In the opinion of the trustees, sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

14. Unrestricted Funds

	At 6th April 2011 £	Incoming resources £	Outgoing resources £	At 5th April 2012 £
Unrestricted Funds	617,696	252,627	(280,204)	590,119

15. Restricted Funds

	At 6th April 2011 £	Incoming resources £	Outgoing resources £	At 5th April 2012 £
Restricted Fund A	100	-	-	100
Restricted Fund B	9,547,625	1,195,098	(282,732)	10,459,991
	<u>9,547,725</u>	<u>1,195,098</u>	<u>(282,732)</u>	<u>10,460,091</u>

16. Related party transactions

Alwyns LLP in which Mr R Neville is a partner, received fees of £9,797 (2011 £6,490).

Mr R D Neville a trustee received fees of £42,484 (2011 £35,720).

This page is intentionally left blank

CAB Report - January 2013

Third quarter statistics

Attempting to extract from CitA, problems with CASE Report info to follow

Social Policy

Awaiting info from Social policy coordinator

Funding

We are currently working on a partnership bid to the Lottery for funding Strategic partnership work, 25% of the total is allowed to be for advice services.

The bid for the Mitigation project EFDC has been submitted.

Pilot Project bid has been submitted to Citizens Advice to a Value of £3000, this is to ask clients if they are suffering from domestic /gender Violence and have been in discussion with them, looks positive but not confirmed.

Annual Grant bid has been submitted to Loughton Town Council.

A letter has been sent to LMI requesting they continue to support our debt advice work in Loughton.

We have been notified by Epping Town Council that we will receive a grant of £2000 for 2012/13 and £2500 for 2013/14.

The long awaited Essex County Council Grant has been transferred to our account £11363.33, this was due in April 2012!!

Friends of Epping Forest CAB

The friends group have held a number of funding events in their first year and raised in the region of £3000.

Projects

FABA we continue to carry out home visits for Disability form completion, bringing in a small income from Essex County Council.

Abridge/Lambourne outreach continues and is staffed by Mary and Rachel and this we invoice them on a monthly basis being £70 per month

ASF this project funds 2 supervisors a guidance tutor and Housing Adviser all part-time posts, the Housing Adviser has resigned and we are actively seeking a replacement for the 3 months left on the contract. Should we be unable to appoint we will have to notify and possibly refund the appropriate amount.

Staff Meetings

Each branch has held regular staff meetings during the third quarter and a joint branch meeting is planned for February details to follow.

Staffing

We have now appointed the Advise Services Manager for Loughton, Mary Lamb who was out temporary manager this is working well and has helped maintain a good atmosphere at the Loughton branch.

Volunteer Adviser levels are causing concerns and have lead to us changing our opening times, this will be reviewed at the Managers meeting in January.

A number of new Gateway trainees have started their training at all three branches.

We continue to have improved issues surrounding Volunteer training with the employment of a dedicated Guidance Tutor under the ASF project.

Financial Issues

A new software package will be purchased for book keeping; this should assist in better reporting for projects and all income and expenditure.

The Bureau appears to be operating well to meet its budget for this financial year.

Premises

Waltham Abbey no unknown issues

Loughton the building continues to be in a poor state of repair . Discussions have been taking place with the church regarding the rebuild and our requirements.

Epping The development of the site appears to be going ahead with the Theydon Trust having submitted planning permission to the council. However the rent required will be beyond our means,

IT

Petra is still now being rolled out to more branches and training will be commencing in March 2013. Case's stability is causing considerable concern and problems for advisers and supervisors in saving case records. Epping is experiencing some difficulties with the routing equipment and Rachel is in discussion with CITA who provided this.

Health And Safety

There have been no recorded incidents.

Loughton Carpet, quotes are being prepared 3 have been sought Dawn is dealing with this in conjunction with Mary ASM Loughton

Cllr Richard Cohen (Loughton St Marys)

6 February 2013