

Report to the Council

Committee: Cabinet
Date: 29 April 2021
Subject: Commercial and Regulatory Services
Portfolio Holder: Councillor Aniket Patel

Recommending:

That the report of the Commercial and Regulatory services Portfolio Holder be noted.

Regulatory services:

Covid compliance and enforcement: I am pleased to report that the Regulatory Service, with the Community Resilience Team and Licensing Team, continue to work pro-actively and reactively to ensure compliance of the Corona virus restrictions in order to protect the community. The Teams react to complaints, carry out intelligence led compliance activity where appropriate and provide advice and guidance on a triage basis. Officers work closely with Community Police and regular meetings are held to share information, align and support intelligence gathering and prepare for changes to covid rules as the Road Map to recovery unfolds. The teams are also supported by Parkguard and Ex-Jobs that provide additional contractor resource and act as marshals on a daily basis. They provide a physical presence in a non-threatening way and advise the public and businesses alike to both reassure and offer guidance. Where a situation requires a more robust approach or where there appears to be a pattern of behaviours that require further action, the information is passed to our Environmental Health Team to follow up.

Since my last report the team have served three prohibition notices relating to Covid breaches. Two on car washes who also received FPNs of £1000. These were paid within 14 days and obtained the discount to £500.

We have also commissioned the production of posters to promote the wearing of face masks in public places and our 'Don't make us ask, wear a mask' posters have been distributed to about 500 local businesses to date. Ex-Jobs initially focussed on delivering to the local supermarkets and petrol stations. The poster is now available on our website to all local businesses and can be downloaded and edited to include a business logo if desired.

Private Sector Housing:

I am pleased to report that the Environmental Health Private Sector Housing team has continued to support tenants in relation to issues with their private landlords, including; disrepair complaints, unlicensed HMOs and issues with lack of adequate heating.

Despite COVID-19 restrictions, advice and support has been maintained and where possible to reduce the level of risk, officers have used alternative methods of communication and informal inspections have occurred over 'WhatsApp' and 'Zoom'. Tenants are also able to send officers photographs and videos to assist with their investigations. Of course, in some instances there is no substitute for an "in-person" visit, but our risk assessment ensures that all reasonable precautions are taken to reduce the risk of COVID-19.

Recent joint operations with our Police Officers have taken place to investigate alleged HMOs as well as other illegal activity (drug dealing and burglary) in Waltham Abbey. This collaboration ensured the Police were able to use EHOs extensive powers of entry and Police presence helps to encourage tenants to co-operate when asked to provide photographic identification.

We are currently devising a scheme to support tenants who have lived in unlicensed HMOs and are eligible to apply for a Rent Repayment Order (RRO). Officers are looking into ways to utilise the income generated from Civil Penalties to assist tenants with their applications.

The team has collaborated with our Safer Communities Team in relation to allegations of potential people trafficking and migrant workers living unlawfully on Holmsfield Nursery Gypsy Traveller site in Nazeing. Careful planning and gaining of intelligence resulted in our Officers gaining access to the site and gathering extensive photographic evidence of the current conditions which has been forwarded to the relevant Police authorities for review and enforcement action.

Private Sector Grants

I am pleased to inform that the Private Sector Grants Team have continued to work hard to deliver an excellent service throughout the last few months.

124 referrals have been received in this financial year (**70** received in 2019/2020)

99 DFG's have been approved totalling **£730,487.93**

90 DFG's have been completed giving a spend value of **£673,419.21**. This is an excellent performance considering the year we have been through and the staffing issues we have been working to resolve.

A further **£200,969.33** of grants have been approved and not completed in this financial year which gives us a strong carry over to add to our spend next year.

The Team have also brought in **£75,116.19** in income from fees related to the 90 fully completed DFGs this year.

In addition, 24 land registry entries have been made for grants that exceeded the £5,000 threshold. This amounts to **£121,510.09** of potential repayments if the properties are sold within the next 10 years. In this year, officers have recovered **£32,209.73** in repaid DFG's this year.

The performance in terms of delivering the Housing Assistance Policy (that is Decent homes Repayable assistance and Small Works Repayable Assistance) has been slower due to staff resources. Currently **20** enquiries have been made and **11** loans approved totalling **£45,192.00**.

All fully paid Loans now attract a lifetime charge on the Local Land Charges Register so all this expenditure is recoverable if/when the properties are sold in the future. The Team has recovered **£35,603.92** in repaid DHRA loans this year.

Finally, I am really pleased to inform that the Private Sector Grants Team are supporting, with The People Team, the Change 100 Scheme that supports disabled people to fulfil their potential, whatever their ability. Change 100 is a graduate talent programme that connects talented disabled students and graduates with organisations prepared to support paid summer internships. We hope to attract a graduate building surveyor/design engineer to join the team for 3 months with the potential for developing this into a permanent position. We hope this will be an exciting opportunity for a talented student and it will also benefit the team in the short term and maybe beyond.

Commercial services:

North Weald Airfield:

Aviation: I am pleased to report that as from March 29th General Aviation restarted in line with DfT guidelines. Private Pilot License training is set to resume as from April 12th which is fantastic news for the 2 flight training businesses based at North Weald.

The implementation of landing fees for visiting aircraft will commence as from April 10th that will hopefully generate some additional income over the Summer months.

Market: The Saturday market will be opening fully as from April 17th with Covid-19 precautions in place. These include controlling numbers of attendees, sanitation stations, one way routes, extending stall separation and promoting the use of cashless payments.

It is anticipated that the market will be very busy as was the case after the previous lockdown with people obviously enjoying the outdoor shopping experience.

This has led to the operator, Saunders Markets, proposing extending opening to include Sundays. This would also include a facility for on-line businesses to showcase their products and services, a concept he is naming, Terminal 1.

Subject to planning approval the extension of the market would generate a substantial additional revenue stream for the Council at a time when it is needed most.

General: Throughout the lockdown the Airfield businesses have continued to operate mostly as normal which has meant that rents have remained consistent.

Casual bookings for activities such as driver training etc are expected to pick up as the lockdown eases but we do expect the recovery to take many months.

National Police Aviation Service (NPAS): I am pleased to report that following criticism from a local County Council member, efforts have been made to make it as simple as possible for residents to register their noise complaints. We have promoted the Operations Team contact details and have updated the information held by the Customer Contact team as well as the out of hours service. The NWA & EFDC websites have also been updated to reflect consistent contact details. I am pleased to report that number of complainants continues to be few.

NWA Master Plan: I am pleased to report that although there are still a number of environmental tasks to complete plus an additional QRP our Master Planners, Turner & Townsend, are on course to present a report to Cabinet in June.

HMRC Inland Border Facility: I am pleased to report that the IBF continues to cause very few issues for the local road networks despite becoming fully operational as from February 16th. The issues surrounding the clearway in Vicarage Lane West continue whilst on-going discussions with Essex Highways are being had. Officers are working very hard to reach an arrangement whereby the resident are needs are being addressed whilst at the same time limiting HGV access.

NWA Commercial lettings: I am pleased to report that both the Gymnastics Centre and hangar 1 leases were signed off recently. These leases represent an increase of approx. £235k per annum for the Council and therefore the Asset Management team should be commended for their efforts.

Building Control: I am pleased to report that the Building Control Service have seen a promising recovery in applications for Building Work within Epping Forest District in Q4. Applications deposited being 32% above Q4 in 2019/2020 (*March 2020 being heavily influenced by uncertainty and the eventual restrictions imposed by Covid-19*). Inspection requests are also 13.5% above those in Q4 of 2019/20. Partnership work for a nationwide scheme replacing conservatory roofs remains a consistent supplementary income source.

The fee-earning account is forecast locally to close with income circa £455,000, which is approximately 81% of the income originally forecast for the year. This is an improvement upon the position throughout Q1, Q2 and Q3 where income was closer to 72% of budget.

The service has been engaged in a shared project with the Planning Department to procure and implement a replacement back-office software system that will radically change the way the team deliver the statutory Building Control function. This new software system will enable greater ability to work remotely, reduce the time and cost burden of printing and expedite application submissions. It will also reinstate the ability to report on key performance indicators which has been prohibited in recent years by defective tools that are no longer supported by our current supplier.

The surveying team are currently carrying one vacancy following an internal promotion to the role of Principal Surveyor. With workload increasing, the need to fill this vacancy is becoming more apparent. Covid-19 working practices have required a reduced service in certain higher-risk inspections, notably in the internal completion inspections of occupied residential properties. It is hoped that a degree of normality can return over the summer period aligned to the Government's roadmap to recovery and when vaccinations are provided to the frontline staff.

The Building Safety Bill is due before the House of Commons in May 2021. Once given Royal Assent as the Building Safety Act, this legislation aims to address the concerns highlighted by Judith Hackitt's review of Building Regulations and Fire Safety. The implications of this are far-reaching and impact the Building Control team regardless of our relatively low-rise form. The main aim of 2021/2022 is to improve upon quality, performance and standards within the Building Control service. Our objectives to achieve this include the implementation of a Quality Management System underpinned by a comprehensive review of processes, improved practices for assessing and delivering training requirements to Surveyors to improve competency and to succession plan within the team to reduce risk of long-term vacancies.

I am pleased to report that a member of the Technical Officer team has recently had her competency validated in Public Service Building Control support following a six-month course of assignments and practice-based learning delivered by LABC and the Chartered Institute of Building. New licencing and competency requirements will in time require all staff working within the team to go through a similar process of validation.

Asset Management: Firstly, I'd like to report that the Senior Estates Officer, Karim Pabani recently left the Authority after 6 years' service, his professionalism and knowledge will be missed.

Epping Forest Shopping Park: The Epping Forest Shopping Park is under Covid-19 related trading restrictions as per Government regulations, excepting essential traders – the Shopping Park is preparing for resumption of normal trading from 12th April when non-essential retail is expected to be permitted.

A second specialist surveyors' opinion has now been sourced and commissioned on the ongoing roofing proposals. This surveyor will inspect the site and analyse the original contractors' proposals for rectification of roofing defects.

Landmark Building: Units B, C & D handed back to the Council in February 2020 has now let to a local boxing gym. The tenant has now discharged the planning conditions within its recent planning consent and he now has his Building Regulations application approved.

Terms were agreed for Unit A with a local fitness centre / gym at the asking rent, however the operator has now decided not to pursue their interest. Property is now being marketed and despite difficult access arrangements, some initial interest has been shown with a couple of strong interests where we are trying to firm up to obtain an offer from the proposed applicant.

On 1 October 2020 the letting of Unit G completed to Wenzel's The Bakers, a good covenant with 60+ stores. The tenant has now completed their fit-out to a high standard and is trading. This is an excellent addition to The Broadway and will hopefully increase footfall.

Unit E has now been let to a local business who are in the process of fitting out their tanning salon. Planning consent for change of use has been granted. There is at present a building regulations matter to be resolved but this is hand and should hopefully be resolved shortly.

The lease for Unit F has now completed. The tenant has submitted the necessary planning and building regulations applications. Following the recent refusal at planning committee, the tenant is working with the Council on the best way to secure consent for its mechanical and engineering works.

Brooker Road Industrial Estate Waltham Abbey: I am pleased to report that a number of Asset Management Initiatives are underway or have come to fruition.

Unit 168-172 Brooker Road has now been purchased outright (via the process of surrender of the old long ground lease) by EFDC following negotiations conducted by the Commercial Assets Team at a figure of £825,000. The first floor is already let, providing immediate income of £40,000 per annum. The ground floor will be put on the open market and is expected to achieve a further £40,000-60,000 pa.

Following acquisition of 100 Brooker Road in February 2021, this approximately one acre open yard site is now under offer at a rent of £145,000 per annum on a nine year lease, following a marketing period. This is pending Councillor Patel's final approval and then the Commercial Assets Team will proceed with the formal leasing arrangements for the site.

The Commercial Assets Team anticipate the proposed acquisition of Units 152, 153 and 155 Brooker Road will complete in the next four weeks. This will include a capital premium to be paid to EFDC of £600,000. The Units can then be let for additional rental income of between £90,000 - £125,000 per annum.

Formal planning was granted in late 2020 for a proposed scheme of four modern light industrial units on the site of Units 10, 50, 51 and 60 Cartersfield Road. This proposed scheme was formally approved and therefore budgeted for in the most recent Full Cabinet in February. The Commercial Assets Team will now undertake the process of ending any remaining tenancies, anticipated by September 2021. In conjunction, a formal procurement process for the full project by suitably qualified professional project managers, surveyors and architects will be undertaken.

Tertiary Retail Units

EFDCs smaller retail units, consisting of small commercial independent retailers, continues to perform well in the current circumstances. 12 Hill House and 150 Loughton Way have now been let achieving additional £23,000 per annum of rental income for the Council.

Oakwood Hill Industrial Estate

This industrial estate remains fully let. There was one anticipated void due to the tenant of Unit 27 having served their break clause. EFDCs Commercial Assets Team have managed to successfully re-let this unit prior to it becoming vacant, achieving additional rental income of £21,500 per annum for the Council.