

## **Report to the Cabinet**

**Report reference: C-002-2012/13**

**Date of meeting: 11 June 2012**



**Epping Forest  
District Council**

**Portfolio: Environment (Councillor Will Breare- Hall)**

**Subject: Furniture Exchange Scheme**

**Responsible Officer: Chris Overend (01992 564247).**

**Democratic Services Officer: Gary Woodhall (01992 564470).**

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### **Recommendations/Decisions Required:**

**(1) That District Development funding in the sum of £20,000 be carried forward from the 2011/12 financial year to the 2012/13 financial year to assist with the re-establishment of a Furniture Exchange Scheme the District; and**

**(2) That the District Development funding be not released until such time as:**

**(a) there is surety and sufficient evidence that the Scheme will become operational; and**

**(b) the Director of Corporate Services being satisfied that the terms of the lease and the legal and governance arrangements for the new scheme have no potential adverse financial or other implications for the Council.**

### **Executive Summary:**

A Furniture Exchange/Recycling Scheme for the District ran for the period between February 2007 and July 2008, operating from the District Council's Depot in Town Mead, Waltham Abbey. The scheme was run in partnership with the Lighthouse Project, a 'not for profit' organisation which had experience of running a similar scheme.

The individuals involved in setting up the initial scheme felt there was enough impetus and encouragement to look at the establishment of a scheme elsewhere in the District and formed a Working Group, as part of a project of VAEF, to look at the possibilities in supporting the re-establishment of a scheme. A potential site in Waltham Abbey was identified and the Cabinet (On 5 February 2009 (Minute 148 refers)) agreed to a District Development Fund (DDF) sum of £20,000 being approved in respect of the annual rent costs of premises. In the event no bid for this site was made. Nonetheless the retention of the DDF sum in the budget for 2011/12, was re-affirmed by the Cabinet on 18 April 2011 (Minute 154 refers) given the ongoing review of options for re-establishing the scheme taking place.

The Working Group subsequently formed a registered company to progress the scheme. A number of options have subsequently been investigated in depth and a further suitable site identified. Negotiations are at an advanced stage with a view to a scheme being up and running in the near future. It is therefore recommended that the £20,000 DDF item be retained within the 2012/13 financial year to be used towards the re-establishment of the scheme within the District.

### **Reasons for Proposed Decision:**

Through such a scheme, disadvantaged people are able to source good quality essential furniture at minimal cost. The improved quality of life they can enjoy can contribute directly to an increase in self-esteem, family harmony, integration with the local community and improved prospects of training and employment. A scheme also offers people who wish to dispose of unwanted furniture, the opportunity to contribute positively to the local community, enhancing the quality of life of others and improving the environment by reducing the amount of waste destined directly for landfill, thus helping to meet recycling targets. Moreover, it provides an excellent job opportunity for the long term unemployed.

A furniture recycling scheme represents good value for money. The cost of sourcing, collecting, supplying and delivering furniture to each household requesting assistance is an average of £100, although it is recognised that current operational costs are minimal. This figure excludes reconditioned white goods. Given this sum to spend, households would be able to source, through the second hand market, only a fraction of the items supplied through the scheme.

There is a recognised need for a Furniture Recycling Scheme in the District. It could bring substantial benefits in terms of job creation (particularly for those with learning difficulties), skills training, disadvantaged people being able to access good quality furniture at minimal costs and a positive contribution to the environment. Schemes have operated successfully in the District and elsewhere in Essex and other parts of the country for many years.

On 27 September 2010 (Minute 15 refers) the Finance and Performance Management Cabinet Committee agreed a number of changes to the administration of the District Development Fund to manage the reserve more effectively in view of the current financial situation and the likely increased demand on the Fund when spending cuts were required. One of those changes included the retrospective application of a two year time limit on all existing bids, of which was the money towards the Furniture Exchange Scheme is one.

### **Other Options for Action:**

The other option would be to refuse to continue setting aside the DDF amount of £20,000 in respect of the potential new scheme. This would mean a missed opportunity for the District Council and its partners in terms of their roles in community wellbeing and environmental protection, and for the operation of a much needed and highly regarded scheme.

### **Report:**

1. The closure of the original scheme came about as a consequence of safety issues on site, primarily concerned with vehicular movements and public access. Attempts were made by the various partners involved, to resolve the issues concerned but ultimately a decision was taken to close the facility.

2. To assist in the establishment of the original scheme, the Cabinet, at its meeting on 20 December 2004 (minute 98 refers), approved the waiving of the annual charges and service charges arising in respect of the use of the spaces at Town Mead Depot. The £20,000 DDF item approved by Cabinet in 2009 was to reflect what would be reasonable annual rental costs for a site from which a Furniture Exchange Scheme might operate.

3. It is envisaged that, over a period of time, the Scheme will become self-financing. It is therefore recommended that, once the scheme is up and running again, the trading position of the scheme be kept under regular review.

4. The DDF amount of £20,000 was set aside and the Working Party continued to look at other options. Given the recognised benefits a scheme would bring, and as an indication of the Council's support, Cabinet is asked to approve the retention of the DDF item in the budget during the 2012/13 financial year, with a view to it being used towards the re-establishment of a scheme in the District as envisaged.

5. With regard to the new Scheme, this will be a limited company and steps have already been taken to recruit a Project Manager. A 5 year lease is being negotiated on warehouse premises in Epping on the basis of £20,000 for year 1 and £22,500 for years 2-5. In recognition of the benefits to Council tenants and the wider public of such a scheme the Cabinet, at its meeting on 23 April 2012 (Minute 158 refers), agreed a one-off grant of £10,000 from the new HRA Financial Plan – Housing Improvements and Service Enhancements, subject to the grant not being provided until there is surety and sufficient evidence provided that the Scheme will become operational and sustainable. The Scheme is also submitting bids to charitable foundations and funding bodies for financial support and/or 'in kind' support and will seek to recoup monies through other means such as sub-letting.

6. As the new Scheme will be operated by a limited company, there should be no legal or governance implications for the District Council. However, it is recommended that, as a further precautionary measure, the DDF item should not be released until the scheme has provided satisfactory documentary evidence to the Director of Corporate Support Services that this will be the case.

#### **Resource Implications:**

The budget already includes the DDF item of £20,000 in respect of a Furniture Recycling Scheme. The recommendation is for that amount to be retained within the budget for the 2012/13 Financial Year. An additional amount of £10,000 as a one-off grant to the scheme as part of the HRA for 2012/13 has also been agreed.

#### **Legal and Governance Implications:**

There should be no legal or governance implications for the Council. Documentary evidence from the Scheme will be supplied to the Director of Corporate Services.

#### **Safer, Cleaner and Greener Implications:**

Environmental benefits of recycling.

#### **Consultation Undertaken:**

Discussions involving Working Group members, scheme operators, District Council Members and Officers.

#### **Background Papers:**

Correspondence and other papers in respect of previous and proposed schemes.

#### **Impact Assessments:**

##### Risk Management

Given that the main elements are already in place, it is not envisaged that the scheme would encounter the health and safety issues that were experienced with the scheme at Town Mead. Nonetheless a thorough risk assessment would be undertaken in liaison with the

scheme operators. The risks will be borne by the Scheme and not the District Council.

Equality and Diversity

The scheme would have a positive Equalities and Diversity impact given the benefits to disadvantaged people, those with learning difficulties, the homeless and those fleeing domestic violence.

*Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications?* No

*Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken?* No

*What equality implications were identified through the Equality Impact Assessment process?*  
Not applicable.

*How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?*  
Not applicable.