



OVERVIEW & SCRUTINY COMMITTEE

Tuesday 21st November 2023

You are invited to attend the next meeting of **Overview & Scrutiny Committee**, which will be held at:

Council Chamber - Civic Offices
on **Tuesday 21st November 2023** at **7.00 pm**

Georgina Blakemore
Chief Executive

Democratic Services Officer: Laura Kirman Tel: (01992) 564243
Email: democraticservices@eppingforestdc.gov.uk

Members: Councillors D Wixley (Chairman), J McIvor (Vice-Chairman), R Baldwin, R Bassett, I Hadley, S Heap, S Heather, H Kane, M Markham, C McCann, C McCredie, S Murray, C Nweke, J Parsons, A Patel, R Pugsley and J H Whitehouse

SUBSTITUTE NOMINATION DEADLINE: 6.00PM

This meeting will be broadcast live and recorded for repeated viewing.

1. WEBCASTING INTRODUCTION

This meeting is to be webcast and the Chairman will read the following announcement:

“I would like to remind everyone present that this meeting will be broadcast live to the internet and will be capable of subsequent repeated viewing, with copies of the recording being made available for those that request it.

By being present at this meeting, it is likely that the recording cameras will capture your image and this will result in your image becoming part of the broadcast.

You should be aware that this may infringe your human and data protection rights, and if you have any concerns then please speak to the Webcasting Officer.

Please could I also remind Members and Officers to activate their microphones before speaking.”

2. APOLOGIES FOR ABSENCE

To be announced at the meeting.

To report non-attendance before the meeting, please use the Members Portal webpage https://eppingforestdc-self.achieveservice.com/service/Member_Contact to ensure your query is properly logged.

Alternatively, you can access the Members portal from the front page of the Council's website, at the bottom under 'Contact Us'
<https://www.eppingforestdc.gov.uk/your-council/members-portal/>

3. SUBSTITUTE MEMBERS

To report the appointment of any substitute members for the meeting.

4. DECLARATIONS OF INTEREST

To declare interests in any item on the agenda.

In considering whether to declare a pecuniary or a non-pecuniary interest under the Council's Code of Conduct, Members are requested to pay particular attention to paragraph (11) of the Code in addition to the more familiar requirements.

This requires the declaration of a non-pecuniary interest in any matter before Overview & Scrutiny which relates to a decision of or action by another Committee or Sub-Committee of the Council, a Joint Committee or Joint Sub-Committee in which the Council is involved and of which the Councillor is also a Member.

Paragraph (11) of the Code of Conduct does not refer to Cabinet decisions or attendance at an Overview & Scrutiny meeting purely for the purpose of answering questions or providing information on such a matter.

5. MINUTES (Pages 5 - 11)

To confirm the minutes of the meeting of the Committee held on 24 October 2023.

6. MATTERS ARISING AND OUTSTANDING ACTIONS

To consider any matters arising and outstanding actions from the minutes of the previous meeting(s) that are not covered elsewhere in this agenda.

7. PUBLIC QUESTIONS & REQUESTS TO ADDRESS THE OVERVIEW AND SCRUTINY COMMITTEE

(Democratic & Electoral Services Team Manager) To receive questions submitted by members of the public and any requests to address the Committee, in accordance with Article 6 (Overview and Scrutiny) of the Council's Constitution.

(a) Public Questions

Members of the public may ask questions of the Chairman of Overview and Scrutiny Committee at ordinary meetings of the Committee, in accordance with the procedure set out in the Constitution.

(b) Requests to address the Overview and Scrutiny Committee

Any member of the public or a representative of another organisation may address the Overview and Scrutiny Committee on any agenda item (except those dealt with in private session as exempt or confidential business), due to be considered at the meeting.

8. EXECUTIVE DECISIONS - CALL-IN

To consider any matter referred to the Committee for decision in relation to a call-in, in accordance with Article 6 (Overview and Scrutiny) of the Council's Constitution.

9. PLACE STRATEGY (Pages 12 - 54)

To consider and comment on the draft Place Delivery Strategy.

10. QUALIS QUARTER 4 BUDGET MONITORING REPORT 2023 (Pages 55 - 64)

To consider the Qualis Budget Monitoring Report 2023.

11. QUALIS BUSINESS PLAN (Pages 65 - 83)

To consider and comment on the Qualis Business Plan.

12. OVERVIEW AND SCRUTINY COMMITTEE - WORK PROGRAMME (Pages 84 - 87)

Progress towards the achievement of the work programme for the Overview and Scrutiny Committee is reviewed at each meeting.

(a) Current Work Programme

The current work programme for the Committee is attached as an appendix to this agenda.

(b) Reserve Programme

Members can put forward suggestions for inclusion in the work programme or reserve list through the adopted PICK process. Existing review items will be dealt with first, after which time will be allocated to the items contained in the reserve work plan.

13. CABINET BUSINESS (Pages 88 - 95)**Recommendation:**

That the Committee review the Executive's current programme of Key Decisions to enable the identification of appropriate matters for the overview and scrutiny work programme and the overview of specific decisions proposed to be taken over the period of the plan.

Article 6 (Overview and Scrutiny) of the Constitution requires that the Committee review the Executive's programme of Key Decisions (the Cabinet Forward Plan) at each meeting, to enable the identification of appropriate matters for the overview and scrutiny work programme and to provide an opportunity for the overview of specific decisions proposed to be taken over the period of the plan.

Wherever possible, Portfolio Holders will attend the Committee to present forthcoming key decisions, to answer questions on the forward plan and to indicate where appropriate work could be carried out by overview and scrutiny on behalf of the Cabinet.

The Executive’s current programme of Key Decisions is attached as an Appendix to this report.

14. EXCLUSION OF PUBLIC AND PRESS

Exclusion

(Democratic & Electoral Services Team Manager) 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.

Background Papers

(Democratic & Electoral Services Team Manager) Article 17 - 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 and in respect of executive reports, the advice of any political advisor.

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.

EPHING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Overview & Scrutiny Committee **Date:** Tuesday 24 October 2023

Place: Council Chamber - Civic Offices **Time:** 7.00 - 9.50 pm

Members Present: Councillors D Wixley (Chairman), J McIvor (Vice-Chairman), I Hadley, S Heap, S Heather, H Kane, M Markham, S Murray, C Nweke, J Parsons, A Patel, J H Whitehouse and R Brookes

Members Present (Virtually): Councillors C McCann

Other Councillors: Councillors I Allgood, S Kane, C Whitbread, H Whitbread, K Williamson and R Balcombe

Apologies: R Baldwin, R Bassett, C McCredie and R Pugsley

Officers Present: G Blakemore (Chief Executive), A Small (Strategic Director, Corporate and Section 151 Officer), N Cole (Corporate Communications Officer), L Kirman (Democratic Services Officer) and C Hartgrove (Interim Chief Financial Officer)

Officers Present (Virtually): T Larsen (Democratic Services Officer), J Lewis (Team Manager - Benefits Operations), N Richardson (Service Director (Planning Services)), P Maginnis (Service Director (Corporate Services)) and R Pavey (Service Director (Customer Services))

[A RECORDING OF THIS MEETING IS AVAILABLE FOR REPEATED VIEWING](#)

19. SUBSTITUTE MEMBERS

The Committee noted that Councillor Brookes had been appointed as substitute for Councillor Baldwin.

20. WEBCASTING INTRODUCTION

The Chairman 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.

21. DECLARATIONS OF INTEREST

There were no declarations of interest made pursuant to the Council's Members' Code of Conduct.

22. MINUTES

Resolved:

That the minutes of the meeting held on 18 July 2023 be taken as read and signed by the Chairman as a correct record.

23. MATTERS ARISING AND OUTSTANDING ACTIONS

Resolved:

The Committee noted that the following action points were outstanding:
18 July 2023:

- (4) To investigate and report back on whether a summary of the project closure reports could be produced – Project Team Manager.
- (5) Confirmation of the date for a member briefing on the redevelopment of Whipps Cross Hospital

Post meeting update:

Member briefing on the redevelopment of Whipps Cross Hospital scheduled on 23 November 2023 at 6:30 pm. This will be a virtual meeting on MS TEAMS

- (6) An update on the measures to reduce bad debt referred to by the Portfolio Holder on the 18 July 2023 was requested by The Chairman.

24. PUBLIC QUESTIONS & REQUESTS TO ADDRESS THE OVERVIEW AND SCRUTINY COMMITTEE

The Committee noted that no public questions or requests to address the meeting had been received.

25. EXECUTIVE DECISIONS - CALL-IN

The Committee noted that no executive decisions had been called-in for consideration since the previous meeting.

26. LOCAL COUNCIL TAX SUPPORT SCHEME 2024/25

The draft Cabinet report was presented to Overview and Scrutiny Committee by R Pavey and J Lewis. The key aspects of the report were highlighted, this provided a simplified approach where the household type and income level determined the discount available. It was noted that severely disabled people, with an income below the £400 threshold, would receive the maximum 75% discount.

The Committee were advised that an additional recommendation, to disregard Child Benefit as income in new scheme, would be included in the final report.

The Committee

- welcomed the simplified approach and acknowledged the new scheme would reduce the administrative burden, simplify the process and help people to enter the system.
- received confirmation that:
 - the scheme applied to working age people only
 - there was a separate national scheme for pensioners
 - the single person householder reduction to Council Tax was outside of the scope of the Local Council Tax Support Scheme
 - the armed forces disability allowance would be disregarded as income for the scheme, in line with council policy.
 - there was limited impact on single parents with children, and the exceptional hardship scheme had a level of discretion for individual circumstances.
- were advised that the modelling used for the development of the scheme showed that with the revised recommendations on child benefit, 88% of claimants would be the same or better off.
- welcomed the retention of the hardship fund.
- noted that consultation had concluded 76% were in favour of introducing the new scheme with 15% against and 9% stating no preference, and the proposal to disregard of child benefit as income for the scheme had stemmed from the conclusion.

- suggested that an update on the outcomes of the new scheme should be included in the work programme for the next municipal year

Resolved:

The Committee was supportive of the recommendations of the draft Cabinet report and endorsed the additional recommendation to disregard of Child Benefit as income for this scheme.

27. QUARTER 1 BUDGET MONITORING REPORT 2023/24

The Chairman advised the Committee that the information contained in the Quarter 1 budget monitoring report had been superseded by the Quarter 2 budget monitoring report, which was on the agenda.

Resolved:

The Committee noted the report.

28. QUARTER 2 BUDGET MONITORING REPORT 2023/24

The Chief Financial Officer presented the Budget Monitoring report for quarter 2 of 2023/24, to the Committee, and highlighted several key points based on the position at 20 September 2023.

- The General Fund, revenue, had a forecast budget overspend of £1.307 million. High interest rates were the most significant factor to the forecast position. Service pressures were limited at this stage, although there was an anticipated shortfall of £0.935 million in Planning fee income and there was a risk associated with employee costs pending agreement of the national pay award. The funding position was mixed; a surplus income of £646,000 was expected from Business Rates and a shortfall of £225,000 anticipated on the payments that the Council receives from preceptors as part of the Essex Council Tax Sharing Agreement (CTSA). The forecast outturn balance was £1.883 million, significantly below the Council's formally adopted contingency balance of £4.0 million.
- The HRA account was projected to record a small budget overspend of £0.013 million; increasing costs of major void repairs was a pressure. The outturn balance was forecast at £4.584 million, above the minimum contingency balance of £2.0 million in the HRA Business Plan.
- Capital spending was subdued, the drawdown of Qualis loans was the biggest factor behind the forecast underspend of £13.9 million on the general fund and £35.8 million on HRA.
- Wider financial performance and risk indicators were detailed.

The Committee

- raised several queries and received clarity that staff vacancies would be expected in any year, and any associated underspend could be used to respond to and manage the in- year overspend, depending on the service need.
- were advised that there was a recovery plan for local tax collection. There was a cyclical nature to collection, but a higher rate of collection was anticipated in this financial year.
- requested transparency on any specific in year budget proposals and mitigation strategies being developed by Service in relation to the in-year budget pressures.
- were assured that planning applications were being encouraged to be brought forward to mitigate the income shortfall

- discussed the impact of interest rates on loans and the impact on development through Qualis.

The Leader of the Council advised the Committee that budget process would be difficult and tough decisions would be needed, the scrutiny of any proposals would be essential.

Resolved:

The Overview and Scrutiny committee noted:

1. The General Fund revenue position at the end of Quarter 2 for 2023/24, including actions being undertaken or proposed to ameliorate the position where significant variances have been identified.
2. The General Fund capital position at the end of Quarter 2 for 2023/24.
3. The Housing Revenue Account revenue position at the end of Quarter 2 for 2023/24, including actions proposed to ameliorate the position, where significant variances have been identified.
4. The Housing Revenue Account capital position at the end of Quarter 2 for 2023/24; and
5. The wider position on Financial Performance and Risk at the end of Quarter 2 be noted.

Action:

- 1) Detailed breakdown of the underspend of the 'Bricks and Mortar Scheme' would be circulated - Chief Finance Officer.

29. MEDIUM TERM FINANCIAL PLAN 2024/25 – 2028/29

The Chief Finance Officer outlined the first iteration of the Medium Term Financial Plan (MTFP) 2024/25 to 2028/29, which had been presented to Cabinet on 9 October 2023. This provided a framework for the development of the 2024/25 General Fund and Housing Revenue Account (HRA) budgets.

- The forecast showed a deficit of £3.720 million on the General fund for 2024/25, this was due to spending pressures, financing capital costs, high level interest rates and the expected increase in waste costs, when the contract with Biffa expires. It was highlighted that if a balanced budget was achieved in 2023/24, without drawing on reserves, a further budget gap would be expected from 2025/26 in the range of £0.376 million to £0.557million annually.
- The HRA showed a planned deficit in 2025/26 and 2026/27, before regaining a balanced position in 2027/28 and 2029/29, the HRA balance could withstand the planned deficits.
- It was highlighted that the budget pressures were part of a national picture and not isolated to Epping Forest District Council and that that this would be difficult and challenging budget.

The Committee commented on and acknowledged the ongoing pressures on the budget.

The Leader of the Council detailed the budget process to the Committee and welcomed the input of Scrutiny into the budget process.

The Chairman of the Committee encouraged members to come forward with ideas for the budget.

Resolved:

The committee noted and the first iteration of the Medium Term Financial Plan (MFTP) 2024/25 to 2028/29.

30. CAPITAL PROGRAMME UPDATE 2024/25 – 2028/29

The Chief Finance Officer introduced the indicative Capital Programme 2024/25 to 2028/29, as present to Cabinet on 9 October 2023, in line with the agreed financial planning framework.

The updated Capital programme provided context and was a key part of budget preparation for 2024/25. There was a total investment of £210.258 million (General Fund £53.913 million and Housing Revenue Account (HRA) £156.345 million) for 2024/25 to 2028/29.

It was noted that ICT budgets had not been automatically rolled forward pending the review of the ICT strategy.

Resolved:

The Committee noted the Capital Programme update 2024/25 to 2028/29.

31. CORPORATE PLAN - 2023/24 QUARTER 2 PERFORMANCE REPORT

The Committee reviewed the quarter 2, July – August 2023, Corporate Performance Report.

The Committee

- received assurance the waste management transitional arrangement was on track. There was a high level of project governance and quality assurance associated with the project.
- were advised that the new telephone system had gone live as part of the omnichannel project. The new system would provide access to new data sets to better understand customer feedback, further work would be undertaken and a detailed report would be brought to this Committee.
- acknowledged that the review and target setting for KPI was an annual process.
- received a verbal update on planning KPI's. The percentage of applications determined within the agreed timescales for quarter 2 were: 100% for Major applications; 81.4% Minor applications and 84% other applications. Changes in performance were linked to staff turnover and vacancies, and applications that were called into Committee would rarely meet the deadlines.
- questioned the timescales and comparative performance of processing planning applications and were advised that Major applications should be determined within 13 weeks from registration, the timeline could be extended if the applicant agreed to an extension of time. Minor and Other applications had an 8 weeks target from registration to decision. Comparison with other authorities with better performance data showed they had a greater proportion of delegated decisions by officers.
- queried the underlying reasons behind the low level of self-declaration in relation to equalities monitoring data and were advised that renewed efforts and alternative methods to encourage disclosure including communications to increase understanding of the value of this data, would be developed. The Chief Executive advised that there had been a cultural shift Council's

approach to diversity, inclusion and equality including the development of specific equality groups and initiatives that had been set up by staff.

- Were informed that the labour market across the public sector was tight, with specific issues in some professional areas, recruitment and retention was a challenge. New collaborative work with other organisations for recruitment and wider opportunities could assist moving forward.
- received clarification that sickness absence had reduced. Work and non-work related mental health issues were recorded and the short and long term sickness figures could be segregated.
- were informed that officers were conducting a review of data sets and available performance information data for the new municipal year. A suite of KPI's and data that could provide insight to assist the committee, would be brought to a future meeting. This would provide an opportunity to consider the value of the inclusion of long- and short-term sickness measure, the number and status of staff vacancies, and would include the revised targets for KPIs

Resolved:

That the review of the Corporate Performance Report for quarter 2 of the Corporate Plan for the period 2023-27 be noted.

Actions:

- (2) To investigate and report back on specific geographical or service issues that impacted on low customer satisfaction - Service Director - Customer Services, R Pavey
- (3) To investigate and report back on the impact from the new policy in relation to rent in advance- Interim Housing and Property Director -S Balu
- (4) To investigate and report back on the reasons for the levels of homelessness – Homelessness Team Manager – D Blake
- (5) The target for customer services would be corrected to read 70% and all other targets would be checked for accuracy – Project Team Manager, C Graham.

32. CHAIRMEN TO REPORT ON THEIR SELECT COMMITTEE BUSINESS

(a) Communities Scrutiny Committee

The Chairman of the Committee, Cllr A Patel, reported on the progress made against the work programme.

- A presentation from the Community Champions detailing a wide range of projects and community support was highlighted. The Chairman and Committee commended the work of the Community Champions for the benefits and value they brought to the communities and the district.

The Committee had

- endorsed the five Landlord Health and Safety Compliance Policies and commended these to Cabinet, and
- received an annual update on the Social Housing Annual Letting for 2022/23 and a report on the first year review of the Housing Allocation Scheme.

(b) Place Scrutiny Committee

The Chairman of the Committee, Cllr H Kane, reported on the progress made against the work programme. On 19 September 2023 the Committee

- considered an update on the transfer of grounds maintenance and commented on the proposed improvement plan provided by Qualis Property Solutions Ltd;
- endorsed and welcomed the recommendation for the introduction of the Public Space Protection Orders for Dog Control across the district, and for the specific nuisance in Debden Broadway, pending the outcome of consultation,
- were advised on the consultation for the Essex Draft Waste Strategy.

Resolved: T

The Committee noted the progress of the respective Scrutiny Committee work programmes.

33. OVERVIEW AND SCRUTINY COMMITTEE - WORK PROGRAMME

Resolved:

The Committee noted the work programme and agreed the additional meeting scheduled for 21 November 2023

34. CABINET BUSINESS

Leader Portfolio: Interim Polling Districts as a result of the Boundary Review

The Committee queried the timing of the decision review and sought assurance that Members would be engaged in the process.

Resolved

The Committee reviewed the Executive's Forward Plan

Action

(6) Member briefing on the interim polling districts to be scheduled- Strategic Director, Corporate and Section 151 Officer - A Small

CHAIRMAN

Agenda Item 9

Report to Overview and Scrutiny Committee

Date of meeting: 21 November 2023

Portfolio: Leader of the Council (Cllr Chris Whitbread)
Subject: Place Delivery Strategy for Epping Forest



Officer contact for further information: Georgina Blakemore Chief Executive

Democratic Services Officer: L Kirman: email: DemocraticServices@eppingforestdc.gov.uk

Recommendations/Decisions Required:

- 1) To consider the attached draft Place Delivery Strategy for Epping Forest District and make such comments as the Committee considers appropriate for the Council's Cabinet to consider at its meeting on 18 December 2023.**

Report:

1. The Council has a range of roles and responsibilities in providing services to the community of Epping Forest District. It also has a range of land and property assets ranging from social housing through to commercial properties and open spaces. How it manages and uses those land and property assets in the short, medium and long term is a critical component in achieving the Council's ambitions for Epping Forest District.
2. The purpose of developing a Place Delivery Strategy for Epping Forest District is to provide a 'high-level' corporate framework which draws on a range of existing and plans and strategies in order to support the delivery of the Council's ambitions through the use of its land and property holdings. It also provides the opportunity moving forward to inform the development of other plans and strategies which are relevant to the use of those land and property assets whether they are within its direct ownership or through its delivery arm Qualis.
3. The draft Place Delivery Strategy is intended to support the delivery of the place-based ambitions of the Council and its partners. A number of plans and strategies have informed the development of the draft Place Delivery Strategy for Epping Forest including:
 - Your Epping Forest: The Corporate Plan for 2023 -2027
 - Epping Forest District Local Plan 2011-2033
 - Epping Forest Health and Well-being Strategy 2022-2026
 - Climate Change Action Plan
 - Housing Strategy 2023 – 2027
 - Nurturing Growth 2020-2025
4. The draft Place Delivery Strategy identifies approaches that the Council proposes to take forward in managing its property and land assets either directly or through Qualis.
5. The draft Place Delivery Strategy will be considered by the Council's Cabinet at its meeting on 18 December 2023 for endorsement. The Council will then develop an Action Plan which will set out the activities needed to take forward the implementation of the Strategy including how the 'Place Plans' referred to in the draft Strategy will be developed. The Action Plan will also identify any relevant operational practices which may need to be reviewed to support the delivery of the draft Strategy and the

processes for doing so.

6. It is important to note that the draft Place Delivery Strategy for Epping Forest District builds on the Vision and Objectives of the Epping Forest District Local Plan 2011-2033 and the Harlow and Gilston Garden Town. The use of the Council's land and property assets will be considered within this context and the draft Strategy is intended to be complimentary to these decision-making planning frameworks.

Reason for proposed decision:

Making the best use of the Council's land and property assets and influencing how place-based partners use these are key to achieving the ambitions of the Council as articulated through, in particular, the Corporate Plan 2023 -2027 and the adopted Epping Forest District Local Plan 2011 – 2033. The comments of this Committee will assist in ensuring that the draft Strategy creates a positive and deliverable framework for delivery of the Council's ambitions and will be reported to Cabinet for its consideration at its meeting on 18 December 2023.

Options considered and rejected:

There is no legal requirement to develop such a strategy. However, the Council has a custodial responsibility to make the best use of its assets. As such the Council has determined to take a leadership role in delivering of this responsibility. To not develop a framework to provide an integrated approach to delivering the Council's ambitions for the district's communities would limit its ability to do so in the most proactive and effective way.

Consultation undertaken:

The development of the draft Strategy has drawn on plans and strategies that have previously been the subject of extensive consultation with relevant stakeholders depending on the nature and purpose of those strategies.

Resource implications:

The draft Strategy supports the efficient and effective use of the Council's resources.

Legal and Governance Implications, Relevant Statutory Powers:

There are no legal or governance implications. The Strategy can be delivered within the context of the relevant statutory powers.

Corporate Plan Implications:

The draft Strategy will support the achievement of a number of Corporate Plan activities.

Background Papers:

N/A

Risk Management:

No specific risks arise as a result of this report.

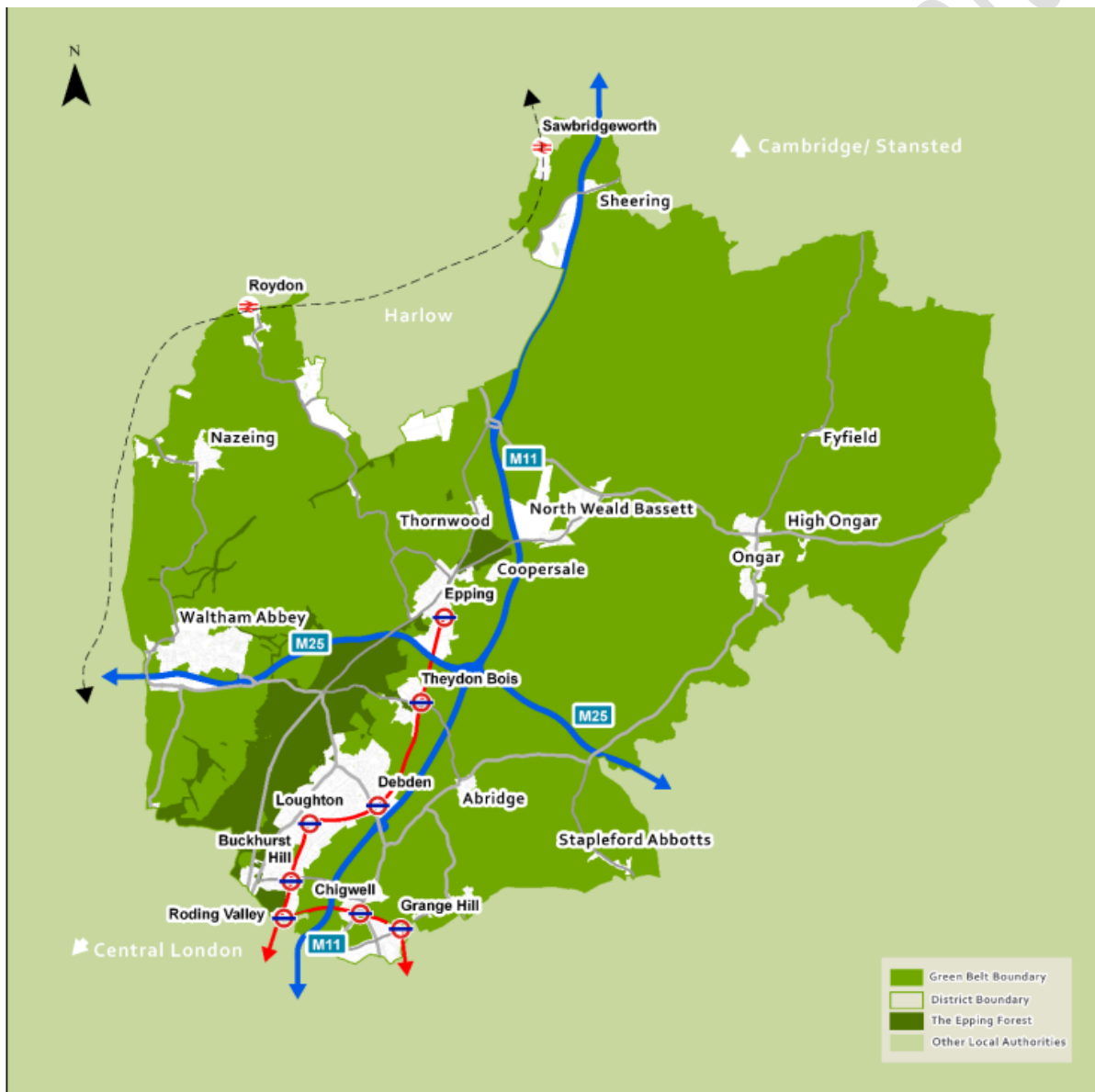
Equality:

An Equality Impact Assessment was carried out. The draft Strategy will have a positive impact on equalities objectives.

Key Decision: (if required):

To be advised.

A Place Delivery Strategy for Epping Forest District



November 2023 v3

1 Introduction

- 1.1 The Council has a range of roles and responsibilities in providing services to the community of Epping Forest District. It also has a range of land and property assets ranging from social housing through to commercial properties and open spaces. How it manages and uses those land and property assets in the short, medium and long term is a critical component in achieving the Council's ambitions for Epping Forest District. As the Council's Corporate Plan states:

As your local council, we are afforded a unique opportunity to oversee the wellbeing of the district and its residents. With this custodial role comes the responsibility of making sure that everything we do is for the benefit of our district and our residents.

2 The Purpose of the Strategy

- 2.1 The purpose of developing a Place Delivery Strategy for Epping Forest District is to provide a 'high-level' corporate framework which draws on a range of existing and plans and strategies in order to support the delivery of the Council's ambitions through the use of its land and property holdings. It also provides the opportunity moving forward to inform the development of other plans and strategies which are relevant to the use of those land and property assets whether they are within its direct ownership or through its delivery arm Qualis.
- 2.2 The Council has a range of strategies, both statutory and non-statutory, which are relevant to, and need to be drawn on, to inform its approach in taking forward future development and regeneration proposals involving the Council's land and property assets. It is important to acknowledge that one of the Council's roles is as a local planning authority. As such the approach taken to the use of its land and property assets needs to be developed within the context of the Council's adopted Local Plan and, where relevant, support the delivery of the ambitions of the Harlow and Gilston Garden Town.
- 2.3 The overarching framework for the Council's priorities is provided through the Council Plan 2023-2027. In addition, the Epping Forest District Local Plan 2011 – 2033 (the Local Plan) provides the long-term planning policy framework against which development proposals within the district will be assessed.
- 2.4 There are a number of development sites within the Council's/Qualis's control that have been allocated for development through the adopted Local Plan. Beyond these, there are further opportunities to support the economic, social and environmental objectives of Council Strategies and Plans (ranging from the Corporate Plan through to the adopted Climate Change Action Plan) and the adopted Local Plan.
- 2.5 The Council/Qualis land and property portfolios include a number of existing employment and high street mixed-use sites, the regeneration of which can make a positive contribution to the delivery of the Council's priorities.

- 2.6 A key purpose of this Strategy is to provide the framework for bringing forward investment in the Council's property portfolio in a coherent way in order to support the achievement of corporate priorities and strategies, manage resources effectively and capture the long-term benefits to the community of Epping Forest District that such investment can bring. As such it intended to act as the 'backbone' for bringing forward investment in our places using our own portfolio of land and property assets and help influence how our partners can help support our ambitions for the district's people and places.

3 Key Plans and Strategies

- 3.1 It is essential that the use of Council land and property assets supports the delivery of the aims and objectives of relevant Council plans and strategies or partnership strategies that the Council has signed up to. These have been developed following engagement with key stakeholders and often the community of Epping Forest District.
- 3.2 The main plans and strategies that have been taken into account in developing this Strategy and which should inform its delivery moving forward are set out below with additional information included at Appendix 1. It is acknowledged that, in moving forward, other plans and strategies of the Council and its partners will also help to inform the delivery of this Strategy.

Your Epping Forest: The Corporate Plan for 2023 -2027¹

- 3.3 The Corporate Plan is the articulation of the Council's ambitions for the district and how it will operate in delivering those ambitions. It therefore provides the 'golden thread' that informs the way the Council will operate and the focus for its priorities. The introduction to the Corporate Plan provides a summary of the Council's ambitions and the Plan provides the 'direction of travel' for the development of this Strategy. In particular it states:

Employment and economic prosperity have always underpinned our district. Ensuring continued growth in jobs and creating career expanding opportunities are also central to our plans. By maximising the opportunities for existing employers, and at the same time attracting new and exciting investors and wealth creators to the district, we want to be seen as a place that is positively welcoming to businesses.

At its heart, our district is built from many distinct, strong, and diverse communities. These should be celebrated, nurtured, and supported so they are best able to help the people that live here. Working with community groups and partners, we aim to provide housing options and improved health outcomes that meet their needs. A sense of community and belonging is vital to a healthy and happy district. We will be there to help it grow.

¹ <https://www.eppingforestdc.gov.uk/your-council/your-epping-forest-our-plan-2023-2027>

3.4 The Corporate Plan is focused on three core themes as follows:

Stronger communities

- We will safeguard vulnerable people. Our teams will support residents in need, providing support and equality of opportunity in a district that is safe for everyone.
- We will work with our partners to achieve wellbeing and health equity for all our residents.
- We will listen to our communities and work with them when making decisions, developing policies, and designing services.

Stronger place

- We will strive to reduce pollution and protect our environment, encouraging jobs, housing, and infrastructure that complements, rather than competes with the natural world.
- We will improve existing spaces and create new places for people to live, play, gain skills and do business.
- We will protect and enhance our green spaces for future generations while providing decent, safe homes to meet all our needs.

Stronger council

- We will be an Employer of Choice.
- We will improve customer access to our services.
- We will provide the highest standards of financial competence, management and governance.

Epping Forest District Local Plan 2011-2033²

3.5 The Epping Forest District Local Plan 2011-2033 was adopted by the Council on 6 March 2023. It represents an important milestone for the district as it facilitates the delivery of much needed new homes and jobs whilst protecting the important natural and built environment which makes Epping Forest District so special.

3.6 The Local Plan forms part of the Council's Statutory Policy Framework and will help shape the future of the district by guiding where and how development will come forward. Importantly, it allocates land for the new homes (including affordable homes) and jobs to be delivered across the district, supported by new infrastructure, including for education, health and transport. The Plan's policies will be used to assess planning applications and other related development proposals, to ensure that new development is sustainable, well designed, and supported by the required infrastructure, for the future needs of residents and businesses in the district. It also

² <https://www.eppingforestdc.gov.uk/wp-content/uploads/2023/03/EFD-Local-Plan-2011-2033-Part-One.pdf>
<https://www.eppingforestdc.gov.uk/wp-content/uploads/2023/03/EFD-Local-Plan-2011-2033-Part-Two.pdf>

provides protection for the district's important open spaces, and the natural and historic environment, setting a high bar for the creation of safe, healthy and accessible places.

Epping Forest Health and Well-being Strategy 2022-2026³

- 3.7 The Epping Forest Health and Wellbeing Strategy 2022-2026 sets out the vision and priorities for the district. The Strategy explains how the Council, working in partnership through the Epping Forest District Health and Wellbeing Board (which includes representatives from the Council, Essex County Council, the West Essex Health and Care Partnership, the NHS and a wide range of local health and voluntary sector organisations), will address the health inequalities that exist in the district. This includes working better with health and third sector partners and, most importantly, with the district's communities using a 'place-based' approach.

Climate Change Action Plan⁴

- 3.8 Epping Forest District Council declared a climate emergency in September 2019 and made a commitment to do everything within its power to become a carbon neutral District by 2030. To act on this commitment the Council adopted a Climate Change Action Plan in April 2022. The Action Plan identifies ways in which both the Council, including through the use of its land and property, and the community of Epping Forest District can reduce greenhouse gas emissions.

Housing Strategy 2023 - 2027⁵

- 3.9 The Council's Housing Strategy 2023 - 2027 provides a golden thread from the Corporate Plan 2023 - 2027 through to the housing related services that the Council provides in the district. The collectively agreed five key housing priorities to focus on between 2023-2027:
- Priority 1: Increasing the supply of affordable housing.
 - Priority 2: Ensuring quality, safety and high standards.
 - Priority 3 Promoting health, wellbeing and independence.
 - Priority 4: Facilitating economic growth and regeneration.
 - Priority 5: Protecting and enhancing the environment.
- 3.10 The Housing Strategy includes a housing delivery plan with clear measurable outcomes that the Council is committed to achieving and reviewing on an annual basis or more frequently if required.

³ <https://www.eppingforestdc.gov.uk/wp-content/uploads/2022/10/Epping-Forest-Health-Wellbeing-Strategy-2022-26.pdf>

⁴ <https://www.eppingforestdc.gov.uk/wp-content/uploads/2023/02/Climate-Change-Action-Plan-Final.pdf>

⁵ <https://www.eppingforestdc.gov.uk/wp-content/uploads/2023/08/Housing-Strategy-2023-2027-V2.pdf>

Housing Asset Management Strategy

- 3.11 EFDC has a 30-year HRA finance business plan which outlines the available annual finances to meet the Council's obligations under the decent home standard and the social housing white paper. The Council is currently developing an up-to-date housing asset management strategy document that will run alongside the 30-year finance plan which will direct Council spending including its investment priorities, outline its aims and goals including its approach to achieving Net Zero across the Council managed housing stock and inform its approach to disposal and development options. The Council's Housing Stock Condition survey and Housing Delivery Plan will also be key considerations moving forward.

Nurturing Growth 2020-2025⁶

- 3.12 The Council aims to deliver a great place to live and work in Epping Forest district. The district's economy is vibrant and diverse, based in a region that is successful and thriving and located between the 2 international economic powerhouses of London and Cambridge. Taking these and the other key issues that have been identified, the Council's vision within the 'Nurturing Growth' strategy is for a future economy that reflects the aims and aspirations for all those who live and work in the district.

4 Our Expectations

- 4.1 We need to ensure that the way we use our land and property assets maximises the delivery of our aspirations as articulated in the above plans and strategies. These need to be embedded into how we make our decisions and how we take forward individual schemes and to recognise these are 'once in a generation' opportunities and we need to get it right.
- 4.2 Our overall spatial vision for the district is clearly articulated in our Local Plan and this aligns with, and supports the achievement of, the ambitions we have set through both the Corporate Plan and other key plans and strategies. Our expectations for the use of our own land and property assets is that we support the achievement of the Local Plan Vision which is set out below.

Vision for the District

By 2033 Epping Forest District will be a place where:

- (i) residents continue to enjoy a healthy, happy and good quality of life;*
- (ii) new homes of an appropriate mix of sizes, types and tenures to meet local needs will be provided and well-integrated communities created;*
- (iii) development respects the attributes of the different towns and villages;*
- (iv) development needs will be met in the most sustainable locations;*
- (v) Epping Forest will be conserved and enhanced;*

⁶ <https://www.eppingforestdc.gov.uk/wp-content/uploads/2020/07/Nurturing-Growth-16-March-2020.pdf>

- (vi) the historic environment will be preserved or enhanced;*
- (vii) the recreational and nature conservation aims of Lee Valley Regional Park will be supported;*
- (viii) a more sustainable local economy including tourism, aviation, research and development, construction and food production will be developed;*
- (ix) a distinctive and attractive network of town and village centres will have been maintained;*
- (x) the natural environment and landscape character will be protected and opportunities to improve access to the countryside will be taken, including by enhancing the District's green and blue infrastructure networks;*
- (xi) public transport, walking and cycling infrastructure will be promoted to residents of new and existing developments to encourage sustainable travel;*
- (xii) significant residential development will be located around Harlow to support the economic regeneration of the town; and*
- (xiii) air quality will be improved.*

- 4.3 The Local Plan also includes Visions for the district's Places. These are included at Appendix 2. Our land and property assets will be used in a way that supports the delivery of these Visions, alongside those of other key plans and strategies using a 'Place' based approach. Leading by example also means that we can demonstrate what 'quality' looks like so that we can challenge others who are bringing development forward in the district when what is being proposed simply isn't good enough.
- 4.4 To achieve this we will 'work smart' by working together across the Council and with place-based partners. We will also need to recognise that we are working within the context of a challenging financial environment – not just in terms of our own financial context but also that of our partners, our residents and our businesses. This means that we will use our own funding wisely, think about the costs now balanced against longer term savings and to reflect that using our land and property, whether as homes, shops, business space or for community uses needs to be affordable and accessible.

5 Our approach to Delivery

The role of the Council

- 5.1 The Council has a clear leadership role in ensuring that its corporate priorities, as articulated in the range of Strategies and Plans identified above, are taken from ambition into delivery in an integrated way.
- 5.2 This next section identifies the tools that the Council will use in achieving this both in terms of how an integrated approach will be achieved, establishing priorities, and maximising funding opportunities.

Leading by example

5.3 The Council will embed best practice in how it approaches the delivery of schemes. In doing so it needs to balance achieving 'value for money' in the costs of bringing forward schemes against the wider benefits that can be delivered in the short, medium and long-term both in terms of the benefits to the community of Epping Forest District and to longer term financial benefits and savings. For example, investing in high quality materials can reduce future revenue and capital cost burdens in terms of operational costs and longer-term maintenance requirements (invest to save approach) and reduce financial burdens to occupiers and users of the Council's property.

Asset Management Plans

5.4 A first step is to ensure that the long-term approach to managing the Council's property assets embed an integrated approach to delivering the aims and objectives of the key strategies identified above. Asset Management Plans are a key tool in embedding this approach and support the development of the Council's financial planning (primarily through its Capital Programme and Medium-Term Financial Strategy).

5.5 The Council is currently developing its Housing Asset Management Plan (HAMP). The Plan will be a critical part of the Council's housing delivery strategy for ensuring that an integrated approach is taken to achieving its priorities and meeting its statutory responsibilities. In financial terms the HAMP is linked to the Council's Housing Revenue Account Business Plan and the timing and phasing of developments. Co-ordinating and linking the Housing Revenue Account and Operational Asset Management Strategies and taking a Place based approach will help to maximise the impact of any investment.

5.6 The development of the HAMP will take into account:

- The policies and objectives of the adopted Local Plan and the associated Visions.
- The need to support the delivery of the Climate Change Action Plan priorities.
- The Health and Wellbeing Strategy
- The Housing Management Strategy
- The Council's financial plans and strategies.

5.7 In developing the HAMP the Council will ensure that the priorities included in the above plans and strategies are clearly embedded into it. The most efficient and effective processes will be put in place to ensure that a 'One Council' approach to the delivery of the Council's priorities and its plans and strategies so that opportunities are identified and achieved.

5.8 The Council recognises the importance of ensuring that capital assets continue to be of long-term use and, especially in a post pandemic world, where there has been a step change increase in the speed of legislative, technological and operational change. Consequently, a new Asset Management Strategy (AMS) for General Fund assets is

under development. Backed by a comprehensive review of Council assets, the AMS will take a longer-term view comprising:

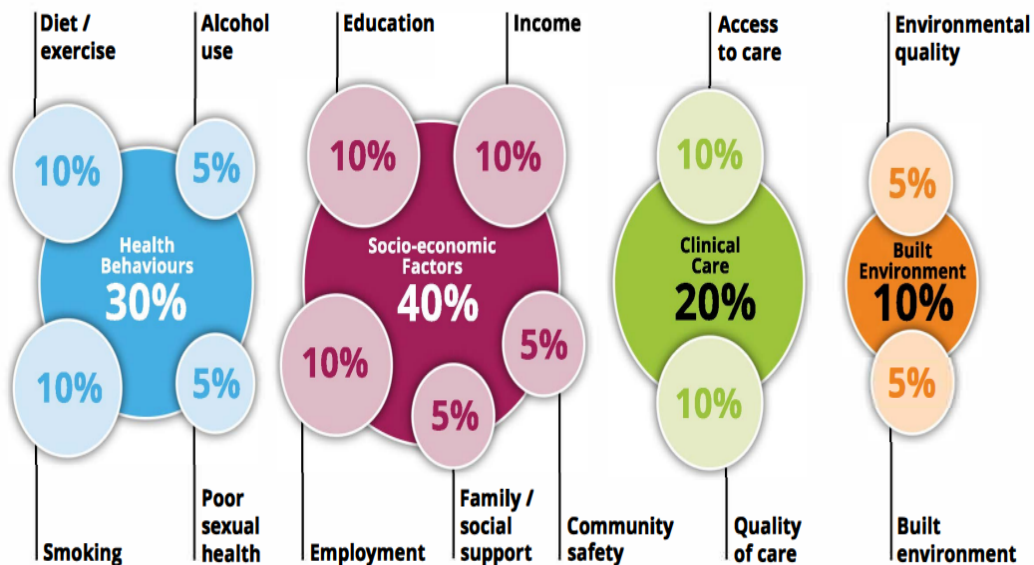
- 'Good' information about existing assets
- The optimal asset base for the efficient delivery of Council objectives
- The gap between existing assets and optimal assets
- Strategies for purchasing and constructing new assets, investments in existing assets, transferring of assets to other organisations and the disposal of surplus assets; and
- Plans for individual assets.

5.9 The Council is also committed to rapidly achieving Zero Carbon status for all its buildings; it is an ambition that will be embedded within the new Asset Management Strategy as well as reflecting the need to support the delivery of the Council's 'Nurturing Growth' ambitions in particular. Where relevant the AMS will have taken into consideration the policies of the Local Plan and the need for any development proposals to be compliant with those policies.

Developing Schemes

5.10 The approach to how schemes are designed, developed and managed will need to demonstrate that the Council's ambitions will be delivered. As well as reflecting the strategic objectives articulated through the Council's plans and strategies the 'place-based' approach will be adopted. This reflects the fact that both the Council, and place-based partners (including Essex County Council and Healthcare operators) have land and property assets located across the district.

5.11 Development proposals should be fully compliant with the policies contained in the Council's adopted Local Plan and informed by development related guidance but they will also need to be deliverable. Development proposals that are brought forward by the Council will demonstrate how they support the Vision for that place and conform with the place-specific policies that are relevant to that particular scheme. The approach to achieving such a 'place-based' approach would be through the development of the Place Plans using the Local Plan Visions as a starting point and drawing on the plans and strategies identified above. The Place Plans will also include a more detailed understanding of the community characteristics of each 'Place' using place-based wellbeing indicators. There is a significant amount of existing qualitative and quantitative information that we can draw on. The Robert Wood Johnson Foundation provides an example of the approach we can take in developing a framework for understanding factors that contribute to the health and wellbeing of our communities as set out in the figure below.



SOURCE: Robert Wood Johnson Foundation

5.12 As well as demonstrating how any development proposals support the Council’s Place ambitions, where appropriate, schemes will take into account the things that have gone well, and not so well, in previous projects – the ‘feedback loop.’ Examples that will help to inform future proposals include:

- [The Broadway, Debden](#)
- [The Limes Farm Regeneration Project, Chigwell](#)
- [Ninefields Estate safer streets project Waltham Abbey](#)

5.13 Ensuring that proposals address the needs of our residents and businesses will be a critical component to scheme design and all proposals will need to be supported by project specific communication and engagement strategies which are guided by:

- Learning from recent projects
- The Resident Engagement Strategy
- The Statement of Community Involvement.

Approaches to Procurement

5.14 How the Council assesses the appointment of technical support for both the design of schemes and their implementation is a key tool to ensure that an appropriate balance is achieved between securing ‘value for money’ and ensuring that quality and wider benefits that support the Council’s ambitions are achieved. The Council will review its approaches to procurement to ensure that the weighting of how tenders are assessed support these objectives.

The Role of Qualis

5.15 The Qualis Group was established by Epping Forest District Council (EFDC) in 2020 to support the Council’s objectives to create more jobs, grow the local economy, and

improve housing and public amenities. Qualis is set up to operate with flexibility and commercial focus, with any benefit generated returned directly to the Council and the community. A Shareholders' Agreement is in place between both parties which ensures the Council retains ultimate control. Additional oversight is exercised through the Council's Section 151 Officer in the role of "Shareholder's Representative", through regular performance reporting into Council and via Council representation on the Qualis Board.

5.16 Qualis is made up of the following group of companies:

Qualis Group Ltd. Qualis Group Ltd is wholly owned by the Council and the parent company of the Group. It has oversight of the overall performance and governance arrangements of the subsidiary companies.

Qualis Commercial Ltd. The company works closely in partnership with the Council to develop homes and business premises and to manage its commercial property portfolio.

Qualis Property Solutions Ltd. The company undertakes a property maintenance role including in relation to the Council's retained housing stock.

Qualis Homes Ltd. This company is the brand used to sell new homes developed by Qualis Commercial.

Qualis Community Ltd. This is a Community Interest Company that will support activities and projects that provide a direct benefit to the community.

Qualis Land Ltd. This company is a subsidiary of Qualis Commercial Ltd and is used to facilitate the purchase of land and assets from the Council.

5.17 This Strategy will help to inform Qualis's Business Plan and underlying programme and the Council will expect Qualis to engage with the 'place-based' approach.

6 Funding Our Approach

6.1 The primary sources of revenue funding for local authorities come from:

- Government grants – money from central government for local services known as the Revenue Support Grant
- Council tax – the tax levied on residential properties (with restrictions on how much this is increased each year without holding a referendum – the level is currently 5% for the Council).
- Business rates – a tax levied on business premises (councils collect business rates but only retain 50% of the monies and the business rates themselves are determined through a nationally set approach)⁷.

⁷ Since reforms in 2013/14, local authorities have kept 50% of the business rates revenues raised locally, while the grant they receive from central government has been adjusted to compensate. To calculate the amount

6.2 Unlike central government, local authorities cannot borrow to finance day-to-day spending, and so they must either run balanced budgets or draw down reserves – money built up by underspending in earlier years – so as not to exceed their annual revenue. All local authorities have therefore had to find ways to do more with less in the face of cuts to their spending power.

6.3 This financial context means that we need to use our finances prudently. The Council has a number of funding streams that can be used to support the delivery of the Council's ambitions and the approach set out in this Strategy. These are as follows:

Housing Revenue Account

6.4 The Housing Revenue Account (HRA) records expenditure and income arising from managing the council's own housing stock and closely related services or facilities, which are provided primarily for the benefit of the council's own tenants. The Council's own housing stock comprises over 6,000 homes across the district.

6.5 The main features of the HRA are that:

- it is a landlord account, recording expenditure and income arising from the provision of housing accommodation by local housing authorities (under the powers and duties conferred on them in Part II of the Housing Act 1985 and certain provisions of earlier legislation)
- it is not a separate fund but a ring-fenced account of certain defined transactions, relating to local authority housing, within the General Fund
- the main items of expenditure included in the account are management and maintenance costs, major repairs, loan charges, and depreciation costs
- the main sources of income are from tenants in the form of rents and service charges
- the HRA should be based on accruals in accordance with proper accounting practices, rather than cash accounting

6.6 Legislative features are that:

- it is a ring-fenced account within the General Fund.
- Credits and Debits are prescribed by statute.
- There is no general discretion to breach the ring-fence.
- The Council cannot budget for a deficit.
- That all borrowing within the HRA is in line with the [CIPFA Prudential Code](#).

returned, the government applies either a 'tariff' or 'top-up' when providing funding to local authorities. A tariff is placed on any authorities it deems need less than the 50% of business rates sent to the Treasury, whereas for authorities deemed to be struggling a 'top up' will be added to that 50%.

- 6.7 As the Council already has housing stock held in an HRA, it is free to borrow in line with the Prudential Code, in order to be able to build the council housing needed by the community of Epping Forest District.
- 6.8 Local authorities with an HRA are not constrained by government controls over borrowing for housebuilding and are able to borrow against their expected rental income, in line with the Prudential Code.

General Fund

- 6.9 The General Fund Revenue Account is the money received by Government on an annual basis to support the delivery of statutory services.

Medium Term Financial Plan

- 6.10 The Council's Medium Term Financial Plan (MTFP) provides the cornerstone on which the Council can build and deliver services in accordance with the aims and objectives outlined in the Corporate Plan. The latest iteration of the Council's MTFP (within the 2023/24 budget cycle) covers both the General Fund and the ring-fenced Housing Revenue Account. It is a forward-looking document which provides a tentative look at the Council's General Fund financial picture over the period 2023/24 – 2027/28 and reflects the Council's agreed budget for 2023/24.

Capital Programme

- 6.11 The Capital Programme plays a vital part in the delivery of the Council's Corporate Plan since long-term investment is required to deliver many of the objectives in the Plan. It has been developed in the form of a five-year rolling programme.

Maximising opportunities to secure additional funding

- 6.12 The Council will continue to maximise opportunities to secure additional funding to achieve its ambitions. As well as accelerating delivery securing funding in this way gives us an opportunity to make our money go further.
- 6.13 Recent examples of where the Council has been successful in securing funding are included below. Not only will the funding help households on the lowest incomes to save money on their energy bills but will also support the delivery of our Climate Change Action Plan and create jobs. Supporting the delivery of multiple benefits not only helps to create a strong bid but also maximises the benefits for our residents and businesses.

Social Housing Decarbonisation Fund

- 6.14 The Council has received £1.6m through the governments Social Housing Decarbonisation Fund to install energy efficiency upgrades for those homes in our housing stock that are currently below an Energy Performance Certificate C rating.

Homes Upgrade Grant

- 6.15 The Council also took a collaborative approach with a number of other authorities to secure Home Upgrade Grant monies which will be used to fund energy efficiency upgrades and low carbon heating to low-income households and off the gas grid homes with an Energy Performance Certificate (EPC) between D and G.

Maximising opportunities arising from new development

- 6.16 As well as making sure that the impacts of development on communities is mitigated there are also opportunities for the Council to use some of its land assets to support new legal requirements being placed on developers. For example, we have the opportunity to put forward some of our green spaces to support the delivery of Biodiversity Net Gain through the selling of 'credits' that can then be used to invest in some of our green spaces to enhance their biodiversity value and support their long-term maintenance.

Maximising opportunities to align funding pots

- 6.17 To support the delivery of infrastructure from new development and to mitigate the impacts of development on local communities the Council secures monies through legal obligations attached to relevant planning permissions. Depending on the nature of the mitigation the monies are either required to support the delivery of specific measures either locally or within the district. We will identify where there may be opportunities across different parts of the district for us to use our own resources to deliver enhanced benefits for the wider community.

Partnership Funding

- 6.18 We will review where we may be able to add value, or our partners may be able to add value by aligning funding to achieve wider community benefits. These could range from working with Essex County Council through to our Town and Parish Councils.

6.19 Securing Public Works Board Loans

Epping Forest District Council, as a public sector organisation, is able to borrow Government Funds from the Public Works Loan Board (PWLB) to support the delivery of capital projects, including those proposed by the Qualis group. Accessing such funding can help the Council to supplement its own cash surpluses in order to deliver projects and programmes across the district.

7 Conclusion

- 7.1 This Strategy provides the framework within which the Council will operate to bring our ambitions for our communities and places to life in a co-ordinated and effective way. It provides the platform for developing a 'place-based' approach for using our land and property assets, influencing how our partners look to using their assets,

helping to inform and prioritise how and where we focus our resources and embedding a 'One Council' approach to our activities. An Action Plan will be developed to take forward the approaches identified in the Strategy.

- 7.2 We recognise that change will not happen overnight, but the approach set out in this Strategy and the development of the approaches to delivery identified will move us in the right direction.

Confidential working draft

Appendix 1: Summary of key Plans and Strategies

Your Epping Forest: The Corporate Plan for 2023 -2027

<https://www.eppingforestdc.gov.uk/your-council/your-epping-forest-our-plan-2023-2027/>

The Corporate Plan is the articulation of the Council's ambitions for the district and how it will operate in delivering those ambitions. It therefore provides the 'golden thread' that informs the way the Council will operate and the focus for its priorities. The introduction to the Corporate Plan summarises the Council's ambitions as follows:

'.... by continually striving to deliver an efficient, innovative, and well-run council that always puts the customer first. In doing so, we aim to ensure that the cost to deliver our services reduces whilst quality and value improves.

Employment and economic prosperity have always underpinned our district. Ensuring continued growth in jobs and creating career expanding opportunities are also central to our plans. By maximising the opportunities for existing employers, and at the same time attracting new and exciting investors and wealth creators to the district, we want to be seen as a place that is positively welcoming to businesses.

At its heart, our district is built from many distinct, strong, and diverse communities. These should be celebrated, nurtured, and supported so they are best able to help the people that live here. Working with community groups and partners, we aim to provide housing options and improved health outcomes that meet their needs. A sense of community and belonging is vital to a healthy and happy district. We will be there to help it grow.

For convenience and the ease of reporting, we have brought all our plans together under the three broad headings of Community, Place and Council but in reality, these are all inter-related.

As your local council, we are afforded a unique opportunity to oversee the wellbeing of the district and its residents. With this custodial role comes the responsibility of making sure that everything we do is for the benefit of our district and our residents. This plan sets out how we intend to do that over the next 4 years.'

The three core themes underpinning the Council's activities:

The Corporate Plan three broad headings are as follows:

Stronger communities

We will safeguard vulnerable people. Our teams will support residents in need, providing support and equality of opportunity in a district that is safe for everyone.

- Consistent in our approach, we will strive to ensure all our residents can live in a safe and well-maintained environment.

- Break the cycle of domestic abuse by working in partnerships to reduce violence against women and girls.
- Use our place on the Epping Forest Community Safety Partnership with Essex Police, County Council, Fire and Rescue, and community groups, to deal with emerging local threats and issues.

We will work with our partners to achieve wellbeing and health equity for all our residents.

- We will adopt the Robert Wood Johnson Wider Determinants of Health Model as a framework through which to deliver multi-agency health and wellbeing improvement initiatives.
- Focusing our partnerships, resources and capacity in key locations, we will address individual needs to reduce health inequalities across the district.
- We will contribute to the delivery of the objectives detailed in the multi-agency Epping Forest Health & Wellbeing Strategy 2022-2026.

We will listen to our communities and work with them when making decisions, developing policies, and designing services.

- We will coordinate our consultation and engagement to ensure residents' views shape the services we provide.
- Strengthen and empower individuals and communities to help themselves.
- Invite families living in council housing to help us develop a resident involvement strategy, with a range of options to support involvement in our decision making.

* The Robert Wood Johnson Foundation works to build a culture of health in society. The [Epping Forest Health & Wellbeing Strategy 2022-2026](#) provides more information on the approach being adopted.

Stronger place

We will strive to reduce pollution and protect our environment, encouraging jobs, housing, and infrastructure that complements, rather than competes with the natural world.

- Investment and innovation to reduce energy consumption. Adopt cleaner forms of energy. Enable reduction of the council's carbon emissions to net-zero by 2030.
- Reduce, reuse, and recycle more of the waste generated within local homes and businesses.
- Encouraging residents, businesses and other organisations to reduce their own carbon emissions through the engagement actions set out in the Climate Change Action Plan.

We will improve existing spaces and create new places for people to live, play, gain skills and do business.

- Providing places for new businesses to start and opportunities for existing businesses to grow.
- Maximising economic investment, potential and growth through partnerships and commercial opportunities.
- Providing affordable homes within sustainable developments, served by transport, leisure, health, and other infrastructure to meet our residents' needs.
- Consultation and engagement with our residents in decisions affecting their place.

We will protect and enhance our green spaces for future generations while providing decent, safe homes to meet all our needs.

- Negotiate developer contributions towards green spaces and the environment as part of planning applications.
- Meet standards for good quality homes in sustainable locations enshrined within the Local Plan.
- Protect, maintain, and enhance the ecology, landscape, and heritage of our district.

Stronger council

We will be an Employer of Choice.

Through the delivery of the People Strategy. We will progress the strategy and it will be reviewed and reported through the Council's performance processes to members and senior leaders. The main themes of the People Strategy are:

- Maximising organisational capacity and capability
- Effective and inspirational leadership, values and culture
- Employee experience and engagement

We will improve customer access to our services.

- Generating higher customer satisfaction through better accuracy and faster response
- Making high-quality digital services the default choice for most residents, businesses, and visitors.
- Understanding and delivering better outcomes through data use, capture, and sharing according to our customers' needs.
- Providing digital solutions within a secure online environment, keeping us and our customers safe.

We will provide the highest standards of financial competence, management and governance.

- Ensuring value for money in the use of resources and delivery of services.
- Maintaining low Council Tax, embracing commercial opportunities, and achieving long-term financial sustainability.
- Optimising decision making and risk management through strong governance and best practice.
- Being accountable through transparent finance, governance and decision making.

Epping Forest District Local Plan 2011-2033

<https://www.eppingforestdc.gov.uk/wp-content/uploads/2023/03/EFD-Local-Plan-2011-2033-Part-One.pdf>

<https://www.eppingforestdc.gov.uk/wp-content/uploads/2023/03/EFD-Local-Plan-2011-2033-Part-Two.pdf>

The Epping Forest District Local Plan 2011-2033 was adopted by the Council on 6 March 2023. It represents an important milestone for the district as it facilitates the delivery of much needed new homes and jobs whilst protecting the important natural and built environment which makes Epping Forest District so special.

The Local Plan forms part of the Council's Statutory Policy Framework and will help shape the future of the district by guiding where and how development will come forward. Importantly, it allocates land for the new homes (including affordable homes) and jobs to be delivered across the district, supported by new infrastructure, including for education, health and transport. The Plan's policies will be used to assess planning applications and other related development proposals, to ensure that new development is sustainable, well designed, and supported by the required infrastructure, for the future needs of residents and businesses in the district. It also provides protection for the district's important open spaces, and the natural and historic environment, setting a high bar for the creation of safe, healthy and accessible places.

The adoption of the Local Plan provides the Council with an up-to-date and robust planning policy framework for decision-making. The Plan was developed with the involvement of many important stakeholders including residents, businesses and key partners and is based on a comprehensive suite of evidence reflecting the local circumstances, characteristics and issues relevant to the district and has a key role in the implementation of important strategic priorities, including the Council's Corporate Plan, Housing Strategy and Climate Change Action Plan.

Epping Forest Health and Well-being Strategy 2022-2026

<https://www.eppingforestdc.gov.uk/wp-content/uploads/2022/10/Epping-Forest-Health-Wellbeing-Strategy-2022-26.pdf>

The Epping Forest Health and Wellbeing Strategy 2022-2026 sets out the vision and priorities for the district. The Strategy explains how the Council, working in partnership through the Epping Forest District Health and Wellbeing Board (which includes representatives from the Council, Essex County Council, the West Essex Health and Care Partnership, the NHS and a wide range of local health and voluntary sector organisations), will address the health inequalities that exist in the district. This includes working better with health and third sector partners and, most importantly, with the district's communities.

The Strategy's Vision is: "Working together to improve the health and wellbeing of Epping Forest residents by promoting a culture and environment that encourages health equity."

The Vision aligns with that of the Joint Essex Health and Wellbeing Strategy and the West Essex Health and Care Partnership 10-year Plan.

Climate Change Action Plan

<https://www.eppingforestdc.gov.uk/wp-content/uploads/2023/02/Climate-Change-Action-Plan-Final.pdf>

Epping Forest District Council declared a climate emergency in September 2019 and made a commitment to do everything within its power to become a carbon neutral District by 2030. To act on this commitment the Council adopted a Climate Change Action Plan in April 2022. The Action Plan identifies ways in which both the Council, including through the use of its land and property, and the community of Epping Forest District can reduce greenhouse gas emissions.

The priority initiatives identified for 2023/24 that the Council can directly implement, which have the most significant benefits, and which are the most relevant to this Strategy are:

- Making energy efficiency improvements across the Council's property estate including its social housing and sheltered housing portfolio.
- Reviewing renewable energy and storage potential at existing council owned sites
- Including consideration of the Climate Emergency in Council decision-making processes.
- Increasing Electric Vehicle Charging points on Council owned land.
- Leading by example through the integration of best practice in new Council developments.

It will be expected that all new buildings adopt an approach which maximises energy efficiency through their design and the materials used for their construction, minimise emissions from energy use, ensure fossil fuel free generation of energy (which will also help to improve local air quality) and be able to adapt to climate change. Existing buildings will need to be assessed on their suitability to meet carbon efficiency standards in the future and where appropriate undertake retrofitting to be more efficient and resilient to the effects of climate change.

As well as incorporating energy efficiency the Council has a role to plan in supporting the maintenance and enhancement of the natural environment including through community greenspace improvements, implement tree planting and increase the amount of greenspace.

Housing Strategy 2023 - 2027

The Council's Housing Strategy 2023 - 2027 provides a golden thread from Corporate Plan 2023 - 2027 through to the housing related services that the Council provides in the district. The vision for housing in the district over the next five years which was developed following consultation and engagement with key stakeholders is as follows:

'Working with our communities to provide great places where people want to live, work, thrive and prosper in safe good quality homes that meet their needs.'

Using the broad themes from the Council Plan the Strategy sets out the following:

For Stronger communities the Council will:

- safeguard vulnerable people. Our teams will support residents in need, providing support and equality of opportunity in a district that is safe for everyone.

For Stronger place the Council will:

- protect and enhance our green spaces for future generations while providing decent, safe homes to meet all our needs.

For a Stronger Council the Council will:

- improve customer access to our services.

These corporate objectives will be delivered through the Council's commitment to listen, work with partners and target resources where they are needed most and make a positive impact on people's lives by:

- making every penny count,
- striving to improve services, and
- delivering value for money.

The collectively agreed five key housing priorities to focus on between 2023-2027:

Priority 1: Increasing the supply of affordable housing.

Priority 2: Ensuring quality, safety and high standards.

Priority 3 Promoting health, wellbeing and independence.

Priority 4: Facilitating economic growth and regeneration.

Priority 5: Protecting and enhancing the environment.

The Housing Strategy includes a housing delivery plan with clear measurable outcomes that the Council is committed to achieving and reviewing on an annual basis or more frequently if required.

Housing Asset Management Strategy

EFDC has a 30-year HRA finance business plan which outlines the available annual finances to meet the Council's obligations under the decent home standard and the social housing white paper. The Council is currently developing an up-to-date housing asset management strategy document that will run alongside the 30-year finance plan which will direct Council spending including its investment priorities, outline its aims and goals including its approach to achieving Net Zero across the Council managed housing stock and inform its approach to disposal and development options.

Nurturing Growth 2020-2025

<https://www.eppingforestdc.gov.uk/wp-content/uploads/2020/07/Nurturing-Growth-16-March-2020.pdf>

The Council aims to deliver a great place to live and work in Epping Forest district. The district's economy is vibrant and diverse, based in a region that is successful and thriving and located between the 2 international economic powerhouses of London and Cambridge. Taking these and the other key issues that have been identified, the Council's vision within the 'Nurturing Growth' strategy is for a future economy that reflects the aims and aspirations for all those who live and work in the district. The key priorities set out in the Strategy are to:

- Promote our vibrant, diverse and resilient high streets and town centres.
- Support rural areas to grow and thrive.
- Make our district an attractive place for entrepreneurs and businesses.
- Deliver 21st century infrastructure for business growth.
- Exploit opportunities, developments and investment from outside the district.
- Build and grow partnerships with key stakeholders.
- Provide residents with opportunities in education, skills and training opportunities.

Appendix 2: Areas of Opportunity and Place ambitions

The key for the maps included below is:

Green – Sites Qualis own or are actively involved with planning

Orange – Sites Qualis has undertaken some work and has outline proposals

Blue – HRA sites with Commercial units underneath with good local centre type development opportunity

Yellow – Strategic Sites allocated in the local plan (some owned by EFDC)

Waltham Abbey

Waltham Abbey is located in the west of the district. It has a strong historic character with a number of heritage and natural assets including Waltham Abbey Church and Gardens, the Royal Gunpowder Mills and the Lee Valley Regional Park strongly contribute towards Waltham Abbey's character. The District Centre is focused on the pedestrianised Sun Street and Market Square, which comprises a large number of cafes and restaurants alongside a small comparison retail offer.

Vision for Waltham Abbey

'Waltham Abbey will be a revitalised town with a thriving daytime and night-time economy. A mix of new housing will play a strong role in the town's regeneration, providing the population to support a healthy town centre economy, whilst also enabling the required community and social infrastructure, supporting a fully sustainable community. The town will seek to develop and maximise retail, employment, and tourism-based opportunities. In particular, the town will build upon Waltham Abbey's existing assets, including Waltham Abbey Church and Gardens, Royal Gunpowder Mills and adjacent Lee Valley Regional Park, developing a niche identity based primarily on tourism, built heritage and outdoor leisure activities. New opportunities for enhanced provision of open spaces, leisure and amenity activities for residents will be supported and complement existing high value open spaces such as Town Mead. Walking and cycling access from the town to these spaces will be maintained and improved. Improvements to sustainable transport infrastructure will be made. The town will support a diverse population of young people, families and the elderly, reducing inequality through the provision of high-quality residential development in the most sustainable locations. Waltham Abbey will create local business and employment opportunities that underpin the local economy, particularly in the leisure industry.'

Extracts from Local Plan Policy P3 Waltham Abbey

Infrastructure Requirements

F. New development must be served and supported by appropriate on and off-site infrastructure and services. Development should deliver and/or contribute towards the delivery of infrastructure where this is necessary and fairly and reasonably related to the development having full regard to the Infrastructure Delivery Plan Schedule and its wider infrastructure objectives.

G. Development proposals in Waltham Abbey will be expected to deliver and/or contribute proportionately towards infrastructure items as required, including:

- i) education provision including early years, primary school and secondary school places;
- ii) appropriate provision of health facilities;
- iii) provision of walking and cycling facilities, providing linkages both within the site and to key destinations, including to the Lee Valley Regional Park;
- iv) enhancements to public transport provision or other initiatives which reduce the need to travel by car;
- v) appropriate provision of surface water drainage measures;
- vi) highways and junction upgrades;
- vii) upgrade and improvement of utility infrastructure including water, waste water, solid waste, gas, electricity and telecommunications; and
- viii) improvements to existing, and provision of new, green and blue infrastructure assets including open space in accordance with the Council's adopted Green Infrastructure Strategy.

District Centre Uses

H. In accordance with Policy E2, in Waltham Abbey District Centre, at least 45% of the ground floor Primary Commercial, Business, and Service Frontage and at least 25% of the ground floor Secondary Commercial, Business, and Service Frontage will be maintained in Use Class E uses.

Air Pollution

I. The development of sites within Waltham Abbey has the potential to produce air pollution that could impact upon air quality in the District, including the Epping Forest. All development proposals will need to demonstrate that they are in accordance with Policy DM2 and Policy DM22 and should have regard to the Council's adopted Air Pollution Mitigation Strategy for the Epping Forest. This includes, where necessary, the provision of financial contributions for the purposes of implementing air pollution mitigation initiatives and undertaking air quality monitoring and any necessary future air quality assessments.

Recreational Pressure

J. Developments within Waltham Abbey which would result in a net increase in dwellings have the potential to result in recreational pressure on the Epping Forest Special Area of Conservation. All such developments will need to demonstrate that they are in accordance with Policy DM2. This includes, where necessary, the provision of financial contributions towards mitigation and monitoring measures.

Flood Risk

K. Except for essential infrastructure and water compatible developments, no built development on residential allocations will be permitted on land within Flood Zones 2 and 3 as shown on the Council's latest Strategic Flood Risk Assessment maps, including the appropriate allowance for climate change.



Buckhurst Hill

Buckhurst Hill is located in the south of the district in close proximity to Loughton. The settlement has good transport links and is connected via the Central Line to the London Underground network. It benefits from a District Centre that has a range of retailers, with a number of units currently in use by independent fashion and beauty-related businesses.

Vision for Buckhurst Hill

'Buckhurst Hill will maintain its unique identity and separation from Loughton. It will provide services and amenities to meet the needs of its community, whilst seeking to improve connectivity between the station, Queens Road and the wider settlement. The village will provide various types of employment including professional services as part of a successful and prosperous high street. New opportunities for additional employment uses will be maximised. A focus on improving sustainable transport connections will seek to maximise the good public transport accessibility.'

Extracts from Local Plan Policy P5 Buckhurst Hill

Infrastructure Requirements

C. New development must be served and supported by appropriate on and off-site infrastructure and services. Development should deliver and/or contribute towards the delivery of infrastructure where this is necessary and fairly and reasonably related to the development having full regard to the Infrastructure Delivery Plan Schedule and its wider infrastructure objectives.

D. Development proposals in Buckhurst Hill will be expected to deliver and/or contribute proportionately towards infrastructure items as required, including:

- i) appropriate education provision including early years, primary school and secondary school places;
- ii) appropriate provision of health facilities;
- iii) provision of walking and cycling facilities, and linkages both within the site and to key destinations;
- iv) enhancements to public transport provision or other initiatives which reduce the need to travel by car; and
- v) improvements and provision of green and blue infrastructure and open space throughout the settlement.

District Centre Uses

E. In accordance with Policy E2, at least 65% of the ground floor Primary Commercial, Business and Service Frontage and at least 40% of the ground floor Secondary Commercial, Business and Service Frontage will be maintained in Use Class E uses in Buckhurst Hill District Centre.

Air Pollution

F. The development of sites within Buckhurst Hill has the potential to produce air pollution that could impact upon air quality in the District, including the Epping Forest. All development proposals will need to demonstrate that they are in accordance with Policy DM2 and Policy DM22 and should have regard to the Council's adopted Air Pollution Mitigation Strategy for the Epping Forest. This includes, where necessary, the provision of financial contributions for the purposes of implementing air pollution mitigation initiatives and undertaking air quality monitoring and any necessary future air quality assessments.

Recreational Pressure

G. Developments within Buckhurst Hill which would result in a net increase in dwellings have the potential to result in recreational pressure on the Epping Forest Special Area of Conservation. All such developments will need to demonstrate that they are in accordance with Policy DM2. This includes, where necessary, the provision of financial contributions towards mitigation and monitoring measures.

Flood Risk

H. Except for essential infrastructure and water compatible developments, no built development on residential allocations will be permitted on land within Flood Zones 2 and 3 as shown on the Council's latest Strategic Flood Risk Assessment maps, including the appropriate allowance for climate change.



Loughton

Loughton is one of the district's main towns and boasts good transport connectivity as a direct result of its two London Underground Stations and bus services. It is host to the district's only further education college and the University of Essex, Loughton Campus. This provides a number of opportunities for Loughton, including the potential to create an 'education hub'. Loughton has a significant retail offer, benefitting from a Town Centre at Loughton High Road, a District Centre at Loughton Broadway, and retail centre at Epping Forest Shopping Park. Loughton is characterised by a diverse retail offer, with a large proportion of national retailers compared to other centres in the district. Loughton High Road provides some comparison retail alongside a range of other retail and non-retail uses. Loughton Broadway is characterised by a local and independent retail offer, with a number of national retailers to meet local needs. The Epping Forest Shopping Park provides a broader retail offer with larger scale comparison shopping opportunities than currently offered elsewhere in the District.

Vision for Loughton

'Loughton will continue to be one of the district's major towns, providing a retail, employment and education hub that maximises its good public transport connectivity and proximity to the Epping Forest and the forest-edge environment. The needs of Loughton

residents will be met through an appropriate mix of housing in sustainable locations. Future development should maintain separation from neighbouring Theydon Bois, Buckhurst Hill and Chigwell. The main centre of Loughton High Road will be strengthened and future development will support the Centre's continued role as a successful retail centre within the District. Loughton Broadway will be the focus of further enhancement and the Epping Forest Shopping Park will provide a complementary retail offer. Employment will continue to be supported through both strategic employment sites such as Langston Road, and smaller-scale employment provision within the settlement centre. The impact of further development on the Epping Forest, both in terms of air quality and also in terms of further recreational pressure will be minimised and mitigation measures will have been implemented where necessary.'

Extracts from Policy P2 Loughton

Infrastructure Requirements

E. New development must be served and supported by appropriate on and off-site infrastructure and services. Development should deliver and/or contribute towards the delivery of infrastructure where this is necessary and fairly and reasonably related to the development having full regard to the Infrastructure Delivery Plan Schedule and its wider objectives.

F. Development proposals in Loughton will be expected to deliver and/or contribute proportionately towards infrastructure items as required, including:

- i) education provision including early years, primary school and secondary school places;
- ii) provision of health facilities;
- iii) highways and junction upgrades;
- iv) provision of walking and cycling facilities, and linkages both within the site and to key destinations;
- v) enhancements to public transport provision or other initiatives which reduce the need to travel by car;
- vi) upgrade and improvement of utility infrastructure including water, waste water, solid waste, gas, electricity and telecommunications; and
- vii) improvements and provision of green and blue infrastructure assets including open space.

Town Centre Uses

G. In accordance with Policy E2, in Loughton High Road Town Centre, at least 70% of the ground floor Primary Commercial, Business and Service Frontage and at least 35% of the ground floor Secondary Commercial, Business and Service Frontage will be maintained in Use Class E uses.

District Centre Uses

H. In accordance with Policy E2, in Loughton Broadway District Centre, at least 60% of the ground floor Primary Commercial, Business and Service Frontage will be maintained in Use Class E uses.

Air Pollution

I. The development of sites within Loughton has the potential to produce air pollution that could impact upon air quality in the District, including the Epping Forest. All development proposals will need to demonstrate that they are in accordance with Policy DM2 and Policy DM22 and should have regard to the Council's adopted Air Pollution Mitigation Strategy for the Epping Forest. This includes, where necessary, the provision of financial contributions for the purposes of implementing air pollution mitigation initiatives and undertaking air quality monitoring and any necessary future air quality assessments.

Recreational Pressure

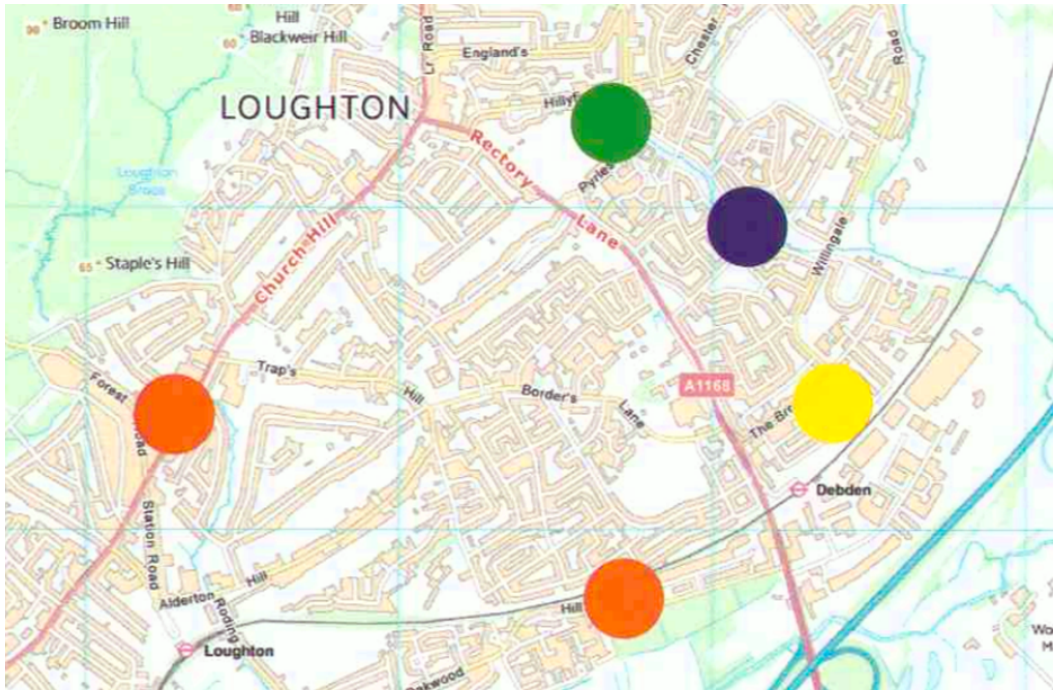
J. Developments within Loughton which would result in a net increase in dwellings have the potential to result in recreational pressure on the Epping Forest Special Area of Conservation. All such developments will need to demonstrate that they are in accordance with Policy DM2. This includes, where necessary, the provision of financial contributions towards mitigation and monitoring measures.

Flood Risk

K. Except for essential infrastructure and water compatible developments, no built development on residential allocations will be permitted on land within Flood Zones 2 and 3 as shown on the Council's latest Strategic Flood Risk Assessment maps, including the appropriate allowance for climate change.

Habitat Protection

L. Sites within the Impact Risk Zone for the Roding Valley Meadows Site of Special Scientific Interest and are above the identified development threshold should make provision for any avoidance and mitigation measures to address any impacts on this nationally important habitat.



Chigwell

Chigwell is located in the south of the District and comprises three relatively distinct areas: the original historic village and retail area of Brook Parade, the Grange Hill and Limes Farm area, and Chigwell Row. The settlement has a rural and historic character and is surrounded by Green Belt.

Vision for Chigwell

'Chigwell will provide a range of services and infrastructure to support new and existing communities through the allocation of small and medium sized sites to meet local housing needs. Key priorities for infrastructure in the village are sustainable transport, health care and education. The distinctive communities of Chigwell Village, Grange Hill and Chigwell Row will be celebrated. A focus on brownfield sites and sustainable Green Belt release will ensure the existing visual identity of the settlement is maintained whilst providing future homes. In particular the important gap between Chigwell Row and Hainault will be protected. Care will be taken to maintain the gap between Chigwell and Woodford to the West, whilst the gap with Loughton and Debden will also be retained. Future development will preserve and enhance the rural and historic character of the village, and new development will support new and diverse employment opportunities.'

Extracts from Local Plan Policy P7 Chigwell

Infrastructure Requirements

C. New development must be served and supported by appropriate on and off-site infrastructure and services. Development should deliver and/or contribute towards the delivery of infrastructure where this is necessary and fairly and reasonably related to the development having full regard to the Infrastructure Delivery Plan Schedule and its wider infrastructure objectives.

D. Development proposals in Chigwell will be expected to deliver and/or contribute proportionately towards infrastructure items including:

- i) appropriate education provision including early years, primary school and secondary school places;
- ii) appropriate provision of health facilities;
- iii) provision of walking and cycling facilities, and linkages both within the site and to key destinations;
- iv) enhancements to public transport provision or other initiatives which reduce the need to travel by car;
- v) upgrade and improvement of utility infrastructure including water, waste water, solid waste, gas, electricity and telecommunications where necessary; and
- vi) improvements and provision of green and blue infrastructure assets including open space.

Air Pollution

E. The development of sites within Chigwell has the potential to produce air pollution that could impact air quality in the District, including the Epping Forest. All development proposals will need to demonstrate that they are in accordance with Policy DM2 and Policy DM22 and have regard to the Council's adopted Air Pollution Mitigation Strategy for the Epping Forest. This includes, where necessary, the provision of financial contributions for the purposes of implementing air pollution mitigation initiatives and undertaking air quality monitoring and any necessary future air quality assessments.

Recreational Pressure

F. Developments within Chigwell which would result in a net increase in dwellings have the potential to result in recreational pressure on the Epping Forest Special Area of Conservation. All such developments will need to demonstrate that they are in accordance with Policy DM2. This includes, where necessary, the provision of financial contributions towards mitigation and monitoring measures.

Flood Risk

G. Except for essential infrastructure and water compatible developments, no built development on residential allocations will be permitted on land within Flood Zones 2 and 3 as shown on the Council's latest Strategic Flood Risk Assessment maps, including the appropriate allowance for climate change.



Ongar

Located in the east of the District, Ongar is a town of medieval origin that boasts a retail and service offer benefiting the local community and those in other settlements further afield. The settlement is surrounded by Green Belt which divides Ongar into the three areas namely Ongar, Shelley and Marden Ash. This creates breaks in the existing development and gives Ongar a distinctive settlement pattern. The town benefits from a number of local heritage assets including Ongar Castle and the High Street Conservation Area.

Vision for Ongar

'Ongar will continue to thrive as a settlement, and its existing local and independent character will be retained and strengthened. Development in Ongar will contribute towards the settlement's self-sufficiency aspirations, particularly through the provision of additional local services and infrastructure. This will include measures that support alternative, sustainable modes of travel to reduce congestion and reliance on car-based travel. As a District Centre, Ongar will provide services and amenities for a wide catchment of residents and visitors. Development will seek to diversify the employment offer of the town by encouraging appropriate town centre uses. Ongar will capitalise upon its heritage and leisure assets, such as the Epping Ongar Heritage Railway and connection to the Essex Way, through the protection and enhancement of the settlement's historic environment.'

Extracts from Local Plan Policy P4 Ongar

Infrastructure Requirements

D. New development must be served and supported by appropriate on and off-site infrastructure and services. Development should deliver and/or contribute towards the delivery of infrastructure where this is necessary and fairly and reasonably related to the development having full regard to the Infrastructure Delivery Plan Schedule and its wider infrastructure objectives.

E. Development proposals in Ongar will be expected to deliver and/or contribute proportionately towards infrastructure items as required, including:

- i) education provision including early years, primary school and secondary school places;
- ii) provision of health facilities;
- iii) provision of walking and cycling facilities and linkages both within the site and to key destinations;
- iv) enhancements to public transport provision or other initiatives which reduce the need to travel by car;
- v) highways and junction upgrades;
- vi) upgrade and improvement of utility infrastructure including water, waste water, solid waste, gas, electricity and telecommunications where necessary; and
- vii) improvements and provision of green and blue infrastructure assets including open space.

District Centre Uses

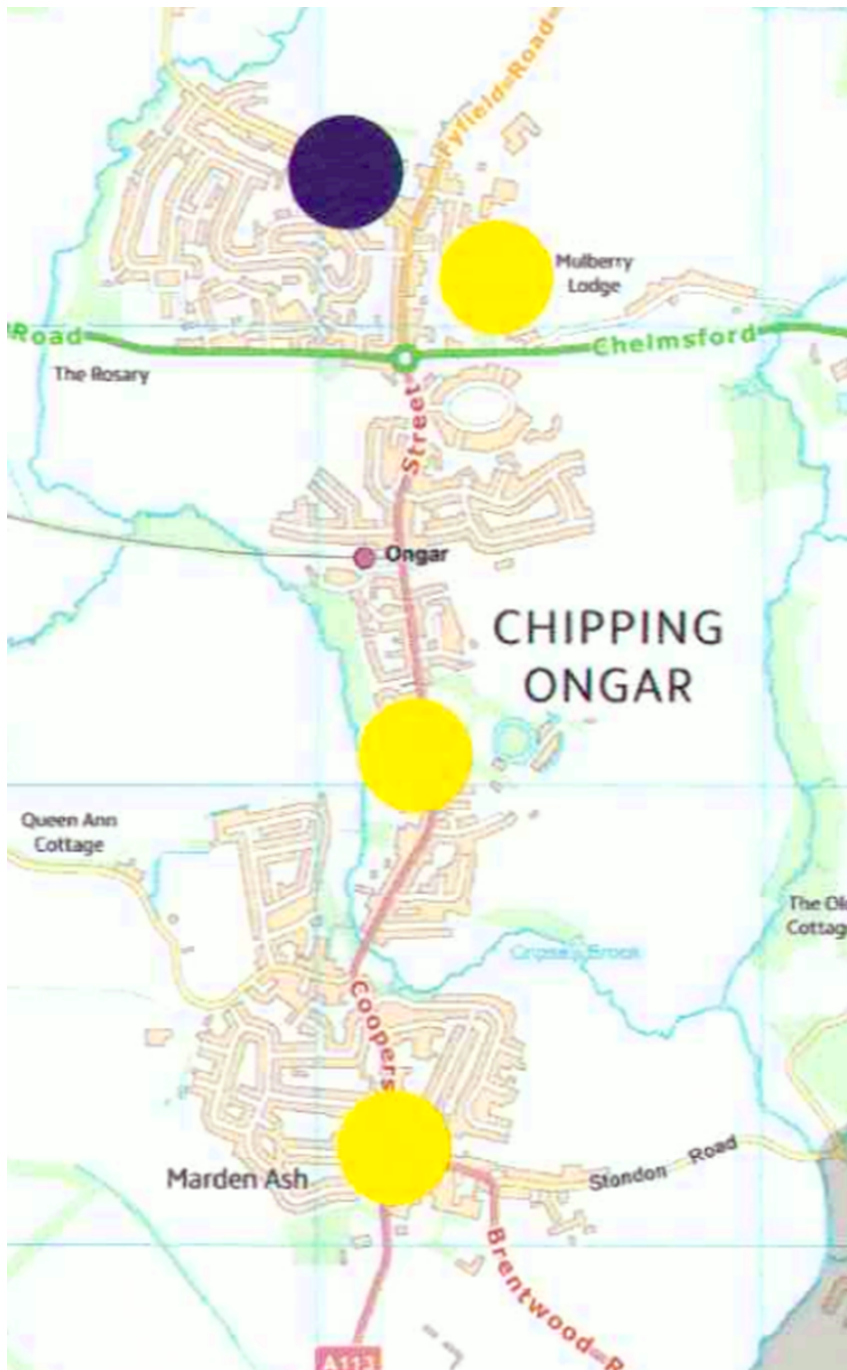
F. In accordance with Policy E2, in Ongar District Centre, at least 50% of the ground floor Primary Commercial, Business, and Service Frontage and at least 45% of the ground floor Secondary Commercial, Business, and Service Frontage will be maintained in Use Class E uses.

Air Pollution

G. The development of sites within Ongar has the potential to produce air pollution that could impact upon air quality in the District, including the Epping Forest. All development proposals will need to demonstrate that they are in accordance with Policy DM2 and Policy DM22 and should have regard to the Council's adopted Air Pollution Mitigation Strategy for the Epping Forest. This includes, where necessary, the provision of financial contributions for the purposes of implementing air pollution mitigation initiatives and undertaking air quality monitoring and any necessary future air quality assessments.

Flood Risk

H. Except for essential infrastructure and water compatible developments, no built development on residential allocations will be permitted on land within Flood Zones 2 and 3 as shown on the Council's latest Strategic Flood Risk Assessment maps, including the appropriate allowance for climate change.



Epping

Epping is one of the district's two Town Centres, and benefits from a range of assets, services and social infrastructure. The town has an attractive setting within the open countryside and the Green Belt. The Green Belt plays an important role in maintaining separation and reducing coalescence between neighbouring settlements, most notably Theydon Bois, Waltham Abbey and North Weald Bassett. Epping has an important civic function within the district and is the location of the Council's Civic Offices. There are a number of employment opportunities located within the settlement, including several

professional services firms. A key strength of the Town Centre's retail offer is its diversity, with a mix of convenience and comparison retail, made up of both independent and national retailers. The Town Centre includes development opportunities at St Johns Road and other allocated sites. These will provide increased residential, retail and leisure and other town centre uses within the Town Centre and contribute towards its continued vibrancy.

Vision for Epping

'Epping will continue to thrive as one of the main centres in the District, providing excellent community facilities, services and transport connectivity. The settlement will continue to benefit from a strong range of existing facilities and social infrastructure. Future residential development will make a strong contribution to supporting Epping's existing services. The existing character of this historic market town will be protected, and heritage assets will be enhanced wherever possible. A new vibrant community will be delivered at the South of the town. This will integrate fully and complement the existing community. Linkages to Epping's surrounding landscape and highly performing Green Belt will be maximised, and housing will be located and designed in a manner that limits the potential for harm to this important asset. Public open space, footpaths and linkages across the town will be improved. In particular, new connections will be delivered between the town's existing open spaces and planned development. Epping will continue to have a mix of independent and national retailers. New commercial and employment uses will be encouraged where they support local business and start-up enterprises in order to ensure that the town retains a strong employment base. The tourism offer of the town will be promoted and expanded. The impact of further development on Epping Forest, in terms of air quality and further recreational pressure will be minimised. Mitigation measures will be implemented where necessary.'

Extracts from Local Plan Policy P1 Epping

Sustainable Transport Choices

D. In accordance with Policy T1, all development proposals must demonstrate how opportunities to access jobs, services, education and leisure facilities by means other than the car have been addressed, both within Epping and to the Harlow and Gilston Garden Town. This includes the need to make provision for, improve, enhance and promote use of existing, cycling and walking networks and access to passenger transport services.

Infrastructure Requirements

E. New development must be served and supported by appropriate on and off-site infrastructure and services. Development should deliver and/or contribute towards the delivery of infrastructure where this is necessary and fairly and reasonably related to the development having full regard to the Infrastructure Delivery Plan Schedule and its wider infrastructure objectives.

F. Development proposals in Epping will be expected to deliver and/or contribute proportionately towards infrastructure items as required, including:

- i) education provision including early years, primary school and secondary school places;
- ii) provision of health facilities;
- iii) provision of walking and cycling facilities and linkages both within the site and to key destinations;
- iv) enhancements to public transport provision or other initiatives which reduce the need to travel by car;
- v) highways and junction upgrades;
- vi) upgrade and improvement of utility infrastructure including water, waste water, solid waste, gas, electricity and telecommunications; and
- vii) improvements and provision of green and blue infrastructure assets including open space.

G. A new leisure centre will be provided in Epping to replace the facility currently located at site EPP.R5.

Town Centre Uses

H. In accordance with Policy E2, in Epping Town Centre, at least 70% of the ground floor Primary Commercial, Business and Service Frontage and at least 20% of the ground floor Secondary Commercial, Business and Service Frontage will be maintained in Use Class E uses.

Air Pollution

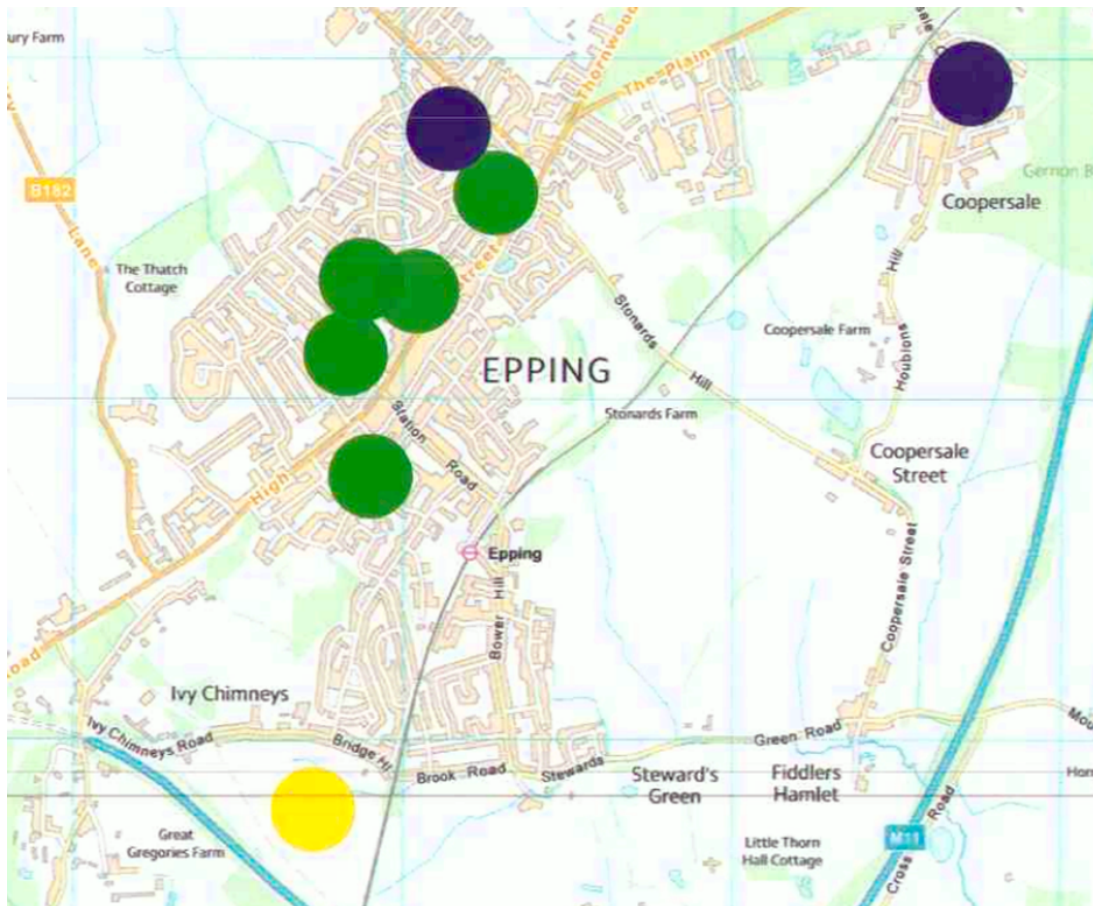
I. The development of sites within Epping has the potential to produce air pollution that could impact upon air quality in the District, including the Epping Forest. All development proposals will need to demonstrate that they are in accordance with Policy DM2 and Policy DM22 and should have regard to the Council's adopted Air Pollution Mitigation Strategy for the Epping Forest. This includes, where necessary, the provision of financial contributions for the purposes of implementing air pollution mitigation initiatives and undertaking air quality monitoring and any necessary future air quality assessments.

Recreational Pressure

J. Developments within Epping which would result in a net increase in dwellings have the potential to result in recreational pressure on the Epping Forest Special Area of Conservation. All such developments will need to demonstrate that they are in accordance with Policy DM2. This includes, where necessary, the provision of financial contributions towards mitigation and monitoring measures.

Flood Risk

K. Except for essential infrastructure and water compatible developments, no built development on residential allocations will be permitted on land within Flood Zones 2 and 3 as shown on the Council's latest Strategic Flood Risk Assessment maps, including the appropriate allowance for climate change.



North Weald Bassett

North Weald Bassett is located in the centre of the district, to the north-east of Epping. The village has a proud military history, mainly characterised through links to aviation at North Weald Airfield to the West. The settlement is surrounded by Green Belt on all sides, and views across the Ongar Redoubt Hill are an asset to the character of the local area.

Vision for North Weald Bassett

'North Weald Bassett will become more self-sufficient, enabling the settlement to realise a long-term future as a larger provider of employment, housing and services within the district. The distinct local character of the settlement, surrounded by greatly valued green open space, will be retained by maintaining key landscape areas to the South and promoting its rich military heritage. Future development will be located to the Northern side of the village. Aviation related uses, complemented by a mix of employment and leisure uses will be sought to boost the commercial offer and sustainability of the Airfield. The needs of North Weald Bassett residents will be met through improved health, education, leisure and community facilities, alongside a strengthened range of shops and services that are complemented by enhanced sustainable and public transport provision.'

Extracts from Local Plan Policy P6 North Weald Bassett

D. In accordance with Policies SP1 and E1 the following site is allocated for B2/B8 Use Class/ offices, research and development and light industrial (within Use Class E) employment uses.

Sustainable Transport Choices

F. In accordance with Policy T1, all development proposals must demonstrate how they will respond to the need to make provision for, and improve and promote use of existing cycling and walking networks and access to passenger transport services. The Strategic Masterplans for North Weald Bassett and North Weald Airfield must incorporate measures to promote and encourage the use of sustainable methods of transportation and provide viable alternatives to private car use. Such measures are to be planned in consultation with Essex County Council (and relevant passenger transport providers) through the production of the Strategic Masterplans. The measures should provide for, and encourage, more sustainable travel patterns by contributing toward integrated walking and cycling, and public transport connectivity to the wider areas, including Epping and Harlow. The proposed measures need to be underpinned by feasibility evidence that demonstrates the delivery of modal shift away from single occupancy private car use by way of sustainable travel measures.

Infrastructure Requirements

G. New development must be served and supported by appropriate on and off-site infrastructure and services. Development should deliver and/or contribute towards the delivery of infrastructure where this is necessary and fairly and reasonably related to the development having full regard to the Infrastructure Delivery Plan Schedule and its wider infrastructure objectives.

H. Development proposals in North Weald Bassett will be expected to deliver and/or contribute proportionately towards infrastructure items as required, including:

- i) appropriate education provision including early years, primary school and secondary school places;
- ii) appropriate provision of health facilities;
- iii) the provision of walking and cycling facilities, providing linkages both within the site and to key destinations;
- iv) enhancements to public transport provision or other initiatives which reduce the need to travel by car;
- v) highways and junction upgrades;
- vi) upgrade and improvement of utility infrastructure including water, waste water, solid waste, gas, electricity and telecommunications where necessary; and
- vii) improvements and provision of green and blue infrastructure and open space throughout the settlement.

Air Pollution

I. The development of sites within North Weald Bassett has the potential to produce air pollution that could impact upon air quality in the District, including the Epping Forest. All

development proposals will need to demonstrate that they are in accordance with Policy DM2 and Policy DM22 and should have regard to the Council's adopted Air Pollution Mitigation Strategy for the Epping Forest. This includes, where necessary, the provision of financial contributions for the purposes of implementing air pollution mitigation initiatives and undertaking air quality monitoring and any necessary future air quality assessments.

Recreational Pressure

J. Developments within North Weald Bassett which would result in a net increase in dwellings have the potential to result in recreational pressure on the Epping Forest Special Area of Conservation. All such developments will need to demonstrate that they are in accordance with Policy DM2. This includes, where necessary, the provision of financial contributions towards mitigation and monitoring measures.

Flood Risk

K. Except for essential infrastructure and water compatible developments, no built development on residential allocations will be permitted on land within Flood Zones 2 and 3 as shown on the Council's latest Strategic Flood Risk Assessment maps, including the appropriate allowance for climate change.

North Weald Airfield Masterplan

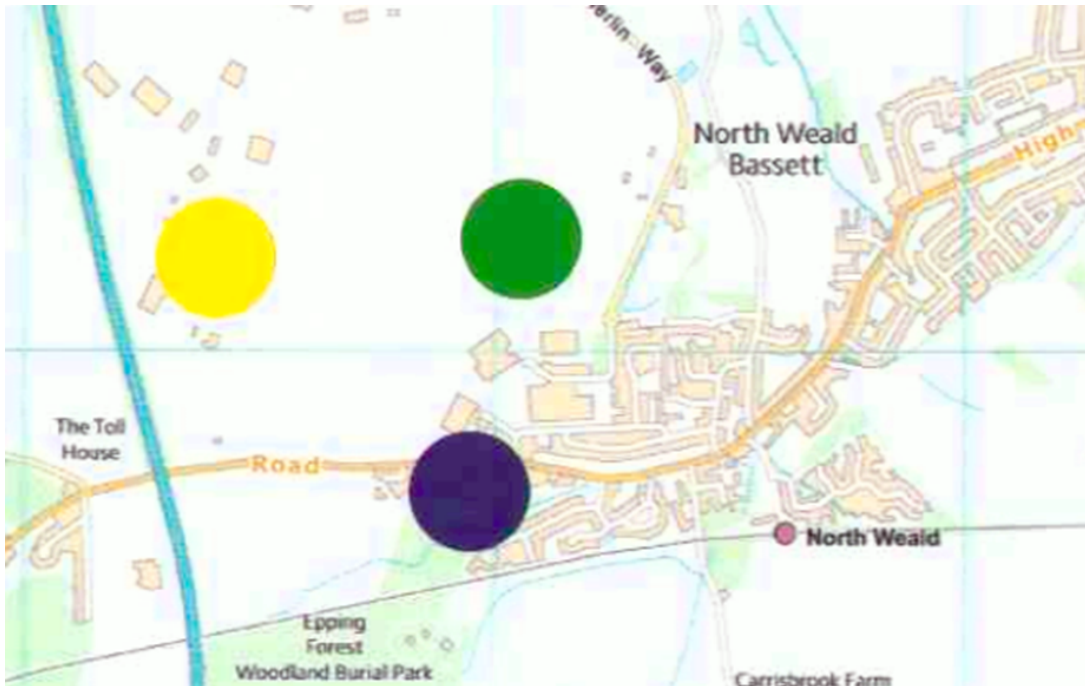
O. Planning applications at North Weald Airfield should be accompanied by a Masterplan for the North Weald Airfield which demonstrates that the development requirements set out in this Policy have been accommodated and which has been endorsed by the Council. The endorsed Strategic Masterplan will be taken into account as an important material consideration in the determination of any planning applications.

P. In addition to the requirements set out in parts A-K the Strategic Masterplan must make provision for:

- i) community uses to the East of the main runway;
- ii) retention and expansion of aviation uses to the West of the main runway;
- iii) approximately ten hectares of additional employment land of B2, B8 offices, research and development and light industrial (within Use Class E) uses to the East;
- iv) a new access from Epping Road to service the West of the site;
- v) preserving or enhancing the special architectural or historic interest of the Grade II listed Control Tower and its setting;
- vi) a Suitable Alternative Natural Greenspace, the location of which will be determined through the Strategic Masterplanning process; and
- vii) new and improved Public Rights of Way and cycle linkages with the surrounding area including East to West connectivity between the two Masterplan Areas.

Q. The Strategic Masterplan and subsequent applications should be considered and informed by the Quality Review Panel and be subject to public consultation, including in respect of Masterplans, consultation with all those with a development interest in the defined area.

The adopted North Weald Airfield Masterplan can be viewed [here](#).



Latton Priory

The planning and delivery of the Harlow and Gilston Garden Communities, including Latton Priory, will be framed by the objectives set out in the Town and Country Planning Association's (TCPA) nine Garden City principles. The level of strategic growth proposed across the Garden Communities, and the holistic, comprehensive approach to planning and delivery will enable the development proposals to achieve 'Garden City' ambitions, whilst delivering development in an efficient and timely manner. The approach to delivery of the Garden Town means that the Garden Communities will not only provide a long-term supply of new homes, but will also deliver a quality of development, environment, infrastructure, services and community that would not otherwise be possible. In line with the TCPA's principles, the planned development will enhance the natural environment and offer high quality affordable homes and locally accessible work in beautiful, healthy and sociable communities. Alongside the new homes that will be provided, the Garden Town will deliver a range of new community facilities, employment opportunities, schools and healthcare facilities.



Planning guidance

[Sustainability Guidance and Checklist – Minor Developments](#)

[Sustainability Guidance and Checklist – Major Developments](#)

[Green Infrastructure Strategy](#)

Report to Overview & Scrutiny



Report reference: C-nnn-2022/23
Date of meeting: 21st November 2023

**Epping Forest
District Council**

Portfolio: Finance, Qualis Client and Economic Development – Cllr J. Philip

Subject: Quarterly Monitoring Report – Q4 (Year 4) 2022/23

Responsible Officer: Andrew Small (07548 145665).

Democratic Services: Laura Kirman (01992 564243).

Recommendations/Decisions Required:

- (1) Discuss this report and agree any actions required.

1. **Executive Summary**

- 1.1. The Governance framework for Qualis, as agreed by Cabinet in February 2020, included the requirement that Qualis should report to Epping Forest District Council on its performance Quarterly.
- 1.2. This report presents the 4th and Final Quarter's monitoring report for the 4th Qualis trading year 2022/23 and covers the period from 1 October 2022 to 30 September 2023. Attached as Appendix A is the Qualis Board monitoring report for Quarter 4 – effectively the year end position.
- 1.3. Performance is measured in the attached report against the business plan targets for 2022/23 contained within the Qualis 1 year Business Plan.
- 1.4. The Qualis group of companies was created by the Council to bring control back to the Council over the direction and style of development and over delivery of key services. Additionally, profits previously paid to, or retained by, third parties are now retained by the Council, significantly reducing the financial challenges faced by the Council at this time.
- 1.5. **The 4th Year of Qualis Trading brings to an end the creation and initial development phase of the Qualis Business Model, with Year 5 and beyond expected to see model maturity highlighted by a flow of income emerging from completed developments. This enables Qualis to reach self sufficiency in Financing and a move into profit, and consequently reduce accumulated losses generated up until this point. The New 4 Year Qualis Business Plan, also included on the Agenda, should be considered alongside this report in order to put the position reported here into context.**
- 1.6. Beyond the difficulties and challenges created by the economic factors previously reported, Qualis makes positive returns before interest charges in all companies but is not yet generating sufficient surplus to fully cover the interest costs.

- 1.7. As consistently reported throughout the year, Qualis Living has found achieving targets difficult and this is attributed to targets for the year being too optimistic given the economic conditions that have persisted. This is addressed in the new 4 Year Qualis Business plan.
- 1.8. **Despite the difficult trading conditions, the position still includes £3.348 million of interest payments made by Qualis to the Council, on which the Council nets approximately £2 million from the lending and this directly supports the Council's continued provision of valued services.**
- 1.9. Qualis has significantly improved the quality and ease of understanding of their Board reports for the Shareholders consumption to the point where the commentary in the cover report is now largely duplicating the content of the Board report provided. Consequently, elements of repetition, such as certain tables and narrative are now no longer included in this cover report and instead it focuses on key messages.
- 1.10. **Overall Qualis reports a Quarter 3 loss of £760,00, which is greater than forecast for the year by £910,000, across all companies. The loss is an improvement on the Q3 position by £100,000. The loss for the year is largely attributed to delays in completing the car park and receiving car park income and lower fees for the management of the EFDC assets, offset by a positive Tax adjustment of £676,000.**
- 1.11. Through the Shareholder, the Qualis Company structure was amended in September and all activities previously undertaken in Qualis Living and Qualis Commercial will continue in Qualis Commercial in order to streamline structures.

2. Introduction

- 2.1. The Qualis Shareholder agreement, as agreed by Cabinet in February 2020, includes the following paragraph,

‘The Company shall procure that quarterly management accounts and reports (including a balance sheet, profit and loss account and cash flow statement) containing such information as EFDC may reasonably require are provided to EFDC and EFDC’s Representative.’
- 2.2. The Cabinet resolution also requires that the Council’s S151, as the key conduit between Qualis and the Council, provides a commentary to the Council on the performance of Qualis at each Quarter review.
- 2.3. In compliance with this requirement Qualis has provided the Council with the Quarters’ Management Accounts for consideration.

3. Commentary on the Trading Performance for Quarter 4, 2022/23 (Qualis Year 4)

- 3.1. The Qualis Board report attached at Appendix A has been developed by Qualis to make it more comprehensive, informative, and intelligible to the shareholder, in part mirroring the summary previously provided within the cover report. It has now been developed to the point where the detail no longer needs to be extracted and summarised in the cover report as the key information is easily identifiable from the Board report itself. Consequently, the summary cover report has been reduced in

length to remove duplication and instead will be used mainly to highlight issues or identify areas of disagreement or concern.

- 3.2. The key points identified are that trading position largely continues in line with the trends highlighted in previous Board reports, without major variation or exception. The trading losses for Qualis Living have decreased marginally this Quarter due to a positive Tax adjustment, but underlying losses continue to increase as delays in completing projects are factored in, most notably the car park.
- 3.3. The fees for managing the Council's commercial assets were also under that assumed in the Business Plan. This was due to the charging arrangement having not been agreed when the Plan was prepared. The annual results include lower expectations in this respect.
- 3.4. Qualis Living continued to make a deficit after interest charges throughout this trading year, but this was expected and broadly reflects that Qualis Living is still developing assets and has not yet reached the point where the developed assets are available for sale. After taking account of this, losses are still greater than forecast in the Business Plan and as reported consistently throughout the year, this is partly due to the continued difficult trading environment and partly due to overly ambitious targets set for the year; recognising that the two factors are interrelated. This is addressed in the updated Qualis Business Plan, which also appears on this Agenda.
- 3.5. Importantly, with the development on the former Condor site nearing completion, Year 5 of Qualis trading expects to recognise sale receipts from completed developments. This represents a major milestone in the Business Plan, with losses and debt expected to peak and then begin to reduce over time.
- 3.6. The value of Qualis assets, against which the Council's loans are secured remain broadly equal, as set out in the Tables 5.1 and 6.1 within Appendix A. This remains a critical shareholder test and will be regularly reported.
- 3.7. Qualis Net Worth has improved fractionally to a negative £6.2 million, reflecting the marginal improvement of the reported net loss from Q4.

4. Resource Implications

- 4.1. The Epping Forest District Council Budget and Medium-Term Financial Plans partly rely on interest paid by Qualis for the loans the Council has given. Delays in obtaining Planning consent, issues around title and delays in completing the loan agreements all have an impact and can mean that actual payments to the Council vary below those expected in 2022/23. The Budget for 2023/24 recently approved by Council provides a contingency provision to smooth fluctuations caused by events outside of the Council's control.

5. Legal and Governance Implications

- 5.1. None contained within this report.

6. Safer, Cleaner and Greener Implications

- 6.1. None.

7. Consultation Undertaken

7.1. None

Background Papers

Group Company Governance Document – Cabinet 6 February 2020



MEETING: Qualis Group Ltd and Subsidiary Companies Board Meeting
DATE: 1 November 2023
TITLE: September Finance Report
PRESENTED BY: Andy Howarth, Interim Finance Director
 Frances Malone, Finance Manager
ACTION: TO NOTE the contents of the report

2. Recommendation

1.1 This report is to review and note and no decisions are required.

2.0 Executive Summary

2.1 Whilst the company structure has been updated, for consistency this report will continue to show results in line with budget and pre-review structure.

2.2 The Group management accounting position as at the year-end is as shown below with a total consolidated deficit of £760k.

Group	Full YR			Full YR		
	QPS £k	QCL £k	QLL £k	Group £k	Budget £k	Variance £k
Revenue	13,915	165	2,660	16,741	15,699	1,042
Expenditure	(13,684)	(1,477)	(1,260)	(16,306)	(14,855)	(1,451)
Moved to WIP	0	1,477	0	1,477	1,764	(287)
Surplus	231	165	1,400	1,912	2,608	(696)
Interest	0	(190)	(3,157)	(3,348)	(2,458)	(890)
Surplus/ (Deficit)	231	(25)	(1,757)	(1,436)	150	(1,586)
Tax adjustments	0	0	676	676	0	676
Surplus/ (Deficit)	231	(25)	(1,081)	(760)	150	(910)

2.3 QCL costs continue to be transferred to Work in Progress (WIP), but this policy is under review.

2.4 Group interest costs were understated in the operating budget due to assumptions made on the capitalisation of interest. The WIP currently carried on the balance sheet includes an element of finance costs from prior years and it is not considered to be prudent to include any further capitalisation in this financial year.

2.5 The recognition of deferred tax liabilities and the finalisation of a review of prior year tax computations has resulted in a positive taxation adjustment of £676k.

2.6 Group assets and WIP are analysed at paragraph 5. Where possible, carrying values can be linked to loans drawn.

2.7 Group debt of £80.5m is further broken down at Paragraph 6.

2.8 The group cash balances at the end of the month were £1.7m.

3.0 Company Financial Performance

2.9 Qualis Group Ltd

- 2.9.1 Transactions within QGL reflect the recharge of central costs to the group companies and should not show any significant variances.
- 2.9.2 The QGL surplus of £116k is generated from intra-group charges and has been eliminated from the consolidated Group position shown above.

Group	Full YR		
	Actual	Budget	Variance
Revenue	2,435	2,532	(97)
Expenditure	(2,320)	(2,412)	92
Profit/Loss	116	120	(4)

2.0 Qualis Property Solutions Ltd

- 2.0.1 Broadly, there has been a greater through-put of activity than anticipated in the approved budget, with more work streams and higher value jobs contributing to the higher turnover.
- 2.0.2 Performance within the different workstreams has been variable, with electrical and planned, for example, presenting particular challenges. The overall performance, however, has been that QPS has delivered a surplus on the programme as a whole.

Property Solutions	Full YR		
	Actual	Budget	Variance
Revenue	13,915	12,321	1,594
Expenditure	(13,684)	(11,979)	(1,705)
Profit/Loss	231	342	(111)

2.1 Qualis Commercial Ltd

- 2.1.1 All scheme expenditure has been moved to WIP and the revenue is generated by Development Advice to EFDC for various projects including North Weald Airfield. Interest paid on the working capital loan has been included here.

Commercial	YTD		
	Actual	Budget	Variance
Revenue	165	-	165
Expenditure	(1,477)	(1,684)	207
Costs to WIP	1,477	1,764	(287)
Interest	(190)	-	(190)
Profit/Loss	(25)	80	(105)

2.2 Qualis Living Ltd

- 2.2.1 The Revenue line captures income from the investment properties in Leatherhead, Coventry & Maldon, but anticipated income of £309k from new investments will not materialise. Income also includes management fees for the EFDC portfolio of £430k, £270k less than the budget of £700k.
- 2.2.2 Cottis Lane Car Park will be completed later than anticipated which will result in no income against the Cottis income budget of £300k expected in the last quarter of this year.

2.2.3 Expenditure relating to direct costs and overheads is within budget, but Loan interest on Asset and Construction loans was under-budgeted.

2.2.4 A large provision for deferred tax on the increase in value of assets transferred from EFDC was included in the prior year. It was approved by board to recognise some of these gains in order to charge against a lower rate of corporation tax prevailing in the prior year. Some of this gain was also offset by historical losses, but the net impact has been a positive movement to be recognised in the 2022/23 year.

Living	YTD		
	Actual	Budget	Variance
Revenue	2,660	3,378	(718)
Expenditure	(1,260)	(1,312)	52
Interest	(3,157)	(2,458)	(699)
Tax	676	-	676
Profit/Loss	(1,081)	(392)	(689)

4.0 Balance Sheets

2.0 The summary combined Balance sheet is as follows.

All Company Combined Balance Sheet as of 31st August 23

Fixed Assets	Freehold Property	33,161,237
	Office Equipment	63,406
	Motor Vehicles	36,635
	Total Fixed Assets	33,261,279
Intangible Assets	Debtors - Unpaid share capital	4
Current Assets	Debtors Control Account	2,887,284
	Other Debtors and Prepayments	448,227
	WIP Project Costs	40,332,412
	Accrued Income	223,944
	Deferred Income	(361,760)
	Natwest Current Account	1,738,842
	Total Current Assets	45,268,948
Current Liabilities	Creditors Control Account	2,469,784
	Other Creditors & Accruals	1,078,410
	Total Current Liabilities	3,548,194
Total Assets less Current Liabilities		74,982,037
Long Term Liabilities	Loans received EFDC	85,052,500
	Loan Repayments	(4,532,619)
	Provision for Deferred Tax	680,749
	Share Capital	4
Total Long Term Liabilities		81,200,634
Net Assets		(6,218,597)
Total Capital Employed		(6,218,597)

5.0 Assets analysis

2.1 The asset values shown in the combined balance sheet can be analysed by company as follows:

Asset Breakdown	QGL	QPS	QLL	QCL	Total
Freehold Property	0	0	33,161,237	0	33,161,237
Office Equipment	59,524	3,883	0	0	63,406
Motor Vehicles	0	36,635	0	0	36,635
					33,261,279
Debtors Control Account	525,786	1,414,047	933,564	13,887	2,887,284
Prepayments	143,930	294,466	6,707	3,125	448,227
WIP Project costs			40,332,412		40,332,412
Accrued Income	0	65,174	158,770	0	223,944
Deferred Income	0	0	(361,760)	0	(361,760)
Bank Account	700,758	845,629	190,745	1,711	1,738,842
					45,268,948
Total Assets	1,429,997	2,659,833	74,421,674	18,723	78,530,227

2.2 The key lines to note in the assets analysis are the Property and Work in Progress lines which can be further analysed by asset/scheme as follows.

Combined Assets & WIP	Inv Assets	Dev Assets	WIP	Total
Birchwood Building	14,225,000			14,225,000
Greenfields House - Coventry	8,640,000			8,640,000
Wycke Hill - Maldon	6,820,000			6,820,000
Conder		2,057,116	6,079,053	8,136,169
Cottis Lane		3,476,238	12,652,056	16,128,294
St John's Road		7,849,619	4,011,547	11,861,166
Roundhills		1,395,508	928,017	2,323,525
Pyrles Lane			228,667	228,667
Hemnall Street			494,646	494,646
Loan Interest			1,043,025	1,043,025
OVERHEADS TO BE DISTRIBUTED			3,593,158	3,593,158
Total Assets	29,685,000	14,778,481	29,030,169	73,493,649

The shading in the table matches the shading in the loan analysis below to represent the correlation between loans drawn and project costs incurred.

2.3 The movement on WIP of in the month is circa 2m, the majority of which relates to Cottis Lane & Conder developments.

6.0 Loans

2.4 There are no loans recorded within QPS and QCL. The loan facilities are designed to enable borrowing in QGL which can then be on-leant to the other group companies. The Group debt is effectively being carried within QLL and the loan schedule is as follows.

Loans Summary by Company	Term	Facility	Drawn	Repaid	Balance	Available
		£m	£m	£m	£m	£m
Working Capital Loan	5	6.0	8.6	(2.6)	6.0	-
Investment Asset Purchase	10	30.0	30.0	-	30.0	-
Development Advance Loan	5	6.0	6.0	(0.4)	5.6	0.4
Construction Loan	30	97.0	25.8	(0.7)	22.0	75.0
EFDC Asset Purchase	30	14.8	14.8	(0.9)	13.9	-
EFDC Asset Purchase (Hemnal)	30	2.0	-	-	-	2.0
Total Loans		155.8	85.1	(4.5)	80.5	74.4

- 2.5 The Working Capital loan has been fully utilised, and a repayment holiday agreed on this loan postponed the January and July 2023 principal repayment instalments.
- 2.6 The Investment Asset Purchase Loan of £30m correlates to the Investment Assets in the asset analysis in Paragraph 5 above.
- 2.7 The EFDC Asset Purchase Loan represents the initial purchase of the EFDC development assets.
- 2.8 The Development Advance Loan and the Construction Loan combined facility is £103m and now incorporates the additional £35m facility. These loans have funded the project cost WIP itemised in Paragraph 5 above.

Report to Overview & Scrutiny Committee



**Epping Forest
District Council**

Report reference: C-*nnn*-2023/24
Date of meeting: 21 November 2023

Portfolio: Finance, Economic Development & Qualis – Cllr J. Philip

Subject: Qualis 4 Year Business Plan - 2024 to 2028

Responsible Officer: Andrew Small (07548 145665).

Democratic Services: 21 Nov

Recommendations/Decisions Required:

- (1) To consider the 4 Year Qualis Business Plan and provide comments and recommendations for Cabinet to consider before adopting the Plan.

1. Executive Summary

- 1.1. It is a requirement of the Shareholder agreement that each year Qualis produce and present to the Council a one year and a 4-year Business Plan for the Council to consider and sign-off.
- 1.2. The Cabinet was presented with the Qualis single year Business Plan at its meeting on 10 October 2022. The single year plan reflected that longer term planning was especially difficult at that time due to huge economic uncertainty caused by national and international events. Whilst uncertainty continues, the economic position has calmed sufficiently for Qualis to be able to prepare a plan over the longer 4-year timeframe and this is presented here.
- 1.3. This report presents the 4-year Qualis Business Plan and seeks the Council's permission to adopt this as its direction and focus. The single year plan is framed within the 4-year plan.
- 1.4. As a reminder, Qualis was created by the Epping Forest District Council to solve a number of specific problems including the housing maintenance contract re-let and to progress delivery of Council development priorities, including a number of council owned regeneration sites. The Business Plan highlights the significant progress made in furthering these objectives and sets out future proposals developed jointly between Qualis and the Council drawing on the emerging Place Strategy as a guiding document.
- 1.5. The Scrutiny Committee is asked to consider and reflect on the detail, as set out in the attached 4-year Business Plan, and make comments and recommendation to Cabinet for their consideration when adopting this Plan.

2. Introduction

- 2.1. The ownership structure of Qualis was specifically defined in a way to reserve certain key decision for the Shareholder to make. These include certain matters of Governance, Risk and Strategic Direction.
- 2.2. The detail is set out in the Shareholder Agreement and Governance arrangements agreed by Cabinet in February 2020. This sets out the decision-making framework for Qualis and the ways in which the Council can influence or control Qualis activities in its capacity as Shareholder.
- 2.3. Broadly, the principal control will be through the approval of the annual Business Plan. Qualis presents its proposals each year within the Business Plan and only if the Council agrees this can Qualis implement them. This represents the critical control over the activities of Qualis and appropriate and detailed consideration should be given to the sign-off accordingly.
- 2.4. If Qualis wishes to undertake an activity that was not included within the Business Plan, then under the 'Reserved Matters' part of the Shareholder Agreement it must ask for the Council's permission.
- 2.5. Once the Business Plan is agreed, the Council monitors delivery through the Quarterly Monitoring reports. This provides the opportunity to monitor progress and to receive assurance that performance and the finances of Qualis are as expected.
- 2.6. A commentary on the key elements of the attached Plan is set out below.

3. 4 Year Business Plan

Background

- 3.1. The Business Plan presented by Qualis is a further development in approach and style and reflects the dialogue between the Council and Qualis over the previous 4 years of operation. It also represents a growing maturity of the Qualis Business Model and the relationship with the Council.
- 3.2. The Business Plan focuses both on current activity and references future strategy and approach. Even though Qualis has been able to produce a 4-year Plan, there still remains considerable uncertainty within it due to volatile economic considerations. This ongoing uncertainty heavily influences and limits the ability of Qualis to be specific about future schemes, due to rapidly changing individual scheme viability assessment. The Business Plan sets out how Market Conditions are impacting on its activities in Section 4 of the Plan.
- 3.3. Despite the heightened uncertainty that exists, Qualis remains an important asset of the Council and is a vehicle which remains valuable in helping the Council deliver its strategic, place shaping ambitions which go beyond the operational activities of the Council. A list of the main Achievements is set out in Section 3 and when laid out in a single document it highlights the considerable progress that has been made by Qualis in furthering the Council's objectives over the last 4 years.
- 3.4. Sitting outside of the Council, and therefore partially removed from the financial pressures the Council is facing, (but equally, not immune from them), it provides a mechanism for continued delivery that would inevitably have been impacted and reduced as part of the Council's extremely challenging Budget setting process for 2024/25, had it formed a direct part of the Budget Framework. Furthermore, it's

ongoing activities significantly contribute to reducing the overall size of the budgetary gap currently faced by the Council. The Qualis return on the Council's lending thereby protects the Council's operational services from even deeper budgetary cuts, whilst at the same time significantly contributing to the delivery of the Council's Place Agenda.

- 3.5. The Introduction to the Business Plan produced by Qualis sets out its six key drivers for the Plan period, these being:
- *Enable Qualis to work towards clearing the historic deficit.*
 - *Enable Qualis to generate its own cash that can be used on new projects for the Council.*
 - *Eliminate the need to borrow further funds from EFDC thereby minimising the Council's debt profile.*
 - *Continue to pay interest on EFDC loans providing the Council with over £2m of margin benefit per year.*
 - *Deliver more homes and regenerate the district.*
 - *Improved quality of the council services delivered through Qualis.*
- 3.6. Working with cabinet and officers, the priorities within the Business Plan have been jointly shaped to acknowledge a changing risk profile resulting from the economic conditions that have persisted over the past few years, and which seem likely to continue. The Plan acknowledges this environment, and the six key drivers respond directly to it.
- 3.7. The Business Plan also reflects a maturing profile. The first 4 years were dominated by accumulated expenditure outlaid in association with the Company's creation and also the funding of developments and associated constructions costs. These costs can only be recouped when the developed assets become available for sale.
- 3.8. The next stage of the Plan expects to see Debt peak at just over £100 million, as sale receipts begin to materialise and are then redeployed within Qualis to fund new projects, reducing the need for further borrowing. This is well below the maximum lending facility the Council has made available to Qualis. The move is a reflection of an upwards shift in the cost of debt to the Council and a general shift in the attitude of Government towards Council borrowing and on-lending.
- 3.9. The Council and Qualis remain in regular dialogue and have jointly worked on developing a strategy that takes account of context, ambition and political landscape for mutual benefit. The Business Plan presented here is a demonstration of how strategy can be jointly adapted and aligned and therefore underlines the effectiveness of having a delivery vehicle responsive to the Council's requirements.
- 3.10. Beyond the expected maximum, its peak debt, which occurs at the completion of the Condor development immediately prior to sale, begins to fall as Qualis repays the borrowing back to Council in accordance with the Loan conditions.
- 3.11. As explained in Section 7 of the Plan, costs and deficits have accrued during the first 4 years of operation, as there has been no income / profit being generated from development activities, until now. The deficits have been limited to Qualis

Commercial, with all other Qualis companies returning profits. However, with the nature of developments being capital and time intensive, the deficits on development have exceeded the profits on operational activities thus far.

- 3.12. The Quarterly trading position and the cumulative deficits have been reported to Overview and Scrutiny and Cabinet on a regular basis. These accumulated deficits are also expected to peak at the point immediately prior to the point where sales at the Condor development commence, (aligned with peak debt). Beyond this point, profits from the developments are generated and accumulated deficits reduce.
- 3.13. This represents an important milestone in the Qualis journey that should be noted as such. Beyond this point, and with a steady flow of future development projects, the Business Plan projects a continual reduction in the accumulated deficits through the recognition of future profits from current and new development activities. This will supplement the forecast continued profits generated by operational activities. The Business Plan predicts achieving overall profitability on the Balance Sheet by September 2027.
- 3.14. This pattern of short peak in debts and deficits reducing via a long tail is consistent with a start-up development company where losses and debts rise early up to the point the first developments are completed and sales commence.
- 3.15. The activities and intentions of the two main trading arms, Qualis Property Solutions and Qualis Commercial are set out in the Business Plan Section's 6 and 5 respectively.
- 3.16. The objectives of Qualis Property Solutions is focused on consolidation of existing services with objectives around improving the experience, the offer and value.
- 3.17. Qualis Commercial is focused on working with the Council to understand its regenerative and place shaping objectives and to deliver these at no, or limited, net cost to the Council – essentially a continuation of current activities.
- 3.18. The Place Shaping Strategy, currently in development, is expected to be a useful document in informing and identifying the areas of the District that need attention and focus. This will provide a guide and direction to future activities.
- 3.19. Beyond the list of existing projects approved by the Council, no new permissions are sought as part of this document and therefore any future development opportunities jointly identified will be brought to the Council for assessment and permission, where required.

4. Risk Analysis

- 4.1. Qualis is an important partner and the delivery agent for a variety of core services. The Council has invested substantially in its startup and as funder for the initial developments.
- 4.2. The Business Plan now reaches an important point where new borrowing tails off and the model seeks to become self-sufficient in terms of its financing needs.
- 4.3. Peak borrowing has been reached earlier than originally envisaged and at a significantly lower level. This is the result of dialogue between the Council and Qualis focusing on the changing risk profile of development in general and the Council's role in bringing this forward.

- 4.4. The Council still recognises its critical role as custodian and Place Shaper for the District and recognises that without its intervention and direction areas may be left behind and the needs of the community may be neglected. However, the Council's ability to influence in this space needs to be tempered against the financial risk and its reduced capacity to absorb financial shocks. The Government has intervened and is now restricting access to borrowed funds, encouraging Council's to be more risk adverse. The Business Plan presented here is a recognition of the shift in risk appetite and clearly responds to it.
- 4.5. At Peak Debt, the Council expects to have lent Qualis marginally in excess of £100 million, against the approved facility of £156 million. Qualis is required to pay nearly £4 million a year in interest to the Council, on which the Council makes a lenders margin of £2 million.
- 4.6. The Margin is a reflection of risk, and a cushion in assessing viability that it is intended to ensure that downside risks can be accommodated and consequently the risk reduced to the Council's lending position.

5. Resource Implications

- 5.1. As has been previously reported, this Plan represents an important milestone for the Qualis Business Model, as it anticipates a point of Financing self-sufficiency early in the 4-year Plan timeline and a gradual reduction in losses moving to overall profitability in September 2027.
- 5.2. This represents a later date for achieving profitability from the first Qualis Business Plan, but significant account needs to be taken of the exceptional market conditions which have existed over most of the first 4 years of Qualis trading.
- 5.3. The large reduction in Peak Debt and the move to profitability is welcomed and its inclusion in the Plan has been achieved through a positive and constructive working relationship between the Council and Qualis.
- 5.4. Qualis continues to play a vital role in the Council's sustainability, its delivery of core services and the Council's strategic ambitions, but perhaps more so due to the £2+ million that it contributes to the Council's Budgets, which allows for the maintenance and provision of the Council's other core services in the face of an unprecedented financial challenge.

6. Legal and Governance Implications

- 6.1. None contained within this report.

7. Safer, Cleaner and Greener Implications

- 7.1. None.

8. Consultation Undertaken

- 8.1. None

Background Papers

Group Company Governance Document – Cabinet 6 February 2020



Qualis

Business Plan

2024 - 2028



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1. Introduction

The Qualis Group (“Qualis”) was established in 2020 and is wholly owned by Epping Forest District Council (“EFDC”, “the Council”). Qualis was set up to provide high quality property management, grounds maintenance and development services. Qualis Commercial delivers much needed new homes within the district and manages the Council’s commercial portfolio of properties. Qualis Property Solutions provides high quality repairs and maintenance services to Council homes and communal spaces.

Qualis delivers benefits to both the Council and the wider community by creating additional income (£2m so far), by investing in the district, and by generating more local jobs that strengthen the economy.

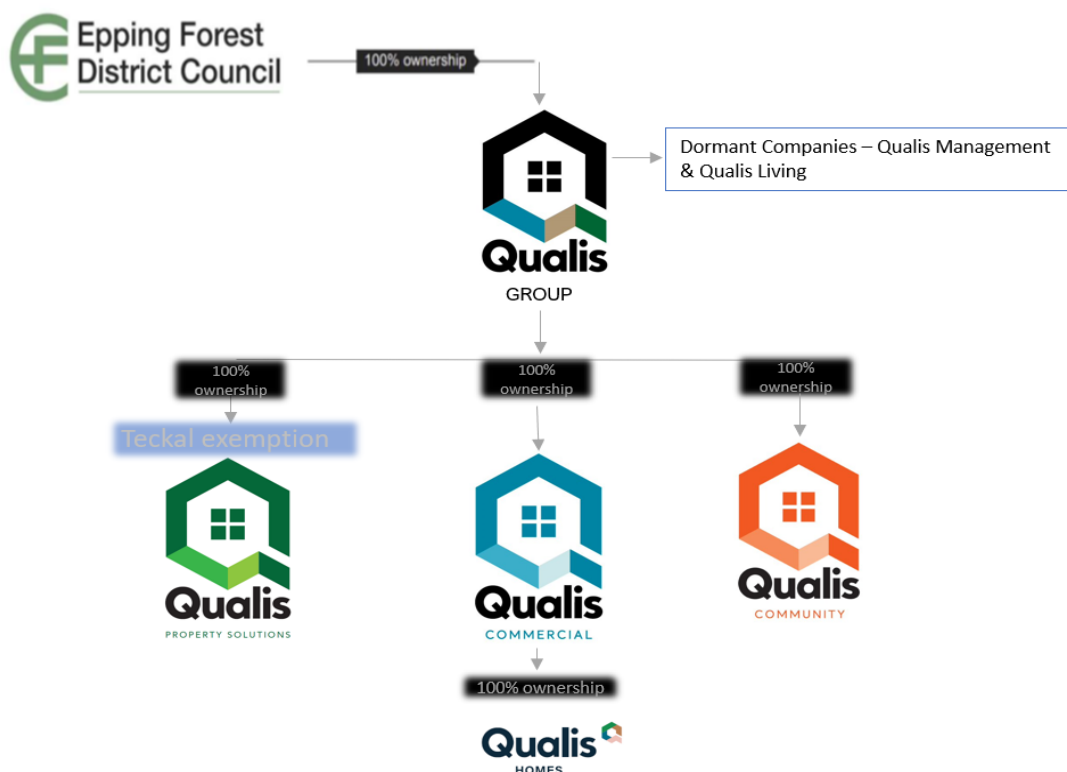
This is the updated four-year Business Plan (“the Plan”) for the Qualis Group covering the period from 1 April 2024 to 31 March 2028. The Plan sets out the details of what Qualis aims to deliver to support the Council’s ambitions during this period. There is a specific section on the market conditions to set context to the economic challenges currently being experienced. These conditions have had an impact on the Plan which is reflected in the financial section.

Despite the challenges that have been overcome in the early years, the plan will:

- *Enable Qualis to work towards clearing the historic deficit.*
- *Enable Qualis to generate its own cash that can be used on new projects for the Council.*
- *Eliminate the need to borrow further funds from EFDC thereby minimising the Council’s debt profile.*
- *Continue to pay interest on EFDC loans providing the Council with over £2m of margin benefit per year.*
- *Deliver more homes and regenerate the district.*
- *Improved quality of the council services delivered through Qualis.*



2. Qualis Structure and Governance



Qualis is made up of the following group of companies:

Qualis Group Ltd is wholly owned by the Council and the parent company of the Group. It has oversight of the overall performance and governance arrangements of the subsidiary companies.

Qualis Commercial Ltd works closely in partnership with the Council to develop homes, business premises and to manage its commercial property portfolio.

Qualis Property Solutions Ltd provides high quality property solutions to the Council's 6,500 homes.

Qualis Homes Ltd is the brand used to sell high quality, sustainable new homes developed by Qualis Commercial.

Qualis Community Ltd is the community interest company that will support activities and projects that provide a direct benefit to the community.

The Council maintains control of Qualis through a Shareholders' Agreement. This ensures certain rights are retained by the Council, such as the right to appoint board members.

The Agreement sets out the companies' objectives in the form of business plans approved by the Council. Financial and operational performance and progress against the business plans are monitored by the Shareholder Representative and via quarterly reports to the Council.

The Qualis Group Board has overall responsibility for operational delivery, financial performance, health and safety, risk management and statutory compliance. It delegates the day-to-day operations to the Executive Committee.

The Audit and Risk Committee, Remuneration and Nominations Committee and Health and Safety Committee focus on specific areas to support the Board in meeting its responsibilities.



3. Key Achievements

Since the company became operational in 2020 Qualis has:

Qualis Property Solutions

- **Set up Qualis Property Solutions** and successfully transferred the housing repairs and grounds maintenance services from EFDC.
- **Delivered lower than inflationary** increases on EFDC maintenance activities.
- **Employed over 100 people**, with a further 15 jobs being created over the next 12 months.
- **Become a local employer** with 40% of staff living in the Epping district and 55% living in Essex or nearby neighbouring areas.
- **Created and offered five apprenticeships** to the local community, in administration and craft roles.
- **Supported work placements** for young people in partnership with the New City College, based in Loughton.
- **Supported interview practice** for young people in local secondary schools.
- **Provided additional value** through our community benefit initiatives such as, estate litter pick days and supporting employment events.
- **Strong customer satisfaction** with 93% of our customers happy with the service we provided in 2022/23.
- **New technology** which includes call back and webchat feature in our customer services centre.
- **10% of our fleet are electric vehicles**, with the aim of increasing this to 25% by 2025.

Qualis Commercial

- Achieved planning approvals to support key redevelopment schemes:
 - **The St John's Road** site, which had been derelict for over ten years, has approval for redevelopment to provide 184 new homes to start in December 2023 following demolition.
 - **Cottis Yard car park** – opened November 2023.
 - **Bakers Lane Leisure Centre** – a key new leisure facility starting on site in December 2023.
 - **Conder/Springwood Grove** – 45 new homes, completions from spring 2024.
 - **Hemnal Street** – 40 new homes.
 - **Cartersfield Road** – an industrial scheme in Waltham Abbey following full demolition on site October 2023
 - **Roundhills** – scheme of 28 homes in Waltham Abbey to start on site 2024.

Qualis schemes to date will provide over £3m in section 106 contributions to EFDC and Essex County Council.

- A planning application on Pyrles Lane to provide 43 new homes in Loughton with planning permission expected before the end of 2023.
- Acquired three investment properties which provide a steady income stream.
- Provided financial benefits back to the Council of c£2m.
- Identified a pipeline of new development opportunities that create a mix of housing, retail, and industrial opportunities.
- Development advice and expertise to support the Council in the delivery of the North Weald Airfield masterplan.



4. Market Conditions

The last few years have been unprecedented in terms of the challenges we have all faced. Since the formation of Qualis in 2020 we have all experienced a series of macro-economic shocks and disruptive challenges to our operations including:

- Brexit and the consequent challenges to the UK supply chain and labour supply
- The Covid-19 Pandemic
- War in Ukraine and its impact on energy prices and further challenges to the UK supply chain

All of these challenges have compounded to produce very steep inflation and rapid rises in interest costs which have impacted on the operating costs, particularly in materials used in our maintenance activities and in the construction costs experienced in our development activities.

Just as we were expecting an easing of these economic challenges, there is now a developing instability in the Middle East which is adversely impacting on markets and the economy.

Despite these challenges, Qualis has worked hard to maintain a sustainable cost base and has:

- Delivered lower than inflationary increases on EFDC maintenance activities.
- Reviewed development appraisals to identify savings through changes to specification, supply chain efficiency, and project resourcing.
- Reassessed the approach to development schemes to provide flexibility, transfer risk, and manage cash flows.
- Reviewed the balance in our development pipeline between industrial and residential to improve resilience during uncertain economic times.
- Ensured that our focus is on delivering schemes that will meet EFDC's corporate objectives.
- Updated scheme assumptions to minimise debt locked into the development programme.



5. Qualis Commercial

Qualis Commercial has several key development schemes that have featured in previous business plans, all of which are at different stages of development and approval. This plan continues to include completion of the Epping town centre schemes delivering approximately 269 new homes and a number of other schemes are in early stages of development.

Qualis will continue to work with the Council to identify potential development opportunities within the Council ownership.

A progress summary of each scheme is provided below:

Cottis Lane phase 1- Cottis Yard 330 space car park, opened in November 2023.

Cottis Lane phase 2 – ancillary cinema, retail and office accommodation – being marketed.

Bakers Lane Leisure Centre - to follow Cottis Yard. The construction of this is now being delivered by Places Leisure in partnership with EFDC.

St John's Road – this is a complex regeneration site that will deliver 184 new homes in phases. The site has been cleared and the first phase of development will commence in late 2023. Final completion is expected in the 2026/27 financial year.

Conder Building – development of 45 homes is well under way with sales expected to commence from spring 2024.

Hemnal Street – planning approved for 40 homes but this scheme will only start following completion of the new Leisure Centre at Bakers Lane.

In addition to the Epping town centre sites we have also included the following in the Business Plan:

Roundhills - 28 new homes in Waltham Abbey.

Pyrles Lane - 43 new homes in Loughton.

Cartersfield Road – a commercial development of 4 industrial units in Waltham Abbey.

Pipeline

Beyond the initial developments in Epping, Waltham Abbey and Loughton, Qualis will look to establish a significant pipeline across the district. New opportunities that are identified will each undertake a full feasibility and financial review.

A high-level review of additional opportunities across the district is ongoing. Each opportunity has been categorised as intensification, in-fill, asset management, development and those of a more strategic nature. This review indicates significant scope for growth, and whilst not yet confirmed, provides confidence for the future.

Until such time as pipeline schemes can be confirmed, provisions for additional schemes have been included in the plan to provide confidence to the Shareholder that Qualis will be in a position to proceed when schemes are agreed and approved.

Asset Management

The Qualis Asset Management team will continue to manage Qualis owned assets at:

- Birchwood Building, Leatherhead
- Wickes, Maldon
- Greenfields House, Coventry

The team also manages the Council's commercial property portfolio and will manage the Cottis Yard car park.





6. Qualis Property Solutions

Qualis Property Solutions offers a comprehensive service on behalf of the Council. Our ethos is to provide, wherever possible, a service through experienced and established directly employed operatives rather than sub-contracting. This means we can maximise opportunities for local people through the creation of apprenticeships, prioritise employment of local people and carefully control the quality of our service.

Qualis Property Solutions' strategic aims align to the Council's to provide:

- Stronger Communities
- Stronger Place
- Stronger Council

Over the course of the 4-year Business Plan, Qualis Property Solutions will deliver through the six corporate objectives outlined below:

- Enhance the customer experience.
- Increase community investment.
- Continue to develop a great place to work.
- Remain financially strong and grow the business.
- Enhance our partnerships.
- Continue to decarbonise our business.

Key outcomes over the next 4 years are to:

- Co-create with tenants an excellent customer experience, through high quality services which results in achieving upper quartile sector performance.
- Provide value for money to EFDC and our customers.
- Create an excellent work environment with high levels of engagement, highly trained and satisfied staff.
- Development of a community initiatives framework and funding the handyperson and mow and grow services.
- Enhance our existing partnerships such as New City College (Loughton), suppliers and contractors.
- Aspire to 50% of the fleet utilising electrical vehicles by the end of the Business Plan.
- Grow the business and providing additional services property solutions to the Council and to external partners.



7. Financial Plan

The original expectation was that within five years of creating Qualis, the Group would be sustainable and returning surpluses from all its companies.

EFDC as Shareholder benefits from the relationship with Qualis as follows:

- Sale of Council assets to Qualis.
- Interest margins on loans provided to Qualis provide a cash benefit of over £2m per year.
- Income generated from external sales will be re-invested to support further regeneration.
- Qualis schemes will provide section 106 contributions to EFDC/ECC - £3m.

Historically, Qualis has operated to a September year-end. Qualis is now planning to fall in line with the Council's financial year and have produced a plan that reflects this. The period covered by this plan includes a six-month budget from October 2023 to March 2024, followed by four years from April 2024 to March 2028.

Qualis has adjusted assumptions to reflect the current economic challenges, but have already absorbed higher costs into the operating model and reduced expected returns from the regeneration activities.

Despite the challenges, Qualis is confident that it will meet its initial objective of returning surpluses and becoming a sustainable business.

The opening position reflects the management accounts results for the year ended 30 September 2023 but may be subject to changes as a result of audit and tax computations as the statutory accounts are finalised.

Business Plan Streams

The plan has considered the operating functions within the Qualis companies, and they have been included as:

Qualis Property Solutions – which includes all Maintenance and Grounds Maintenance services provided to the Council.

A detailed draft budget has been produced by Qualis Property Solutions in collaboration with the Council. This service plans to make a moderate surplus to act as a buffer to any operational cost experience. It is expected that a small surplus will be available to be used for the Council's community priorities.

Asset Management – management of commercial properties.

Development – the planning and development service which manages schemes from initial appraisal through to completion and sale.

Development Assumptions:

The Cottis Yard car park opened in November 2023 after which income and costs will be managed by the Qualis Asset Management team.

The plan provides for completion of the initial Epping town centre regeneration schemes and will continue to use funds borrowed from the Council to complete these developments until sales of completed schemes provide a future cash flow to be re-invested in further schemes.

New development scheme proposals will be in support of the Council corporate objectives and will only be taken to planning where there is support for schemes by the Council. A pipeline has been considered that includes residential and commercial schemes in all areas of the district.

In order to produce a reasonable plan, a pipeline of some example schemes has been modelled so that the financial impact of further schemes can be included in the plan. The schemes modelled include a mix of residential, retail and commercial schemes. It should be emphasised that this exercise has produced a model set of cash flows to be included in the plan to demonstrate that the capacity is available as and when specific schemes are approved.

The overriding assumption is that as schemes complete, the cash returned from sales will be available for further investment with surpluses being used to continue to fund the finance costs of the Council loans.

This cycle of investment is essential to the success of the plan and to the sustainability of Qualis.

Financial Highlights

The current and pipeline schemes will generate annual surpluses so that Qualis will move to being in surplus. This is important as the challenges in the early years have resulted in a historic deficit which needs to be resolved. The Qualis surplus graph on the following page demonstrates how annual surpluses will eradicate the historic deficit over the life of the plan.

As the current schemes complete, sales receipts will provide the cash flow required for re-investment in pipeline schemes, reducing the need to borrow funds from the Council.

The Council borrowing is expected to peak during the 2024/25 financial year and then reduce in line with agreed loan repayment profiles.

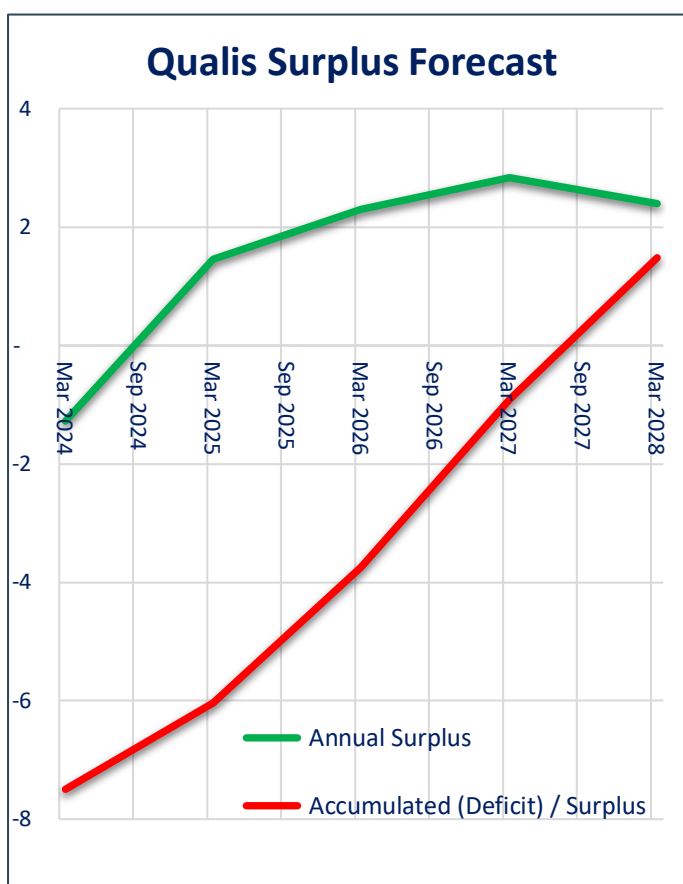


Financial Plan

Group Income and Expenditure

Summary Group I&E	6 months	Y/E	Y/E	Y/E	Y/E
	To Mar-24	Mar-25	Mar-26	Mar-27	Mar-28
		Yr1	Yr2	Yr3	Yr4
	£000	£000	£000	£000	£000
Surplus on Sale	0	3,471	4,423	4,218	3,417
Development Overhead	(356)	(581)	(552)	(574)	(596)
QPS surplus	127	128	135	142	149
Asset Management surplus	901	2,215	2,283	3,032	2,998
Surplus before interest	672	5,233	6,289	6,818	5,969
Interest paid to EFDC	(1,949)	(3,778)	(3,994)	(3,983)	(3,576)
Net Surplus / (Deficit) Before Tax	(1,277)	1,455	2,295	2,835	2,394

- ✓ From year ending March 2025 sales surpluses from current schemes bring the Group into annual surplus
- ✓ Cash generated will be reinvested to continue to produce surplus.
- ✓ A development pipeline is essential to continue the positive performance and reduce the historic Balance Sheet deficit position.
- ✓ The graph illustrates the positive impact of reinvestment in further pipeline schemes.
- ✓ Pipeline schemes will return further surpluses to reduce historic deficits.

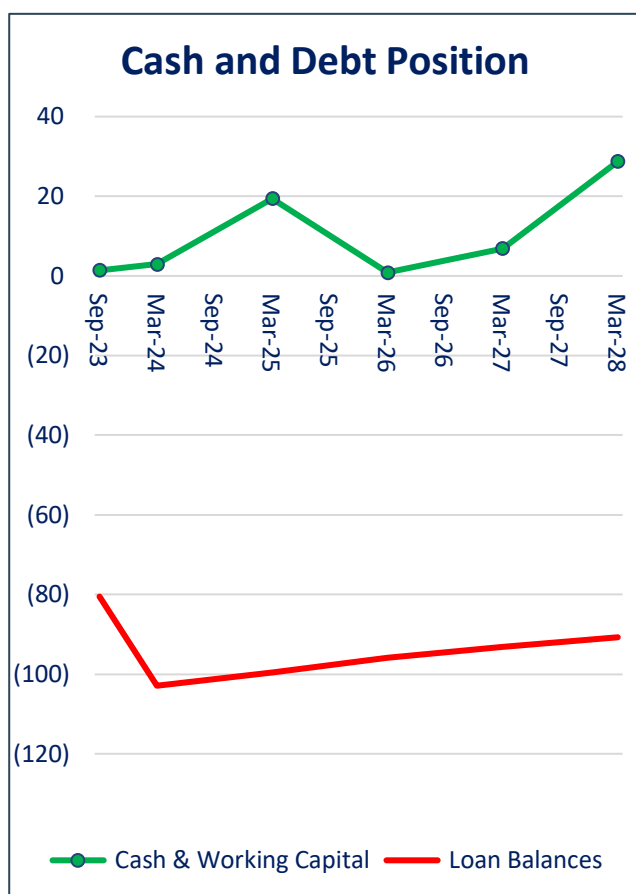




Financial Plan

Group Balance Sheet

Summary Group Balance Sheet	6 months	Y/E	Y/E	Y/E	Y/E
	To Mar-24	Mar-25	Mar-26	Mar-27	Mar-28
		Yr1	Yr2	Yr3	Yr4
	£000	£000	£000	£000	£000
Fixed Assets	48,558	48,558	48,558	48,558	49,658
Work in Progress	44,603	26,165	40,137	36,740	13,874
Assets	93,161	74,723	88,695	85,298	63,532
Cash & Working Capital	2,931	19,429	3,509	6,931	28,730
EFDC Loan Balances	(102,907)	(99,513)	(95,952)	(93,141)	(90,781)
Provisions	(681)	(681)	0	0	0
Net Assets	(7,496)	(6,041)	(3,747)	(912)	1,481



- ✓ During 2024/2025 cash receipts become available for re-investment in current and new pipeline schemes.
- ✓ As Work in Progress is developed and sold, the WIP balance decreases with a corresponding increase in cash balances.
- ✓ Qualis will use this recycled cash instead of the Council's debt to invest in pipeline schemes and generate surpluses.
- ✓ The Council borrowing is expected to peak during the 2024/25 financial year and then reduce in line with loan repayment profiles.



Cash Flow Statement

Cash Flow Statement	6 months	Y/E	Y/E	Y/E	Y/E
	To Mar-24	Mar-25	Mar-26	Mar-27	Mar-28
		Yr1	Yr2	Yr3	Yr4
	£000	£000	£000	£000	£000
Operating Surplus	672	5,233	6,288	6,818	5,969
less Sales	0	(3,471)	(4,423)	(4,218)	(3,417)
Net Operating Income	672	1,762	1,865	2,600	2,552
Development Net Cash Flow	(19,567)	21,908	(12,174)	10,241	25,183
Loans Repaid to EFDC	(1,614)	(3,394)	(3,561)	(2,811)	(2,361)
Interest Costs to EFDC	(1,949)	(3,778)	(3,994)	(3,983)	(3,576)
Net Cash Flow	(22,458)	16,498	(17,863)	6,047	21,799

To summarise, the Qualis Four Year Plan will:

- ✓ Enable Qualis to work towards clearing the historic deficit.
- ✓ Eliminate the need to borrow from the Council during year ended March 2025 and onwards.
- ✓ Provide positive cashflows in year ended March 2025 to be used for re-investment in new projects for the Council.
- ✓ Deliver more homes and regenerate the district.
- ✓ Provide the Council with over £2m of margin benefit per year on loan interest payments.

The Plan will succeed because:

- ✓ Current schemes only require further borrowing from the Council until early 2024/25.
- ✓ A development pipeline has been modelled to follow on from the current portfolio.
- ✓ All pipeline schemes are funded from re-investing sales receipts.
- ✓ Pipeline schemes will be agreed with the Council and meet Council objectives.



Qualis Group Limited
Epping High Road, Epping, Essex, CM16 4BZ

Overview and Scrutiny Committee Work Programme 2023/24
Chairman: Councillor D Wixley

	Item		Progress/Comments	Lead Officer
All Meetings				
1	Cabinet Business	18 July 2023 24 Oct 2023 21 Nov 2023	To review the Executive’s programme of Key Decisions at each meeting, to identify appropriate matters for the work programme and provide an opportunity for the overview of specific decisions. To consider any call-ins, as and when they arise.	
18 July 2023				
2	Council’s Corporate Priorities	Completed 18 July 2023	The Leader of Council presents the Council’s corporate priorities. (First meeting of each municipal year)-	
3	Scrutiny Committees – Work Programme 2023/24	Completed 18 July 2023	Work programmes agreed for Overview and Scrutiny, Communities Scrutiny and Place Scrutiny Committees for 2023/24. (First meeting of each municipal year)	Andrew Small
4	Corporate Plan Performance Report	Completed 18 July 2023	Qtr.1 Corporate performance report	C Graham
5	Budget Scrutiny 2022/3	Completed 18 July 2023	Qtr.4 Budget Monitoring report capital and revenue 2022/23 (Provisional Outturn) (Previously considered by Stronger Council)	Andrew Small, Chris Hartgrove
	Budget Scrutiny 2023.24	Completed 24 Oct 2023	Qtr.1 Budget Monitoring report capital and revenue 2023/24	
6	Qualis	Completed 18 July 2023	Quarterly Monitoring Report Qtr. 2 (Year 4)	Andrew Small

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	Item		Progress/Comments	Lead Officer
7	Epping Forest District Museum	Completed 18 July 2023	C/F from Stronger Communities Select Committee Work Programme: Prior to Cabinet Decision 21 August 2023 (Exempt Report) restricted papers	Jen Gould
24 October 2023				
8	Corporate Plan Performance Report	Completed 24 Oct 2023	Qtr.2 Corporate performance report.	C Graham
9	Budget Scrutiny 2023/24	Completed 24 Oct 2023	Qtr.2 Budget Monitoring report capital and revenue 2023/24 (Cabinet 13 Nov 2023)	Andrew Small, Chris Hartgrove
10	Medium-Term Financial Plan 2024/25 to 2028	Completed 24 Oct 2023	New Item Updated Medium Term Financial Plan 2024/25 – 2028/29	Andrew Small, Chris Hartgrove
11	Capital Programme Update 2024/25 to 2028/29	Completed 24 Oct 2023	New Item: Review of capital Programme 2024/25	Andrew Small, Chris Hartgrove
13	Qualis		Quarterly Monitoring Report Cabinet 13 Nov 2023)	Andrew Small
14	Local Council Tax Support Scheme	Completed 24 Oct 2023	To make changes to the Council’s Local Tax Support Scheme – Pre-Cabinet Scrutiny Report	Rob Pavey
21 November 2023				
15	Qualis Business Plan		To consider the Qualis Business Plan – (Pre-Cabinet Scrutiny 4 December 2023)	A. Small
16	Place Strategy		To consider the Qualis Business Plan – (Pre-Cabinet Scrutiny 4 December 2023)	A.Small

	Item		Progress/Comments	Lead Officer
NEW MEETING 12 December 2023:- SINGLE ITEM AGENDA - IN PERSON MEETING ONLY				
17	Indicative Draft Budget 2024/25		To consider the Draft Budget which includes General Fund & HRA revenue, Capital, Fees & Charges and updated Medium Term Financial Plan – (Pre-Cabinet 18 December 2024)	A. Small
23 January 2024				
18	Corporate Plan Performance Report		Qtr.3 Corporate performance report.	C Graham
19	Budget Scrutiny 2023/24		Qtr.3 Budget Monitoring report capital and revenue 2023/24	Andrew Small, Chris Hartgrove
20	Indicative Draft Budget 2024/25		Draft Budget which includes General Fund & HRA revenue, Capital, Fees & Charges and updated Medium Term Financial Plan)	
21	Qualis		Quarterly Monitoring Report Qtr. 4 (Year 4)	Andrew Small
23 April 2024				
22	Epping Forest Youth Council		Annual Report from the Epping Forest Youth Council on completed and proposed activities.	
23	Corporate Plan Performance Report		Qtr.4 (end of year) Corporate performance report.	C Graham
24	Budget Scrutiny 2023/4		Qtr. 4 Budget Monitoring report capital and revenue 2023/24	Andrew Small, Chris Hartgrove
25	Qualis		Quarterly Monitoring Report Qtr. 1 (Year 5)	Andrew Small

	Item		Progress/Comments	Lead Officer
26	People Strategy		Progress/achievements against the 1 st year objectives for the Strategy (requested by Cabinet 30/5/23)	Paula Maginnis
27	Overview and Scrutiny 2023-24 Annual Report		Review draft report	Laura Kirman



**Epping Forest
District Council**

FORWARD PLAN

FOR THE PERIOD 1 NOVEMBER 2023 TO 29 FEBRUARY 2024

What is a key decision?

The Council publishes a notice for each Key Decision or decision to be made in private at least 28 days before that decision is made.
The Cabinet Forward Plan is published at the beginning of each month as legally required.

Further information is provided in the [Constitution](#) – **Article 14 Decision – Making**

Epping Forest District Council's aims and key objectives are detailed in the [Corporate Plan](#).

EXPECTED REPORTS	MEETING	DATE OF MEETING	KEY AND / OR EXEMPT DECISION	REPORT AUTHOR	LEAD DIRECTOR / MANAGER	NOTES / COMMENTS
LEADER Portfolio Holder: Cllr C Whitbread						
Risk Management - Corporate Risk Register To consider the corporate risk register and approve the Risk Management Strategy and Policy.	Cabinet	4 December 2023	Key Significantly effects 2 or more wards	Andrew Small, Strategic Director, Corporate and Section 151 Officer	Strategic Director Corporate and Section 151 Officer	
Interim Polling Districts as a result of the Boundary Review	Council	Not before 1st October 2024	Key Significantly effects 2 or more wards	Paula Maginnis, Service Director (Corporate Services)	Strategic Director Corporate and Section 151 Officer	
PLACE Portfolio Holder: Cllr N Bedford						
HGGT Governance / Joint Committee Update on and approval of HGGT Joint Committee delegations Framework and other relevant decisions.	Cabinet	13 November 2023	Key Raises new issues of Policy	Nigel Richardson, Service Director (Planning Services), Naisha Polaine, Harlow and Gilston Garden Town Director		
	Council	19 December 2023				
North Weald Bassett Master Plan Allocation Site Approval sought to go out to consultation	Cabinet	13 November 2023	Key Increases Financial Commitments in Future Years	Nigel Richardson, Service Director (Planning Services)	Chief Operating Officer	

EXPECTED REPORTS	MEETING	DATE OF MEETING	KEY AND / OR EXEMPT DECISION	REPORT AUTHOR	LEAD DIRECTOR / MANAGER	NOTES / COMMENTS
Implementation of the Local Plan Annual Infrastructure Funding Statement	Cabinet	4 December 2023	Key Significantly effects 2 or more wards Open	Nigel Richardson, Service Director (Planning Services)	Chief Operating Officer	
	Cabinet Agenda Planning Group	30 October 2023				
	Executive Briefing	13 November 2023				
Place Strategy	Cabinet	4 December 2023	Key Significantly effects 2 or more wards Open	Georgina Blakemore, Chief Executive	Chief Operating Officer	
	Cabinet Agenda Planning Group	30 October 2023				
	Executive Briefing	13 November 2023				
FINANCE & ECONOMIC DEVELOPMENT Portfolio Holder: Cllr J Philip						
Local Council Tax Support Scheme To make changes to the Council's Local Council Tax Support Scheme.	Cabinet	13 November 2023	Key Significantly effects 2 or more wards	Rob Pavey, Service Director (Customer Services)	Strategic Director Corporate and Section 151 Officer	
Quarter 2 Budget Monitoring Report 2023/24 To review Q2	Cabinet	13 November 2023	Key Expenditure > £250k	Christopher Hartgrove, Interim Chief Financial Officer	Strategic Director Corporate and Section 151 Officer	
	Cabinet Agenda Planning Group	9 October 2023	Open			

EXPECTED REPORTS	MEETING	DATE OF MEETING	KEY AND / OR EXEMPT DECISION	REPORT AUTHOR	LEAD DIRECTOR / MANAGER	NOTES / COMMENTS
	Executive Briefing	23 October 2023				
	Overview & Scrutiny Committee	24 October 2023				
Qualis Quarter 4 Budget Monitoring Report 2023 To review Q4	Cabinet	4 December 2023	Key Expenditure > £250k	Andrew Small, Strategic Director, Corporate and Section 151 Officer	Strategic Director Corporate and Section 151 Officer	
	Cabinet Agenda Planning Group	30 October 2023	Open			
	Executive Briefing	13 November 2023				
Qualis 4-Year Business Plan To review	Cabinet	4 December 2023	Key Expenditure > £250k	Andrew Small, Strategic Director, Corporate and Section 151 Officer	Strategic Director Corporate and Section 151 Officer	
	Cabinet Agenda Planning Group	30 October 2023	Open			
	Executive Briefing	13 November 2023				
Indicative Draft Budget 2024/25 Draft Budget which includes General Fund & HRA revenue, Capital, Fees & Charges and updated Medium Term Financial Plan)	Cabinet	18 December 2023	Key Expenditure > £250k	Christopher Hartgrove, Interim Chief Financial Officer	Strategic Director Corporate and Section 151 Officer	
	Cabinet Agenda Planning Group	30 October 2023	Open			
	Executive Briefing	13 November 2023				

EXPECTED REPORTS	MEETING	DATE OF MEETING	KEY AND / OR EXEMPT DECISION	REPORT AUTHOR	LEAD DIRECTOR / MANAGER	NOTES / COMMENTS
Qualis Q1 Budget Monitoring 24/25 To review Q1	Cabinet	5 February 2024	Key Expenditure > £250k Open	Andrew Small, Strategic Director, Corporate and Section 151 Officer	Strategic Director Corporate and Section 151 Officer	
	Cabinet Agenda Planning Group	4 January 2024				
	Executive Briefing	15 January 2024				
Quarter 3 Budget Monitoring Report 2023/24 To review Q3	Cabinet	5 February 2024	Key Expenditure > £250k Open	Christopher Hartgrove, Interim Chief Financial Officer	Strategic Director Corporate and Section 151 Officer	
	Cabinet Agenda Planning Group	4 January 2024				
	Executive Briefing	15 January 2024				
	Overview & Scrutiny Committee	23 January 2024				
Final Draft Budget Proposals 2024/25 (Final Budget Papers which include General Fund & HRA revenue, Capital, Fees & Charges and updated Medium Term Financial Plan)	Cabinet	5 February 2024	Key Expenditure > £250k Open	Christopher Hartgrove, Interim Chief Financial Officer	Strategic Director Corporate and Section 151 Officer	
	Cabinet Agenda Planning Group	4 January 2024				
	Executive Briefing	15 January 2024				
HOUSING & STRATEGIC HEALTH PARTNERSHIPS Portfolio Holder: Cllr H Whitbread						
Housing Allocation Scheme - 1 Year Review Review of Policy	Cabinet	13 November 2023	Key Raises new issues of Policy Open	Surjit Balu, Interim Director of Housing and Property	Chief Operating Officer	
	Cabinet Agenda Planning Group	9 October 2023				
	Executive Briefing	23 October 2023				

EXPECTED REPORTS	MEETING	DATE OF MEETING	KEY AND / OR EXEMPT DECISION	REPORT AUTHOR	LEAD DIRECTOR / MANAGER	NOTES / COMMENTS
Telecare Emergency Alarm Upgrade	Housing and Strategic Health Partnerships Portfolio Holder	Not before 29th November 2023	Key Expenditure > £250k Open	Surjit Balu, Interim Director of Housing and Property	Chief Operating Officer	
Home Ownership Strategy	Cabinet	4 December 2023	Key Significantly effects 2 or more wards	Surjit Balu, Interim Director of Housing and Property	Chief Operating Officer	
Older People Strategy	Cabinet	4 December 2023	Key Significantly effects 2 or more wards	Surjit Balu, Interim Director of Housing and Property	Chief Operating Officer	
Asset Management Strategy	Cabinet	4 December 2023	Key Significantly effects 2 or more wards	Surjit Balu, Interim Director of Housing and Property	Chief Operating Officer	
HRA Business Plan To review	Cabinet	15 January 2024	Key Expenditure > £250k Open	Surjit Balu, Interim Director of Housing and Property	Chief Operating Officer	
	Cabinet Agenda Planning Group	4 December 2023				
	Executive Briefing	18 December 2023				

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EXPECTED REPORTS	MEETING	DATE OF MEETING	KEY AND / OR EXEMPT DECISION	REPORT AUTHOR	LEAD DIRECTOR / MANAGER	NOTES / COMMENTS
COMMUNITY HEALTH & WELLBEING Portfolio Holder: Cllr S Patel						
Role of Local Government in the Integrated Care System Conclusion of the Task and Finish Panel	Communities Scrutiny Committee	Not before 1st January 2024	Key Open	Jennifer Gould, Strategic Director and Chief Operating Officer	Chief Operating Officer	
CONTRACTS, SERVICE DELIVERY & IMPROVEMENT Portfolio Holder: Cllr R Balcombe						
Procurement of Waste Fleet Vehicles To approve the procurement of the specified waste fleet vehicles.	Cabinet	15 January 2024	Key Significantly effects 2 or more wards	James Warwick, Service Director (Contracts, Partnerships and Procurement)		
	Cabinet Agenda Planning Group	4 December 2023				
	Executive Briefing	18 December 2023				
Award of Contract for Construction of Environment Operations Hub at North Weald Airfield	Cabinet	15 January 2024	Key Expenditure > £250k Open	James Warwick, Service Director (Contracts, Partnerships and Procurement)	Chief Operating Officer	
	Cabinet Agenda Planning Group	4 December 2023				
	Executive Briefing	18 December 2023				

EXPECTED REPORTS	MEETING	DATE OF MEETING	KEY AND / OR EXEMPT DECISION	REPORT AUTHOR	LEAD DIRECTOR / MANAGER	NOTES / COMMENTS
REGULATORY SERVICES Portfolio Holder: Cllr K Williamson						
Contaminated Land Strategy Policy Document.	Cabinet	2024 (tbc)	Key Significantly effects 2 or more wards	Mandy Thompson, Interim Acting Service Director (Technical)	Chief Operating Officer	
CUSTOMER and CORPORATE SUPPORT SERVICES Portfolio Holder: Cllr S Kane						
Award of Contract for Off-Street Parking Enforcement To award the off-street parking enforcement contract.	Cabinet	4 December 2023	Key Significantly effects 2 or more wards	James Warwick, Service Director (Contracts, Partnerships and Procurement)	Chief Operating Officer	
	Cabinet Agenda Planning Group	30 October 2023				
	Executive Briefing	13 November 2023				
Customer/Digital Strategy	Cabinet	2024 (tbc)	Key Significantly effects 2 or more wards	Melissa Kemp-Salt, Director of ICT & Transformation	Strategic Director Corporate and Section 151 Officer	
Financial IT System To replace the current financial and procurement system with one consolidated Cloud based IT system.	Customer and Corporate Support Services Portfolio Holder	tbc	Key Significantly effects 2 or more wards	Christopher Hartgrove, Interim Chief Financial Officer	Strategic Director Corporate and Section 151 Officer	