

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 3 November 2016

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 7.50 pm

Members Present: C Whitbread (Chairman), S Stavrou (Vice-Chairman), R Bassett, W Breare-Hall, A Grigg, H Kane, A Lion, G Mohindra and G Waller

Other Councillors: R Brookes, S Heap, S Kane, J Lea, C C Pond, C P Pond and J H Whitehouse

Apologies: J Philip

Officers Present: G Chipp (Chief Executive), D Macnab (Deputy Chief Executive and Director of Neighbourhoods), C O'Boyle (Director of Governance), R Palmer (Director of Resources), D Newton (Assistant Director (ICT and Facilities Management)), R Pavey (Assistant Director Revenues), D Bailey (Head of Transformation), T Carne (Public Relations and Marketing Officer), M Hobbs (Facilities Manager), S Tautz (Democratic Services Manager), G J Woodhall (Senior Democratic Services Officer) and J Leither (Democratic Services Officer)

76. WEBCASTING INTRODUCTION

The Leader of Council made a short address to remind all present that the meeting would be broadcast on the Internet, and that the Council had adopted a protocol for the webcasting of its meetings.

77. DECLARATIONS OF INTEREST

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

78. MINUTES

Resolved:

(1) That the minutes of the meeting held on 6 October 2016 be taken as read and signed by the Leader as a correct record.

79. REPORTS OF PORTFOLIO HOLDERS

There were no verbal reports from the Portfolio Holders present at the meeting on current issues concerning their areas of responsibility.

80. PUBLIC QUESTIONS AND REQUESTS TO ADDRESS THE CABINET

There were no questions or requests to address the Cabinet received from the public for the Cabinet to consider.

81. OVERVIEW AND SCRUTINY

The Chairman of the Overview & Scrutiny Committee reported that the following items of business had been considered at its meeting held on 25 October 2016:

- (a) a review of the Council's performance against the Key Action Plan during Quarter 1 of 2016/17;
- (b) a review of the Committee's Work Programme and Reserve Programme for 2016/17; and
- (c) consideration of the questions to be put to Transport for London at the next meeting of the Committee on 19 December 2016.

The Council's Key Decision List was reviewed:

- (i) it was noted that the report on the updating of the Waste & Recycling Policies would not be considered until December 2016 at the earliest; and
- (ii) the Committee enquired about the wider implications of the items listed on the Sheltered Housing Assets and on the Sheltered Housing Service.

82. COUNCIL TAX DISCOUNTS FOR VACANT PROPERTIES

The Finance Portfolio Holder presented a report on Council Tax Discounts for vacant properties.

The Portfolio Holder stated that The Local Government Finance Act 2012 contained reforms to Council Tax which provided a number of discretions for councils relating to empty properties. Since 1 April 2013, the Council had exercised its discretion and had awarded a 100% discount on vacant properties for three months, after which 100% Council Tax was payable. It was recommended that the period of 100% discount be reduced from three months to one month. In addition, it was also recommended that an explicit clause be added preventing abuse of the discount provision by requiring a two month period before a further period of discount could be awarded.

Decision:

- (1) That, for the financial year 2017/18, class C properties which were unoccupied and substantially unfurnished, as defined under Section 11A(4A) of the Local Government Finance Act 2012, be in receipt of 100% Council Tax discount for one month only; and
- (2) That should a dwelling cease to be vacant then no further period of discount be awarded for at least two months with immediate effect.

Reasons for Decision:

The reduction of the period allowed for 100% discount on empty properties would further incentivise owners and landlords of properties to re-occupy their properties. It would also provide additional Council Tax income to this authority and other major preceptors of around £300,000 of which around £30,000 would be received by this authority.

Other Options Considered and Rejected:

To not reduce the discount from three months to one month, or to reduce the discount to two months or no discount at all.

To not insert a clause requiring two month period before a further period of discount is awarded.

83. NORTH ESSEX PARKING PARTNERSHIP - EXTENSION OF JOINT COMMITTEE AGREEMENT FOR A FURTHER FOUR YEARS

The Portfolio Holder for Safer, Greener & Transport presented a report on the extension of the Joint Committee Agreement for on street parking arrangements with the North Essex Parking Partnership for a further four years.

The Portfolio Holder reminded the Cabinet that the North Essex Parking Partnership (NEPP) was created in 2011 when Essex County Council withdrew the on-street parking arrangement from District and Borough Councils. The Partnership consisted of six authorities: Epping Forest District Council, Harlow District Council, Uttlesford District Council, Braintree District Council, Colchester Borough Council and Tendring District Council. Colchester Borough Council was the lead authority and all the staff were employed by them. The Partnership was governed by the Joint Committee which consisted of the Portfolio Holders from all the constituent members as well as Essex County Council.

The Portfolio Holder reported that the Partnership was set up for an initial seven year period with an option to extend by another four years. The County Council had reviewed the performance of the Partnership during 2016 and had decided to offer the four year extension. This would be discussed at the Joint Committee meeting in December 2016 and a joint decision taken on the extension. It was for this reason that all Portfolio Holders representing the member authorities were required to come with the necessary delegated authority. By granting delegated authority to the Portfolio Holder for Safer, Greener and Transport, the Council would ensure that it was a full partner in the management of the Partnership and be responsible for the on-street parking arrangements within Epping Forest District.

Cllr Bassett highlighted that Tendring District Council had its own on street Parking Enforcement Officers in certain areas, and enquired whether this Council would be allowed similar rights. The Assistant Director of Neighbourhoods (Technical Services) stated that Tendring District Council had been conducting a trial whereby they performed their on street enforcement in-house and had their own Enforcement Officers. The Council could ask the Partnership to give Epping Forest a similar delegation, but there would be costs involved.

Other Councillors commented that a clear programme of work should be forthcoming from the Partnership, and many felt that the Council would be better at on street parking enforcement than the Partnership. Cllr C C Pond proposed that recommendation 3 be amended to note the Council's disappointment with the Partnership's performance for on street enforcement duties. The Leader of Council was disappointed that more options were not included in the review undertaken by the County Council, and commented that the Epping Forest District was unique within the Partnership as it was the only one with London Underground Railway stations. The performance of the Partnership for on street enforcement had not been beneficial for residents across the District.

Decision:

(1) That the delegated authority from Essex County Council (ECC) to the North Essex Partnership (NEPP) for the administration of on street parking arrangements would end in March 2018 and the County Council, following a review of the arrangement, had decided to extend this up to 2022, subject to the approval of the Joint Committee of NEPP in December, be noted;

(2) That the authority to agree the four year extension at the Joint Committee meeting in December 2016 from 2018 to 2022 be delegated to the Portfolio Holder for Safer, Greener and Transport; and

(3) That the dissatisfaction of the Council at the lack of enforcement performance of the Partnership within the District be noted and the Portfolio Holder be requested to get an assurance of improved performance.

Reasons for Decision:

The responsibility for the on-street parking arrangement was with Essex County Council who had elected to delegate this authority to the North Essex Parking Partnership for a further four year period. In order for the Council to benefit from this arrangement, the Portfolio Holder had to have delegated authority at the Joint Committee meeting in December 2016 to agree to the extension on behalf of the Council.

Other Options Considered and Rejected:

The Council could refuse to be part of the next four year extension. However, the North Essex Parking Partnership would continue to operate on-street parking enforcement in the Epping Forest District and this would mean that the Council would have no influence over decisions made by the Partnership within the administrative boundary of the District.

84. CIVIC OFFICES, COMMERCIAL PROPERTY AND OTHER OPERATIONAL BUILDINGS - PLANNED MAINTENANCE PROGRAMME 2016/17 - 2020/21

The Portfolio Holder for Technology & Support Services presented a report on the Planned Maintenance Programme for the Civic Offices, commercial property and other operational buildings during the period 2016/17 to 2020/21.

The Portfolio Holder stated that the Planned Maintenance Programme provided a structured way of ensuring that the Council's property assets were properly maintained and improved to meet Health and Safety requirements, statutory regulations, contractual obligations in respect of leases for commercial premises, customer demands and the long term protection and value of the Council's assets. In addition to the Planned Maintenance Programme approved for 2016/17, the Facilities Management Team (FM) had also been engaged in implementing day-to-day routine maintenance and servicing works as well as a number of additional projects, including:

- office alteration works at the Civic Complex funded by and on behalf of other Directorates following the Senior Management Restructure;
- investigating options for extending the existing reception area at the Civic Offices out towards the rear of the building as part of the

Transformation Programme to facilitate the inclusion of payment machines and additional reception staff;

- the provision of a new electrical control panel to allow the computer suite and the Civic Offices to be switched independently and allow Engineers to switch and work on main switchboards without the need to shut down the central computer service; and
- organising the moving of staff and equipment from the Langston Road Depot to the new depot at Oakwood Hill and continuing to undertake fit out works in the offices and workshops.

The Portfolio Holder reported that key projects for the future included:

- the provision of a new generator at the Civic Offices which would have the capacity to fully power the whole site in the event of loss of power from UK Power Networks;
- the replacement of the existing air conditioning units in computer suite 2 which were at the end of their operating life; and
- completely overhauling the main roof over the listed building at the museum following the identification of defects during recent refurbishment works, to ensure that the building was watertight for many years to come.

In order to fulfil the proposed Programme, the Portfolio Holder sought approval for capital growth bids of £659,000 in 2018/19, £394,000 in 2019/20, and £292,000 in 2020/21; and revenue growth bids of £45,240 in 2019/20, and £122,150 in 2020/21.

Decision:

(1) That the Five Year Planned Maintenance Programme 2016/17 to 2020/21 for Operational and Commercial Properties be approved; and

(2) That the Capital and Revenue budget requirements for essential and planned maintenance works at the Civic Offices, other Operational Buildings and Commercial property for the five year period 2016/17 to 2020/21 be approved (Appendices 1 and 2 of the report refer), including:

- (a) Capital growth bids of:
 - (i) £659,000 in 2018/19;
 - (ii) £394,000 in 2019/20; and
 - (iii) £292,000 in 2020/21; and
- (b) Revenue growth bids of:
 - (i) £45,240 in 2019/20; and
 - (ii) £122,150 in 2020/21.

Reasons for Decision:

A proactive approach to Facilities Management had been taken for all operational buildings and commercial property to ensure that:

- (a) the buildings and their infrastructure would be maintained to an appropriate level meeting health and safety, statutory regulations and contractual obligations;
- (b) the buildings and their infrastructure would be brought to a standard to comply with EU statutory regulations;
- (c) the risk of unreliability and failure of critical systems, services and building fabric was reduced;
- (d) good financial management through forecasting was maintained; and
- (e) performance standards/indicators were maintained or improved upon.

Other Options Considered and Rejected:

To do nothing; however, this would lead to a deterioration of building fabric and systems which could result in a risk to the health and safety of staff and the public, loss of service and income, increased future management liability, reduced property asset value, breach of legal obligations in respect of commercial leases and contract requirements. There was also a risk that the buildings and infrastructure might not meet future needs of the Council.

To defer action until fabric, systems or equipment failed; however, this would cause varying degrees of disruption depending on the extent of failure and/or systems involved and the time scale for the procurement and rectification of the defect. Depending on the nature of the failure, it could also lead to damage to other parts of the building fabric or services or loss of income. This option would also lead to requests for supplementary finance at the time and have a negative effect on performance standards. The performance of the Council's operations and functions could be compromised.

85. TRANSFORMATION PROGRAMME - MONITORING REPORT SEPTEMBER 2016

The Leader of Council presented a report highlighting the progress with the Transformation Programme during September 2016.

The Leader stated that regular monitoring reports on the progress of the Transformation Programme were being presented to the Cabinet, and this was the report for September 2016. It was anticipated that the format of the report would evolve over time in order to remain an effective tool for highlighting progress, slippage and remedial actions being undertaken. This particular report included progress for all chartered projects of Medium and High Risk potential, as well as progress on key aspects of the Transformation Programme.

The Leader reported that, overall, progress indicators for 'cost', 'delivery / outcomes / outputs' and 'benefits' remained 'Green'. The status indicator for 'time' was reported as 'Amber' to highlight that 10 actions (from a total of 181) were overdue, but Project and Programme Managers had actions in place to deal with any potential negative effects. Progress would be kept under review and it was anticipated that the status of the majority of these items would return to 'Green' in the next report.

Decision:

(1) That the progress of the projects within the Transformation Programme for September 2016, alongside the planned actions for October 2016, be noted.

Reasons for Decision:

To inform the Cabinet of progress with the Transformation Programme, including work streams, programmes and projects.

Other Options Considered and Rejected:

None, as failure to monitor and review the progress of the Transformation Programme and to consider corrective action where necessary, could have negative implications for the Council's reputation, and might mean the opportunities for improvement were lost.

86. PAYMENT OF UNALLOCATED ONE-FOR-ONE REPLACEMENT RIGHT TO BUY (RTB) CAPITAL RECEIPTS TO GOVERNMENT - QUARTERS 1 AND 2 2016/17

The Housing Portfolio Holder presented a report for the payment of unallocated "One-for-One Replacement" Right to Buy capital receipts during the first two quarters of 2016/17 to the Government.

The Portfolio Holder reminded the Cabinet that it had previously decided to expand and accelerate its Housing Programme; one of the reasons for this was to utilise the increasing amount of "One-for-One Replacement" Right to Buy (RTB) capital receipts ("141 Receipts") that were accumulating. However, since that time, the Government had required all social landlords to reduce their rents by 1% per annum for four years from April 2016, resulting in reduced income for the Council's Housing Revenue Account (HRA). Despite Officers working hard to utilise the "141 Receipts", there had been a number of obstacles to overcome, which had resulted in the Council taking steps to maximise the use of "141 Receipts". This had enabled all the "141 Receipts" that had accrued over the past 3 years, up to the middle of Quarter 1 of 2016/17, to be allocated to phases of the Council Housebuilding Programme up to and including Phase 3.

However, the Portfolio Holder stated that there was currently a lot of uncertainty around the amount of resources available to continue with the Council Housebuilding Programme beyond Phase 3 and, as part of its further HRA Financial Options Review, the Cabinet would need to make a decision on whether or not the Council should refinance its first loan from the Public Works Loan Board (PWLB) for the HRA, that was due to mature in 2022, in order to continue with the Housebuilding Programme. However, the Options Review could not be properly undertaken until the Government's proposals on requiring councils to sell their higher value empty properties, to fund a new levy to be paid to the Government, had been analysed - including a Government proposal that the Department of Communities & Local Government (DCLG) might be prepared to enter into agreements with Councils to reduce the amount of levy to be paid, provided that the retained payments were used to build/provide new replacement affordable housing locally.

The Portfolio Holder highlighted that if, on review, a decision was made to cease the Council Housebuilding Programme beyond the current Phase 3, in addition to all "141 Receipts" arising in future Quarters, around £312,000 and £1.364million would need to be paid over to the Government for "141 Receipts" received in Quarters 1 and 2 of

2016/17 respectively, with interest of £1,000 and £4,800 per month being payable for Quarters 1 and 2, although Officers had already taken action to avoid paying the latter interest charge, by paying the Quarter 2 “141 Receipts” over to the DCLG “temporarily”. Officers were also currently in discussions with the DCLG to ascertain if the unallocated “141 Receipts” from Quarter 1, for which the required quarterly return had already previously been submitted to the DCLG, could also be paid over temporarily as well. In view of the current uncertainty, the Portfolio Holder, in consultation with the Leader of Council, had concluded that the proposals were the most appropriate under all the circumstances.

Cllr Mohindra, as Finance Portfolio Holder, fully supported the proposals as no purpose would be served through making interest payments to the Government. Cllr Bassett lamented that the Council was having to return monies to the Government after all the measures initiated by the Council to provide new homes for residents. The Housing Portfolio Holder reiterated that the Government had changed the rules, which had unfortunately led to the Council having to now potentially return “141 Receipts” monies to the Government, although it was confirmed that monies from Section 106 Agreements were being used to build new Council housing.

Cllr C C Pond commented that this was a regrettable, but understandable, decision and enquired whether the implementation of an Arms Length Management Organisation for the development and management of the Council’s housing stock would be re-examined. The Portfolio Holder emphasised that every alternative would be studied during the forthcoming further HRA Financial Options Review.

Decision:

In view of the current uncertainty regarding the amount of resources available to the Council’s Housing Revenue Account (HRA) in the future and the need for the Cabinet to make a decision, as part of the further HRA Financial Options Review, on whether or not to refinance the first PWLB loan in order to continue with the Housebuilding Programme for Phases 4 – 6:

(1) That a temporary moratorium on work to progress Phases 4–6 of the Housebuilding Programme be introduced with immediate effect, with the exception of progressing planning applications for the developments agreed by the Council Housebuilding Programme for Phases 5 and 6, up to their determination;

(2) That the action already taken by Officers to “temporarily” pay over to the Department for Communities and Local Government (DCLG) the £1.364million of “141 Receipts” that accrued in Quarter 2 of 2016/17 and, if possible, the £312,000 of “141 Receipts” from Quarter 1 (plus the interest payable since 1 August 2016), which would otherwise be used to part-fund Phases 4-6 of the Council Housebuilding Programme, before the expiry of the 3 year utilisation period in July 2019 be confirmed, in order to avoid paying additional interest charges in the region of £4,800 or £5,800 per month from 1 November 2016;

(3) That, following discussions with DCLG officials, if it was no longer possible to “temporarily” pay over the £312,000 of “141 Receipts” from Quarter 1 to the DCLG, they be paid over to the DCLG permanently, as soon as possible, in order to minimise the accrual of additional interest charges in the region of £1,000 per month;

(4) That the planned further HRA Financial Options Review be undertaken as soon as possible after:

- (a) the Government had provided the awaited details of its proposal to require councils to sell their higher value empty properties to fund the new levy being introduced by the Government; and
- (b) the financial effects on the Council could be assessed;

in order for the Cabinet to make early long term decisions on the future of the Housebuilding Programme and the funding of the HRA;

(5) That any further "141 Receipts" that would accrue in future Quarters be "temporarily" paid over to the DCLG when they arose, until such time as the further HRA Financial Options Review had been completed, subject to decisions being made on whether or not to recover those "141 Receipts" from the DCLG before the deadline of 31st July 2017; and

(6) That, as part of the further HRA Financial Options Review, consideration be given to whether or not further reductions should be made to the funding of replacements and improvements to the existing housing stock, through moving from the Council's Modern Homes Standard back to the more basic Decent Homes Standard.

Reasons for Decision:

There was currently a lot of uncertainty around the amount of resources available to the Council to continue with its Housebuilding Programme beyond Phase 3, which would be considered in detail as part of the Council's further HRA Financial Options Review. But the Review could not be properly undertaken until the Government's proposals on requiring Councils to sell their higher value empty properties, to fund a new levy to be paid to the Government, had been analysed.

Other Options Considered and Rejected:

To make an early decision now, in advance of the HRA Financial Options Review, that the Housebuilding Programme be continued, at least until Phase 6, by deferring payment of around £16.4million of the first PWLB loan for the HRA of £31.8million, due to mature in 2022, for 4 years (to 2026-27), without affecting the Council's ability to repay the remaining PWLB loans, as planned, within the 30-year period of the HRA Financial Plan.

To not pay over the £312,000 of "141 Receipts" that accrued in Quarter 1 of 2016/17 and could not be used for Phases 1-3 of the Council Housebuilding Programme, but retain them until the further HRA Options Review was undertaken - accepting that interest charges of around £1,000 per month would continue to accrue until decisions on the future of the Housebuilding Programme could be made. If the outcome of the Review was to continue with the Council Housebuilding Programme, the retained £312,000 would not have been lost and would still be available to help fund the Programme beyond Phase 3. However, if the outcome of the Review was to end the Council Housebuilding Programme, an additional £1,000 per month interest up to the time a long-term decision was made would have been paid to the DCLG unnecessarily.

To not consider, as part of the further HRA Financial Options Review, whether investment in the Council's existing housing stock should be further reduced to move from the Council's Modern Homes Standard back to the more basic Decent Homes Standard.

87. APPROVAL TO CREATE THREE NEW OFF-STREET CAR PARKS

The Portfolio Holder for Safer, Greener & Transport presented a report seeking approval to create three new off street car parks at Oakwood Hill and Loughton Broadway.

The Portfolio Holder reminded the Cabinet that the Council provided 18 car parks across the District, which would increase to 21 if the recommendations within the report were agreed. These provided pay and display parking for shoppers, visitors and commuters and were a source of revenue for the Council. An opportunity had arisen for the Council to increase the number of pay and display parking spaces in the Loughton Broadway area. If agreed then the increase in parking spaces would benefit the local shops and traders in The Broadway as well as the business users of the Oakwood Hill Industrial Estate.

The Portfolio Holder stated that, in order to convert these car parks into off street car parks, it would be necessary to incur expenditure to install pay and display machines and other associated infrastructure, and there would also be the need for ongoing maintenance and enforcement. Consequently, a request for funding from the 'Invest to Save' fund had been made to cover the installation costs. Traffic Regulation Orders would also have to be made to create the pay-and-display off street car parks, and it was proposed to secure the services of the North Essex Parking Partnership (NEPP) to progress this.

When asked about the cost of using the NEPP to make the necessary Road Traffic Orders, the Assistant Director of Neighbourhoods (Technical Services) responded that the likely capital cost would be £40,000 and it should be possible to meet this cost from within existing resources; the biggest cost element would be the statutory public notices to be placed in the local press. The Portfolio Holder added that the estimated maintenance costs of £18,000 per annum had already been considered and it was anticipated that the likely income would more than cover this cost.

Cllr C C Pond highlighted that the proposed charges for the two car parks at Oakwood Hill would see residents charged £10 if they wished to stay for more than 3 hours; this was felt to be unreasonable and the Portfolio Holder was requested to investigate this and to consider whether parking charges should be synchronised across the District. The Portfolio Holder replied that the Council had an agreed Schedule of Parking Charges, acknowledged that there were lower charges in those areas where there was not a London Underground Railway Station, and consequently there would be higher charges for car parking in areas such as Loughton, Debden and Epping. The Finance Portfolio Holder reminded the Cabinet that the car parking charges were reviewed annually.

In response to further questions from the Members present, the Portfolio Holder explained that the Council would be in a better position to monitor the usage of the car parks through the installation of 'smart' parking meters; and the Portfolio Holder was content to remain with the proposed names for the new car parks, regardless of how mundane these names appeared to be.

Decision:

(1) That the creation, and naming of the following three new off street car parks in the Loughton Broadway area be approved:

- (a) a car park on the northern half of the Industrial Estate, Oakwood Hill North Car Park, with a short stay tariff, creating 15 new parking spaces;

- (b) a car Park on the southern half of the Industrial Estate, Oakwood Hill South Car Park, with a short stay tariff, creating 25 new parking spaces; and
 - (c) a car park behind shop numbers 12 to 14 Loughton Broadway, Burton Road South Car Park, with a long stay tariff, creating 15 new parking spaces;
- (2) That an 'Invest to Save' bid in the sum of £40,000 for 2017/18 for improvement and setup costs for the above three new car parks be agreed; and
- (3) That the services of the North Essex Parking Partnership be secured to make the necessary Traffic Regulation Orders to convert these car parks to pay and display.

Reasons for Decision:

The Council had an opportunity to increase the number of off street parking places available in the Loughton Broadway area. This, besides increasing the parking capacity in the area, would also generate revenue for the Council.

Other Options Considered and Rejected:

To keep the status quo and not introduce pay and display charges in these car parks. However, this would not help to reduce the parking stress in the Loughton Broadway area.

To not introduce pay and display charging. However, the Council would be foregoing a useful source of revenue generation.

88. ANY OTHER BUSINESS

The Cabinet noted that there was no other urgent business for consideration.

89. EXCLUSION OF PUBLIC AND PRESS

The Cabinet noted that there was no business which necessitated the exclusion of the public and press.

CHAIRMAN