

EPPING FOREST DISTRICT COUNCIL COMMITTEE MINUTES

Committee: Cabinet **Date:** 1 December 2016

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 9.05 pm

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

Other Councillors: R Brookes, S Heap, S Kane, A Mitchell, C C Pond, C P Pond, M Sartin and H Whitbread

Apologies: W Breare-Hall

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), K Durrani (Assistant Director (Technical Services)), S Hill (Assistant Director (Governance & Performance Management)), J Nolan (Assistant Director (Neighbourhood Services)), J Twinn (Assistant Director Benefits), D Bailey (Head of Transformation), O Shaw (Head of Customer Service), T Carne (Public Relations and Marketing Officer), M Warr (Economic Development Officer), G J Woodhall (Senior Democratic Services Officer) and S Kits (Social Media and Customer Services Officer)

90. 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.

91. DECLARATIONS OF INTEREST

(a) Pursuant to the Council's Member Code of Conduct, Councillors S A Stavrou and M Sartin declared an interest in agenda item 19, Approval to Enforce on behalf of Lee Valley Regional Park Authority, by virtue of being a member of the Lee Valley Regional Park Authority. The Councillors had determined that their interest was non-pecuniary and would remain in the meeting for the consideration of the issue.

92. MINUTES

Resolved:

(1) That the minutes of the meeting held on 12 October 2016 be taken as read and signed by the Leader of Council as a correct record; and

(2) That the minutes of the meeting held on 3 November 2016 be taken as read and signed by the Leader of Council as a correct record.

93. REPORTS OF PORTFOLIO HOLDERS

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

94. PUBLIC QUESTIONS AND REQUESTS TO ADDRESS THE CABINET

Mr T Blanks asked the following question:

“Will the Council provide the full details to the public of all changes that it makes, if any, to the Draft Local Plan as presented on 18 October in order to produce the final version to be put before the inspectorate so that residents who contributed can be assured that their views have been taken into account and that the consultation has been genuine? A detailed list of the changes will enable contributors to easily be reassured rather than wade laboriously through the two documents to compare versions.”

The Portfolio Holder for Planning Policy provided the following answer:

“Following the close of the Draft Local Plan public consultation on 12 December, the Council will begin to formally consider all responses received. The responses will be analysed, and the Council will give careful consideration as to where changes may be required to the Plan, or further work required. Through this process, reports will be published which will provide details of the comments received, issues raised, and how the Council is proposing to respond to the issues raised. These reports will be publicly available.

The next iteration of the Local Plan will be the final ‘Pre-Submission’ Plan that the Council intends to submit to the Secretary of State for Examination in Public. The Plan will therefore not include the same level of detail and explanation as the current Draft Local Plan, and so will not be directly comparable with the current ‘draft’ version. However, as stated above, the Council will be reporting how and where policies in the Plan have been amended to reflect the comments received and issues raised following public consultation.

In due course the Council will be producing a Consultation Statement. This is a legal requirement under the Regulations. The Consultation Statement will set out how the Council has involved the local community and other stakeholders in the formulation of the Local Plan, and will provide a summary of the changes arising from public consultation at each stage of the plan preparation process. It will therefore highlight the main issues raised by respondents to the consultation, and how representations have been taken into account in finalising the Plan. The Consultation Statement will accompany the final Local Plan on its submission for Examination.”

Mr Blanks thanked the Portfolio Holder for his answer and asked why the wishes of the public for spatial option 1 – proportionate distribution of development growth – in the first consultation had been ignored, as detailed in the analysis of responses dated 10 June 2013; particularly in relation to North Weald?

The Portfolio Holder responded that it was not a like-for-like comparison between the two documents, and the Council had not ignored feedback at any stage. Evidence gathered over the last four years had also been factored in to produce a balanced draft Local Plan.

95. OVERVIEW AND SCRUTINY

The Chairman of the Overview & Scrutiny Committee reported that there had not been a meeting of the Committee since the last meeting of the Cabinet, and therefore there was nothing specifically to report. The Chairman highlighted that Transport for London were scheduled to attend the next meeting of the Committee on 19 December 2016, to give a presentation to Members and answer questions; all Members were welcome to attend.

96. CORPORATE PLAN KEY ACTION PLAN 2016/17 - QUARTER 2 PROGRESS REPORT

The Leader of Council presented a report on the progress made during the second quarter of the municipal year with the Key Action Plan for 2016/17.

The Leader stated that the Corporate Plan was the Council's key strategic planning document, setting out its priorities over the five-year period from 2015/16 to 2019/20. The priorities or Corporate Aims were supported by Key Objectives, which provided a clear statement of the Council's overall intentions for these five years. The Key Objectives were delivered by an annual Action Plan, with each year building upon the progress made in previous years. The annual Action Plans contained a range of actions designed to achieve specific outcomes, to ensure the actions remained relevant and appropriate, and to identify opportunities to secure further progress or improvement.

The Leader reported that, at the end of the second quarter, progress was as follows:

- 29 (59%) of the actions had been achieved or were on target for completion;
- 14 (29%) of the actions were under control;
- 2 (4%) of the actions were behind schedule; and
- 4 (8%) of the actions were pending, as they were dependent upon the prior completion of other actions or external factors outside the control of the Council.

Decision:

(1) That progress on the achievement of the Council's Key Action Plan for 2016/17 at the end of Quarter 2 be noted.

Reasons for Decision:

It was important that relevant performance management processes were in place to review progress against the key objectives, to ensure their continued achievability and relevance, and to identify proposals for appropriate corrective action in areas of slippage or under-performance.

Other Options Considered and Rejected:

No other options were appropriate in this respect. Failure to monitor and review performance against the key objectives, and to consider corrective action where necessary, could have negative implications for the Council's reputation, and might mean that opportunities for improvement were lost.

97. INTERNAL AUDIT SHARED SERVICE

The Portfolio Holder for Governance & Development Management presented a report on the Internal Audit Shared Service.

The Portfolio Holder stated that, due to the success of the current internal audit arrangements with Broxbourne Borough and Harlow District Councils, approval was being sought to form an Internal Audit shared service between the three councils, with Broxbourne Borough Council being the Host Authority. The delivery of the shared service would be via a Delegated Function Model. Under this option, one Council (the Host Authority) undertook the functions of another Council under delegated powers as set out in an Administrative Collaboration Agreement entered into under Section 101 of the Local Government Act 1972. The Host Authority would employ all staff and the current Internal Audit Team would transfer to Broxbourne Borough Council under TUPE arrangements. The main benefits from sharing Internal Audit services would be to improve business resilience and produce efficiency savings. The Audit and Governance Committee had been made aware of the shared service concept when it considered the Internal Audit Strategy and Plan for 2016/17 at its meeting held on 31 March 2016.

The Cabinet welcomed the report, and the anticipated benefits and efficiency savings from the proposal.

Decision:

- (1) That the creation of a Shared Internal Audit Service with effect from 1 April 2017 ("the Commencement Date"), or such other date as agreed between Epping Forest District Council, Harlow District Council and Broxbourne Borough Council on the basis set out in the report, be approved;
- (2) That the appointment of Broxbourne Borough Council as host authority be approved;
- (3) That the Council entering into an Administrative Collaboration Agreement under Section 101 of the Local Government Act 1972 with the partner authorities be approved;
- (4) That authority be delegated to the Director of Governance, in consultation with the Portfolio Holder for Governance and Development Management, to agree the terms of the Administrative Collaboration Agreement which would include the provision to allow other councils to join the Shared Service in the future; and
- (5) That the transfer of staff to Broxbourne Borough Council as Host Authority on the terms set put in the Administrative Collaboration Agreement from the Commencement Date be agreed.

Reasons for Decision:

The Shared Internal Audit Service was expected to improve business resilience, provide career opportunities for staff, strengthen the independence of the Internal Audit function and produce efficiency savings.

Other Options Considered and Rejected:

To continue with the current arrangements; however, the Internal Audit units at all three Councils had limited capacity to respond to peaks in demand and staff

absences.

To outsource the Internal Audit function; however, an in-house team added value through attendance at project and business groups, and offering advice.

To join another partnership; however, this would result in the loss of the excellent working relationships developed with Harlow District and Broxbourne Borough Councils, and a loss of control of the Internal Audit provision.

To set up an arms-length Local Authority Trading Company (LATC) with Harlow District and Broxbourne Borough Councils; however, set up and on-going costs would be prohibitive in the short term.

98. LOCAL COUNCIL TAX SUPPORT SCHEME 2017/18

The Finance Portfolio Holder presented a report on the Local Council Tax Support Scheme for 2017/18.

The Portfolio Holder reminded the Cabinet that, as part of the major changes to the Welfare Benefits system, Council Tax Benefit ended on 31 March 2013 and was replaced by a new scheme called Local Council Tax Support (LCTS). A key principle of the scheme was the protection of people who were of an age where they could claim Pension Credit. The Government introduced Regulations to ensure that pensioners who had previously received Council Tax Benefit would continue to receive the same level of assistance they had prior to the LCTS being introduced. The Pan Essex LCTS project group, comprising of all the billing authorities and the unitary authorities in Essex, was created in January 2012 to devise a modular approach upon which all Essex authorities could base their local schemes according to local needs. The precepting authorities of Essex County Council, Essex Fire Authority and Essex Police were also involved from the beginning of the project. The project was managed by the Benefit Managers under guidance from the Essex Finance Officers Association.

The Portfolio Holder reported that the Council had approved the Epping Forest LCTS scheme for 2013/14 in December 2012, and for the first 3 years, the scheme remained unchanged. In December 2015, the Council had approved two amendments to the scheme for 2016/17, the first being that the maximum percentage of discount was reduced from 80% to 75%, and the second being a change to the calculation of self-employed income to align the LCTS with Universal Credit.

The Portfolio Holder stated that on 21 July 2016, the Cabinet approved the general principle that the Scheme for 2017/18 should aim to be cost neutral for the Council and that public consultation should be undertaken on certain elements of the Scheme to align it with other Welfare Reform changes that had either already been implemented, or were due to be implemented by April 2017. These were as follows:

- (i) to remove the family premium in the calculation for new claimants;
- (ii) to withdraw Local Council Tax Support where a person left Great Britain for four weeks or more;
- (iii) to limit the number of dependent additions to a maximum of two for all cases where dependents were born on or after 1 April 2017; and
- (iv) to reduce the maximum period for backdated claims by people of working age from three months to one month.

The Portfolio Holder informed the Cabinet that consultation on the 2017/18 scheme was undertaken from 15 August 2016 to 15 October 2016, and a total of 58 responses were received. Following the consultation period, it was decided not to reduce the maximum period for backdated claims by people of working age in the Scheme for 2017/18; in particular, it was felt that one month would not be long enough in cases of bereavement and the Hardship Fund could not be used to make any payments in these circumstances. The Cabinet was requested to recommend the revised Scheme for 2017/18 to the Council for final approval.

In response to questions from the Members present, the Assistant Director of Resources (Benefits) confirmed that the legislation referred to Great Britain, not the United Kingdom, so Northern Ireland was not included and any absence period would commence when the claimant left the mainland (i.e. England, Scotland or Wales), and the main reasons for the reduction of approximately 534 claimants during the last year was the implementation of a minimum income floor for self-employed persons and the general improvement in the economy. The Portfolio Holder also undertook to respond to Members in writing regarding the two wards within the District that would be most affected by the proposed amendments to the Scheme.

Decision:

- (1) That the responses to the consultation on the scheme for 2017/18 be noted;
- (2) That the scheme be amended to remove the family premium in the calculation for new claimants in line with other welfare reforms;
- (3) That the scheme be amended to withdraw Local Council Tax Support where a person leaves Great Britain for 4 weeks or more in line with other welfare reforms;
- (4) That the scheme be amended to limit the number of dependant additions to a maximum of two for all cases where dependants were born on or after 1 April 2017, in line with other welfare reforms; and
- (5) That the amended Local Council Tax Support Scheme for 2017/18 be recommended to the Council for approval.

Reasons for Decision:

Due to various welfare reforms that the Government had introduced for other state benefits, and also in Local Council Tax Support for people of pension age, it was proposed to make changes to the Local Council Tax Support scheme for people of working age from 1 April 2017. This would align the Council's scheme with the welfare reform changes and the Local Council Tax Support scheme for people of pension age.

If any changes were to be made to the current scheme either for financial or other reasons, the Council needed to approve the final scheme on 20 December 2016.

Other Options Considered and Rejected:

To not agree and recommend the revised scheme to the Council for approval; however, if the Council did not approve the amended Scheme by 31 January 2017, then the existing Scheme would have to continue in operation for 2017/18.

99. CAPITAL REVIEW 2016/17 - 2020/21

The Finance Portfolio Holder presented a report on the review of the Capital Programme for the period 2016/17 to 2020/21.

The Portfolio Holder outlined the Council's Capital Programme for the five year period 2016/17 to 2020/21. It included the forecast capital investment in Council owned assets; estimates of capital loans to be made for private housing initiatives; and projected levels of revenue expenditure funded from capital under statute. The capital programme had been prepared by updating the programme approved in February 2016, amended for any slippage and re-phasing approved in June 2016, as well as new schemes and allocations approved by the Cabinet subsequently.

The Portfolio Holder stated that the allocations included in 2016/17 and 2017/18 represented approved sums for capital schemes which the Council was committed to deliver. Allocations given for the years 2018/19 to 2020/21 represented forecast sums as a guide to future capital investment, and the schemes to which they related would require Cabinet approval before proceeding. The projects already approved within the Capital Programme had been reviewed and spending control Officers had reassessed estimated final costs and the phasing of expenditure profiles for each scheme as part of the Capital Review. Recommendations had been made to make amendments as appropriate.

The Portfolio Holder reported that the Council's overall programme of capital expenditure was summarised for each Directorate in Appendix 1 of the report and forecasted an investment of £118,801,000 in Council-owned assets over the five year period under consideration. Details of individual schemes or groups of projects were shown at Appendix 2 of the report for the General Fund Capital Programme and an analysis of works into specific categories was shown at Appendix 3 of the report for the Housing Revenue Account (HRA) Capital Programme. Appendix 1 also disclosed the Council's forecast to finance capital loans up to a maximum of £680,000 and planned expenditure of £4,443,000 - which was classified as revenue expenditure but could be financed from capital resources, over the five year period. Analyses of these figures were given in Appendices 4 and 5 of the report respectively.

The Portfolio Holder informed the Cabinet that Appendix 1 of the report also detailed the proposed sources of funding for the Capital Programme over the five-year period from 2016/17 to 2020/21, based on maximising the funding available to finance each scheme. Estimated external funding from grants and private sources of £5,055,000 was identified, and it was proposed that capital receipts of an estimated £16,693,000 and direct revenue funding of an estimated £78,120,000 be applied to finance the Capital Programme over the next five years. It is forecast that external borrowing of an estimated £24,056,000 would be necessary to support the Council's investments in new developments within the General Fund. The estimated level of capital resources available now and in the future were given in Appendix 6 of the report.

The Portfolio Holder concluded that the balance of capital receipts was expected to fall from £3,788,000 as at 1 April 2016 to £1,700,000 by 31 March 2021, and the Major Repairs Fund balance was expected to decrease from £12,292,000 to £0 by 31 March 2019, with annual contributions to be used in full each year thereafter.

In response to questions from the Members present, the Director of Resources explained that the proposed external borrowing would be undertaken through other Local Authorities, in order to obtain the best interest rates and value for money for the Council. The expectation was for the Council to borrow for as short a period as possible and repay the debt as quickly as possible; the Public Works Loans Board

would be considered for any borrowing, but it also applied penalties for the early redemption of loans.

The Cabinet noted that the review of the Capital Programme demonstrated the underlying strength of the Council's finances, and that it was working towards becoming self-funding as the funding available from Government grants continued to decrease.

Decision:

- (1) That the latest five-year forecast of capital receipts be noted;
- (2) That the level of usable capital receipts currently predicted to be £1,700,000 at 31 March 2021 be noted;
- (3) That external borrowing of an estimated £24,056,000, necessary to support the General Fund capital programme, be noted; and
- (4) That the following amendments to the Capital Programme be recommended to Council to approve:
 - (a) a supplementary capital estimate in the sum of £346,000 for the St John's Road development;
 - (b) a supplementary capital estimate in the sum of £28,000 for grounds maintenance vehicles to be financed from external sources; and
 - (c) a supplementary Capital estimate in the sum of £130,000 for Disabled Facility Grants to be financed from a Central Government Grant;
- (5) That the following amendments to the Capital Programme be approved:
 - (a) a reduction of £191,000 in 2016/17 and £200,000 thereafter for private sector housing loans;
 - (b) virements in 2016/17 in respect of:
 - (i) £12,000 to the Museum Development project from the Bridgeman House allocation within the General Fund; and
 - (ii) £200,000 to Structural Repairs from the Kitchen Replacement Programme within the Housing Revenue Account; and
 - (c) carry forwards totalling £8,060,000 from 2016/17 to 2017/18 in respect of the General Fund Schemes listed below:

(i) General ICT	£32,000;
(ii) Langston Road Shopping Park	£7,190,000;
(iii) Car Parking Schemes	£62,000;
(iv) Waste Management Equipment	£28,000;
(v) Flood Alleviation Schemes	£20,000;

(vi)	Purchase of Bridgeman House	£297,000;
(vii)	CCTV Systems	£128,000;
(viii)	Housing Estate Parking	£50,000; and
(ix)	Parking Review Schemes	£253,000; and
(d)	carry forwards totalling £8,947,000 from 2016/17 to 2017/18 in respect of the Housing Revenue Account Capital schemes listed below:	
(i)	New House Building & Purchases	£4,043,000;
(ii)	Communal Water Tanks	£100,000;
(iii)	Windows/Doors/Roofing	£225,000;
(iv)	Other Planned Maintenance	£22,000;
(v)	Structural Schemes	£100,000;
(vi)	Bathroom Replacements	£400,000;
(vii)	Garages & Environmental Improvements	£585,000;
(viii)	North Weald Depot	£3,130,000;
(ix)	Other Repairs & Maintenance	£33,000; and
(x)	Capital Service Enhancements	£309,000.

Reasons for Decision:

The Capital Programme was based on decisions already approved by the Cabinet. The expenditure profiles were based on Member agreed timescales and practical considerations. The proposed decisions were intended to make the best use of the capital resources currently available and forecast to become available for capital schemes during the period up to and including 2020/21.

Other Options Considered and Rejected:

To reduce the General Fund and/or Housing Revenue Account Capital Programmes by re-considering the inclusion of some new schemes or re-assessing the inclusion of some existing schemes. However, the revenue consequence of reducing the level of capital and revenue balances over the next five years would be to reduce investment income, whilst at the same time external borrowing would result in increased revenue costs through interest charges.

With regard to financing the General Fund and HRA capital programmes, there were a number of options available; however, the level of direct revenue funding had been set at a high level in order to reduce the need for external borrowing. These contributions could be reduced by increasing the levels of external borrowing, but the suggested revenue contributions were affordable within the General Fund and HRA, according to current predictions, and the cost of increased borrowing would ultimately result in higher net interest charges.

100. TRANSFORMATION PROGRAMME - MONITORING REPORT OCTOBER 2016

The Leader of Council presented the monitoring report for the Transformation Programme for October 2016.

The Leader stated that regular monitoring reports on the progress of the Transformation Programme were presented to the Cabinet and this was the report for October 2016. It was anticipated that the format of the report would evolve over time 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, the progress indicators for 'cost', 'delivery / outcomes / outputs' and 'benefits' remained 'Green'. The status indicator for 'time' was reported as 'Amber' to highlight that 4 actions (from a total of 202) are 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 October 2016, alongside the planned actions for November 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.

101. EXTERNAL PARTNERSHIPS - DELIVERING BETTER TAXPAYER VALUE FOR MONEY

The Finance Portfolio Holder presented a report on external partnerships and delivering better taxpayer value for money.

The Portfolio Holder reminded the Cabinet that delivering increased value for money was a core principle of the Council. Many public services overlapped in their responsibilities to deliver services that residents of the District relied on. New ways of working that reduced duplication, and combined and enhanced joint working amongst the many bodies that served local need, was increasingly identified as offering the best opportunity for service efficiency and improvement to mitigate increased pressure on taxpayer funded services. Public bodies such as Essex County Council, the West Essex Clinical Commissioning Group and other key partners were studying how a new approach for delivery could be secured in delivering a better, more efficient, joined up service to residents. The requested allocation of £100,000 from the District Development Fund for 2017/18 would enable Epping Forest District Council to respond effectively and potentially invest in the future in new initiatives and opportunities for joint working.

Cllr Philip highlighted that previous examples of collaborative working had not produced the desired value for money for the Council; however, the Portfolio Holder assured the Cabinet that the Council would reap benefits from the proposed investment.

Decision:

(1) That a District Development Fund allocation in the sum of £100,000 for 2017/18 be agreed to support work to integrate and increase efficiency in the delivery of public services.

Reasons for Decision:

To help support innovation in joined up services within and across organisational and geographic boundaries which would support more efficient and effective service delivery and value for money.

Other Options Considered and Rejected:

To continue to pursue an efficiency programme through the Council focusing solely on its own internal mechanisms and approaches; however, the Council would not then be considering its service delivery as part of a wider mosaic of taxpayer funded services.

102. LOCAL PLAN RESOURCES UPDATE

The Portfolio Holder for Planning Policy presented an update report on the resources required to complete the Epping Forest Local Plan.

The Portfolio Holder reported that regular monitoring of the resources available to deliver the Local Plan had identified a further shortfall in the existing budget provision of £1,027,500 in 2017/18 and £237,000 in 2018/19. This shortfall had arisen from a number of elements, but particularly the further extension to the programme management support for the Local Plan, a need to provide for maternity cover for the Assistant Director (Planning Policy & Economic Development), and continued consultancy support for the site selection work strand, including analysis of potential employment sites.

Cllr Mohindra, the Finance Portfolio Holder, added that he had been assured that the additional funding requested would be sufficient provided there were no further changes to the process by the Government.

Decision:

(1) That expenditure from the Local Plan budget to date in the 2016/17 financial year be noted; and

(2) That an allocation of additional District Development Funding in the sum of £1,027,500 for 2017/18 and £237,000 for 2018/19 (£1,264,500 in total over the two financial years) be agreed.

Reasons for Decision:

To ensure that the Local Plan was sound, it was vital that the process was adequately resourced. The requirement for a comprehensive and robust evidence

base was clear, and had to be in place prior to submission of the Local Plan for the Examination in Public.

Other Options Considered and Rejected:

To not agree the additional funding identified for the Local Plan from the District Development Fund. However, the preparation of a Local Plan was a statutory requirement for each Local Authority, supported by a comprehensive and robust evidence base, with the necessary staffing resources in place to ensure delivery in a timely manner.

103. REVISED FUNDING FOR THE WASTE MANAGEMENT CONTRACT

In the absence of the Environment Portfolio Holder, who had tendered his apologies for the meeting, the Portfolio Holder for Safer, Greener & Transport presented a report on revised funding for the Waste Management Contract.

The Portfolio Holder stated that a number of cost pressures on the Waste Management service had been building since the new contract was awarded in November 2014, which had only been fully highlighted over the last few months due to the initial focus being on improving the quality of the service. The main additional cost considerations were the composition of dry recyclable materials collected, the number of dry recycling bags issued and the implications of the number of additional properties required to be serviced, from the start of the contract. These had now resulted in a variation request by Biffa to the Council, which, under the terms of the contract, needed to be formally considered. If agreed, the Council would be liable to pay Biffa an extra £357,294 and it was proposed that this should be met by the District Development Fund. In addition, it was also proposed to increase the value of the contract from 1 April 2016 to take account of these factors in the future, and for the current contract to be formally amended to ensure the Council would gain financially if the quality of the recyclable materials collected improved in the future.

The Portfolio Holder reported that the following options for service changes were presented to the Waste Management Partnership Board at their last meeting:

- (i) the provision of additional, chargeable bins for mixed organics;
- (ii) the introduction of Biffa's 'Green Waste Club' and separate food waste collection;
- (iii) the introduction of a third wheeled bin for dry recyclates; and
- (iv) the introduction of a third wheeled bin for dry recyclates and glass.

Three of the above options had the potential to both increase recycling performance and reduce the cost of the contract to the Council. Therefore, it was proposed to submit a further report to the Cabinet later in the municipal year to consider service changes for future years of the contract.

Cllr Mohindra, as Finance Portfolio Holder, highlighted that these additional sums of money were contractual rates which the Council had little choice but to pay, and strongly urged the Cabinet to support recommendation 3 where the contract would be amended to benefit the Council if the quality of the collected recyclable materials improved.

In response to questions from the Members present, the Assistant Director of Neighbourhoods (Technical Services) explained that the composition of the recyclates collected had changed since 2013 when the then figures were given to Biffa; less weight was being collected, less paper and more cardboard was being collected which was less valuable. The Assistant Director did not have figures for the value of the recycling sacks as recyclates, and would investigate whether this could be extracted. The proposals was to pay Biffa the additional monies from November 2015 onwards, and not for the first year of the contract. The growth bid for the Continuing Services Budget included provision for future uplifts in the cost of the contract. There were more outlets now where residents could obtain further recycling sacks and these would be consulted by the Council when reviewing the options for future service delivery; residents would be informed once a firm decision had been made.

The Cabinet was not surprised that the number of dry recycling sacks required by residents had risen and felt that the annual delivery of recycling sacks should continue until the further report on service change options had been considered. The Leader of Council opined that any new service delivery methodology should be trailed first before being implemented across the whole of the District, with perhaps the provision of further education for residents regarding recycling as well.

Decision:

(1) That in order to respond to cost pressures on the Council's Waste Management service, the following District Development Fund and Continuing Services Budget supplementary estimates for 2016/17 be recommended to the Council for approval:

(a) a sum of £90,640 from the District Development Fund to meet the costs of additional dry recycling sacks for the period July 2015 to March 2016;

(b) a sum of £202,654 from the District Development Fund to meet the costs of a change in the composition of the dry recyclable materials collected for the period November 2015 to March 2016; and

(c) a sum of £64,000 from the District Development Fund to meet the costs of the increased number of properties within the District for the period November 2014 to March 2016; and

(2) That a Continuing Services Budget Growth Bid in the sum of £343,903 from 1 April 2016 for 2016/17 onwards be agreed comprising of:

(a) £120,853 for dry recycling sacks;

(b) £143,050 for the change in the composition of the dry recycling materials collected; and

(c) £80,000 for additional properties;

(3) That a formal amendment to the Waste Management Contract be made to address any changes in composition of dry recycling materials in future to ensure the Council could gain financially if the quality of materials collected improved; and

(4) That a further report be submitted to the Cabinet to consider service change options that could be used to mitigate the increased costs in relation to recycling sacks and composition change for the future years of the contract.

Reasons for Decision:

Biffa had submitted a claim for extra costs in relation to the provision of Waste/Recycling and Street Cleansing Services throughout the District. The Cabinet had considered the basis and merits of their claim, and had felt that the additional payments were justified.

Other Options Considered and Rejected:

To not consider the matters raised by Biffa; however, this would be unreasonable with respect to partnership working and open to challenge under the terms of the Contract.

104. AWARD OF CONTRACT FOR OFF STREET ENFORCEMENT AND CASH COLLECTION

The Portfolio Holder for Safer, Greener & Transport presented a report on the award of the contract for off street parking enforcement and cash collection.

The Portfolio Holder reminded the Cabinet that the Council had joined the North Essex Parking Partnership (NEPP) in October 2012 for the delivery of off street enforcement and cash collection in all of its car parks. Until that time, the enforcement function was provided by Vinci Parks Limited and the back office functions by in-house staff. As a result of a review carried out by RTA Associates Limited, which demonstrated that there was a clear advantage for the Council to provide off street enforcement operations itself, the Cabinet agreed on 11 January 2016 to give notice to the NEPP. This meant that the Council had to have an alternative arrangement in place by 1 April 2017.

The Portfolio Holder stated that a procurement exercise for the provision of off street enforcement, cash collection and front line machine maintenance was undertaken under the European Procurement Rules. All the tenders received had been assessed under the previously agreed price/quality ratio of 60/40, and the highest scoring bid was from NSL Limited for an annual cost of £181,370 over a five-year contract with an option to extend for a further two years. It was also proposed to create a new post to manage the additional workload with the off street parking enforcement function, and a £75,000 allocation from the 'Invest to Save' fund was requested to cover the purchase and set up costs of the necessary ICT infrastructure. It was highlighted that there would be a revenue saving of £58,600 per annum from 2017/18, even after deducting the salary costs for the new post.

In response to queries from the Members present, the Assistant Director of Neighbourhoods (Technical Services) reminded the Cabinet that the previous Officers who had fulfilled the duties of the proposed new post had either been made redundant or had transferred across to the NEPP under TUPE. Increasing the provision of evening and weekend parking enforcement would also be investigated as the Council could pay for extra enforcement under the terms of the new contract.

The Cabinet welcomed the report and was not surprised that the Council was able to obtain significantly better value from a different provider than the NEPP. The Finance Portfolio Holder, Cllr Mohindra, added that the Council was not looking to increase revenue from Penalty Charge Notices, and the Leader of Council stated that the Council was taking back control of its off street car parks to support the town centres throughout the District.

Decision:

- (1) That, following a procurement exercise, the contract for off street enforcement, cash collection and first line machine maintenance be awarded to NSL Limited at a yearly cost of £181,370 for an initial period of five years with an option to extend by another two;
- (2) That a new post of Car Parking and Street Furniture Supervisor be created to deal with the additional workload associated with the off street parking enforcement and a salary budget allocation in the sum of £32,030 be agreed;
- (3) That a one off budget allocation of £75,000 from the Invest to Save Fund, for the purchase and set up costs of IT infrastructure (hardware and software), be agreed for the delivery of the off street enforcement operations;
- (4) That, after deducting salary costs for the new post, a Continuing Services Budget saving of £58,600 from 2017/18 be noted; and
- (5) That a further report be submitted to the Cabinet detailing any one-off TUPE related costs as soon as these become known.

Reasons for Decision:

The award of the contract to NSL Limited would provide an annual saving of £58,600 from 2017/18, and also offered a number of improvements and enhancements to the service including: faster response times of enforcement teams; monitoring of car parks by Civil Enforcement Officers providing a faster response to faults; scope for future development and enhancement of the service; and the introduction of new technology.

Other Options Considered and Rejected:

To retain the services of the NEPP for off street enforcement, cash collection and machine maintenance; however, the review report undertaken by RTA Associates Limited had clearly demonstrated the clear advantages from the Council providing its own off street enforcement operations.

105. BUSINESS PROCESS IMPROVEMENT - DEVELOPMENT MANAGEMENT

The Portfolio Holder for Governance & Development Management presented a report on business process improvement measures for the Development Management team.

The Portfolio Holder informed the Cabinet that Development Management was working towards reducing the time taken to process planning applications to meet statutory deadlines. At the same time there was a need to provide a high quality, cost effective service that would be responsive to the needs of the District and be able to compete against long term competition from the private sector. It was proposed to create and fund a new Technical Validation Officer post on a fixed term basis to support this, for which a District Development Fund allocation of £51,640 was requested to fund a two-year appointment. It was also proposed to extend the scanning of Building Control files and other measures to move away from manual paper records and continue the progress towards 'paperless' working within Development Management; for this an allocation of £225,794 from the District Development Fund was requested for the two-year period starting 1 April 2017. It was anticipated that the total expenditure of £277,434 would be covered by the

income from Development Management and Building Control to the District Development Fund.

Various members of the Cabinet commented that it was important to improve the planning validation checks undertaken when new applications were received, and it was sensible to fund the proposals from the Development Management income stream. It was also suggested that this could be an area of investigation for the new Head of Customer Service. It was noted that the information available online for planning applications was much improved, and that the implementation of i-Plan had been successful. The Portfolio Holder added that there was a programme in place to add the archival records to i-Plan, as previously agreed.

Decision:

(1) That a District Development Fund allocation in the sum of £51,640 be agreed to fund the appointment of a Grade 5 Technical Officer, Planning Validation from 1 April 2017 to 31 March 2019;

(2) That a District Development Fund allocation in the sum of £225,794 be agreed for the Development Management Electronic Information/Records Team for 2017/18 and 2018/19 to continue years two and three of the three year strategy to convert Development Control and Building Control paper records to electronic format; and

(3) That the total District Development Fund expenditure in the sum of £277,434 outlined above be funded by the excess over budget of Development and Building Control income.

Reasons for Decision:

With the increase in planning applications likely to continue in the foreseeable future, there was a need to ensure that the processing of planning applications met the Government targets of 8 weeks for ordinary applications and 13 weeks for major applications. The appointment of a Validation Officer would jointly relieve pressure both within the Planning Application/Validation Team and Planning Officers who dealt with the technical elements of validating planning applications, as well as provide a better service to the customer.

There was clear evidence that the Planning and Building Control service could no longer be able to economically sustain working with increasingly large volumes of paper. The way forward for all local authority Planning and Building Control Services was to move as far as possible towards 'paperless' working, which was strongly supported by the Department of Local Government and Communities and Planning Advisory Services.

Other Options Considered and Rejected:

To do nothing; however, the scanning of the remainder of Building Control, Large Site and Contaminated Land records was essential as they were important records and, in some cases, developing these sites was strategically important both for the Council and the District as a whole.

106. TOWN AND VILLAGE CENTRES OPPORTUNITIES FUND 2016/17

The Portfolio Holder for Asset Management & Economic Development presented a report on the Town & Village Centres Opportunities Fund.

The Portfolio Holder reminded the Cabinet that, during 2013/14, the Council had agreed to fund a £35,000 Town Centres Fund which enabled a set of Partners to undertake projects to support the local main High Streets. This fund was again made available during the 2014/15 financial year to enable town centre partnerships to make further project bids. It was made available again in 2015/16, although at this point it was also agreed to widen out the eligibility of the fund to enable smaller centres in the District to bid for funding, as well as to allow Council Economic Development Officers to propose projects and in 2016/17 the eligibility criteria was widened further again to cover all properly constituted groups in the District.

The Portfolio Holder reported that, for the remainder of 2016/17, a further widening of criteria to allow non-town centre and non-village centre projects was proposed, facilitating more general economic development projects and objectives to be supported. It was also proposed to rename the fund to the "Epping Forest District Economic Opportunities Fund" to reflect the wider scope of the Scheme.

Cllr Mohindra, as Finance Portfolio Holder, strongly endorsed the proposals; however, Cllr Philip welcomed the use of the underspends for the Scheme from previous years rather than requesting further budget allocations as he was not convinced that the Council was getting good value for money from the projects funded by the Scheme. The Portfolio Holder acknowledged the concerns of Cllr Philip, but stated that a number of the projects had been worthwhile and Officers had reduced the scope of some projects to ensure that the Council obtained value from the projects. Cllr Stavrou also expressed scepticism about the value of the Fund, but welcomed the widening of the scope of the Fund and the increased involvement of Officers.

Decision:

(1) That the application criteria for the Town & Village Centres Opportunities Fund, for the remainder of 2016/17 and throughout 2017/18, be widened to allow non-town centre related projects and general economic development opportunity projects to be supported and funded;

(2) That the fund be renamed the 'Epping Forest District Economic Opportunities Fund'.

Reasons for Decision:

Making these funds available for the town centre partnerships, smaller District centres and other appropriately constituted organisations to bid for, encouraged them to think creatively about how they could sustainably promote their Town and District centres and create initiatives that had a lasting impact on the shopping centre economy. By widening eligibility to take part in the scheme, these benefits could be spread to the wider economy and have an impact on the economies of smaller centres throughout the District. By encouraging District-wide initiatives, the impact of this investment could be further widened to benefit other local economies elsewhere in the District.

Other Options Considered and Rejected:

To not widen the criteria of the Fund; however, this would not enable the benefits of the Scheme to be spread to the wider economy.

To discontinue the Fund; however, this would prevent the District centres from benefiting from the investment provided by the Scheme.

107. APPROVAL TO ENFORCE ON BEHALF OF LEE VALLEY REGIONAL PARK AUTHORITY

The Portfolio Holder for Safer, Greener & Transport presented a report requesting approval to enforce at the Waltham Abbey Gardens car park on behalf of the Lee Valley Regional Park Authority.

The Portfolio Holder reminded the Cabinet that the Council currently provided 18 car parks across the District, with an additional 3 car parks due to become operational in the next financial year. These provided pay and display parking for shoppers, visitors and commuters and were a source of revenue for the Council. The Lee Valley Regional Park Authority (LVRPA) had approached the Council earlier in the year to explore the opportunity to increase the number of pay and display parking spaces in the Waltham Abbey area. The Cabinet had, in principle, agreed to the request at its meeting on 9 June 2016 subject to a further report. If agreed the increase in parking spaces would benefit the local shops and traders in Waltham Abbey.

The Portfolio Holder stated that in order to convert this car park into a pay and display car park, it would be necessary to incur expenditure to install pay and display machines, tariff boards, and make a formal Traffic Regulation Order (TRO), for which a sum of £15,000 had been requested from the 'Invest To Save' Fund; plus a bid for £12,000 from the Continuing Services Budget from 2017/18 for carry out ongoing maintenance and enforcement activities, although it was expected to recover these costs each year from the Regional Park Authority. It was proposed to engage the services of the North Essex Parking Partnership to make the necessary Traffic Regulation Orders, and the Portfolio Holder requested delegated authority to agree the final terms of the legal agreement with the Regional Park Authority.

Decision:

- (1) That the request by the Lee Valley Regional Park Authority (LVRPA) to manage the Waltham Abbey Gardens Car Park on their behalf, on the basis that all management and enforcement costs would be recovered by the Council before any income was passed over to the Regional Park Authority, be agreed;
- (2) That an Invest to Save bid in the sum of £15,000 be agreed for setting up pay and display arrangements at the Waltham Abbey Gardens Car Park;
- (3) That a Continuing Services Budget growth bid be made in the sum of £12,000 from 2017/18 for ongoing management of the car park, noting that all costs would be recovered from LVRPA;
- (4) That the use of the services of the North Essex Parking Partnership to make the necessary Traffic Regulation Orders to convert the Waltham Abbey Gardens Car Park to a pay-and-display regime be agreed; and
- (5) That authority be delegated to the Portfolio Holder for Safer, Greener and Transport to agree the final terms of the legal agreement with Lee Valley Regional Park Authority.

Reasons for Decision:

By agreeing to manage the new car park, on behalf of the Lee Valley Regional Park

Authority, the parking charges and enforcement arrangements would be consistent across all the car parks in Waltham Abbey.

Other Options Considered and Rejected:

To not manage the car park on behalf of the Lee Valley Regional Park Authority; however, the Park Authority would make arrangements with either a private provider or Broxbourne Borough Council, who currently manage other car parks for them outside the District.

108. DEMOLITION OF GARAGES IN VERE ROAD CAR PARK, LOUGHTON BROADWAY

The Portfolio Holder for Safer, Greener & Transport presented a report seeking approval to demolish garages in the Vere Road car park at Loughton Broadway.

The Portfolio Holder reported that an opportunity had arisen for the Council to increase the number of pay and display parking spaces in the Loughton Broadway area. If agreed, the increase in parking spaces would benefit the local shops and traders in The Broadway. Car Park 4 (as indicated on the map attached at Appendix 1 to the report) was an existing car park and the intention was to demolish the garages within the car park and generate approximately 20 additional car parking spaces. Car Park 3 was a small car park at the rear of the shops at 39-41 The Broadway, and the use of a derelict area there would result in the creation of approximately 11 additional spaces. It would be necessary to incur expenditure to demolish the garages and re-surface the car parks, for which a sum of £55,000 was requested from the 'Invest To Save' fund in 2017/18, and there would also be the need for ongoing maintenance and enforcement activities for which a sum of £5,622 from the Continuing Services Budget in 2017/18 was also requested. It was intended to engage the services of the North Essex Parking Partnership to make the necessary Traffic Regulation Orders to convert these car parks to a pay-and-display regime.

It was noted by the Members present that there had been no objections from local residents and traders to the proposals, and the Portfolio Holder reassured the Cabinet that any asbestos removal required from demolishing the garages would be undertaken by authorised contractors to the highest industry standards.

Decision:

- (1) That the demolition of the existing garages within the Vere Road Car Park 4 to create 20 additional parking spaces be approved;
- (2) That, subject to planning approval, a further 11 parking spaces be created in the derelict area behind shop numbers 39 & 41 in The Broadway;
- (3) That an Invest to Save bid in the sum of £55,000 for 2017/18 be agreed for undertaking these works;
- (4) That a Continuing Services Budget growth bid for 2017/18 be made in the sum of £5,622 for ongoing enforcement, maintenance and associated activities; and
- (5) That the use of the services of The North Essex Parking Partnership to make the necessary Traffic Regulation Orders to convert these car parks to a pay-and-display regime be agreed.

Reasons for Decision:

To increase the number of off-street parking spaces available in the Loughton Broadway area, for the benefit of the local shops and traders.

Other Options Considered and Rejected:

To not increase the number of parking spaces available in the area; however, this would not assist with the likely increase in visitors and shoppers to the Loughton Broadway area following the completion of the regeneration projects currently in progress.

109. CALENDAR OF COUNCIL MEETINGS 2017-18

The Portfolio Holder for Governance & Development Management presented a report on the Calendar of Council Meetings for 2017/18.

The Portfolio Holder reminded the Cabinet that it considered the Calendar of Meetings each year prior to its final approval by the Council. The Calendar had developed over time to meet the changing needs of the authority and, where possible, meetings of a Committee had been standardised on a particular night of the week for consistency. The main changes proposed for the Calendar this year were:

- (i) Maintaining a two week gap between Cabinet and Council meetings to ensure that any reports from the Cabinet to the Council were not published on a supplementary agenda;
- (ii) a new committee had been added, meeting twice a year, for the Overview & Scrutiny Chairmen, Vice Chairmen & Officers to discuss any issues arising from the Council's Scrutiny meetings; and
- (iii) the Standards Committee had been removed from the Calendar following the Council's decision last year for it to meet only 'as and when' required.

The Portfolio Holder requested the Cabinet to consider the suggested Calendar of Meetings for 2017/18, but cautioned that the proposed Calendar was very congested and the addition of any further meetings should be given very careful consideration.

In relation to the new Committee for the Scrutiny Chairmen, Vice-Chairmen and Officers, Cllr Mohindra queried why the first meeting had not been scheduled for May or June 2017 at the start of the new municipal year. The Assistant Director of Governance (Governance & Performance Management) explained that a meeting had been scheduled for March 2017 (and March 2018) to examine the Scrutiny Work Programme for the next municipal year; however, Cllr Mohindra highlighted that new Chairmen could have been appointed for the main and Select Committees for the new municipal year. The Portfolio Holder stated that this could be re-examined in the light of experience, and the Leader of Council reminded the Cabinet that an extra meeting in June 2017 could always be arranged if required.

Cllr Philip also highlighted that many Parish Councils arranged their meetings for the last Thursday of the month, but that all three of the Council meetings for 2018 fell on this date. The Portfolio Holder agreed to discuss this issue further with Officers prior to the despatch of the agenda for the Council meeting on 20 December 2016.

Decision:

(1) That, as attached at Appendix 1 to the report, the draft Calendar of Council Meetings for 2017/18 be recommended to the Council for adoption.

Reasons for Decision:

To review the proposed Calendar of Meetings for 2017/18, prior to its final adoption by the Council.

Other Options Considered and Rejected:

To vary the individual frequencies of meetings; however, in practice, additional meetings were scheduled as and when issues dictated, and meetings were cancelled if there was a lack of business.

110. ANY OTHER BUSINESS**Resolved:**

(1) That, as agreed by the Leader of Council and in accordance with Section 100B(4)(b) of the Local Government Act 1972, the following items of urgent business be considered following the publication of the agenda:

(a) Asset Management & Economic Development Cabinet Committee – 27 October 2016; and

(b) Finance & Performance Management Cabinet Committee – 10 November 2016.

111. ASSET MANAGEMENT AND ECONOMIC DEVELOPMENT CABINET COMMITTEE - 27 OCTOBER 2016

The Portfolio Holder for Asset Management & Economic Development presented the minutes from the meeting of the Asset Management & Economic Development Cabinet Committee, held on 27 October 2016.

The Portfolio Holder reported that there were no recommendations to the Cabinet from the meeting. Other issues considered by the Cabinet Committee were: a progress report from the Economic Development Team; a monitoring report from the Asset Management Co-Ordination Group; and a progress report on the Epping Forest Shopping Park.

Decision:

(1) That the minutes of the meeting of the Asset Management & Economic Development Cabinet Committee, held on 27 October 2016, be noted.

Reasons for Decision:

The Cabinet was satisfied that the Cabinet Committee had fully addressed the relevant issues.

Other Options Considered and Rejected:

The Cabinet was satisfied that the Cabinet Committee had considered all of the

relevant options and that there were no further options to consider.

112. FINANCE AND PERFORMANCE MANAGEMENT CABINET COMMITTEE - 10 NOVEMBER 2016

The Finance Portfolio Holder presented the minutes from the meeting of the Finance & Performance Management Cabinet Committee, held on 10 November 2016.

The Portfolio Holder reported that the Cabinet Committee had made recommendations to the Cabinet concerning: the Council's fees and charges to be levied in 2017/18; and the Triennial Valuation of the Local Government Pension Scheme administered by Essex County Council. Other issues considered by the Cabinet Committee included: performance of the Key Performance Indicators during the second quarter of 2016/17; the Annual Audit Letter from the External Auditor; the Financial Monitoring reports for the first two quarters of 2016/17; an update report on the various projects funded by the 'Invest to Save' budget allocation; the mid-year report on Treasury Management and the Prudential Indicators for 2016/17; and an update on the draft budgets and savings in 2017/18 for the Continuing Services Budget, District Development Fund and Invest to Save Scheme.

Decision:

Fees & Charges 2017/18

- (1) That the use of the Labour inflation rate of 2.0% as a guide for any proposed increases of the Council's fees and charges for 2017/18 be agreed;
- (2) That the proposed fees and charges for 2017/18, as set out in the Appendices to the Cabinet Committee report, be approved;
- (3) That the proposed schedule of Housing Revenue Account fees and charges for 2017/18 be approved; and
- (4) That a full review of fees and charges at the Limes Centre be carried out and the results plus any recommendations be included in the fees and charges update for 2018/19.

Triennial Valuation of Pension Scheme

- (5) That the option to fund the deficit over 19 years be approved; and
- (6) That Option B as set out in the Essex County Council consultation, which allowed for the increase in deficit payments to be phased over three years and took advantage of a discount for earlier payment, be approved.

Reasons for Decision:

The Cabinet was satisfied that the Cabinet Committee had fully addressed all of the relevant issues.

Other Options Considered and Rejected:

The Cabinet was satisfied that the Cabinet Committee had considered all of the relevant alternatives and that there were no further options to consider.

113. EXCLUSION OF PUBLIC AND PRESS**Resolved:**

(1) That, in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the item of business set out below as it would involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12(A) of the Act indicated and the exemption was considered to outweigh the potential public interest in disclosing the information:

<u>Agenda Item</u>	<u>Subject</u>	<u>Paragraph Number</u>
24	Award of Contract for the Management of the Council's Leisure Facilities	3

114. AWARD OF CONTRACT FOR THE MANAGEMENT OF THE COUNCIL'S LEISURE FACILITIES

The Portfolio Holder for Leisure & Community Services presented a report on the award of the contract for the management of the Council's Leisure Facilities.

The Portfolio Holder reminded the Cabinet that, in December 2014, the Council had adopted a new Leisure and Cultural Strategy, which identified future need and the role that the District Council should play in the provision of opportunities for people to lead healthier lives, contribute to community wellbeing and provide social cohesion. The most significant direct investment in Leisure by the District Council, was the four Sports/Leisure Centres managed under contract on the Council's behalf, by Sports and Leisure Management Ltd (SLM). As the 10 year contract with SLM was due to expire in January 2016 (subsequently extended to April 2017), the Council had been engaged in a competitive procurement exercise to appoint a new external management partner, in order to deliver the Council's Key Objectives, with respect to the management of its Leisure Facilities.

The Portfolio Holder detailed the procurement process followed, including the establishment of a Portfolio Holder Advisory Group and the use of Competitive Dialogue as a methodology. The Council had appointed an external consultant to assist with the procurement process, which consisted of three distinct phases. On considering the results of the final evaluation, the Advisory Group was recommending to the Cabinet that Places for People Leisure (Bidder B) be awarded preferred bidder status and that SLM Everyone Active (Bidder C) be designated reserve bidder. The Cabinet was requested to recommend accordingly to the Council to make the Final Award decision at its meeting scheduled for 20 December 2016.

The Portfolio Holder stated that the Council had previously decided to replace Waltham Abbey Swimming Pool, which despite being a popular community facility, had reached the end of its economic life. A project team involving representatives from the District Council, Essex County Council and NHS England had been developing a proposal for a new Community Hub, comprising of a new Leisure Centre, Health Centre and Independent Living Scheme for the Elderly at Hillhouse. The Leisure Management Contractors have been tasked with the Design, Build, Operation and Management of the new facilities, and all three bidders had produced exciting designs for the new Leisure Centre. Outline Planning Permission for the whole Community Hub (to include the Leisure Centre) was granted on 30 November 2016. As part of the consultation on the Hillhouse planning application, Sports England had required a Section 106 Legal Agreement to be entered into to provide compensatory facilities for the loss of some of the open space; the Council's share of this cost was £137,000 which would be found from within the Capital Programme.

The Portfolio Holder reported that the bidders were also asked to submit a variant bid which identified the cost to the Council of free Parking for one hour at Loughton Leisure Centre. This had resulted from the concerns raised by users as parking was free at all of the Council's other leisure facilities. The cost proposals of the preferred Bidder was £90,000 per annum, which the Advisory Group felt was not justifiable at the current time. However, discussions could still be undertaken with the preferred bidder following their appointment, to see if some concessions could be granted at no cost to the Council.

The Cabinet welcomed this report as the new contract would be beneficial to residents, especially those in Waltham Abbey, and justified the use of competitive dialogue as the procurement methodology. The Portfolio Holder confirmed that the existing swimming pool in Waltham Abbey would remain open until the new facility was constructed. The Director of Neighbourhoods reassured the Cabinet that he expected co-operation from both parties during the transition period as this was a familiar occurrence in the Leisure market, and that the TUPE regulations would apply to all staff transferring from SLM Limited to Places for People Leisure Management Limited. It was also highlighted that there was a requirement to have at least one of the Centres open on each bank holiday; but more could be open.

The Portfolio Holder reiterated that the provision of free parking at Loughton Leisure Centre was considered but the cost to the Council would be £90,000 per annum and the Advisory Group had rejected this option. However, this issue would be referred again to the new provider but any provision of free parking had to be at no cost to the Council. The Leader of Council concluded that the new contract would be beneficial for both the Council and residents, and that there had been a vast improvement in the management of the Leisure Centres over the past decade since the Council first outsourced their management.

Decision:

- (1) That the recommendation of the Portfolio Holder Advisory Group to award Places for People Leisure Management Ltd preferred bidder status, and Sports and Leisure Management Ltd (SLM Every One Active) to be designated reserve bidder, be agreed;
- (2) That, on the basis of the Final Evaluation of the Tender Submissions and Financial Implications for the Council, the Award of the Contract for the management of the Council's Leisure Facilities to Places for People Leisure Management Limited be recommended to the Council for approval;
- (3) That, following the granting of outline Planning Permission for the new Waltham Abbey Leisure Centre at Hillhouse, the funding of the Section 106 Legal Agreement contribution of £137,000 to re-provide off-site compensatory playing pitch provision from within the Council's Capital Programme be agreed; and
- (4) That the option to provide users with one hours free car parking at Loughton Leisure Centre at a cost of £90,000 per annum be rejected, but further discussions be entered into with the preferred Bidder to ascertain if any future parking concessions were possible at no cost to the Council.

Reasons for Decision:

The Council's contract with the current Leisure Management Partner SLM, was due to terminate on 31 March 2017. In order to ensure the continuation of a safe and

effective service and to deliver significant investment in new and enhanced facilities, a new contractor offering the best combination of price and quality, needed to be appointed.

Other Options Considered and Rejected:

To reject the three external bids received; this would require either the procurement process to be re-run or the management of the Leisure Centres to be brought back in-house, under direct management by the Council.

CHAIRMAN