

Decision by Portfolio Holder



Report reference: PP-010-2016/17

Date of report: 16 March 2017

**Epping Forest
District Council**

Portfolio: Planning Policy

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Democratic Services: J Leither (Ext 4756)

Subject: Assessment of employment needs to inform an employment Memorandum of Understanding for the Functional Economic Market Area (FEMA) and updated employment review for the Council's pre-submission Local Plan: Waiving of Contract Standing Orders

Decision: That, in accordance with paragraphs 5.2 (c) and (d) of the Procurement Rules that the requirements of 2.7(a)(i) and Appendix 1 be waived to appoint Hardisty Jones Associates (HJA) without competition to undertake an assessment of employment needs to inform an employment Memorandum of Understanding for the Functional Economic Market Area (FEMA) for a cost of £19,950 and updated employment review for Epping Forest District for a cost of £14,950. This work is required to support the Council's pre-submission Local Plan and to fulfil EFDC's obligation under the 'duty to cooperate'.

ADVISORY NOTICE:

*A Portfolio Holder may not take a decision on a matter on which he/she has declared a Pecuniary interest.
A Portfolio Holder with a non-pecuniary interest must declare that interest when exercising delegated powers.*

I have read and approve/do not approve (delete as appropriate) the above decision:

Comments/further action required:

Signed: Cllr C Whitbread (Leader)

Date: 16th March 2017

Non-pecuniary interest declared by Portfolio Holder/ conflict of non-pecuniary interest declared by any other consulted Cabinet Member:

N/A

*Dispensation granted by Standards Committee:
Yes/No or n/a*

N/A

Office use only:

Call-in period begins: 24/03/2017

Expiry of Call-in period: 30/03/2017

**After completion, one copy of this pro forma should be returned to
Democratic Services IMMEDIATELY**

**Initialed as original copy by
Portfolio Holder:**

Reason for decision:

Hardisty Jones Associates (HJA) was commissioned in 2015 to provide economic evidence at the FEMA level for the Cooperation for Sustainable Development Board. In 2014 HJA also delivered a separate piece of work to EFDC providing economic and employment evidence to support the draft Local Plan. As outlined in the body of this report, up-to-date evidence is required at the FEMA and local district level to inform the Council's pre-submission Local Plan and to meet its obligation under the 'duty to cooperate'. HJA is considered best placed to provide this input given its previous experience at local and sub-regional level, as well as its wider relevant work experience and in recognising the tight timescales in place for the Local Plan. It is therefore neither practical nor desirable to seek alternative quotes at this stage and to do so would introduce unnecessary delay to the publication of the Pre-Submission Local Plan.

Options considered and rejected:

Option – to pursue competitive tendering for both the assessment of employment needs to inform an employment Memorandum of Understanding for the Functional Economic Market Area (FEMA) and the updated employment review for the Council's pre-submission Local Plan.

It is neither practical nor desirable to seek alternative quotes for this work. HJA was appointed in 2014 to deliver economic and employment evidence to EFDC following a competitive tendering exercise in accordance with EFDC procurement procedures and protocol which tested the market to identify a suitably qualified, cost effective and experienced company that could meet the Council's requirements. HJA has a proven track record therefore in delivering directly to EFDC and at a FEMA level working to EFDC and neighbouring authorities of East Herts, Harlow and Uttlesford. Furthermore, HJA has provided detail of its considerable project experience in delivering comparable work at local authority and broader sub-regional level. HJA also has good connections with those working on the East of England Forecasting model (EEFM) which is essential.

Background Report:

1. The preparation of the Local Plan must be supported by a comprehensive, robust and up-to-date evidence base. It was acknowledged at the time of publishing the Draft Local Plan for consultation in October 2016 that more evidence was required in terms of employment land. The most current economic and employment evidence available at that time was HJA's 2014 work for EFDC and the FEMA level work conducted on behalf of EFDC, East Herts, Harlow and Uttlesford in 2015. Arup is currently undertaking a tranche of work on employment land to ensure that the Council has an updated and strengthened baseline supply assessment of all existing and potential employment sites in the District.

Assessment of employment needs to inform an employment Memorandum of Understanding for the FEMA

2. The four local authorities of East Herts, Epping Forest District, Harlow and Uttlesford are working together to address cross border planning matters that impact upon the respective Local Plans. To date a suite of Memoranda of Understanding (MoU) have been prepared relating to a range of issues. Not only are these practical documents to inform and enable the preparation of Local Plans, they will be used to ensure the Duty to Cooperate as set out within the National Planning Policy Framework (NPPF) is fulfilled.
3. To date no MoU has been prepared in respect of employment and economic issues, but it has been recognised that one is required to deal with strategic employment issues.

Further work is required to underpin such an MoU. This further work will establish broad scenarios for future economic growth and the potential distribution of employment and associated employment land requirements across the four constituent districts. This will need to build on earlier work prepared by HJA in 2015 for the Cooperation for Sustainable Development Board.

4. The earlier HJA work was founded upon the EEFM 2014 and developed an alternative higher growth scenario to take account of planned growth at Stansted Airport. The EEFM has now been updated with a 2016 version available, there are also other factors that might reasonably inform growth scenarios, such as planned investments at Harlow. There is also a need to ensure any work aligns to the most recent research on future housing requirements across the area to ensure plans make adequate provision for employment without exacerbating unsustainable commuting patterns.
5. The total value of this element of work is £19,950 inclusive of expenses but exclusive of VAT. The cost will be shared equally by the four partner authorities (£4,987.50 each) with EFDC being the commissioning authority. Timescales for undertaking this work are incredibly tight in order to fit with EFDC's Local Plan timetable (and specifically the site selection process) and those of other authorities in the FEMA. Some initial output is sought from the consultants by the end of March 2017 (with a meeting scheduled to take place on the 30th March to discuss scenarios and provide a steer to the consultants) and a target is set for the MoU to be discussed by the Cooperation for Sustainable Development Board in late May 2017. For clarity, the fee outlined above is for HJA to provide the required evidence to feed into the MoU but it is not within its brief to draft the actual MoU.

Updated employment review for the Council's pre-submission Local Plan

6. The updated employment review will provide current and robust evidence to inform the allocation of employment sites within the Local Plan, in accordance with national planning policy and guidance. Foremost, it should be noted that this work will be integrated with the FEMA level work above and Arup's current employment land supply work. The FEMA level work will lead to an updated quantitative assessment of employment needs for the Epping Forest District. As stated in the previous section, this will draw on the updated 2016 version of the EEFM. HJA will also conduct an appraisal of the local commercial property market and digest the new employment land supply intelligence produced by Arup. The most critical aspect of the commission is drawing the findings from the preceding tasks together in order to provide clear recommendations as to an employment strategy for the district, including which existing employment sites should be retained for employment uses and considered for allocation, where additional employment allocations should be considered for inclusion within the Local Plan, including consideration of potential contribution which may be provided by Strategic Allocations around Harlow and guidance as to the quantum and type of employment uses which should be considered for allocation within each settlement of the district to inform the Site Selection process.
7. The total value of this element of work is £14,950 including expenses but excluding VAT. In seeking the quotation it was prudent to consider a scenario in which, for some reason, the FEMA work is not commissioned in a timely basis as intended and which fits within the Local Plan timetable. If this proves to be the case EFDC will require a standalone updated quantitative assessment of employment needs for the District, given that this is an integral part of the overall employment review. The cost for this would be an additional £5,250 plus VAT. HJA has outlined that it will be able to deliver this work by early June 2017 in order to fit with the broader Local Plan timetable but it is imperative that the commission is instructed without delay in order for them to be able to achieve

this target.

Procurement Rules – sections to be waived

8. Given the need to have a robust and up-to-date evidence base on employment needs and to meet EFDC's obligation under the Duty to cooperate in order to support the preparation of the Pre-Submission Local Plan it is neither practical nor desirable to seek further competitive quotes. In accordance with paragraphs 5.2 (c) and (d) of the Procurement Rules, it was determined that HJA is most appropriately placed to deliver these elements of work.
9. Having determined that HJA is suitably qualified, cost effective and experienced at producing evidence base documents on employment needs and strategy, as proven through their commissions in 2014 and 2015 as referred, authority is sought to waive Procurement Rules (2016) paragraph 2.7 (a) (i) and Appendix 1, both in relation to seeking quotes via competition.

Resource Implications:

Quotations received from HJA are within expectations.

Legal and Governance Implications:

To 'Deliver a robust and resilient Local Plan....' is a Council Key Objective. An up-to-date and robust evidence base is essential to ensuring that a sound Local Plan is achieved, particularly with regard to future employment need, and related development targets.

The details of the approach taken in respect of the Procurement Rules (2016) is set out within the report above.

Safer, Cleaner and Greener Implications:

Preparation of the Local Plan is in accordance with the Council's approach to the "Safer, Cleaner, Greener" agenda.

Consultation Undertaken:

Corporate Procurement Officer

Background Papers: None

Impact Assessments: None

Risk Management:

The production of up to date employment evidence is required to ensure that the site selection process and finalisation of the Local Plan is founded on a robust and up to date evidence base. The work needs to be completed in a robust and timely manner in order to reduce the potential for delay to the finalisation of the Local Plan. The Local Plan is required to provide an up to date and robust planning policy framework for the District which meets the development and infrastructure needs of the District. Without an up to date Local Plan the Council is reliant on dated planning policies, and the risk of intervention in plan making.

Key Decision Reference (Y/N): n/a

Due Regard Record

This page shows **which groups of people are affected** by the subject of this report. It sets out **how they are affected** and how any **discrimination** they experience can be eliminated. It also includes information about how **access to the service(s)** subject to this report can be improved for the different groups of people; and how they can be assisted to **understand each other better** as a result of the subject of this report.

S149 Equality Act 2010 requires that due regard must be paid to this information when considering the subject of this report.

There are no Equality Impact issues arising from this decision to appoint HJA without competitive tendering. The Local Plan itself will be subject to detailed Equality Impact Assessment in due course.