

EPHING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 11 July 2019

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.00 - 8.24 pm

Members Present: C Whitbread (Chairman), S Stavrou (Vice-Chairman), N Bedford, A Lion, J Philip, S Kane and H Whitbread

Other Councillors: P Bolton, S Heap, C McCredie, S Murray, C C Pond and C P Pond

Apologies: N Avey and A Patel

Officers Present: G Blakemore (Chief Executive), N Dawe (Interim Strategic Director & Chief Financial Officer), S Jevans (Interim Strategic Director), A Blom-Cooper (Interim Assistant Director (Planning Policy)), Stuart Mitchell (Service Manager (Property Maintenance)), T Carne (Corporate Communications Manager), A Hendry (Senior Democratic Services Officer) and P Seager (Chairman's Officer)

Also in attendance S Smith (Consultant)

13. WEBCASTING INTRODUCTION

The Leader of Council made a short address to remind everyone present that the meeting would be broadcast live to the internet, and would be capable of repeated viewing, which could infringe their human and data protection rights.

14. DECLARATIONS OF INTEREST

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

15. MINUTES

RESOLVED:

That the minutes of the meeting of the cabinet held on 13 June 2019 be taken as read and signed by the Leader as a correct record.

16. REPORTS OF PORTFOLIO HOLDERS

There were no verbal reports made by Members of the Cabinet on current issues affecting their areas of responsibility.

17. PUBLIC QUESTIONS AND REQUESTS TO ADDRESS THE CABINET

The Cabinet noted that no public questions or requests to address the Cabinet had been received for consideration at the meeting.

18. OVERVIEW AND SCRUTINY

The Cabinet noted that Overview and Scrutiny Committee had not met since their last meeting.

19. FIRE SAFETY POLICY AND INSTALLATION OF SPRINKLERS - COUNCIL OWNED HOUSING ACCOMMODATION

The Housing and Property Services Portfolio Holder introduced the report on the fire and safety policy and installation of sprinklers in council owned properties. It was noted that on 15th January 2019, the Communities Select Committee considered a draft Fire Safety Policy for Council owned housing accommodation and recommended its endorsement to Cabinet. The policy set out the principles and guidelines that the Council would apply to identify, assess and reduce the risks to residents of personal injury or damage to homes caused by fire and to ensure compliance with the Regulatory Reform (Fire Safety) Order 2005. Its adoption is a key decision as it raises new issues of policy.

The Communities Select Committee also considered the retro-fitting of sprinkler systems into residential accommodation at Norway House in North Weald and Hemnall House in Epping and had recommended their installation to Cabinet.

Councillor Bedford endorsed this report as being the way forward. He noted that officers would also be investigating the possibilities of match funding from the fire authorities.

Councillor Lion agreed that this was an excellent report, but he had observed on recent visits to such properties that some exits had been blocked by washing or other items in the corridors and he would like to remind people that a serious look needed to be taken at this.

Councillor Chris Pond commented that Councillor Roberts, who could not attend this meeting, had asked him to ask that this work be closely supervised so as not to damage existing fire structures. Also, this report did not take into account the other multiple occupied dwellings run by EFDC especially those of recent construction in Burton Road. It would be worth looking at this issue again. Councillor Holly Whitbread said that she would take these comments on board.

Councillor Murray asked why nothing had been recommended for the flats around Highwood Lane; did it include the three blocks in Marlescroft Way and Longcroft Rise as well. The blocks were identical so he could not understand why it only mentioned Highwood Lane. Mr Mitchell (Property Maintenance) replied that as he did not have the paperwork with him he would get back to Councillor Murray with an answer.

Councillor S Kane asked for the Portfolio Holder's assurance that they would be pursuing the match funding with the Fire Service. The Portfolio Holder gave this assurance.

Decision:

(1) That, following endorsement by the Communities Select Committee, the Fire Safety Policy for Council owned housing accommodation be adopted; and

(2) That, subject to obtaining building regulations approval and listed building consent, the retro-fitting of sprinkler systems into temporary housing accommodation sites at Norway House and Hemnall House be approved.

Reasons for Proposed Decision:

An approved Fire Safety Policy will provide a robust fire safety framework that secures the safety and wellbeing of occupiers of, and visitors to, the Council's residential accommodation.

The installation of sprinkler systems into properties with vulnerable residents will enable them to live safely within this "higher risk" category of accommodation.

Other Options for Action:

Not to follow the recommendations of the Communities Select Committee and not endorse the Fire Safety Policy or approve the installation of sprinkler systems.

20. IMPLEMENTATION OF THE LOCAL PLAN: UPDATE ON PROGRESS

The Planning Services Portfolio Holder introduced the updating report on the implementation of the Local plan.

The Cabinet noted that following the October 2018 Cabinet meeting which set out the governance arrangements for the implementation of the Local Plan, the Implementation Team had made a commitment to provide members with regular updates on the progress of Masterplans and Concept Frameworks within Epping Forest District to ensure that members were kept fully up to date.

This report provided members with an update on the progress of Strategic Masterplans, Concept Frameworks, Planning Performance Agreements, the Quality Review Panel and developer contributions within the District.

As part of the Independent Examination of the Local Plan, the Council had agreed and signed Statements of Common Ground with all the site promoters of the following strategic sites: North Weald Bassett, Waltham Abbey North, South Epping, West Ongar and South Nazeing. In relation to the Garden Town sites, which consists of Latton Priory, Water Lane and East of Harlow, the Council were able to sign Statements of Common Ground with all of the principle site promoters.

The strategic sites were progressing well and were all on track to meet the delivery of housing noted within the Housing Implementation Strategy Update 2019.

He also noted that the final Examination in Public initial findings from the inspector had now been slightly delayed and would not be published by 12th July as initially expected.

Councillor Chris Pond brought up a matter raised some time ago about the involvement of ward members in pre-applications for their wards. He would like notifications to be issued to all ward members whose ward had any pre-applications. The Planning Services Portfolio Holder said that they were caught by GDPR, they used to put this in the members bulletin when it was restricted to within the Council. This was no longer the case, but he would look to see how else they could publicise this information. Councillor Pond responded by asking for a time limit to be put on this, asking that this be resolved by the end of this month. It may be that a private notification could be sent out to the relevant ward councillor.

Councillor Murray endorsed Councillor's Pond's comments. He went onto say that he had watched the Local Plan webcast on that day dealing with Loughton and was a little disappointed by the lack of defence by EFDC for Loughton. The Planning Services Portfolio Holder replied that he had also watched a lot of the webcasts and again he thanked the officers for arranging the webcast. He now awaited the inspector's views on the content of the Local Plan.

Decision:

- (1) That the progress of Masterplans and Concept Frameworks, including the use of Planning Performance Agreements and the progress of other proposals at pre-application and application stage were noted;
- (2) The projects reviewed by the Quality Review Panel during 2018/19 were noted;
- (3) The infrastructure contributions from Section 106 achieved within Epping Forest District for financial year 2018/19 were noted and:
- (4) That the Cabinet noted the current position with regard to the Epping Forest Special Area of Conservation.

Reasons for Proposed Decision

- To ensure that members are kept fully up to date on the progress of Masterplans and Concept Frameworks and other major proposals being promoted within the District.
- That members note the projects reviewed by the Quality Review Panel
- That members note the infrastructure contributions achieved within the District

Other Options for Action:

Not to update members on the progress on the above issues would be contrary to the commitment made by the Implementation Team as noted in the 18 October 2018 Cabinet Report

21. DELIVERING INFRASTRUCTURE IN THE DISTRICT: DEVELOPER CONTRIBUTIONS STRATEGY

The Planning Services Portfolio Holder introduced the report on the developer contributions strategy. It was noted that the growth proposed in the Local Plan Submission Version (currently at examination) would result in requirements to provide additional infrastructure, services and facilities. The requirements had been identified in the Infrastructure Delivery Plan and supporting documents. The Council needed to put in place guidance to support the delivery of infrastructure and the processes for achieving the infrastructure. The guidance provided details on how, what and when planning obligations would be used and the approach to viability for proposed sites in the District to determine the appropriate level of developer contributions to be sought.

The Council and Land Promoters have a responsibility, through the planning process, to manage the impact of the growth and ensure that any harm caused, as the result

of development, was mitigated and necessary infrastructure was provided. The Council therefore expects new development to contribute to site related and other infrastructure needs.

The Portfolio Holder added that he would like to add an extra recommendation to the report. That were this to be adopted, then he would like to refer this strategy to the Constitution Working Group, who already have an item on their work programme to review S106 arrangements.

Councillor S Kane asked about the monitoring and delivery of the S106 material; how would it be reported back. He was told that it would go to the Local Plan Cabinet Committee.

Councillor Bedford asked about the pooling of the money; would this commence from a certain date. He was told that it would commence from this coming September, assuming that the regulations were in place.

Councillor H Whitbread commented that this was good report but said that it was essential that we had good communications around this, especially around the masterplans to the local community. The Portfolio Holder reiterated that yet again they had a consultation running on the statement of community involvement, covering all aspects of planning. It was just one of the ways to get people involved. Masterplanning would be coming through the Local Plans Cabinet Committee to be, eventually adopted by the Council, which would require interaction with residents to get their feedback at an early stage.

Councillor Lion noted that paragraph 8 of the report talked about CIL regulations. Were we now considering CIL instead of S106 agreements. The Planning Services Portfolio Holder said that it was unlikely to have CILs instead of S106s, but it could be that we had CILs as well as S106s. It was a question of balance. Also, you had to have an adopted plan in place before you could adopt a CIL.

Decision:

- (1) That the Delivering Infrastructure in the District: Developer Contributions Strategy attached as Appendix A to the report was agreed; and
- (2) That the mechanisms for Member involvement to support the delivery of infrastructure was noted;
- (3) The new regulations to lift the pooling restrictions for S106 contributions and a requirement to produce an annual infrastructure funding statement from December 2020 was agreed; and
- (4) That this strategy be referred to the Constitution Working Group for their consideration.

Reasons for Proposed Decision:

The strategy put in place appropriate guidance to ensure consistent delivery of infrastructure in the District and sets out the approach and the arrangements required to ensure the sustainability and long-term stewardship of the development. Once agreed this document would provide a framework for the consideration of proposals to ensure that the appropriate infrastructure was realised in accordance with the policies in the Local Plan.

Other Options for Action:

Not to agree the strategy would mean that proposed development could be agreed with a poorly coordinated approach to the delivery of Infrastructure in the District. Without a co-ordinated approach to viability it could mean that the Local Plan was not seen as deliverable or that development was delivered in a piece-meal fashion that did not provide the necessary infrastructure to mitigate the impact of development.

22. MORETON, BOBBINGWORTH AND THE LAVERS NEIGHBOURHOOD PLAN

The Planning Services Portfolio Holder introduced the report on the Moreton, Bobbingworth and the Lavers Neighbourhood Plan. He advised that the Examiners Report for the draft Moreton, Bobbingworth and the Lavers Neighbourhood Plan (MBL Neighbourhood Plan) was received by Epping Forest District Council on 17 June 2019. The Examiners Report recommended that, with modifications, the MBL Neighbourhood Plan met the basic conditions and should proceed to a local referendum. The recommended referendum area was the Parish of Moreton, Bobbingworth and the Lavers.

The report set out the background to the MBL Neighbourhood Plan, the recommendations made by the Examiner, the Council's proposed action against each of the recommendations and the potential timescale for a local referendum.

Councillor S Kane asked if the District Council would be paying for this referendum. The Portfolio Holder said that they would be, but officers would also be applying for a Government grant.

Decision:

- (1) That the recommendations included in the Examiner's Report was considered and noted;
- (2) That the draft Moreton, Bobbingworth and the Lavers Neighbourhood Plan, with proposed amendments, which met the basic conditions and was compatible with European obligations was agreed; and
- (3) That the Decision Statement (Appendix A of the report) for the Moreton, Bobbingworth and the Lavers Neighbourhood Plan to progress to referendum be approved.

Reasons for Proposed Decision:

To comply with the statutory requirements in relation to Neighbourhood Planning and to progress the Draft MBL Neighbourhood Plan to referendum stage.

Other Options for Action:

Not to make a decision on the draft MBL Neighbourhood Plan and the recommendations in the Examiner's Report. This would mean that the Council was

not meeting the legislative requirements and was not fulfilling its statutory duty in the production of neighbourhood plans.

23. ANY OTHER BUSINESS

It was noted that there was no other urgent business for consideration by the Cabinet.

24. EXCLUSION OF PUBLIC AND PRESS

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 items of business set out below as they 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>
14	Group Company Structure	3

25. GROUP COMPANY STRUCTURE

The Business Support Portfolio Holder introduced report on the proposed setting up of a Group Company Structure.

The Interim Strategic Director and the appointed Consultant, Simon Smith, gave short presentations to the meeting on the proposed options. The Cabinet noted that the council was considering different ways to ensure the delivery of high-quality efficient services, as well as options to maximise the utilisation of council owned land and assets. This set out how both could be achieved through a group company structure that enabled the subsidiary companies to provide: (i) a services company for repairs, (ii) a development company to facilitate the build of new homes and assets, and (iii) a local housing company for the long-term ownership and management of homes for rent or shared ownership.

It was proposed that the initial set up of the group company structure would be overseen by a Member/Officer steering group made up of five members. Once the companies had been set up there would be a Board that took responsibility to oversee the performance of the subsidiary companies. As these were wholly owned council companies the appointment of the Board would follow after the set-up of the company. The shareholder agreement, memorandum of articles and intragroup agreements would set out the parameters and extent of decision making in the subsidiary companies.

The recommendations in the report sought to establish the set-up of the group company structure, and the services company for repairs. The repairs company was the priority given that the current contractual arrangements would come to an end in March 2020. The development company would progress as further work was undertaken on the feasibility of sites. Any land transferred into the development company would require future cabinet approvals.

The Council's Asset Management Strategy set out a range of different options for maximising the utilisation of council owned land and assets. One of those options included the setting up of a group company structure that enabled the council to

transfer land into the wholly owned council company for direct development. In taking this approach the council would benefit from creating new assets that appreciated over time and generated long-term value. This avoided the situation where land was sold to the private sector generating only a 'one-off' capital receipt to the council. Detailed feasibility studies would be undertaken before any activity by the development company was undertaken. Each site that was transferred into the development company would require cabinet approval. This was a key driver for EFDC in supporting long term financial health and delivery of good quality services to residents across the district.

It was noted that many Councils across the country were taking this approach and successfully delivering new homes through a wholly owned group company structure.

Asked what would be the democratic oversight for this project, such as transferring land to the development company, it was clarified that these would be cabinet decisions subject to the normal call-in procedures. There would also be clear articles of association between the Council and the Development Company to work from and to state the limitations.

In response to a question it was noted that the company could go outside the EFDC area for other developments, but there would be more costs associated with doing this.

Decision:

(1) The Cabinet approved the set-up of a group company structure as set out in 1.1 of the report. This approval included a spend for the set-up costs to cover: legal advice, taxation advice, and project management support. The District Development Fund (DDF) 19/20 would cover this sum.

(2) The Cabinet approved the set-up costs as recommended in the report for the Services (Repairs) subsidiary company. It was proposed to use the DDF to cover the initial set up costs. This sum would include legal advice, tax advice, project management, and ICT consultancy costs.

(3) The Cabinet delegated responsibility to the Officer/Member steering group to oversee the set-up and preparation of the Services (Repairs) company business plan for approval by the Group Company Holding Board.

(4) The Cabinet noted that if the set-up costs of the repairs company varied by more than an additional 20%, and/or if providing a loan to the Company the current locally agreed borrowing limits were exceeded by the Council, a further Cabinet approval would be required.

(5) Cabinet noted that further approval would be sought for sale of land into the Development Company as and when sites came forward for development.

Reasons for Proposed Decision:

The Asset Management Strategy provides the Council with clear direction on how to utilise land and property assets. This paper sets out how a group company structure would achieve these aspirations consistent with the Corporate Plan and Medium-Term Financial Strategy.

Other Options for Action:

If the council did not pursue the option to develop its own land, then these sites that were identified in the Local Plan may be sold to developers and hence losing the long-term asset for the council. If the Services company was not established the Council would need to undertake a procurement exercise to 'outsource' the service (or elements). This provided uncertainty in terms of quality and control. This also loses the ability to generate additional income for the council.

CHAIRMAN

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