

EPHING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 5 September 2019

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.03 - 7.24 pm

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

Other Councillors: H Kauffman, C McCredie, S Neville, C C Pond, M Sartin, D Stocker, J M Whitehouse and D Wixley

Apologies: H Whitbread

Officers Present: G Blakemore (Chief Executive), N Dawe (Interim Strategic Director & Chief Financial Officer), S Jevans (Interim Strategic Director), K Pabani (Chief Estates Officer), T Carne (Corporate Communications Manager), A Hendry (Senior Democratic Services Officer) and S Mitchell (PR Website Editor)

26. 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.

27. DECLARATIONS OF INTEREST

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

28. MINUTES

RESOLVED:

That the minutes of the meeting of the Cabinet held on 11 July 2019 be taken as read and signed by the Leader as a correct record.

29. REPORTS OF PORTFOLIO HOLDERS

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

30. 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.

31. OVERVIEW AND SCRUTINY

The Chairman of the Overview & Scrutiny Committee reported that the last meeting of the Overview and Scrutiny Committee, due to be held on 3 September 2019, had

been cancelled due to a lack of an external organisation being available to attend that meeting. Also, none of the Select Committees had met recently so there was nothing to report back on. There was a meeting coming up of the joint chairs and vice-chairs of the scrutiny committees when they would discuss the way forward for scrutinising outside bodies.

32. COUNCIL HOUSEBUILDING CABINET COMMITTEE - 18 JUNE 2019

It was noted that the Cabinet Committee had not made any recommendations to the Cabinet on this occasion.

33. FINANCE AND PERFORMANCE MANAGEMENT CABINET COMMITTEE 20 JUNE AND 18 JULY 2019

It was noted that the Cabinet Committee had not made any recommendations to the Cabinet on this occasion.

34. ASSET MANAGEMENT & ECONOMIC DEVELOPMENT CABINET COMMITTEE - 27 JUNE 2019

It was noted that the Cabinet Committee had not made any recommendations to the Cabinet on this occasion.

Councillor C C Pond asked if there were any updates on the Langstone Road Shopping Park in regard to parking and congestion. He was told that officers were investigating how to support residents regarding this issue. More information would be given when available. Councillor Pond asked that the two ward members be kept informed of any progress on this issue.

Councillor S Neville asked about the electric charging points that were being taken up by non-electric cars and what action had been taken. Councillor Patel said that he would find out and get back to him.

35. BUDGET, MEDIUM-TERM AND LONG-TERM FINANCIAL PLAN

The Business Support Portfolio Holder introduced the report on the Council's budget, medium-term and long-term financial plans. She noted that the Council's final accounts would be submitted to the September meeting of the Audit and Governance Committee and then published on the website. We were expecting useful guidance from our external auditor to enable us to make any necessary improvements to our ongoing budget process.

It was important the financial plans of the Authority reflected the ambitions and priorities of the Authority and the legal, economic and social environment in which it operated.

It was important that an integrated approach was taken to this financial planning and that the previously separate activities were more fully brought together.

In 2020/21 we would be automating our processes to make better use of our IT systems. As in previous years we would be aiming to put our draft budget together for consideration by the end of October. For November our priority would be developments and investments. It was the intention that the completion of strategic and service reviews would occur before the final draft budget came together for early December. Officers had planned to assemble the 2019/20 budget process for the end of December to allow a quarterly dry run.

Councillor C C Pond noted that one of the major hazards of the budgeting process was the pending NNDR appeal on large premises in Waltham Abbey. He had not heard anything about this in the last few months, was anyone aware of what was happening. The Business Support Holder said that she was not aware of any progress, she understood that there would be up to a two year wait for the appeals to be heard. The Chief Finance Officer added that the Council was awaiting any formal notification of change and they would report it as soon as it came through.

Decision:

1. The Cabinet noted the increased integration of the 2019/20 Budget Mid-Year Review, Budget 2020/21 and medium-term and long-term financial planning processes.
2. The outline financial review and financial planning timetable and its timetable and its correlation with key meeting dates was noted.
3. The Cabinet took note of the key issues that would underpin the 2020/21 Budget and medium-term and long-term financial plans.
4. The Cabinet noted that although early in the process of financial planning, at this point, a combination of local performance issues, local plans and cost pressures and local tax and charging uncertainties together with the general economic climate were putting pressure on the Budget and was increasing the need for savings, service changes and increase in council tax and charges.
5. The Cabinet noted that they may need to have Budget and financial planning meetings and updates in November 2019 and January 2020, (in addition to the current timetable).

Reasons for Proposed Decisions:

These were just for information and noting by the Cabinet.

Other Options for action:

No other options were proposed.

36. ANY OTHER BUSINESS

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

37. 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:

Agenda Item

Subject

Paragraph Number

14	Asset Management Strategy – Property Acquisition Strategy	3
15	Proposed Letting of Land at NWA to the HMRC	3

38. ASSET MANAGEMENT STRATEGY - PROPERTY ACQUISITION STRATEGY

The Commercial and Regulatory Services Portfolio Holder introduced the Asset Management Strategy, property acquisition strategy report. The Asset Management Strategy was adopted by the Cabinet in June 2019 and part of this strategy included the acquisition of investment properties and development opportunities. To implement this strategy, the Council needed the ability to make timely decisions and access to capital to complete such transactions in a competitive bidding situation. This was the context in which this property acquisition strategy was being proposed. Suitable funding and authority needed to be approved to facilitate EFDC exploring the property investment market and acquiring suitable investment properties (namely those with secure investment returns) in a timely and commercial manner, seeking to balance the wider portfolio against higher risk development opportunities.

Decision:

- 1) That Cabinet recommend to Council approval and endorsement of an option to call on supplementary capital of up to £30 million for the purpose of general investment opportunities meeting the criteria outlined in the Asset Management Strategy (as approved by Cabinet in June 2019).
- 2) The Cabinet agreed to grant delegated authority in deciding to make acquisitions of suitable investment properties, to the Portfolio holder for Commercial and Regulatory Services and Portfolio Holder for Business Support in consultation with Leader of the Council.

Reasons for Proposed Decision:

This would provide clear parameters in both allocated funding and decision making for EFDC to undertake suitable investment acquisitions as mandated by the AMS. This will allow EFDC to engage with acquisition agents with a clear rationale and provide potential sellers with clear timescales on acquisitions due to the delegated authority, which would be commercially advantageous to EFDC by allowing us to proceed in a commercial and timely manner.

Other Options for Action:

Alternative options were:

The Cabinet do not grant delegated authority and instead each investment is treated on a case by case basis as per periodic cycle of Cabinet meetings if required by Council – however this would make offers on investment properties uncompetitive as other buyers in the market would be in a position to act quickly.

39. PROPOSED LETTING OF LAND AT NWA TO DEPARTMENT OF HOUSING, COMMUNITIES AND LOCAL GOVERNMENT

The Commercial and Regulatory Services Portfolio Holder introduced the report on the proposed letting of land at North Weald Airfield to HMRC and asked the Chief Financial officer to expand on the background to this report. The Chief Financial officer noted that there was an opportunity for EFDC to lease an area of land for the operation of a HGV documentation check point as part of the preparations for a no-deal Brexit. Central Government were making arrangements for customs purposes following on from this and HMRC had approached us to use North Weald Airfield. This use would also have implications to the surrounding highways and a report on this would follow later. This proposal had a number of benefits for EFDC including:

- Income generation from the commercial lease which would be signed on the site. It was envisaged that this would be for a 2-year term;
- Installation of services and utilities to an area of NWA which currently were limited at present. These would be paid for by the tenant but would ultimately remain in the ownership of EFDC;
- Development of a largely unused part of NWA. This unused site is well located for commercial use as it has its own direct access and entrance at the north eastern side of NWA;
- Planning, Transport and Environmental reports. As part of any development it was envisaged that the tenant would have to undertake detailed analysis and reports on this section of NWA and the impact which any development would create. EFDC could have reliance upon these reports which would in turn facilitate any future development which may be undertaken once the tenant vacates.

The Ministry of Housing, Communities and Local Government would be required to meet the costs of unexpected compensatory events that result from their occupation or activities.

The Leader of the Council proposed that an extra recommendation be inserted to ask the Chairman of Council to waive the call-in period, as any delay was likely to seriously prejudice the Council's interests. This was agreed by the Cabinet and added to the recommendations.

Decision:

(1) The Cabinet agreed to the approval of a new lease of land at North Weald Airfield to Her Majesty's Revenue and Customs for HGV parking and associated facilities to allow the operation of the checking the documentation of companies importing and exporting high value goods.

(2) Alongside the more formal agreement concerning the use of the Airfield, the Cabinet agreed to seek other benefits from the Ministry of Housing, Communities and Local Government in terms of infrastructure, planning, information exchange and other legacy benefits.

(3) That, pursuant to Overview and Scrutiny Rule 53 (Special Urgency) of the Constitution, the Vice-Chairman of Council (in the absence of the Chairman) be requested to waive the call-in arrangements for this decision, as any delay likely to be caused by the call-in process would seriously prejudice the Council's interests, as it would substantially lessen the time for negotiations with HMRC and thus the

preparation time needed to prepare the airfield and surrounding roads for a no-deal exit from the European Union.

Reasons for Proposed Decision:

Officers had recommended that the Council approve leasing this land to the HMRC as in the short term it would generate additional rental income and in the medium to long term would facilitate the future development of this section of NWA by setting a precedent and by providing the installation of facilities and infrastructure at zero cost to EFDC.

Other Options for Action:

Alternative options were:

Refuse to progress negotiations with HMRC and the Ministry of Housing, Communities and Local Government.

CHAIRMAN

To: Democratic Services Manager

From: Councillor H Kane
Vice-Chairman of the Council

Date: 06 September 2019

Your ref:

Our ref: C-010-2019/20



Epping Forest District Council

Overview and Scrutiny Rule 53 (Special Urgency) - Proposed Letting of Land at North Weald Airfield to Her Majesty's Revenue and Customs

I confirm that, in accordance with the above-mentioned rule, I am satisfied that the following decision of the Cabinet is reasonable in all the circumstances and should be treated as a matter of urgency.

I am also satisfied that any delay likely to be caused by the call-in process would seriously prejudice the Council's interests, as any delay would substantially lessen the time for negotiations with HMRC and thus the preparation time needed to prepare the airfield and surrounding roads for a no-deal exit from the European Union.

Decision:

(1) To agree the approval of a new lease of land at North Weald Airfield to Her Majesty's Revenue and Customs for HGV parking and associated facilities to allow the operation of the checking the documentation of companies importing and exporting high value goods;

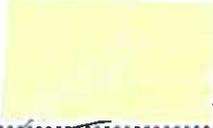
(2) Alongside the more formal agreement concerning the use of the Airfield, to seek other benefits from the Ministry of Housing, Communities and Local Government in terms of infrastructure, planning, information exchange and other legacy benefits; and

(3) That, pursuant to Overview and Scrutiny Rule 53 (Special Urgency) of the Constitution, the vice-Chairman of Council (in the absence of the Chairman) be requested to waive the call-in arrangements for this decision, as any delay likely to be caused by the call-in process would seriously prejudice the Council's interests, as it would substantially lessen the time for negotiations with HMRC and thus the preparation time needed to prepare the airfield and surrounding roads for a no-deal exit from the European Union.

I therefore determine that the call-in provisions of the Overview and Scrutiny Rules, which would otherwise apply, be disregarded for this decision.

m e m o

I confirm that notice of this decision will be reported to the Council at its meeting on 19 September 2019.

Signed: 

Councillor H. Kane

Vice-Chairman of Epping Forest District Council

m e m o