

Report to the Council

Committee: Council

Date: 17th December 2020

Subject: Qualis Business Plan 2020-2021

Portfolio Holder: Commercial and Regulatory Services – Cllr A. Patel

Recommendations/Decisions Required:

(1) That Council agrees the Qualis 2020/21 Business Plan.

1. Executive Summary

- 1.1. Cabinet considered the attached Qualis 2020/21 Business Plan Report at its meeting on 3rd December 2020 and has Recommended to Council that the Plan be approved.
- 1.2. The Governance framework for Qualis, as agreed by Cabinet in February 2020, set the requirement that Qualis should seek agreement from its sole Shareholder (Epping Forest District Council - Cabinet and Council) for its proposed activities in the forthcoming year. The proposed activities are to be set out in the form of an annual Business Plan, which sets out the immediate priorities, and a 4 year rolling Plan, setting out the Strategic direction.
- 1.3. The Business Plan submitted by Qualis meets the requirement to produce a 1 year Plan, setting out their immediate priorities. However, Qualis has asked for more time to produce their 4 year Strategic Plan as the permanent Board membership was only confirmed by this Council on 29th October. This gave the new Board insufficient time to properly consider direction, longer term plans and strategy. Given the short timeframe Qualis had for their new Board to consider their plans, Cabinet agreed that more time to properly undertake the development of a 4 year Plan was appropriate.
- 1.4. The report presented to Cabinet, comprising the Business Plan and a cover report including a commentary by the Council's S151, is attached as Appendix A.
- 1.5. The key message for Council is that given the limited time available for the newly appointed Qualis Board to consider its plans, the plan for the forthcoming year largely focuses on the delivery of the existing agreed priorities for Qualis. These priorities are those set for it by Council at the point Qualis was created this time last year.
- 1.6. Any new proposals will be contained within the 4 year plan, once developed, or alternatively in standalone proposals to the Council in order to comply with the requirements of the Shareholder Agreement. Either way, any significant new proposals will require separate approval by Epping Forest District Council.
- 1.7. Usually this report would have been considered by Overview and Scrutiny before coming to Council but because of the fall of meetings, the limited new proposals

contained within the Plan and the need to agree the Business Plan for incorporation within the draft Budget proposals, the Business Plan comes straight to Council from Cabinet; thereby still giving it the widest consideration by members.

1.8. The detailed report is attached as Appendix A.

2. Resource Implications

2.1. Qualis generates significant amounts of income for the Council from margins on the loans given by the Council, from recharges for support services and from projected future dividends. The Business Plan for next year needs to be agreed so that the projected transactions between Qualis and the Council can be incorporated into the Medium Term Financial Plans of the Council.

3. Legal and Governance Implications

3.1. None contained within this report.

4. Safer, Cleaner and Greener Implications

4.1. None.

5. Consultation Undertaken

5.1. None

Background Papers

Group Company Governance Document – Cabinet 6 February 2020