

**CABINET**  
**Thursday, 21 July 2016 at 7.30 pm**  
**Council Chamber, Civic Centre**

**Members**

Councillor Jon Clempner, Leader of the Council  
Councillor Emma Toal, Deputy Leader and Portfolio Holder for Youth & Community  
Councillor Mike Danvers, Portfolio Holder for Resources  
Councillor Tony Durcan, Portfolio Holder for Regeneration & Enterprise  
Councillor Waida Forman, Portfolio Holder for Governance  
Councillor Danny Purton, Portfolio Holder for Environment  
Councillor Mark Wilkinson, Portfolio Holder for Housing

**Other Attendees**

Councillor Mark Ingall  
Councillor Lanie Shears  
Councillor John Strachan

**AGENDA**

1. Apologies for absence
2. Declarations of Interest  
  
Councillors' declarations of interest (if any) in relation to any items on the agenda.
3. Minutes (Pages 4 - 9)  
  
To approve the minutes of the meeting held on 31 March 2016.
4. Matters Arising  
  
Any matters arising from the minutes of the previous meeting.
5. Written Questions from the Public  
  
To receive any questions from members of the public in accordance with Rule 10 of the Council Procedure Rules.
6. Written Questions from Councillors  
  
To receive any questions from Councillors in accordance with Rule 11 of the Council Procedure Rules.

7. Petitions

To consider any petitions that have been referred to the Cabinet under the Council's Petition Scheme.

8. Forward Plan (Pages 10 - 22)

To note the Forward Plan, which lists all upcoming Cabinet decisions and provides notice of key decisions and those expected to be taken in private session.

9. Recent Decisions Taken by The Leader, Deputy or Portfolio Holder(s)

To note recent Portfolio Holder decisions taken under delegated powers, as attached:

a) Portfolio Holder for Youth & Community - 29 March 2016 (Page 23)

10. Portfolio Holder Delegations (Pages 24 - 25)

To note the Leader of the Council's Scheme of Delegation to Portfolio Holders.

11. Appointment of Cabinet Overview Working Group, Panels and Partnership Bodies 2016/17 (Pages 26 - 28)

12. Cabinet Overview Working Group Work Plan 2016/17 (Pages 29 - 30)

13. Year End 2015/16 Joint Performance and Finance Report (Pages 31 - 70)

14. Housing Revenue Account Outturn Report 2015/16 (Pages 71 - 84)

15. Capital Programme Outturn Report 2015/16 (Pages 85 - 101)

16. Customer Services Action Plan (Pages 102 - 137)

17. Selection of operator for Harlow Enterprise Hub (Pages 138 - 142)

18. The Stow Neighbourhood Centre Design Framework Supplementary Planning Document (Pages 143 - 201)

19. Loan Arrangements for HTS (Property & Environment) Limited (Pages 202 - 204)

20. Communications from Committees/Working Groups/Parties and Panels

- a) Referral from Audit & Standards Committee - Annual Governance Statement 2015-16 (Pages 205 - 215)

21. Minutes of Panels/Working Groups

To note the following draft minutes of Cabinet appointed bodies. Minutes remain draft until approved by the relevant body.

- a) Minutes of meeting Wednesday, 17 February 2016 of Shareholder Sub Committee for HTS (Property and Environment) Limited (Pages 216 - 218)
- b) Minutes of meeting Thursday, 10 March 2016 of Cabinet Overview Working Group (Pages 219 - 221)
- c) Minutes of meeting Tuesday 22 March 2016 of Housing Standards Board (Pages 222 - 223)
- d) Minutes of meeting Wednesday, 6 April 2016 of Harlow Local Highways Panel (Pages 224 - 227)
- e) Minutes of meeting Tuesday, 31 May 2016 of Shareholder Sub Committee for HTS (Property and Environment) Limited (Pages 228 - 230)
- f) Minutes of meeting Wednesday, 29 June 2016 of Harlow Local Highways Panel (Pages 231 - 234)

22. Matters of Urgent Business

To deal with any matters of an urgent nature.

**MINUTES OF THE CABINET  
HELD ON**

31 March 2016

7.30 - 8.36 pm

**PRESENT**

**Cabinet Members**

Councillor Jon Clempner, Leader of the Council

Councillor Emma Toal, Deputy Leader and Portfolio Holder for Youth & Community

Councillor Jean Clark, Portfolio Holder for Governance

Councillor Tony Durcan, Portfolio Holder for Regeneration & Enterprise

Councillor Rod Truan, Portfolio Holder for Housing

Councillor Mark Wilkinson, Portfolio Holder for Environment

**Additional Attendees**

Councillor Danny Purton

Councillor John Strachan

**Other Councillors**

Councillor Simon Carter

Councillor Joel Charles

Councillor Andrew Johnson

Councillor Eddie Johnson

Councillor Sue Livings

Councillor Clive Souter

**Officers**

Graham Branchett, Chief Operating Officer

Graeme Bloomer, Head of Place

Simon Freeman, Head of Finance

Jane Greer, Head of Community Wellbeing

Brian Keane, Head of Governance

Andrew Murray, Head of Housing

Joel West, Governance Support Officer

112. **LEADER'S ANNOUNCEMENT**

The Leader of the Council, Councillor Jon Clempner, spoke of the tragic loss of seven year-old Summer Grant, who died on Saturday March 26 after an incident at Harlow Town Park. Councillor Clempner announced that a minute's silence will be held at the meeting of Full Council on Thursday 7 April 2016. Councillor Andrew Johnson, Leader of the Conservative Group, also spoke of the tragedy. Both Councillors paid tribute to the outstanding level of support shown by the community.

113. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Mike Danvers and Maggie Hulcoop.

114. **DECLARATIONS OF INTEREST**

None.

115. **MINUTES**

**RESOLVED** that the minutes of the meeting held on 25 February 2016 are agreed as a correct record and signed by the Leader.

116. **MATTERS ARISING**

None.

117. **WRITTEN QUESTIONS FROM THE PUBLIC**

None.

118. **WRITTEN QUESTIONS FROM COUNCILLORS**

None.

119. **PETITIONS**

None.

120. **FORWARD PLAN**

**RESOLVED** that the Forward Plan is noted.

121. **RECENT DECISIONS TAKEN BY THE LEADER, DEPUTY OR PORTFOLIO HOLDER(S)**

**RESOLVED** that the following decision is noted:

- a) **Portfolio Holder for Housing - 25 February 2016**

122. **JOINT FINANCE AND PERFORMANCE REPORT, QUARTER 3 2015/16**

The Cabinet received a report that reviewed performance against the Council's approved General Fund Budget and Corporate Plan for Quarter Three 2015/16.

Proposed by Councillor Jon Clempner (seconded by Councillor Rod Truan) it was:

**RESOLVED** that Cabinet acknowledges the projected outturn position set out in sections three and four of Appendix A to the report submitted for the third quarter (October – December) of 2015/16 as follows:

- (i) A favourable variation on controllable budgets of £546,000, representing 0.79 per cent of the gross General Fund Budget.
- (ii) A total projected underspend of £738,000 representing -1.07 per cent of the gross General Fund Budget.
- (iii) The Council performed on target or above target for 42 out of 47 (90 per cent) of performance indicators.

123. **CAPITAL PROGRAMMES QUARTER 3 FINANCE REPORT 2015/16**

The Cabinet received a report that reviewed the Council's performance against its approved Housing and Non-Housing Capital Programmes for Quarter Three 2015/16.

Proposed by Councillor Jon Clempner (seconded by Councillor Rod Truan) it was:

**RESOLVED that Cabinet:**

- A** Acknowledges the progress made in the delivery of the Council's Housing and Non-Housing Capital Programmes for the third quarter of 2015/16 (as at 3 January 2016) as follows:
  - (i) Housing Capital Programme – a projected variation of £3,287,000 below the revised budget (representing -13.09%) due mainly to items carried forward from 2015/16 to 2016/17.
  - (ii) Non-Housing Capital Programme – a projected variation of £864,000 below the revised budget (representing -12.4%).
- B** Acknowledges the performance in delivering the capital programmes, as summarised in Tables 2 and 5 of the report submitted (reference paragraphs 6 and 22).
- C** Approves the following new business cases, as detailed in paragraphs 17 to 19 of the report submitted:
  - (i) Harlow Transformation Project to upgrade the software on which benefit claims are based, funded from reserves (£119,000).
  - (ii) Management of a biodiversity scheme at Parndon Lock Meadows which is fully grant-funded by the Land Trust (£56,000).
  - (iii) Work to a retaining wall at Sumners Hatch which has health and safety implications for the area (£11,000).

124. **HOUSING REVENUE ACCOUNT BUDGET, QUARTER 3 2015/16**

The Cabinet received a report that reviewed the Council's performance against its approved Housing Revenue Account for Quarter Three 2015/16.

Proposed by Councillor Jon Clempner (seconded by Councillor Rod Truan) it was:

**RESOLVED** that:

- A** Cabinet acknowledges the projected outturn position set out in the report submitted as at 3 January 2016 as follows:
  - (i) A favourable variation against the original estimate on operational/controllable budgets of £1,489,000 representing 2.60% of the gross Housing Revenue Account (HRA) budget.
  - (ii) A total projected underspend of £6,632,000 representing 11.50% of the gross HRA budget.
- B** The forecast balances at 31 March 2016, of £10,777,000 in respect of the Housing Revenue Account and nil in respect of the Major Repairs Reserve (as identified in Appendix C of the report submitted) are noted.

125. **PRENTICE PLACE REGENERATION OPTIONS APPRAISAL**

The Cabinet received a report that proposed a regeneration scheme for the Prentice Place retail hatch in Potter Street.

The Cabinet asked that a minor amendment is made to the recommendation on the report, to clarify that Option 3 from the report submitted is the one that will be progressed.

Proposed by Councillor Tony Durcan (seconded by Councillor Jon Clempner) it was:

**RESOLVED** that Cabinet:

- A** Agrees that the regeneration of Prentice Place proceeds on the basis of the affordable option that has been identified (Option 3 from the report submitted) this being a complete remodelling of the buildings and improvements to the public realm, on the basis that it will provide a clear direction on achieving the regeneration of Prentice Place.
- B** Agrees that consultation with the appropriate residents and businesses and partners with an interest in the proposed regeneration project begin.

- C Agrees to enter into a call-off contract for additional consultancy services to be supplied by Faithful and Gould contract via the current Scape Framework Agreement in order to use their services to deliver full planning drawings, a full specification of the agreed options and the overseeing of the works.

126. **CONFIRMATION OF OLD HARLOW ARTICLE 4 DIRECTIONS**

The Cabinet received a report that proposed a technical amendment to the existing Article 4 Direction in the Old Harlow Conservation Area.

Proposed by Councillor Mark Wilkinson (seconded by Councillor Tony Durcan) it was:

**RESOLVED** that Cabinet approves the confirmation of three proposed Article 4 Directions in the Old Harlow Conservation Area at 79-97 (odd) High Street.

127. **DISTRICT HEATING BOILER REPLACEMENT PROGRAMME TOGETHER WITH INSTALLATION OF HEAT METERS - TANY'S DELL, RISDENS, ROSEMARY CLOSE (PROJECT NO. 16/002)**

The Cabinet received a report that advised of the outcome of a tender exercise for boiler replacements and associated works at a number of housing schemes.

Proposed by Councillor Rod Truan (seconded by Councillor Jon Clempner) Cabinet:

**RESOLVED** that the most economically advantageous tender submitted by Contractor A from the report submitted is accepted in the sum of £2,138,104.95 subject to contract.

128. **CARBON MANAGEMENT PLAN 2016**

The Cabinet received a report that proposed an updated Carbon Management Plan. The Plan will guide the Council's ambition to reduce its carbon emissions by 25 per cent between 2016 and 2021.

Proposed by Councillor Mark Wilkinson (seconded by Councillor Tony Durcan) Cabinet:

**RESOLVED** that:

**A** The Carbon Management Plan 2016/2021 is adopted.

**B** The Carbon Management Plan is reviewed in 2018.

129. **COMMUNICATIONS FROM COMMITTEES/WORKING GROUPS/PARTIES AND PANELS**

a) **Referral from Scrutiny Committee - Review of Harlow Youth Council**

The Cabinet received a report from the Scrutiny Committee that advised of the outcome of its review of the Harlow Youth Council and made recommendations for how the Youth Council could be improved.

Proposed by Councillor Emma Toal (seconded by Councillor Tony Durcan)  
Cabinet:

**RESOLVED** that the Harlow Youth Council Action Plan, at Appendix D of the original report to Scrutiny Committee, is approved for implementation subject to the following amendments:

- (a) Substitute “annual Speed Meeting event” with “biannual Speed Meeting event” at Action Point 3.
- (b) Add an additional Action Point 11 to read: “Actively promote HYC to hard to reach groups, including those in alternative education, young carers, NEETs and young people with a disability”.

130. **MINUTES OF PANELS/WORKING GROUPS**

**RESOLVED** that the minutes of the following meetings are noted.

a) **Minutes of meeting Thursday, 11 February 2016 of Cabinet Overview Working Group**

131. **MATTERS OF URGENT BUSINESS**

None.

LEADER OF THE COUNCIL

## Harlow Council Forward Plan

This plan contains all decisions that the Council's Cabinet expects to take over the coming year. Where relevant, each decision has been identified as a Key Decision or as involving consideration in private session.

The definition of a Key Decision is given in Article 12 of the Council's Constitution but is also set out here for clarity.

A 'Key Decision' means a Cabinet/Portfolio Holder decision which is likely:

- a) to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates. For this purpose, expenditure or savings are deemed to be significant if they exceed £50,000; or
- b) to be significant in terms of its effects on communities living in an area comprising two or more wards in Harlow.

Each decision listed in this Forward Plan has been assigned an exemption status as follows:

**Open** – members of the press and public are expected to be allowed to attend during consideration of this matter.

**Confidential** – members of the press and public are expected to be excluded during consideration of this matter. The reasons for this exclusion will be stated in column 5, and relate to a lawful power to exclude the press and public when specific classes of information are being discussed, as contained in the [Local Government Act 1972](#).

A Decision Notice for each Key Decision is published within five days of it being made. Decision Notices and documents to be considered by decision makers are open for inspection on the Council's website [www.harlow.gov.uk](http://www.harlow.gov.uk) and at the Civic Centre, The Water Gardens, Harlow, CM20 1WG. Representations on an upcoming key decision can be made by writing to the Chief Executive, using the address above.

The current members of the Cabinet are as listed on the Council's website at the following page <http://moderngov.harlow.gov.uk/mgCommitteeDetails.aspx?ID=121>

Items that have appeared on previous Forward Plans may have been removed if it is not anticipated that they be the subject of a decision in the current year. This includes the following previous items: (1) Essex Inter-Authority Waste/Recycling Agreement (2) Update on Harlow Strategic Partnership for Educational Attainment.

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 007	Year End 2015/16 Joint Performance and Finance Report	Cabinet	21 Jul 2016	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Leader of the Council (Councillor Jon Clempner)  Malcolm Morley OBE
I005 990	Capital Programmes Outturn Report 2015/16	Cabinet	21 Jul 2016	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I005 991	Housing Revenue Account Outturn Report 2015/16	Cabinet	21 Jul 2016	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Simon Freeman
I004 189	Customer Services Action Plan	Cabinet	21 Jul 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Youth and Community (Councillor Emma Toal)  Jane Greer

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I004 193	Selection of operator for Harlow Enterprise Hub	Cabinet	21 Jul 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Jane Greer
I005 983	The Stow Supplementary Planning Document	Cabinet	21 Jul 2016  Mark Hall	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Graeme Bloomer
I006 012	Loan Arrangements for HTS (Property & Environment) Limited	Cabinet	21 Jul 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I005 987	Joint Finance and Performance Report, Quarter 1 2016/17	Cabinet	15 Sep 2016	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I005 998	Housing Revenue Account, Quarter 1 Finance Report 2016/17	Cabinet	15 Sep 2016	Key decision: <b>No</b> Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Simon Freeman
I005 995	Capital Programmes Quarter 1 Finance Report 2016/17	Cabinet	15 Sep 2016	Key decision: <b>No</b> Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I004 805	Nichollsfield Pavilion Refurbishment Works	Cabinet	15 Sep 2016  Bush Fair	Key decision: <b>Yes</b> Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Graeme Bloomer
I006 013	2015/16 Statement of Accounts	Cabinet	15 Sep 2016 Expected referral from Audit Cttee	Key decision: <b>Yes</b> Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 008	Annual Treasury Management Report 2015/16	Cabinet	15 Sep 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I004 945	Appointment of a Consultant to undertake Asbestos Surveys, Air Monitoring and Associated Services	Cabinet	15 Sep 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Andrew Murray
I005 958	Award of contract for small roofing schemes	Cabinet	15 Sep 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Graeme Bloomer
I006 009	Debt write offs	Cabinet	15 Sep 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 014	Rainbow Services Pensions	Cabinet	15 Sep 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Contains some confidential</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I005 696	Award of contract for Legionella Risk Assessments and Water Hygiene	Cabinet	13 Oct 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Andrew Murray
I001 170	Local Development Plan - approval of statutory consultation document	Cabinet	13 Oct 2016 Subject to the outcomes of the duty to co-operate process and availability of technical evidence from third parties	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Graeme Bloomer

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 015	Local Council Tax Support Scheme proposals 2017/18	Cabinet	10 Nov 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I006 005	Review of Housing Allocations Policy	Cabinet	10 Nov 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Andrew Murray
I003 040	Contract Award - Lift Maintenance	Cabinet	10 Nov 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Andrew Murray
I006 016	Treasury Management Strategy Statement 2016/17: Mid Year Review	Cabinet	8 Dec 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 006	Award of Asset Management Services Framework Agreement	Cabinet	8 Dec 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Andrew Murray
I005 988	Joint Finance and Performance Report, Quarter 2 2016/17	Cabinet	8 Dec 2016	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I005 999	Housing Revenue Account, Quarter 2 Finance Report 2016/17	Cabinet	8 Dec 2016	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Simon Freeman
I005 996	Capital Programmes Quarter 2 Finance Report 2016/17	Cabinet	8 Dec 2016	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 010	Debt write offs	Cabinet	8 Dec 2016	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I004 186	Heating Charges (District Heating Schemes)	Cabinet	26 Jan 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Andrew Murray
I005 993	Corporate Plan 2017/18	Cabinet	26 Jan 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I005 994	Medium Term Financial Strategy 2017/18	Cabinet	26 Jan 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I005 992	General Fund Budget 2017/18	Cabinet	26 Jan 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I006 017	Housing Revenue Account Business Plan 2016-2046	Cabinet	26 Jan 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson), Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman, Andrew Murray
I006 003	Housing Revenue Account Budget 2017/18	Cabinet	26 Jan 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers), Portfolio Holder for Housing (Councillor Mark Wilkinson)  Simon Freeman, Andrew Murray

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 002	Capital Programmes 2017/18 - 2019/20	Cabinet	26 Jan 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I006 004	Treasury Management Strategy 2017/18	Cabinet	26 Jan 2017	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I004 191	Health and Wellbeing Strategy	Cabinet	23 Mar 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Youth and Community (Councillor Emma Toal)  Jane Greer
I005 989	Joint Finance and Performance Report, Quarter 3 2016/17	Cabinet	23 Mar 2017	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I006 000	Housing Revenue Account, Quarter 3 Finance Report 2016/17	Cabinet	23 Mar 2017	Key decision: <b>No</b> Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Simon Freeman
I005 997	Capital Programmes Quarter 3 Finance Report 2016/17	Cabinet	23 Mar 2017	Key decision: <b>No</b> Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I005 709	HMO Annual Licensing	Cabinet	23 Mar 2017	Key decision: <b>No</b> Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton)  Graeme Bloomer
I006 011	Debt write offs	Cabinet	23 Mar 2017	Key decision: <b>Yes</b> Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman

Ref.	Decision title	Decision Maker	Expected Date of Decision and Ward(s) affected	Key Decision and private consideration status	Documents to be considered by decision maker	Portfolio Holder and Lead Officer
I001 163	Non Housing Asset Management Strategy	Cabinet	To be confirmed Subject to OWG review	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Graeme Bloomer
I004 195	Economic Development Strategy for Harlow	Cabinet	To be confirmed Subject to OWG review	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Jane Greer

## PORTFOLIO HOLDERS DECISION NOTICE

**29 March 2016**

(Published 29 March 2016)

This document lists the decision taken by the Portfolio Holder for Youth and Community on 29 March 2016.

A decision may be implemented with immediate effect, unless it is eligible for call-in as identified below, whereupon a decision will not be implemented until five working days have elapsed.

Decision Taker	Decision	Reasons for Decision	Any Options Rejected	Declared Conflict of Interest?	Eligible for Call-In?
<b>Councillor Emma Toal</b>  Portfolio Holder for Youth and Community	<u>Allocation of Grant Aid to The Voluntary Sector 2016</u>  <b>RESOLVED</b> that the allocation of Grant Aid as set out in paragraph 4 of the report submitted is agreed.	To enable the provision of financial support to voluntary sector organisations in line with Council policy.	None.	None.	Yes

## **CABINET PORTFOLIO HOLDERS' DELEGATIONS 2016/17**

The Leader of the Council has the power to amend this scheme at any time.

Any member of the Cabinet may refer any matter delegated to him or her to the Cabinet for a collective decision.

### **1. All Portfolio Holders may:**

- Take urgent decisions that cannot reasonably be deferred until the next meeting of the Cabinet on any matter within the powers delegated to Cabinet and their portfolio, after written (including e-mail) consultation with the Leader (or Deputy if they are not available).
- Take any decision that may be necessary to implement a decision of the Cabinet.
- Agree the grant of licences for the use of land within their portfolio.
- Agree minor or consequential amendments to any Policy, Plan or Strategy within their portfolio.
- Take decisions relating to procurement and contractual matters as set out in the Financial Regulations and Procurement Policy and Standing Orders relating to contracts.
- Where appropriate, and working with the relevant officers, respond to national consultation specific to their Portfolio.
- Allocate specific grants relevant to their Portfolio.

### **2. The Leader (or Deputy Leader, in their absence) may:**

- In the absence of any Portfolio Holder or at their request (in writing) or where a prejudicial interest has been declared take decisions on any matter delegated to that portfolio holder.
- Write off irrecoverable debts in line with Financial Regulations.
- Take decisions to sell/purchase/lease or otherwise deal with land where this would not constitute a Key Decision.

### **3. The Portfolio Holder for Resources may:**

- Approve write-offs of irrecoverable debts (including Council Tax, national non-domestic rates, mortgage arrears and sundry debtor debts) to a value in line with Financial Regulations.
- Agree grants applications within budget.

### **4. The Portfolio Holder for Environment may:**

- Set the level of hackney carriage and private hire fees within agreed budgetary policy.
- Set the table of hackney carriage fares.
- Name and number streets and buildings.

## **5. The Portfolio Holder for Housing may:**

- Dispose of void properties which would cost greater than £10,000 to refurbish except where these fall, in an agreed regeneration area.
- Approve write-offs of irrecoverable housing rent debts to a value in line with Financial Regulations.
- Approve the annual Report to Tenants.
- Approve Housing Service Standards.

### **Note:**

Portfolio Holder decisions must be supported by a written report from the relevant senior Officer(s). It is the Portfolio Holder's responsibility to consult and to seek advice from the Chief Executive, Chief Operating Officer, Monitoring Officer or Chief Finance Officer as appropriate before decisions are taken to ensure that they are intra vires. Portfolio Holders should also consult the relevant budget holding Head of Service before decisions are taken.

## **CABINET APPOINTMENTS 2016/17**

**RECOMMENDED** that appointments to Cabinet bodies for 2016/17 are made as detailed below.

### **Cabinet Overview Working Group**

<b>Overview Working Group (10)</b>		
<b>Conservative (4)</b>	<b>Labour (6)</b>	<b>UKIP (0)</b>
1. David Carter	1. Ian Beckett (c)	
2. Simon Carter	2. Mark Ingall (vc)	
3. Mike Garnett	3. Maggie Hulcoop	
4. Clive Souter	4. Rod Truan	
	5. Stefan Mullard	
	6. John Strachan	

### **Cabinet advisory Panels**

<b>Constitution Panel (3)</b>		
<b>Conservative (1)</b>	<b>Labour (2)</b>	<b>UKIP (0)</b>
1. Simon Carter	1. Mike Danvers (c)	
	2. Stefan Mullard	

<b>Local Development Plan Panel (7)</b>		
<b>Conservative (3)</b>	<b>Labour (4)</b>	<b>UKIP (0)</b>
1. Simon Carter	1. Jean Clark (c)	
2. Tony Hall	2. Lanie Shears (vc)	
3. Mike Garnett	3. Danny Purton	
	4. Rod Truan	

### **HTS Bodies**

<b>Shareholders Sub-Committee for HTS (Property &amp; Environment) Ltd</b>		
<b>Conservative (2)</b>	<b>Labour (3)</b>	<b>UKIP (0)</b>
1. Joel Charles	1. Jon Clempner (c)	
2. Andrew Johnson	2. Mark Wilkinson	
	3. Danny Purton	

<b>HTS (Property &amp; Environment) Board of Directors</b>		
<b>Conservative (1)</b>	<b>Labour (2)</b>	<b>UKIP (0)</b>
1. Simon Carter	1. Bob Davis	
	2. John Strachan	

<b>HTS Group Ltd</b>		
<b>Conservative (1)</b>	<b>Labour (3)</b>	<b>UKIP (0)</b>
1. Simon Carter	1. Bob Davis	
	2. John Strachan	

### **Partnership and liaison bodies**

<b>Harlow Local Highways Panel (4)</b>		
<b>Conservative (3)</b>	<b>Labour (1)</b>	<b>UKIP (0)</b>
1. David Carter	1. Danny Purton	
2. Tony Hall		
3. Clive Souter		

<b>Enterprise Zone Board (1 + 1 Substitute)</b>	
1.	Tony Durcan
(Sub)	Jon Clempner

<b>Essex Flood Partnership (1 + 1 Substitute)</b>	
1.	Danny Purton
(Sub)	Tony Durcan

<b>Harlow Wellbeing Partnership (2)</b>	
1.	Tony Durcan
2.	Waida Forman

<b>London Stansted Cambridge Consortium (1 + 1 Officer)</b>	
1.	Jon Clempner

<b>North Essex Parking Partnership (1 + 1 Substitute)</b>	
1.	Danny Purton
(Sub)	Mike Danvers

<b>West Essex Wellbeing Joint Committee (2 + 1 Substitute)</b>	
1.	Tony Durcan
2.	Waida Forman
(Sub)	Ian Beckett

<b>Harlow Bus Users Group</b>	
1.	Maggie Hulcoop (Chair)

## Tenant and Leaseholder Participation Forum

<b>Housing Standards Board (4)</b>		
<b>Conservative (1)</b>	<b>Labour (2)</b>	<b>UKIP (1)</b>
1. Simon Carter	1. Mark Wilkinson (c)	1. Bill Pryor
	2. Bob Davis (vc)	

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** CABINET OVERVIEW WORKING GROUP  
WORK PLAN

**PORTFOLIO HOLDER:** COUNCILLOR WAIDA FORMAN

**LEAD OFFICER:** BRIAN KEANE, HEAD OF GOVERNANCE  
(01279) 446037

**This is not a key decision**

**It is not subject to Call-in procedures for the following reason: it is a decision on a procedural, operational or managerial matter.**

**This decision will affect no ward specifically.**

**RECOMMENDED** that the proposed 2016/17 work plan for the Overview Working Group as detailed in paragraph 2 of this report is agreed.

## **BACKGROUND**

1. The Cabinet has previously established an Overview Working Group, cross-party Councillor body whose role is to review policy areas and make recommendations to the Cabinet for their improved effectiveness.

## **ISSUES/PROPOSALS**

### **2. Overview Working Group Work Plan 2016/17**

It is proposed that the Overview Working Group's work plan for 2016/17 will include two substantial items as follows. Lead Officers have advised that both of these reviews can commence at the OWG's first meeting, in September 2016.

- 1) Non-Housing Asset Management Strategy
- 2) Economic Development Strategy for Harlow
3. Additional work plan items can be added by the Cabinet later in the year if it chooses. Any requests for additional work plan items made by the Overview Working Group will be forwarded to the Cabinet for its consideration.

#### 4. **Meetings 2016/17**

The meetings of the Overview Working Group in 2016/17 were agreed at Annual Council on 26 May 2016 and are as follows:

1. Thursday 8 September 2016
2. Thursday 20 October 2016
3. Thursday 1 December 2016
4. Thursday 12 January 2017
5. Thursday 9 March 2017

All to start at 7.30pm in the Council Chamber.

### **IMPLICATIONS**

#### **Place (includes Sustainability)**

None specific.

Author: **Graeme Bloomer, Head of Place**

#### **Finance (Includes ICT)**

None specific.

Author: **Simon Freeman, Head of Finance**

#### **Housing**

As outlined in the body of the report.

Author: **Andrew Murray, Head of Housing**

#### **Community Wellbeing (includes Equalities and Social Inclusion)**

None specific.

Author: **Jane Greer, Acting Head of Community Wellbeing**

#### **Governance (includes HR)**

None specific.

Author: **Brian Keane, Head of Governance**

#### **Background Papers**

*[These are papers referred to in the preparation of the report that are not attached as appendices but that are available for public or Councillor study.]*

None.

#### **Glossary of terms/abbreviations used**

OWG – Overview Working Group

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** YEAR END JOINT FINANCE &  
PERFORMANCE REPORT 2015/16

**PORTFOLIO HOLDER:** COUNCILLOR JON CLEMPNER

**LEAD OFFICERS:** CORPORATE MANAGEMENT TEAM/ HEADS  
OF SERVICE (01279) 446004

**This is not a Key Decision**

**This decision is not subject to Call-in procedures for the following reasons:  
The recommendations are within the scope of the original budget and  
Corporate Plan approved by Full Council in February 2015.  
This decision will affect no ward specifically.**

**RECOMMENDED that Cabinet:**

- A** Acknowledges the outturn position set out in section three of Appendix A to this report for the year ending 31 March 2016 (1 April 2015 – 31 March 2016), subject to recommendations in paragraphs 20 and 22, as follows:
- i. An under-spend on controllable service budgets of £862,000 or -1.25 per cent of the gross General Fund budget, after allowing for carry-forward requests.
  - ii. A total reduction in the General Fund balance of £488,000 after including the impact of windfall income, non-controllable items, proposed transfers to reserves and budget carry forward requests (from 2014/15), representing an adverse variance of £221,000 to the revised budget (+0.32 per cent of the gross General Fund budget).
- B** Recognises the operational performance that has been achieved across all Council services during 2015/16.
- C** Approves:
- i. The carry forward of £136,800 of budgets from 2015/16 to 2016/17 as set out in paragraph 20 of the report.
  - ii. The transfer to reserves of £637,000 as set out in paragraph 22 and Appendix C of the report.

## **REASON FOR DECISION**

- A** To ensure that Cabinet reviews performance against the Council's approved General Fund Budget and Corporate Plan for 2015/16.
- B** To seek approval for the recommendations set out in the report in relation to transfer to reserves (paragraphs 21 and 22) and carrying forward underspends to ensure that the resources remain to carry out works in 2016/17 (paragraph 20).

## **BACKGROUND**

1. This report sets out the Council's corporate priorities and financial and performance position as at the end of the 2015/16 financial year. The report concludes the formal budget reporting process for the 2015/16 financial year and seeks approval for budget carry forwards across a range of service areas.

## **SUMMARY OF YEAR END FINANCIAL PERFORMANCE - 2015/16**

2. The closure of the Council's 2015/16 accounts is now complete and the draft Annual Statement of Accounts is available and published on the Council's website. The closure of the accounts enables the final contribution to the General Fund Reserve to be calculated representing the variance between the approved budget and the actual income received and expenditure incurred delivering Council services during the year.
3. Careful management of service budgets has once again ensured any in-year pressures that have arisen have been effectively managed within the overall service budgets wherever possible.

## **KEY ISSUES**

4. A review of the 2015/16 financial year indicates that service controllable budgets have underspent by £999,000 or -1.44%. Overall, taking into account the impact of windfall income, non-controllable items, proposed transfers to reserves and budget carry forward requests (from 2014/15), the General Fund carries a total overspend of £221,000, which represents +0.2 per cent of the gross General Fund budget. Section three of Appendix A of this report summarises major budget variations. The variance on controllable budgets stems largely from continual cost control opportunities and from favourable income streams. The variance is modest given the ongoing difficult financial and economic circumstances within which the Council is operating and the wide range and complexity of services delivered by the Council.

5. The following table summarises the year-end financial position:

	£
Total reported overspend	221,000
Less: windfall and non-controllable variations	-1,220,000
<b>Total service variations</b>	<b>-,999,000</b>
Less: carry forward requests included	136,800
<b>Adjusted variation on controllable service budgets</b>	<b>-862,200</b>

6. As has been the case in previous years, careful management of budgets has been exercised across all services to guard against expenditure pressures and offset income reductions. This has enabled services to prepare to operate at lower levels of funding and has protected against the actual overspend that results after the impact of non-service movements such as Business Rates liabilities and reserve movements have been included.
7. At a service level, controllable expenditure has been effectively managed to ensure that any pressures identified in year have been managed by controlling costs and collecting income elsewhere.
8. Earlier in the financial year, development of the 2016/17 budget included the savings already being delivered during 2015/16, and amounting to £277,000.
9. Details of the major variations across all service areas and for non-controllable budgets are contained as a table in Appendix A. Significant variations have previously been reported to Cabinet during the year with the last report in March 2016 identifying that, at that time and based upon data from December 2015, the underspend would be around £0.7m. One of the risks consistently identified within budget reporting has been the potential for significant variations stemming from the new Business Rates funding mechanism; this has been the single most influencing aspect resulting in the outturn movement in the final quarter of the year.

## **GENERAL FUND RESERVE BALANCE**

10. As a result of the final outturn and the completion of the draft Statement of Accounts, the position of the General Fund Reserve balance is set out in the table below:

<b>General Fund Reserve Balance</b>	<b>£ millions</b>
General Fund Opening Balance 1 Apr 2015	4.376
Transfer to Reserves Approved by Cabinet in-year	-0.734
Budget carried over 2014/15 to 2015/16 (Cabinet 23/7/2015)	-0.224
<b>General Fund Balance 2015/16</b>	<b>3.418</b>
Total in-year service budget variations (favourable)	0.999
Net non-service variations	-1.773
In-year technical reserve movements (includes Business Rates)	1.881
Proposed transfers to/ from earmarked reserves	-0.637
<b>General Fund Balance 31 March 2016</b>	<b>3.888</b>
Proposed carry forwards from 2015/16 to 2016/17	-0.137
<b>Effective Closing General Fund Balance 31 March 2016</b>	<b>3.751</b>

11. The General Fund balance moves from its opening balance of £4.376million to a year-end closing balance of £3.888million, which will be reported within the Council's Statement of Accounts. This includes movements in earmarked reserves:
- Previously agreed by Cabinet.
  - Required by application of proper accounting practice.
  - To be approved by Cabinet as part of this report.
12. There is also a proposal contained within the recommendations to this report that carry-overs of budgets amounting to £136,800 be made into the 2016/17 financial year, as set out in paragraph 20. This sum has the effect of reducing the General Fund Balance available at the start of 2016/17 to £3.751million.
13. As part of the 2016/17 budget setting process and as approved in the Medium Term Financial Strategy (MTFS), the recommended minimum level for the General Fund Reserve balance over the life of the current MTFS is £2,500,000. This level was previously increased to ensure that the Council has adequate reserves to meet the financial uncertainty resulting from the Government's Welfare Reform, the Local Government Resource Review proposals and the impacts of the on-going economic conditions in the medium term. Subject to Cabinet decision, the forecast level for 2015/16 will be £1,388,000 above the minimum recommended balance.

## **COLLECTION FUND - BUSINESS RATES**

14. The Collection Fund is maintained by the Council in its statutory role as Billing Authority for Council Tax and Business Rates in the town, and records income generated and the distribution of those funds to the relevant preceptors. The Business Rates Retention Scheme introduced on 1 April 2013 (replacing the redistributive subsidy system) continues to bring

unprecedented volatility and risk to the Council's financial position.

15. The Government determines an annual baseline funding level and allows the Council to retain an element of any Business Rate income above this. However, if Business Rate income falls below the baseline, the Council will bear the loss up to 7.5% of the baseline, after which there is a safety net payment.
16. When setting the budget for 2015/16, it was forecast that Business Rates income retained would be below the baseline funding level. The projected impact of that was forecast to carry a cost to the General Fund of £204,000. The final in-year surplus for Harlow Council's Business Rates for 2015/16 was £730,000 net credit. This was primarily the result of a recovery in income from businesses and because of the dropping out of some Business Rates appeals (many of which generated prior-year deficits). However, 50% of any in-year Business Rates growth must be paid across to the Government; in 2015/16, this requires £297,000 to be repaid to central Government in respect of 2015/16.
17. The accounting arrangements of the Scheme further complicate matters as any surpluses or deficits arising on the Collection Fund can only be accounted for in future years, with a sum of £1,763,000 to be met in 2015/16 in respect of the NDR Collection Fund deficit for 2014/15.
18. To help the Council manage the volatility caused by these accounting arrangements, a Business Rates Safety Net Grant Reserve was established in 2013/14 as an equalisation mechanism to smooth the effect of this volatility on the General Fund revenue budget. In 2015/16, £1,308,000 (being the balance of this reserve) has been drawn down to offset the impact of prior year shortfalls dropping out in 2015/16.
19. Therefore, whilst the net variation in Business Rates for 2015/16 is £1,953,000, the net impact on the General Fund balance after applying the equalisation reserve equates to £645,000 pressure, which is an adverse variance to the original budget of £441,000 (being £645,000 outturn, less £204,000 budget).

## **CARRY FORWARDS AFFECTING THE GENERAL FUND BALANCE**

20. Whilst the General Fund Reserve balance at 31 March 2016 stands at £3,888,000 this will be impacted by the effects of the carry forward requests being made by services. Cabinet is asked to approve the carry forward of 2015/16 budgets of £136,800. These have been reviewed by CMT prior to presentation to Cabinet and are detailed in Appendix B to this report. No

funding is currently provided within the 2016/17 budget for the items identified and if the carry forwards are not approved it is unlikely that the work/ projects will be carried out.

## **TRANSFERS TO RESERVES**

21. During the 2015/16 closure processes a number of transfers to reserves have taken place which result from previous Cabinet approvals amounting to £734,089.
22. It is also recommended that a further £637,000 of service variations be put to reserves. These are detailed in Appendix C to this report and will ensure that the Council has sufficient resources to meet the costs associated with future challenges, without impacting on resources available to fund core services.

## **SUMMARY OF QUARTER FOUR OPERATIONAL PERFORMANCE – 2015/16**

23. Section four of Appendix A details information about the Council's operational performance. The Council performed on target or above target for 53 out of 57 (93 per cent) of performance indicators. Ninety- six per cent of all Corporate Plan milestones were successfully completed or on track for completion on 31 March 2016. Details of all of the Council's performance indicators can be found on the Council's website, [www.harlow.gov.uk/performance/](http://www.harlow.gov.uk/performance/)
24. Despite an extraordinarily challenging financial environment, the Council made performance improvements in several key areas linked to its corporate priorities during the fourth quarter of 2015/16 including:
  - (a) **NI154 Net additional homes provided:** The increase in performance for this indicator reflects the continued build out of the major strategic housing site at New Hall. In addition a number of small individual plots comprising one to four dwellings have been completed.
  - (b) **CS50 Average waiting time of calls received by Contact Harlow:** A positive effect of the abandoned call rate reducing has meant that calls are being answered more quickly than previously anticipated.
  - (c) **NI157a Processing of major applications within 13 weeks (%):** The Service has been proactive at both pre-application stage and actual application assessments by working with Developers to secure amendments early, address issues raised in consultation and prevent delay to the determination of applications.

25. Four out of 57 (seven per cent) of performance indicators did not perform as well as expected. Each has a detailed Improvement Action Plan which explains why the performance was not as good as expected. Areas of reduced performance include:

**(a) Household Waste Recycled (%):** There has been a national trend towards reduction in the volume of recycling collected and a significant increase in the volume of residual waste collected this year. This is likely to be associated with perceived gradual recovery from recession. Total waste collection service performance (tonnage) remains good.

**(b) Household Waste Composted (%):** There has been a significant increase in the **volume** of household refuse collected this year. If the tonnage of compostable material collected remains broadly constant while residual waste increases, the percentage of total waste recycled will be depressed. This appears to be the most significant factor affecting this indicator.

**(c) Average number of working days / shifts lost to sickness and absence:** The main reason for the increase in sickness absence for the year is attributable to long-term sickness. For the period 2015/16, there was a notable increase to 29 employees (22 in 2014/15) who were long-term sick.

## **SIGNIFICANT RISKS / OPPORTUNITIES**

26. The Council is operating in a period of major change driven by both the world-wide economic condition and the legislative changes being introduced by the Government. Some of the key changes that will or are already impacting on the Council include -

- i. The risk associated with the Government's localisation of Council Tax Support and Business Rates.
- ii. Variations in income from fees and charges as public spending habits respond to the economic climate.
- iii. Continued long-term austerity measures placed upon councils by the Government.

27. Section six of Appendix A details information about four exceptional risks (rated 20 or higher – high likelihood, high impact) recorded in the Council's Risk Register as of March 2016\*:

- i. The Government's fiscal policy in respect of deficit reduction reducing public sector funding combined with the Council's limited ability to raise income could result in a reduction in the Council's financial resilience.

- ii. The town requires a suitable housing mix to attract new and retain existing residents for an evolving and sustainable community. Supply must be balanced with demand and housing need, taking into account national housing and planning policies. As part of that mix, housing for local people that is genuinely affordable remains a high priority for the Council.
- iii. If priority allocation and funding by the Highways Agency and Government is not achieved then the timely delivery of M11 Junction 7a will be put at risk.
- iv. If there is a lack of private sector investment and/or disinvestment by retailers and landowners in the Town Centre then this could lead to a further decline in its attractiveness as a shopping and leisure destination and a place for inward investment.

\* These risks relate to 31 March 2016 and may have changed between that period of time and the meeting of Cabinet.

## **IMPLICATIONS**

### **Place**

Any specific implications are set out in the report.

Author: **Graeme Bloomer, Head of Place**

### **Finance (Includes ICT)**

Any specific implications are set out in the report.

Author: **Simon Freeman, Head of Finance**

### **Housing**

Any specific implications are set out in the report.

Author: **Andrew Murray, Head of Housing**

### **Community Wellbeing (includes Equalities and Social Inclusion)**

Any specific implications are set out in the report.

Author: **Jane Greer, Head of Community Wellbeing**

### **Governance (includes HR)**

Any specific implications are set out in the report.

Author: **Brian Keane, Head of Governance**

### **Background Papers**

None

### **Appendices**

Appendix A – Joint Finance and Performance Report, Year End 2015/16

Appendix B – Carry forward details 2015/16

Appendix C – Proposed end-of-year General Fund Earmarked Reserve  
Movements

**Glossary of terms/abbreviations used**

DSF - Discretionary Services Fund

MRP - Minimum Revenue Provision

MTFS – Medium Term Financial Plan

NHB - New Homes Bonus

**Harlow Council**  
**2015/16 Year End: Joint Finance and  
Performance Report for the period ending**  
**31 March 2016**

## Foreword from the Leader of the Council



### Report Summary from Jon Clempner, Leader of the Council

“This report highlights the key successes and actions of the Council during 2015/16.

This has been a year where, despite further significant Government funding reductions and challenges, the Council has shown that it is making the best use of the limited resources it has, to deliver improved outcomes for residents, businesses and visitors.

Residents want to know that the Council is on their side, continually striving to improve opportunities for them – whether this is through supporting more affordable and better homes, job creation, fighting for the infrastructure investment that Harlow needs, better education and skills, or tackling anti-social behaviour and crime.

As you will see from this report, the Council has continued to review and improve its services and to work effectively with other organisations to ensure Harlow Council continues to ‘Work together for Harlow’. You can find out more about the Council’s Plans and how its performing on the website, [www.harlow.gov.uk/performance](http://www.harlow.gov.uk/performance). The Council’s website will enable you to access both the 2015/16 Corporate Plan and the new Plan which will be effective for the 2016/17 Council year.

The financial challenges to both the Council and to individual residents will continue for the foreseeable future. Changes to welfare reform and the localisation of Council Tax have already taken place and further significant reductions in Government grants are expected during the coming years.

Despite all the challenges, the future of Harlow is looking bright, with Job opportunities being created by the Enterprise Zone and Public Health England in the coming years, and the potential investment in the town centre, housing, and skills, in and around Harlow.

The Council continues to be committed to doing all that it can to protect front line services and valued discretionary services, make a positive and visible differences to all those who live, work, or visit Harlow, and to make the best of the potential of Harlow, a town which we are justifiably proud of.

Councillor Jon Clempner  
July 2016

## Overview of performance from the Chief Executive



**Report Summary from Malcolm Morley OBE, Chief Executive, Harlow Council**

“The past year has seen Harlow Council continue to maintain and to improve its performance in a number of important areas despite many financial and operational challenges. The focus on continuous improvement in the financial and operational management of resources and services illustrates the commitment of all of the Council’s staff to do their best for Harlow. Indeed, I’m delighted that the Council remains amongst the highest of performers in a number of key areas.

A total of 96 per cent of project milestones were met, 93 per cent of targets were hit, and the Council’s General Fund budget was managed within a margin of less than 1.5 per cent. It is important to recognise that this is not a ‘one-off’ performance but a continuance of the track record of performance that the Council has delivered over many years. The Council has saved (insert amount) over the last ten years and continues to challenge itself on how to fulfil its roles as community leader, service commissioner and service provider. It continues to seek to be at the forefront of innovation and to respond positively to the many financial and operational challenges it faces, whilst always seeking to look forward and to understand the evolving strategic context within which it has, and will have, to work.

All of this has been achieved despite the exceptional level of change required from Councils by Government. In many ways 2015 was an exceptional year for Harlow and the challenges that it faced. The Traveller issue was an example of these challenges during the year. The Council responded positively to these challenges and in the case of the Travellers painstakingly collected evidence to enable the Council to obtain the Injunction preventing the creation of unauthorised encampments in Harlow. This was a first nationally and illustrates both the ambition of the Council and its focus to address the issues impacting the communities of Harlow. Whilst this important work created the need to divert resources from other service provision, and a huge amount of additional work, Council colleagues did all that they could to ensure that performance was maintained as illustrated above.

In the few areas where the Council has not performed to meet its aspirations the report sets out clear plans for improvement. The Council will continue to strive to perform to meet the objectives and priorities for Harlow. I would like to thank all of those colleagues who have, with their unremitting commitment and effort, enabled the Council to continue to improve and to so positively respond to the challenges faced by the community they serve. I know that we will all continue to respond positively to the challenges of the future.”

Malcolm Morley OBE  
July 2016

**The Council's aim for 2015/16**

**“to improve Harlow for residents, businesses and visitors”**

**The Council's priorities:**

1. More and better housing



2. Regeneration and a thriving economy



3. Wellbeing and social inclusion



4. A clean and green environment



5. Successful children and young people



## How to use this report

You may wish to consider the following questions to form an idea on how well the Council is doing in achieving its priorities and objectives.

### Questions which the reader may wish to consider:

1. What are the reasons for the performance being below target?
2. What is the Council's expenditure on this service?
3. Has performance fluctuated between quarters and what are the reasons for this?
4. Is it anticipated that the target will be met by the end of the year?
5. What are the proposed actions to improve performance and achieve the target and when will this be done by?
6. How well is the Council responding to gaps in performance or shortfalls in income?

### Other areas for consideration could include:

7. Is the indicator a high priority for the Council? Is this reflected in the budget?
8. How does the service compare to other local authorities in terms of value for money – how does the Council's expenditure on this service and performance achieved compare to similar local authorities?
9. What are other Council's doing to improve performance in this area?
10. Are there any overspends/underspends in the budget area within which the under performing indicator sits?
11. Are there any future projects planned that will enhance existing performance?
12. How severe or likely are risks associated with lower level performance?

### Performance Symbols:

Harlow Council uses the below symbols when reporting performance.

Below Target: e.g. more than 5% worse than target	On Target: e.g. within 5% of target	Above Target: e.g. more than 5% above target	Data not yet available: e.g. survey information pending
			

### Direction of Travel (DOT) Symbols:

The direction of travel is from the same quarter in the previous year.

Going up and getting better e.g. % of rent collected	Going down and getting better e.g. crime levels	Exactly the same as previous year	Going up and getting worse e.g. levels of litter	Going down and getting worse e.g. income generated
				

## Section One: Key considerations for Quarter Four

The key issues relating to the Council's finances, performance, risks and corporate projects (excluding the HRA):

<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>FINANCE</b></p>	<p>The final outturn position for 2015/16 is that the controllable General Fund revenue budget has under-spent by <b>£862,200</b> on its gross controllable costs. This represents <b>-1.25%</b> of the Council's approved gross budget for the General Fund</p> <p>Key risks in relation to financial management continue to be:</p> <ul style="list-style-type: none"> <li>• The risks and volatility associated with the Government's localisation of council tax support and business rates.</li> <li>• Variations in income from fees and charges as public spending habits respond to the economic climate.</li> <li>• Continued long-term austerity measures placed upon local government by central government.</li> </ul> <p>In addition, there are potential risks and uncertainties in the light of the UK's recent Referendum result.</p>	<p>Four performance indicators did not meet their performance target, these include:</p> <p><b>Governance</b></p> <ul style="list-style-type: none"> <li>• BV 012 Average number of working days/shifts lost to sickness and absence</li> </ul> <p><b>Place</b></p> <ul style="list-style-type: none"> <li>• BV 082ai Household Waste Recycled (%)</li> <li>• BV 082bi Household Waste Composted (%)</li> <li>• NI195c Street &amp; Environmental Cleanliness (% land assessed having unacceptable levels of graffiti).</li> </ul>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>PERFORMANCE</b></p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>RISK</b></p>	<p><b>Exceptional risks</b> (rated as high likelihood, high impact):</p> <p>A total of four risks are highlighted as exceptional for Year End: These relate to:</p> <ul style="list-style-type: none"> <li>• Council's financial resilience</li> <li>• Suitable housing mix</li> <li>• Investment into the Town Centre and,</li> <li>• Investment for M11 motorway <b>Junction 7A</b></li> </ul>	<p>The Council is on target to meet 96 per cent of its Corporate Plan milestones with 198 out of 207 key corporate milestones completed between April 2015 and March 2016.</p> <p>No milestones were at 'red' or 'not started' for the year end 2015/16.</p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>CORPORATE PLAN</b></p>

## Section Two: What our customers are telling us (complaints)

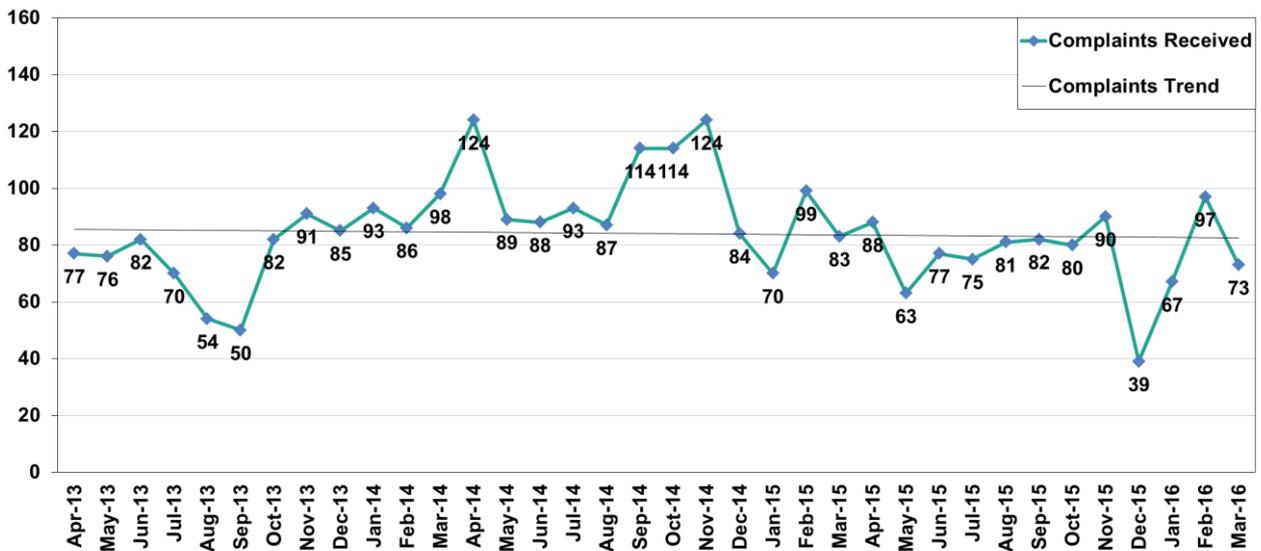
### Summary:

The Council provides and commissions a large number of services to a population of over 84,000 residents. In its role as a Housing Provider with over nine thousand properties, each year it undertakes in excess of 600,000 housing transactions, deals with hundreds of thousands of enquiries at Contact Harlow and provides Housing Benefit and Local Council Tax Support administration for a caseload of over nine thousand benefit claimants.

The Council takes all complaints seriously and aims to respond to and resolve all stage one and stage two complaints within ten working days and stage three complaints within 15 working days.

The trend line on the chart below shows that the overall number of complaints logged has slightly increased since 2012, mainly due to the significant amount of work being done as part of the Housing Modern Homes programme since 2013 and the additional correspondence that it has generated. The current year complaint levels have fallen and remain fairly static which is as a result of improved processes and information to deal with the requests.

Harlow Council - Corporate Complaints



In quarter four (January to March 2016) there were 172 performance related complaints, 28 person related complaints and 37 policy related complaints. The main areas of complaint were 41 per cent Housing Services and 40 per cent Kier Harlow Ltd – Housing. Detailed information is fed back to service managers to ensure that lessons can be learned and improvements made where required.

During 2015/16 the Council received 899 complaints. Of these complaints, 153 (17%) were partially upheld, 271 (30%) were upheld and 475 (53%) were not upheld.

### **Section Three: Latest Financial Performance**

The Council continues to face extreme financial challenges as identified within its Medium Term Financial Strategy (MTFS). It faces budget reductions of over £3.1million over the MTFS period representing more than a 29% reduction against its overall net General Fund budget requirement. Reforms imposed in recent years by central government, especially in relation to local government funding, have also introduced a new level of volatility into the financial resources of councils' budgets. Much of this volatility arises from external factors such as the collection of Business Rates, which is now directly impacted upon by local business growth and decline.

Meanwhile, the contents of this report highlight the extremely tight financial control and restraint being exercised within existing budgets in order to maintain balanced resources; services are looking ahead and planning to manage lower funding levels before reductions actually take effect in future financial years.

The Service underspend on the controllable budgets in 2015/16 total £999,000 which is an underspend of -1.44% of the Council's gross revenue budget. When this underspend is adjusted for the carry-forward requests of £136,800, this leaves a net controllable underspend of only £862,200, or -1.25% of the Council's gross revenue budget.

The Council has been determined to continue to deliver key services to and for the benefit of Harlow residents despite the unprecedented Government funding cuts. Resources have continued to be made available to support some key discretionary services to be delivered into the future. This provides confidence that Council's services will strive to manage with ever-reducing funding levels as far as it is possible to do so whilst public services face enormous new uncertainties in the wake of the UK's recent Referendum result.

Simon Freeman, Head of Finance

## Movements in General Fund Balance in 2015/16

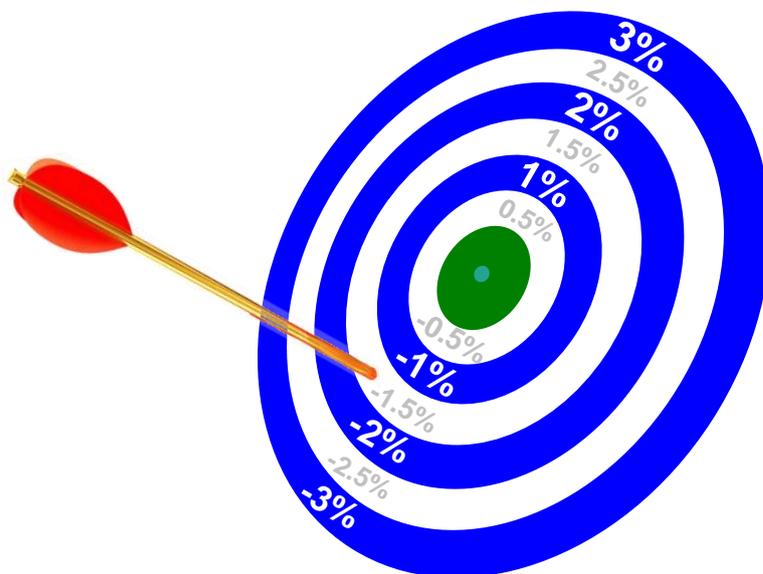
General Fund opening balance as at 1 Apr 2015	
• Service budget variations (favourable)	999
• Budget carry-over from 2014/15 into 2015/16 (approved by Cabinet 23/7/15)	(224)
• Transfer to Severance Reserve*	(10)
• Transfer to Discretionary Services Fund in respect of Kier dividend*	(450)
• Transfer to Revenues and Benefits New Burdens Reserve*	(186)
• Transfer to Risk Management Reserve*	(34)
• Transfer to Street Lighting Reserve*	(54)
<b>Sub-total before proposed movements to/ from earmarked reserves</b>	<b>4,417</b>
<b>Other variations</b>	
Variations on Corporate Costs	287
Variations on costs attributable to the HRA	(379)
In –year movements in reserves and NNDR movements	(394)
Planned Use of General Fund Balance	(43)
<b>Balance on General Fund at 31 March 2016</b>	<b>3,888</b>

**Note:** Figures in brackets ( ) reduce the projected General Fund Balance.

\* denotes transfers previously approved by Cabinet and Full Council

### 2015/16 Outturn

The Council underspent by a margin of **-1.44%** on its gross controllable General Fund revenue budget.



## Latest Financial Performance (Budget Variations / Exceptions):

### Major Variances – Year End 2015/16:

Service	Adverse £000s	Favourable £000s	Net £000s	Main Contributing Factors to Variations
<b>Community Wellbeing Services</b>				
Regeneration Team		(89)	(89)	Reduced employee costs and running expenses (£20k) and the previous year's Harlow Enterprise HUB profit share (£50k).
Playhouse	91		91	Cover for maternity and sickness leave, increased production costs, reduced energy costs and reduced income from the Easter and September productions.
Sport Partnership		(143)	(143)	Reflects the better than expected performance of Harlow sports trust.
Other Minor Service Variances	42	(91)	(49)	
<b>Total Community Wellbeing Services</b>			<b>(190)</b>	
<b>Place</b>				
Latton Bush Centre		(91)	(91)	Reduced employee costs (£4k), energy costs (£5k), effect of new maintenance contract. (£11k), business rates £5k, increased rent (£17k), service charges income (£50k), lettings income (£11k) and other net running expenses £2k.
The Stow Shopping Centre		(36)	(36)	Net increased rent income and reduced business rates.
Car Parks		(129)	(129)	Increased income from Pay and Display.
Planning Services	66		66	Increased employee costs £43k, slippage in the Uniform upgrade (£23k) and legal costs £46k.
Civic Centre	43		43	Increased employee costs £16k, maintenance £15k, energy costs (£5k) and other running expenses £17k
Domestic Refuse		(31)	(31)	Reflects reduced inflation uplift, bin allowance and increased income.
Other Minor Variances	146	(202)	(56)	All other net variances across the service, including overspends on Licensing £20k, Northgate House £11k, Hackney Carriage £15k. These are offset by underspends on Public Conveniences (£17k) and Street Cleansing (£14k).
<b>Total Place Service</b>			<b>(234)</b>	

<b>Housing (General Fund) Service</b>				
Supporting People		(145)	(145)	Favourable variation due to the 2015/16 ECC Supporting People Grant allocation (£95k), reduced employee costs (£8k), increased care alarm income (£10k) and net running expenses (£7k).
Housing Options & Advice	146		146	Increased bed and breakfast costs £157k, reduced net employee costs and running expenses (£9k) and increased income (£9k).
Other Minor Service Variations	9		9	Includes £13k amenity cleaning due to increased cost of amenity contract.
<b>Total Housing (General Fund) Service</b>			<b>10</b>	
<b>Finance Service</b>				
Revenues and Benefits		(58)	(58)	Variations include a saving on transferring the Fraud service to the DWP in October 2015 (£53k).
Insurance		(155)	(155)	New insurance policy resulting in a saving of £78k and an under-spend on policy excesses (£67k).
Early Retirement Funding		(40)	(40)	Underspend on superannuation.
ICT		(96)	(96)	Employee vacancies (£61k), software licences underspend (£19k) and support and consumables underspend (£17k).
Other Minor Service Variances	19	(62)	(43)	Net of all other variances across the service.
<b>Total Finance Service</b>			<b>(392)</b>	
<b>Governance Service</b>				
Policy and Performance		(59)	(59)	Staff vacancies.
Land Charges		(20)	(20)	Search fee income.
Training and Development		(24)	(24)	Training budget under-spent
Freedom of Information and Data Protection		(28)	(28)	Staff vacancies.
Other Minor Service Variances	6	(61)	(55)	Includes HR consultancy fees (£18k) and Members' expenses (£17k).
<b>Total Governance Service</b>			<b>(186)</b>	
<b>Corporate Service</b>				
Other Minor Service Variances		(7)	(7)	
<b>Total Corporate Services</b>			<b>(7)</b>	
<b>Service Specific Variations</b>			<b>(999)</b>	<b>Sub-total</b>

<b>Other</b>				
Costs chargeable to/from the HRA	379		379	
Insurance mechanism to offset service costs		(126)	(126)	Balance held in central budget to offset costs borne by individual services.
Interest variation		(85)	(85)	Variance due to additional interest receivable from the CCLA Property Investment Fund and the Council's financing support to the Enterprise Zone.
Finance miscellaneous		(134)	(134)	Write-off of Collection Fund adjustment (£60k) and external audit fee contract saving (£74k).
Additional Corporate Grants and Income		(330)	(330)	Additional income from ECC 2nd homes discount (£57k), Community Rights to Challenge (£27k), New Homes Bonus (£204k) and income from HCA.
Increase in Bad Debts Provision	395		395	
<b>Total Variations</b>			<b>(900)</b>	
<b>Reserve Movements</b>				
Insurance Fund	56		56	Insurance excesses are met by individual services against a central budget; this transfer to reserve represents the net underspend.
Invest to Save & Improve		(39)	(39)	To finance LATC.
MMI Reserve		(86)	(86)	Additional MMI Scheme of Arrangement costs offset by £50k annual addition to the reserve.
Severance reserve	10		10	Underspend on severance budget added.
Discretionary Services Fund	410		410	Net transfers to / from this reserve.
Debt Financing Reserve		(87)	(87)	Addition to this reserve is per the 2015/16 approved budget less £87k used to fund the cost of Educational Attainment (20k) and the cost of the Non- Housing stock condition survey (£67k).
Housing Benefits Subsidy Reserve	315	(315)	0	Underspend on Housing Benefit expenditure contributed to reserve.
Regeneration & Enterprise Reserve	186		186	Additional New Homes Bonus grant (approved 23/7/15).
Revenues and Benefits New Burdens Reserve	87		87	
Residual Land transfer	42		42	HCA Income added to reserve for future maintenance of parcels of land.
Risk Management Reserve	10		10	
Earmarked Grant Reserves and NNDR Movements	1,953	(1,385)	568	Includes transfer from the Business Rates Safety Net Reserve of £1.308m to offset the deficit on the Council's retained business rates.
Other Minor Variations		(36)	(36)	
<b>Total General Fund Budget Variation (net overspend)</b>			<b>221</b>	

**\*\* Note: Figures in () are a credit e.g. income or underspend.**

## **Service Based Analysis**

### **Community Wellbeing, Jane Greer:**

Overall, financial control is good with the net underspend partly contributed to vacancy savings and a reduced contribution required for Harlow Sports Trust. Lower than expected bookings at the Playhouse during Easter and September and arrangements to cover maternity and sickness leave have had a negative impact on income and has contributed towards an overspend of the Playhouse budget.

### **Place, Graeme Bloomer:**

Financial control has been good and there are no indications from this quarter's results that would point towards areas of concern. The cost rise in Planning reflects an increase of one post to deal with major planning applications and is partially offset by an increase in application fees. Car parks income has risen above expectation due in part to the mild weather – i.e. no snow or ice that would otherwise restrict customer usage.

### **Housing, Andrew Murray:**

Resources for Housing Need continue to reduce against an indication of a 35% increase in demand for temporary accommodation. The need to prioritise and target resources into the assessment and support of this increased demand continues.

Efficiencies continue being realised from the ongoing re-procurement of temporary accommodation. This together with continuing to prioritise homelessness prevention initiatives reduce the cost of housing need and homelessness, thereby reducing the Council's statutory provision and overall costs.

Supporting People commissioning arrangements are again to be reviewed. Funding has been reduced for 2016/17 requiring the passing on of support charges to recipients, and/or a reduction in the services provided. It is expected that the total Supporting People grant will be removed in the coming years.

### **Governance, Brian Keane:**

Good financial control continued to be maintained during the 2015/16 financial year with no major variations. Issues which have arisen are primarily staffing related either through the occurrence of vacancies leading to savings or the non-achievement of vacancy savings currently built into the service budget.

### **Finance, Corporate Services and other items, Simon Freeman:**

The Finance Service has underspent by £392,000 in 2015/16 which is consistent with previous reporting to Cabinet during the year. The underspend is largely attributable to the vacancy levels within the Revenues and Benefits and ICT services during the first six months of the financial year and the ongoing improvement in the insurance claims history experience of the Council. Recruitment has now been successful in both the ICT and Revenues and Benefits Services and it is not anticipated that these savings will materialise in subsequent financial years.

## Section Four: Performance

Harlow Council performed on target or above target for 53 out of 57 (93 per cent) of performance indicators. Sixty-five per cent of indicators have been maintained or improved compared to Quarter Four 2014/15.

Type	2014/15 Q4	2015/16 Q1	2015/16 Q2	2015/16 Q3	2015/16 Q4
Percentage of indicators within or better than target ●★	90%	84.4%	87%	90%	93%
Percentage of indicators improving or unchanged from the same period last year ✓↑✓↓➔	69%	64%	67%	71%	65%

### Good Performance:

Harlow Council continues to improve performance in a number of areas. 18 out of 57 (32 per cent) performance indicators performed significantly above their target. Listed below is a selection of KPIs which are contributing towards the achievement of the Council's priorities.

<b>(1) CS50 Average waiting time of calls received by Contact Harlow</b>		<b>2015/16 Q4 Actual</b>
★	A positive effect of the abandoned call rate reducing has meant that calls are being answered more quickly than previously anticipated. Whilst the abandoned call rate is low, it is expected that this would continue. (New PI for 2015/16 therefore data for comparison not available)	17 seconds
		<b>2015/16 Q4 Target</b>
		45 seconds
<b>(2) JVC 300 Emergency Housing repairs within 2 hrs (4.7) (%)</b>		<b>2014/15 Q4 Actual</b>
★ ✓↑	Increased performance. This indicator is continuously monitored at monthly operations meetings.	99.58
		<b>2015/16 Q4 Actual</b>
		100
		<b>2014/15 Q4 Target</b>
		99
		<b>2015/16 Q4 Target</b>
		99

<b>(3) JVC 308 Routine Housing Voids meeting standards (4.25) (%)</b>		<b>2014/15 Q4 Actual</b>	<b>2015/16 Q4 Actual</b>
★ →	Recently there has been additional training carried out and improved communications maintaining good performance of this indicator.	100	100
		<b>2014/15 Q4 Target</b>	<b>2015/16 Q4 Target</b>
		100	100

<b>(4) NI154 Net additional homes provided</b>		<b>2014/15 Q4 Actual</b>	<b>2015/16 Q4 Actual</b>
★ ✓↑	The increase in performance for this NI reflects the continued build out of the major strategic housing site at New Hall where the developers are building out on more than one land parcel. In addition a number of small individual plots comprising 1- 4 dwellings have been completed which is an increase on past years.	201	225
		<b>2014/15 Q4 Target</b>	<b>2015/16 Q4 Target</b>
		130	125

<b>(5) NI157a Processing of major applications within 13 weeks (%)</b>		<b>2014/15 Q4 Actual</b>	<b>2015/16 Q4 Actual</b>
★ →	The Service has been proactive at both pre-application stage and actual application assessments by working with Developers to secure amendments early to address issues raised in consultation and prevent delay to the determination of applications.	100	100
		<b>2014/15 Q4 Target</b>	<b>2015/16 Q4 Target</b>
		60	60

<b>(6) NI195a Street &amp; Environmental Cleanliness (% land assessed and having unacceptable lvls of litter)</b>		<b>2014/15 Q4 Actual</b>	<b>2015/16 Q4 Actual</b>
★ ✓↓	Kier Harlow Ltd have worked to improve performance of this KPI over time and positive results are welcome. The KPI is measured by a sampling process designed to produce representative results over the course of an entire calendar year taking into account seasonal variations and so a cumulative year's results should be considered before definitive judgements are reached.	3	1.78
		<b>2014/15 Q4 Target</b>	<b>2015/16 Q4 Target</b>
		4	4

## Performance of Key Contracts:

### Kier Harlow Ltd (JVCO):

#### Housing and commercial repairs, street cleaning, and grounds maintenance



In 2015-16 Kier Harlow Ltd met 96 per cent of its 59 monthly major and minor targets. The four key areas performed as follows:

**Housing:** 98% success rate for 18 indicators. One key performance indicator saw an improvement – ‘Remove Dumped Rubbish within Five Working Days of Notification.’

**Street Scene:** 97% success rate for 15 indicators. Kier Harlow Ltd have maintained a high level of compliance in dealing with graffiti, dumped rubbish, litter bins and abandoned vehicles. Performance has improved for four indicators including ‘NI 195 (a) - Cleaning of Streets’, ‘Customer Satisfaction with Street Cleaning Service’ and ‘Decreasing the Average Time to Remove Fly Tips’.

**Grounds Maintenance:** 95% success rate for 12 indicators. The frequency of grass cutting on highway verges has been increased alongside this change. Performance in the control of vegetation to facilitate use of footpaths and roads has increased, and effective action has been taken to ensure that targets for performance on tree works carried out within 80 working days are achieved.

**Non-Housing:** 93% success rate for 8 indicators with improvements in performance for ‘Statutory Tests for Inspections Completed Prior to Due Date’ and ‘Customer Satisfaction with Non-Housing Repairs Service’. A consistently high level of performance has been maintained in relation to removing dumped rubbish within the target time and attending a site to make it safe within two hours of a report.

### Veolia:

#### Waste and Recycling services



Veolia Environmental Services collect domestic recycling, and food waste, and residual (black bag) waste town-wide; ancillary services including bulky, green, and nappy/incontinence waste, are also provided. The Veolia team works closely with the Council’s client and communications teams to ensure consistent service delivery, and to minimise service disruption due adverse weather, bank holidays, and similar events. Veolia have proven flexible and adaptable to requirements for change. The collection methodology introduced with the current contract continues to ensure high rates of diversion of waste from landfill.

**Westerleigh:  
Crematorium**



Westerleigh Group leases the Cemetery and Crematorium site from the Council and take responsibility for all operations and maintenance. Access to industry expertise, a wider pool of equipment and staff resources within the group, and to capital resources enabled much needed investment in site infrastructure and a wide ranging upgrade to the customer experience. Customer response has continued to be overwhelmingly positive during 2015/16, and business has exceeded projections with a corresponding benefit to rental income for the Council.

A full list of indicator descriptions and performance data is available at [www.harlow.gov.uk/performance](http://www.harlow.gov.uk/performance)

## Section Five: Improvement Action Plans

Harlow Council keeps track of any indicator which has been subjected to an Improvement Action Plan (IAP) during the past 12 months. The table below illustrates how each indicator subjected to an IAP has performed over time.

Performance Indicator		QTR 4 14/15	QTR 1 15/16	QTR 2 15/16	QTR 3 15/16	QTR 4 15/16
Street Scene	JVC 104 Customer satisfaction with Street Scene	●	▲	●	●	●
	NI195c Improved street and environmental cleanliness (graffiti)	●	▲	★	★	▲
Grounds Maintenance	JVC 207d Tree works carried out within 80 working days (four months) (3.14d) (per cent)	●	●	●	▲	●
Housing	BV202 People sleeping rough (numbers)	▲	●	●	★	●
Waste & Recycling	BV082ai Household waste recycled (%)	●	▲	▲	▲	▲
	BV082bi Household waste composted (%)	▲	▲	▲	▲	▲
Miscellaneous	CS25q Per cent of customer complaints responded to within target time	▲	▲	▲	●	●
	BF005 Average days to process new claims	▲	▲	▲	●	●
	BF006 Average days to process change events	★	●	▲	●	●
	BV012 Average number of working days / shifts lost to sickness & absence	▲	▲	▲	▲	▲
Number of under-performing indicators		5	7	6	4	4

## Improvement Action Plan

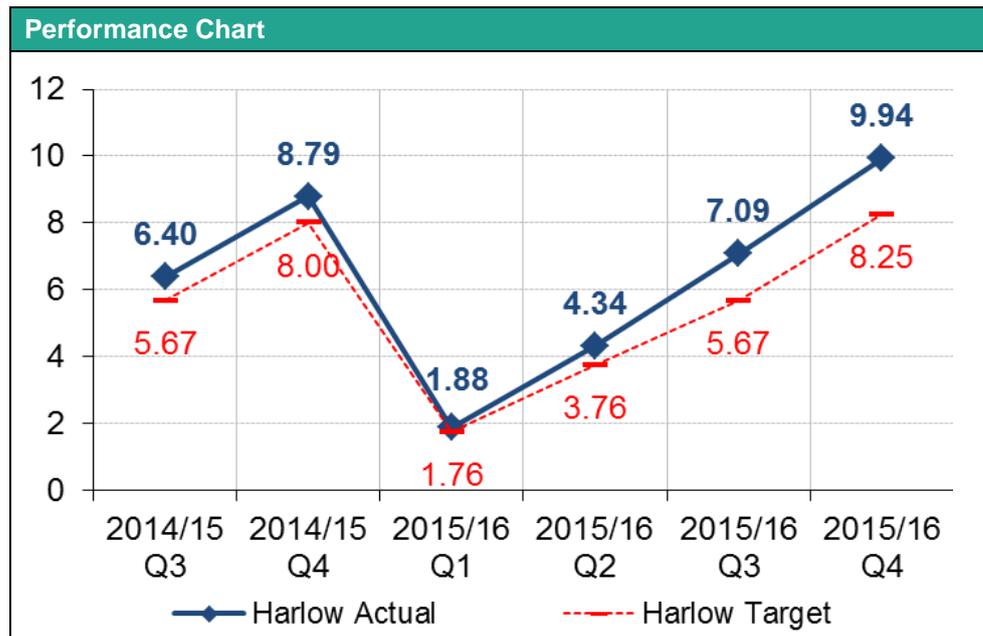
Performance Indicator	Reporting Period	Performance						
<b>BV012 Average number of working days / shifts lost to sickness and absence</b>	<b>2015/16 Q4</b>		14/15 Q3	14/15 Q4	15/16 Q1	15/16 Q2	15/16 Q3	15/16 Q4
		<b>Harlow Actual</b>	6.40	8.79	1.88	4.34	7.09	9.94
		<b>Harlow Target</b>	5.67	8.00	1.76	3.76	5.67	8.25

**Description**

The total number of working days lost due to sickness absence, including industrial injury, irrespective of whether this is self-certified, certified by a GP or long-term

**Direction of Travel:**

✘ ↑



**What is the performance situation?**

The number of total working days lost to sickness absence recorded within the Council has increased by 1.15 per FTE up to 9.94 FTE (Quarter 4) compared with 8.79 per FTE for the same period last year.

Sickness absence statistics are broken into short term: (5.39 FTE 2015/16 compared with 5.10 FTE 2014/15) showing a slight increase in short term sickness of 0.29 for Quarter 4. Long term (i.e. four continuous weeks (20 days) 4.55 FTE 2015/16 compared with 3.69 FTE 2014/15 showing an increase in long term sickness of 0.86 per FTE.

The statistics demonstrate that the main reason for the increase in sickness absence for the year is attributable to long term sickness. During 2014/2015 there were 22 employees whose absence was classified as long term within the Council's Sickness Absence Management Policy which equated to 1166 days in total. For the same period 2015/16, there was a notable increase to 29 employees who were long term sick which equates to 1380 days in total. This is an increase of 214 days for long term sick year on year.

**What practical steps are being taken to improve?**

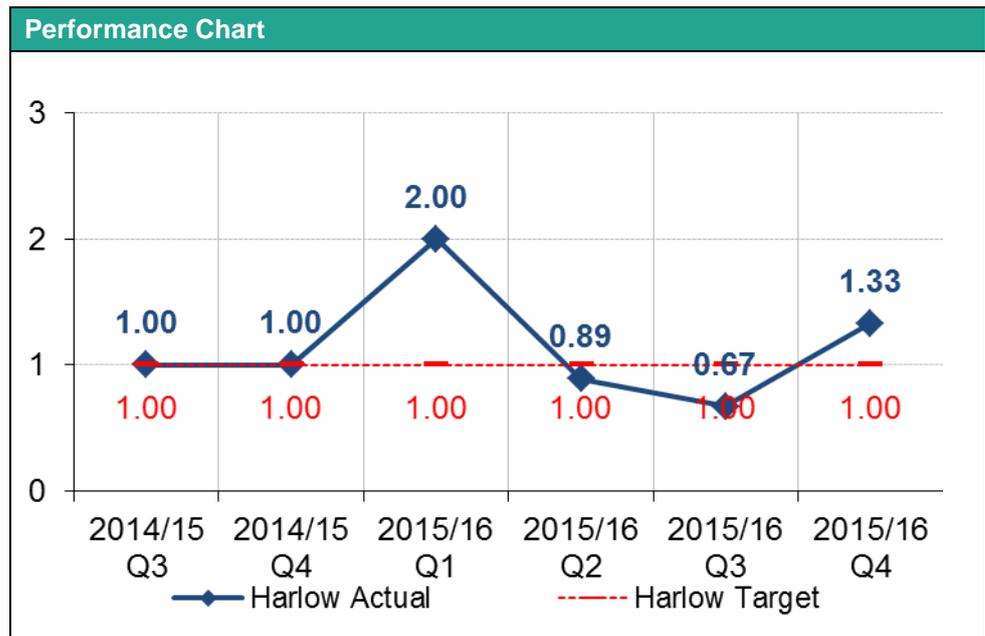
- The Council has implemented a range of policies over the past few years including Special Leave, Flexible Working, Homeworking, Maternity, Shared Parental Leave, Paternity Leave, Sickness Absence Management, Adoption Leave, and Dignity at work.
- Continue to use the absence management process to reduce the numbers of days lost.
- Ongoing close management and support continues to be provided to line management by HR in long term sickness cases.
- Encouraging/reminding management to complete return to work interviews.
- Implement improvement action plans in accordance with the Sickness Absence Management Policy, where applicable.
- Review the categorisation of sickness absence data which should enable improved analysis and comparison.
- Review the Sickness Absence Management Policy.
- Review Absence Management Services Frameworks.

## Improvement Action Plan

Performance Indicator	Reporting Period	Performance						
NI195c Street & Environmental Cleanliness (% land assessed having unacceptable levels of graffiti)	2015/16 Q4		14/15 Q3	14/15 Q4	15/16 Q1	15/16 Q2	15/16 Q3	15/16 Q4
		Harlow Actual	1.00	1.00	2.00	0.89	0.67	1.33
		Harlow Target	1.00	1.00	1.00	1.00	1.00	1.00

**Description**

This is reported as the percentage of relevant land and highways that is assessed as having deposits of graffiti and fly-posting that fall below an acceptable level



**Direction of Travel:**

✘ ↑

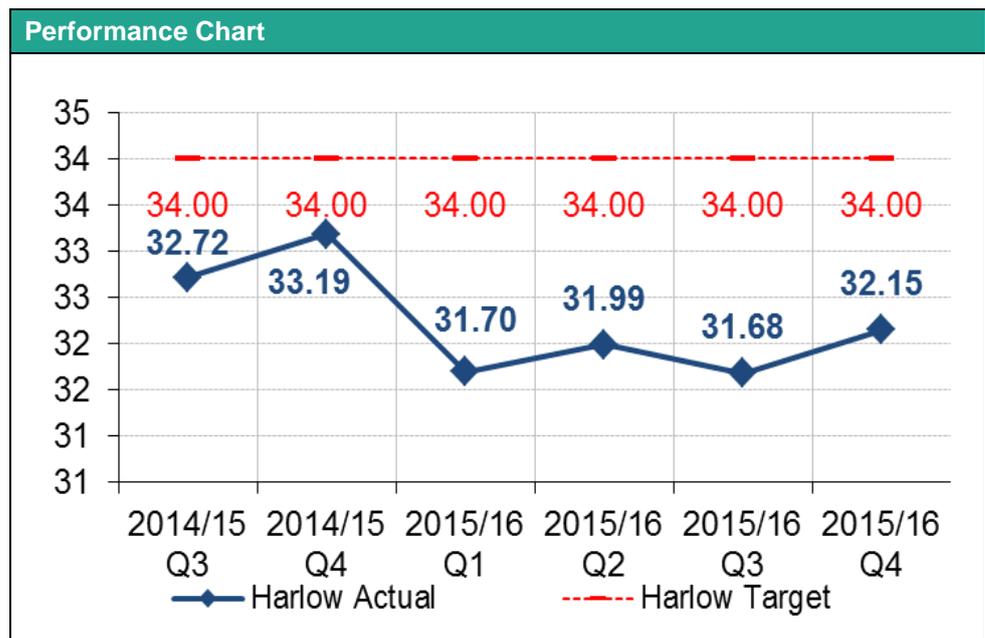
<b>What is the performance situation?</b>	The target is set at a high standard such that compliance is sensitive to a very small number of adverse findings which could cause reported performance to drop below target. Graffiti on private land that is not in Council control, where the Council has no direct influence, can cause the target to fail. Performance on clearing reported graffiti within a short timescale remains strong.
<b>What practical steps are being taken to improve?</b>	The Council will liaise with Kier Harlow Ltd over any particular hot-spots that may require specific attention and the PI will be monitored to ensure that the adverse deviation is not indicating a trend.

## Improvement Action Plan

Performance Indicator	Reporting Period	Performance						
BV 082ai Household Waste Recycled (%)	2015/16 Q4		14/15 Q3	14/15 Q4	15/16 Q1	15/16 Q2	15/16 Q3	15/16 Q4
		Harlow Actual	32.72	33.19	31.70	31.99	31.68	32.15
		Harlow Target	34.00	34.00	34.00	34.00	34.00	34.00

**Description**

% of household waste arisings which have been sent by the Authority for recycling.



**Direction of Travel:**

✘ ↓

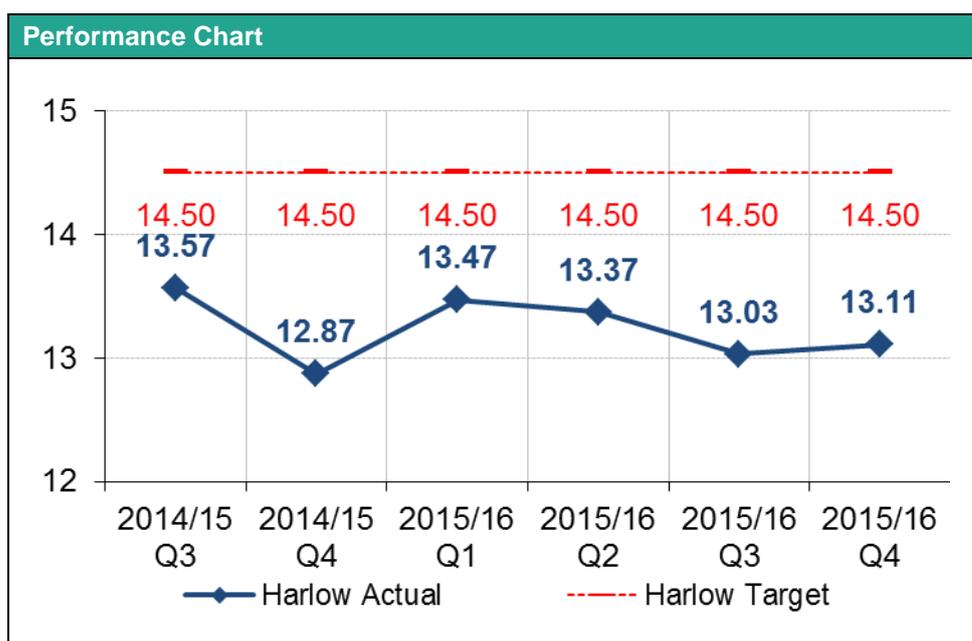
<b>What is the performance situation?</b>	<p>Collection service performance remains good as demonstrated by the actual tonnage collected compared to quarterly targets. For example this quarter reached 8358.303 tonnes (target 8000). Variations are likely to be due to societal issues.</p> <p>There has been a national trend towards reduction in the volume of recycling collected, and a significant increase in the volume of residual waste collected this year. This is likely to be associated with perceived gradual recovery from recession. If the tonnage of recyclable material collected remains broadly constant while residual waste increases the percentage of total waste recycled will be depressed.</p>
<b>What practical steps are being taken to improve?</b>	<p>The Council promotes its recycling service in order to encourage residents to increase the amount of waste they recycle and reduce the amount of refuse, although resources are limited. The Council is working with Essex County Council on County wide waste minimisation communication campaign that will support its own minimisation messages.</p>

## Improvement Action Plan

Performance Indicator	Reporting Period	Performance						
BV 082bi Household of Waste Composted (%)	2015/16 Q4		14/15 Q3	14/15 Q4	15/16 Q1	15/16 Q2	15/16 Q3	15/16 Q4
		Harlow Actual	13.57	12.87	13.47	13.37	13.03	13.11
		Harlow Target	14.50	14.50	14.50	14.50	14.50	14.50

**Description**

The % of household waste sent by the Authority for composting or treatment by anaerobic digestion



**Direction of Travel:**

✓ ↑

<b>What is the performance situation?</b>	<p>Collection service performance remains good as demonstrated by the actual tonnage collected compared to the set target this quarter. For example this quarters actual tonnage collected was 3408.170 (target 3500) and close to target.</p> <p>The green waste service continues to be popular, and there are currently around 490 households subscribed to the premium service. There has been a slight reduction in the volume of food waste collected. Due to the town wide coverage of the food waste service and ongoing national publicity, some residents may be more mindful of food wastage may have amended their purchasing habits accordingly. There has been a significant increase in the volume of household refuse collected this year. If the tonnage of compostable material collected remains broadly constant while residual waste increases the percentage of total waste recycled will be depressed. This appears to be the most significant factor affecting this indicator.</p>
<b>What practical steps are being taken to improve?</b>	<p>Roll out of the food waste service to flat blocks is now complete and the Council continues to seek opportunities to extend the service to primary schools. The green waste service returned to five days from the end of February 2016. The Council is promoting its subscription green waste collection service which continues to increase in popularity; use of the food waste collection service from flat blocks is being promoted to maximise</p>

	<p>collection, however resources are limited. The Council is working with Essex County Council on County wide waste minimisation communication campaign that will support its own messages on correctly segregating waste.</p>
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## Section Six: Key Corporate and Financial Risks

The following risk areas are assessed as 'exceptional', that is, scoring 20 or higher on a scale of 1-25, 1 = low likelihood, low impact, 25 = high likelihood, high impact. These risks are regularly reviewed through the Council's Risk Management Group and managed by the Council at senior management level and by relevant services.

Risk Owner & Description	Likelihood	Impact	Control already in place	Additional actions to mitigate risk	Residual Risk score
<p><b>Head of Finance – CR01</b> - The Government's fiscal policy in respect of deficit reduction reducing public sector funding combined with the Council's limited ability to raise income could result in the Council's financial resilience being at risk.</p>	<p>Options for increasing revenue to enable the Council to compensate for reduced Government Funding are becoming extremely limited. Raising Council tax to meet the shortfall beyond the levels already included within the MTFS is unlikely to be an option. Given the budget reductions already made further budget savings will be extremely challenging if services are to be protected. Impact of recent government announcements on General Fund and HRA budgets.</p>	<p>The impact of Significant budget cuts to enable a balanced budget to be delivered could have a major impact on delivery of the Council's corporate objectives. Impact on Council meeting statutory responsibilities and community aspirations in respect of discretionary services.</p>	<p>MTFS and detailed planning of future budgets undertaken early in the financial year. Budget Monitoring process. However, for the period of the MTFS there are substantial budget reductions required to meet the Governments funding cuts which may impact on this in the medium to long term forecasts.</p>	<p>The majority of issues relating to the Council's finances are dictated by Government. However, the Council's financial situation continues to be monitored at a high frequency. The Administration will continue to be provided with options concerning the work of the Council and will decide upon how these financial challenges can be faced. Scrutiny review of discretionary services (Playhouse and Pets Corner).</p>	<p>21</p>

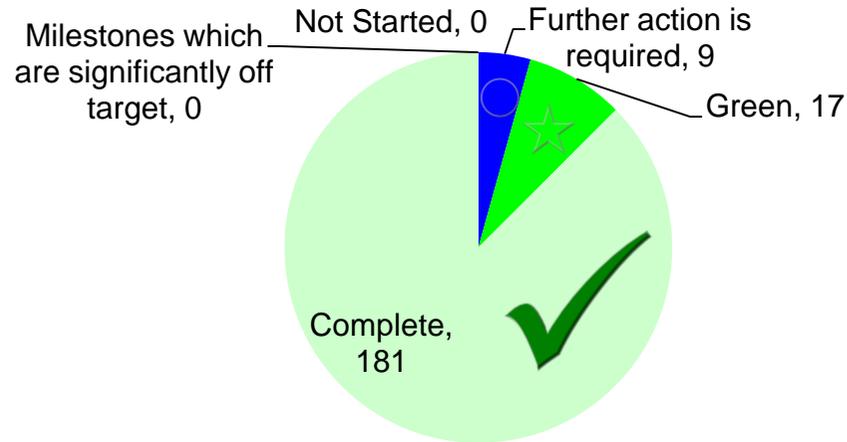
Risk Owner & Description	Likelihood	Impact	Control already in place	Additional actions to mitigate risk	Residual Risk score
<p><b>Head of Place – CR03</b>            - The town requires a suitable housing mix to attract new and retain existing residents for an evolving and sustainable community. Supply must be balanced with demand and housing need, taking into account National Housing and Planning policies. As part of that mix, housing for local people that is genuinely affordable remains a high priority for the Council.</p>	<p>Lack of funding to build new homes. Lack of available land. Low land values. Lack of Local Plan (or non-approval due to failure to demonstrate Duty to Cooperate). Reluctance of housing developers to build out approved schemes will limit the supply of affordable housing as a proportion of private developments. Government policy in relation to social housing may limit the supply of affordable housing.</p>	<p>Lack of Local Plan could create lack of local control or direction, Lack of suitable housing may lead to people moving out of area. Inability to generate sufficient affordable housing. Impact on right population mix.</p>	<p>Duty to cooperate discussions. Housing studies including joint ones to support the Local Plan.</p>	<p>Implement Local Development Plan</p>	<p>21</p>

Risk Owner & Description	Likelihood	Impact	Control already in place	Additional actions to mitigate risk	Residual Risk score
<p><b>Head of Place – PLC01</b> – If priority allocation and funding by the Highways Agency and Government is not achieved then the timely delivery of M11 Junction 7a will be put at risk.</p>	<p>Although junction 7a is high on the agenda for both SELEP and ECC, it has yet to be accorded required funding and/or recognition by the Government/ High ways agency.</p>	<p>Without the new junction the Highways Agency’s cap on new jobs growth e.g. Enterprise Zone will not be lifted in the absence of alternative highways improvements. The lack of a new junction is also known to be a deterrent to the retention and expansion of current and new businesses. Housing growth will be constrained due to capacity of the current junction.</p>	<p>Continued lobbying of Government, SELEP, Highways Authorities and co-operation with relevant interests (e.g. West Essex Alliance, London-Stansted-Cambridge Corridor Consortium).</p>		<p>21</p>

Risk Owner & Description	Likelihood	Impact	Control already in place	Additional actions to mitigate risk	Residual Risk score
<p><b>Head of Community Wellbeing – COM11</b> - If there is a lack of private sector investment and/or disinvestment by retailers and landowners in the Town Centre then this could lead to a further decline in its attractiveness as a shopping and leisure destination and a place for inward investment.</p>	<p>The macro economic impact on the retail sector is very uncertain.</p>	<p>Damaged reputation and perception towards the town. Potential loss of jobs and employment and potential failure to deliver regeneration.</p>	<p>The Council maintains frequent contact with the current landowners to encourage investment into the Town Centre. The Council will need to consider alternative options for the future of the Town Centre.</p>		<p>21</p>

## Section Seven: Progress in delivering the Corporate Plan Corporate Priorities Milestone Tracker (Quarter Four 2015-16)

The Corporate Plan includes an Action Plan setting out the milestones the Council needs to complete in order to deliver its objectives. Below is a status update of how well the Council is doing in delivering its Plan as at 31 March 2016.



Ninety-six per cent (198 out of 207) of all Corporate Plan milestones are self-assessed as being complete or green (i.e. successfully delivered or implemented in 2015/16 and on-going) as at 31 March 2016.

Four per cent (9 out of 207) of milestones have lapsed or require further action to ensure they are completed during 2015/16.

No milestones are significantly off target and will not be complete in 2015/16.

No milestones are currently in “not started” phase.

Milestone RAG Status		
	<i>Number</i>	<i>%</i>
Completed Milestones	181	87
On Track (Green) Milestones	17	8
Further action required to get back on track	9	4
Milestones which are significantly off target and where further action is needed (Red)	0	0
Not Started Milestones	0	0

## APPENDIX B.

### Carry Forward requests 2015/16

Corporate Management Team and Heads of Service considered the following carry forward requests for 2015/16 Financial year on 28 June 2016. They are included within the Year End Joint Finance & Performance Report 2015/16 as a recommendation for Cabinet to approve.

### General Fund –

REVENUE CARRYOVER REQUEST FORM 2015-16					
SERVICE/COST CENTRE	AMOUNT (Nearest £100)	Description and reason for underspend	Contractually Committed (Y/N)	Will the carry over be spent for it's original purpose (Y/N)	Consequence if carry over not approved.
	£				
Planning	12,500	IDOX - Enterprise System - 50% Completion fee	Y	Y	The system is over half installed so if this funding is not carried over then there would be no working system for planning, building control, environmental health and land charges. None of these services would be able to perform their statutory duties without working ICT data system.
ICT/Planning	£ 23,500.00	IDOX - ERDMS System - 50% Completion fee	Y	Y	The system is over half installed so if this funding is not carried over then there would be no working system for planning, building control, environmental health and land charges. None of these services would be able to perform their statutory duties without working ICT data system.
Planning	10,500	Public Access System - Planning - 50% Completion Fee	Y	Y	The system is over half installed so if this funding is not carried over then there would be no working system for planning, building control, environmental health and land charges. None of these services would be able to perform their statutory duties without working ICT data system.
Elections 3318	7,300	Delay and uncertainty surrounding Individual Electoral Registration. Carry over of 2015/16 balance of expenditure/grant income.	Yes	Yes	Potential failure to meet statutory requirements.
Human Resources	13,000	Underspend on HR CRIS 21 systems development.	N	Y	Investment to maintain functionality and further develop the system is required in order to reduce the integrity risk.
Accountancy	20,000	Agresso is in the process of being upgraded. Following a tender exercise, a company has been appointed to provide the required direction and implementation expertise. The majority of the project is capital in nature, and the capital programme is relying upon a Revenue Contribution to Capital Outlay. Further elements of costs are also revenue in nature (e.g. training, systems review work, etc) which also requires additional capacity within the Accountancy Team. The project is a large-scale and complex system upgrade. Work started in March 2016 with completion due in (or soon after) November 2016.	Y	Y	1) The Agresso system will remain unsupported; 2) Recommendations from internal audits will not be met; 3) Breach of contract.
Finance Miscellaneous	50,000				

## Proposed end-of-year Earmarked Reserve Movements

Earmarked Reserve	Add to Reserve	Use of Reserve	Net	Commentary
Invest to Save		(39,020)	(39,020)	To finance costs associated with establishing new local authority trading company
Environment Fund	6,496		6,496	Replenishment of investment from the reserve using savings achieved
Risk Reserve	40,000	(23,674)	16,326	To finance future initiatives that reduce potential insurance/ liability claims against the Council
Severance Reserve	327,195		327,195	Used to finance redundancy costs in excess of those included in the General Fund's annual base budget.
Discretionary Services Fund	787,000	(2,643,333)	(1,856,333)	New Homes Bonus grant added to reserve, whilst £1m drawn down to establish Regeneration Reserve and the balance to finance discretionary services
Regeneration Reserve	1,000,000		1,000,000	Funds set aside to finance future regeneration of Harlow town centre.
Debt Financing Reserve	837,840	(87,331)	750,509	To finance future costs falling upon the General Fund in relation to borrowing.
Planning LDF		(12,171)	(12,171)	Financing of local development framework.
Regeneration & Enterprise Reserve	196,000	(10,000)	186,000	Additional windfall New Homes Bonus grant set aside in to this reserve in support of town regeneration.
Housing Benefits Subsidy Reserve	315,000		315,000	Underspend relating to Housing Benefits in 2015/16 set aside in reserve as an equalisation for potential future HB pressures.
Revenues & Benefits Service Structural Process Review Reserve		(98,760)	(98,760)	Reserve to ensure that the technology and other developments required within the Revenues and Benefits Service as a result of the full structural and process review and any recommendations made as a result of the Customers Services Strategy review can be funded
Residual Land Transfer	41,728		41,728	Set aside of funding from Homes and Communities Agency in respect of land transfers.
<b>Totals</b>	<b>3,551,259</b>	<b>(2,914,289)</b>	<b>636,970</b>	

The above schedule of proposed movements to/ from earmarked reserves excludes:

- Approvals already made by Cabinet during the financial year
- Earmarked Grants Reserve movements, which operate as accounting mechanisms only,
- Interest added to reserves (where applicable)
- Reserves held in perpetuity
- Reserves held as Insurance Fund mechanism

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** HOUSING REVENUE ACCOUNT OUTTURN REPORT, 2015-2016

**PORTFOLIO HOLDER:** COUNCILLOR MARK WILKINSON  
COUNCILLOR MIKE DANVERS

**LEAD OFFICERS:** CORPORATE MANAGEMENT TEAM

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(01279) 446228

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**CONTRIBUTING OFFICERS:** ALISON CURTIS, SENIOR SERVICE ACCOUNTANT (01279) 446211

ANDREW SMITH, FINANCE MANAGER  
(01279) 446212

**This is not a Key Decision**

**This decision is not subject to Call-in procedures for the following reasons:  
The recommendations are within the scope of the budget approved by Full Council in February 2015**

**This decision will affect no ward specifically.**

**RECOMMENDED that Cabinet:**

- A** Acknowledges the HRA outturn for 2015/16 as set out in the report as follows:
- (i) a favourable variation against the original budget adjusted for carryovers on operational/controllable budgets of £2,305,000 representing 3.98% of the gross Housing Revenue Account (HRA) budget
  - (ii) A total projected underspend of £8,154,000 representing 14.06% of the gross HRA budget.
- B** Notes the balances at 31 March 2016, of £12,298,000 in respect of the Housing Revenue Account and nil in respect of the Major Repairs Reserve (as identified in Appendix C).

- C** Approves carryovers of £315,000 as detailed in paragraph 32 of this report to meet commitments from 2015/16.
- D** Recognises the operational performance that has been achieved across all Council services during 2015/16.

## **REASON FOR DECISION**

- A** To note the outturn of the Council's approved 2015/16 Housing Revenue Account and acknowledge the operational variations in light of the challenges the Council has faced in this financial year and may do so in future years.
- B** To note the application of the Council's Major Repairs Reserve (MRR), highlighting its relationship with the Housing Capital Programme.

## **BACKGROUND**

1. In April 2012 the Housing Revenue Account (HRA) underwent significant changes following the introduction of self-financing. This created a closer link between housing revenue and capital expenditure and income
2. This report sets out the Council's financial performance against the agreed HRA Business Plan at 28 February 2015.

## **ISSUES**

3. At year end 2015/16 as part of the revenue and capital financing requirements, the overall HRA balance is maintained above the minimum required balance of £2,727,000 and is sustainable in the context of the approved HRA Business Plan.
4. The outturn at 2015/16 includes an underspend of £2,305,000 on operational budgets (Appendix A). The overall underspend for the year was £8,154,000 including non operational adjustments at year end for depreciation and a lower than estimated direct revenue contribution in support of the Housing Capital Programme. The movements are detailed in Appendix C.
5. The Housing Revenue Account (HRA) budget for 2015/16, including approved carryovers of £415,000 and other approved adjustments, totalled £57,974,000. The operational underspend at 31 March 2016 represents a 3.98% variance against the budget and a 14.06% variation after adjustments for non operational factors including a direct revenue contribution to the Capital Programme and year end financing changes.
6. The Housing Revenue Account supports the Housing Capital Programme

through Direct Revenue Financing and by a contribution from the Major Repairs Reserve (MRR). The outturn includes a non operational variance of (-)£5,849,000 due to a lower depreciation charge of (-)£165,000 and reduced direct revenue contribution to capital of (-)£5,684,000. Full details are given in Appendices A and B.

7. The HRA underpins the delivery of the Modern Homes Programme requiring the acquisition of specialist asset management skills through a contract with Savills UK Ltd which includes investment planning, investment appraisal, and programme and project management to enable the implementation of a five year work programme, publish information to tenants and to continue to maintain and invest in Council dwellings.
8. At 31 March 2015 there was a nil balance on the Major Repairs Reserve (MRR). The depreciation charge of £11.105m for 2015/16 was used in full to support the Housing Capital Programme.

## **OPERATIONAL VARIANCES**

9. In 2015/16 the operational variance against the original estimate totals a £2,305,000 underspend (see Appendix A). The key issues driving this variation are detailed below.
10. There is a favourable variance of (-)£519,000 from staffing vacancies and programme and project management fees in General Management. Recruitment is underway to fill the vacant posts. In addition, a movement of agency costs from revenue to capital, to cover capital project work, increased the underspend.
11. The schedule of work to Priority Estates was revised with Phase One fully decanted by 31 March 2016. Home loss payments and moving incentives arising from this process are (-)£551,000 less in 2015/16 than originally estimated due to the difficulty of forecasting demand and uncertainty around tenant removal and home loss claims.
12. Services to tenants and leaseholders benefitted from lower than expected fuel costs and the continuing installation of smart meters resulting in greater accountability to the consumer for heating and lighting. Savings to the HRA for all services based on utility costs were (-)£162,000.
13. However, there was a net reduction in income of £144,000 from heating charges, due to lower fuel costs rechargeable to tenants and leaseholders.
14. Income from service charges to tenants and leaseholders including the management fee, repairs and maintenance and the adjustment for 2013/14

service charges is also a reduced by £154,000.

15. Savings to Sheltered Accommodation properties resulted in a favourable variance of (-)£179,000, being a combination of a lower recharge from the general fund and reduced fuel costs.
16. Overheads and internal recharges showed a favourable variance at year end totalling (-)£172,000 from efficiencies within cost centres.
17. Under repairs and maintenance, savings of (-) £244,000 resulted from the garage repair and external garage programmes, due to review of garage strategy. In addition there was a favourable variance in respect of the cost of securing empty properties (-)£87,000 and in insurance claims (-)£174,000. However, unfavourable variances arose from the uplift in the JVCo contract £98,000 and the cost of asbestos monitoring and survey work £25,000. The latter is a statutory landlord duty.
18. Rental income from housing stock is £83,000 higher than estimated due to the Council holding more properties at year end and a lower void rate. The higher stock level is mainly due to the delay in transferring properties as part of the Priority Estates regeneration programme.
19. The bad debt provision for 2015/16 was £123,000 (original estimate £360,000) due to the lower number of void properties currently held and Welfare Reform changes implemented later than was originally anticipated and for a restricted number of applicants.
20. On 31 January 2017, the Joint Venture Contract which supports the Housing Service, providing housing maintenance, street scene and municipal services, comes to an end. As previously reported to Cabinet in September 2013, provision was included within the HRA budget to accommodate costs associated with the re-procurement of these services. During 2015/16 consultancy costs incurred in respect of this work have been financed by the drawdown of £77,000 from the provision established for this purpose. Other related costs are reported within General Management.
21. The original estimate for Right to Buy sales in 2015/16 was 60 properties, actual sales totalled 73. The continuing higher level of RTB sales was due to the Government policy on re-invigorating right to buy which encouraged tenants to purchase their properties through increased discounts and local marketing to tenants. This increased the income available from the administration of RTBs ((-)£15,000).

## NON OPERATIONAL VARIANCES

22. Non-operational variances totalling a favourable £5,849,000 relate to a reduction in depreciation charge in the Major Repairs Reserve of (-)£165,000 and a decrease in the direct revenue contribution to capital of £5,684,000 (original estimate £12,110,000). The reduced contribution follows a lower than estimated outturn in the Housing Capital Programme, for more details refer to the Capital Outturn Report 2015/16.
23. New regulations were introduced with effect from 2012/13 regarding the recording of depreciation to the HRA. Depreciation is the writing down of the value of an asset over its remaining useful life, with a charge made to the income and expenditure account (i.e. the Housing Revenue Account). With effect from April 2012, councils have been required to account for depreciation for non-dwelling assets (garages etc.) in addition to dwellings. In 2015/16 the total depreciation charge was £11,105,000 which represented a statutory charge of £10,644,000 in respect of dwellings (original estimate £11,270,000) plus a further £461,000 in respect of non dwellings including garages.

## MAJOR REPAIRS RESERVE

24. The Major Repairs Reserve (MRR) is a separate statutory account which is used to ensure adequate resources are set aside (e.g. depreciation) to cover housing capital expenditure. The MRR may also be used to repay housing debt. In the latter incidence, the Council has a housing debt of £208.837m. Following the Government's mandatory rent reduction from April 2016 repayment of this debt will now be re-scheduled as it falls due. Currently the MRR is used to finance capital expenditure alone.
25. In February 2015 the Council approved the HRA Business Plan which had estimated the MRR Balance at 31 March 2016 to be nil, with the expectation that MRR depreciation relating to 2015/16 would be used to finance the Housing Capital Programme The outturn depreciation in the MRR for 2015/16 was £11,105,000.
26. The movement on the Major Repairs Reserve is as follows (for further information refer to Appendix C):

<b>MAJOR REPAIRS RESERVE</b>			
Details	Original Estimate £000's	Outturn £000's	Variance £'000s
Balance at 1 April 2015	0	0	0
Transfers in – depreciation (net)	(-)11,270	(-)11,105	165

Capital Spending on Housing Stock met by the Reserve	11,270	11,105	(-)165
<b>Balance at 31 March 2016</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **CAPITAL RECEIPTS RESERVE, 2015/16**

27. As at 31 March 2015 the Council held £1,088,000 of housing capital receipts unapplied. These were utilised to support the Pathfinder scheme within the Housing Capital Programme to build new Council homes in 2014/15 and 2015/16.

### **HRA WORKING BALANCE**

28. In February 2015 the Council approved HRA Estimates for the current year that anticipated a Working Balance at 31 March 2016 of £3,388,000 (Appendix C). The Working Balance at 31 March 2016 is £12,298,000 including the financing of carryovers from 2014/15 as set out below.
29. The increased HRA balance at 31 March 2016 is due in large part to the carryover in the Housing Capital Programme of £3,824m which reduced the direct revenue contribution from the HRA by £5,684,000 (original estimate of £12,110,000). In addition the depreciation charge for 2015/16 was £165,000 less than the original estimate (£11,270,000) in part from the re-allocation of depreciation (£92,000) in respect of garages attributed to the General Fund.
30. The balance on the HRA will be impacted in 2016/17 by revenue carryovers requested totalling £315,000, together with the capital carryovers (£3.824m) which will require financing from an increased direct revenue contribution from the HRA.

<b>HOUSING REVENUE ACCOUNT 2015/16</b>	
	<b>£000's</b>
Original Estimated balance	<b>3,388</b>
Increase reported at 2014/15 Outturn	1,172
Less 2014/15 carry forward requests approved July 2015	(-)415
Adjusted balance at 31 March 2016	<b>4,145</b>
Service Budget variations	2,305
Capital Programme variations	5,848
Latest balance at 31 March 2016	<b>12,298</b>

### **SUMMARY OF BALANCES AS AT 31 MARCH 2016**

31. Changes to the regulations under self-financing mean changes in capital financing locally create different balances on the HRA and MRR than originally budgeted. Instead of the minimum working balance of £2,727,000, the HRA shows a balance of £12,298,000 as at 31 March 2016 and in line with the original estimate there is a nil balance Major Repairs Reserve. For more information see Appendix C and also the HRA Business Plan 2015-2045, paragraphs 6.2.1, 6.2.2 and 6.2.3, pages 36 and 37.

### **CARRY FORWARDS**

32. It is proposed that the following items are carried forward to be spent in 2016/17:

Home loss Payments Priority Estates:	£ 25,000
Moving Incentives, Priority Estates:	£ 10,000
Compensation payments Priority Estates:	£ 250,000
Repairs, compliance testing:	£ 30,000
<b>Total</b>	<b>£315,000</b>

33. The proposed carryovers will facilitate the continuing work on Priority Estates in 2016/17 and the compliance testing enables the Council to meet statutory requirements in respect of fire assessments to flat blocks.
34. In addition, the Capital Programmes report (elsewhere on the agenda for this meeting) shows a requirement to carry forward work to 2016/17 totalling

£3,824,000 to meet outstanding commitments.

35. The impact of revenue and capital carry forwards on the HRA budget will be reported throughout 2016/17 as part of the budget monitoring process.

## **SIGNIFICANT RISKS / OPPORTUNITIES**

36. Harlow Council developed a 30-year Business Plan as a result of the changes introduced in 2012 and the move to self-financing, in order to ensure the long-term sustainability of the HRA. This is subject to review as major government reforms and other external influences impact upon it.
37. The Welfare Reform and Work Act 2016 required social landlords to decrease rents annually by 1% over the next four financial years (2016/17 – 2019/20). This has challenged councils to make efficiencies in order to deliver sustainable services.
38. The following risks have been identified which could affect the HRA Business Plan:
- (i) Welfare Reform: the government's reduction in benefits to non-working families may have an adverse impact on tenants' ability to pay.
  - (ii) Rent income: see paragraph 37 above, but also the introduction from 2017 of the Government's "Pay to Stay" policy to charge higher earning households an increased rent, which will be passed to the Government.
  - (iii) Continuing development of a Capital Programme to deliver decent homes in partnership with contractors, and the need to deal with unexpected outcomes especially in light of constraints arising from the reduction in rental income from 2016/17.
  - (iv) In the Housing Capital Programme there remains a high risk of finding and removing asbestos from properties, which in turn may increase removal and compensation costs in the HRA.
  - (v) Government policy regarding the sale of larger properties in support of Registered Social Landlord (RSL) Right to Buy proposals, for which the details of how this will operate and impact on the Council are still awaited.

## **IMPLICATIONS**

### **Place (includes Regeneration)**

None specific.

Author: **Graeme Bloomer, Head of Regeneration**

**Finance (Includes ICT)**

As detailed within the body of the report.

Author: **Simon Freeman, Head of Finance**

**Housing**

As detailed within the body of the report.

Author: **Andrew Murray, Head of Housing**

**Community Wellbeing (includes Equalities and Social Inclusion)**

None specific.

Author: **Jane Greer, Head of Community Wellbeing**

**Governance (includes HR)**

None specific.

Author: **Brian Keane, Head of Governance**

**Background Papers**

None

**Glossary of terms/abbreviations used**

HRA - Housing Revenue Account

RTB - Right to Buy

MRR – Major Repairs Reserve

DRC – Direct Revenue Contribution

## APPENDIX A

HRA Operational Variances		Appendix A		
Item	Adverse £000's	Favourable £000's	Net £000's	Main contributing Factors to Variations
General Management		-519	-519	Net vacancy savings on salaries offset by agency costs.
General Management		-100	-100	Net saving in respect of the Right to Buy Social Mobility scheme due to lower demand for grant assistance than estimated.
General Management		-551	-551	Demand lower than forecast for Priority Estates home loss payments, compensation payments and moving Incentives, due in part to forward forecasting error and because of the complexity of forecasting payment claims.
General Management		-35	-35	Efficiencies achieved in central establishment recharges.
General Management		-137	-137	Savings in estimate of the cost of recharges to other services.
General Management		-15	-15	RTB admin income
Special Management		-90	-90	Electricity and gas savings to heating schemes due to lower prices from procurement efficiencies
Special Management		-31	-31	Carryover of budget following fire assessment work as statutory testing based on survey completed in January 2016 resulting in work required but not completed in 2015/16.
Special Management		-72	-72	Lower cost of landlords lighting due to more smart metering and procurement efficiencies.
Special Management		-179	-179	Review of re-charge from General Fund resulted in lower transfer plus Sheltered accommodation also benefitted from lower fuel costs.
Repairs and Maintenance	98		98	Uplift in JVCo contract costs in year and misstatement of original cost (£74,000).
Repairs and Maintenance	18		18	More demand to remedy damp problems than forecast.
Repairs and Maintenance		-244	-244	Reduced demand for garage repairs and external works.
Repairs and Maintenance		-25	-25	Tendered works revenue contribution required less than estimate

Repairs and Maintenance		-32	-32	Less demand than forecast for stair lift maintenance.
Repairs and Maintenance	25		25	More demand for to carry out asbestos monitoring and survey work which is a statutory requirement.
Repairs and Maintenance		-87	-87	Lower demand to secure empty properties.
Repairs and Maintenance		-174	-174	Fewer insurance claims and lower insurance contributions
Dwelling Rents		-83	-83	Additional rental income due to more stock than budgeted and continued efficiencies identified from the improved turnaround of empty properties than budgeted.
Garage Rents		-35	-35	Forecast level of available to let garages revised in line with updated garage strategy and improvement plans.
Rents, Rates, Taxes and other charges		-8	-8	Council tax on empty properties.
Charges for Services and Facilities	144		144	Reduced income from heating charges for tenants and leaseholders due to lower costs and smart metering.
Charges for Services and Facilities	154		154	Adjustment in income due from tenant and leasehold service charges for 2013/14 and reduction in insurance premium and therefore in recharge to leaseholders.
Charges for Services and Facilities		-10	-10	Income from management services and from sale of garages offset by lower income from homeless and sheltered services.
Interest Received		-30	-30	Internal interest receivable on HRA balances
Provision for Bad Debt		-237	-237	Reduced requirement for bad debt provision
Other		-48	-48	
Deficit/ (Surplus) for year	438	2,743	(-)2,305	

<b>Non Operational Variances</b>				
<b>Item</b>	<b>Adverse £000's</b>	<b>Favourable £000's</b>	<b>Net £000's</b>	<b>Main contributing Factors to Variations</b>
Major Repairs Reserve (Net Depreciation)		-165	-165	Net depreciation charge reduced in part by transfer of depreciation relating to general fund garages.
Direct Revenue Contribution to Capital Outlay		-5,684	-5,684	Reduction in the outturn of the Housing Capital Programme reduced revenue financing required.
Deficit/ (Surplus) for year	0	(-5,849)	(-5,849)	

HRA Operational Variance	(-)£2,305,000
HRA Non Operational Variance	(-)£5,849,000
<b>TOTAL HRA Underspend</b>	<b>(-)£8,154,000</b>

## APPENDIX B

**HOUSING REVENUE ACCOUNT**

	2014/15	2015/16	2015/16	2015/16	Variences 2015/16 Actual Vs 2015/16 Original £'000
	Actual £	Original £	Revised £	Actual £	
<b>EXPENDITURE</b>					
General Management	10,210,656	12,363,002	11,684,690	10,729,288	(-1,634)
Special Management	5,246,872	5,635,261	5,391,475	5,276,568	(-359)
Repairs	9,145,177	9,417,366	9,246,187	9,003,824	(-414)
Rents Rates Taxes & Other Charges	16,755	30,000	8,350	22,043	(-8)
Provision for Bad & Doubtful Debts	152,475	360,000	200,000	123,222	(-237)
Supporting People Transitional Arrangements	7,226	6,900	6,120	5,996	(-1)
Major Repairs Allowance (Net Depreciation)	11,003,990	11,270,000	10,811,000	11,105,061	(-165)
Interest Charges	10,676	13,770	13,770	6,832	(-7)
Debt Management Expenses	6,824,052	6,768,000	6,784,000	6,739,672	(-28)
Revenue Contribution to Capital Expenditure	2,533,185	12,110,000	10,498,000	6,426,115	(-5,684)
	<b>45,151,064</b>	<b>57,974,298</b>	<b>54,643,592</b>	<b>49,438,620</b>	<b>(-8,536)</b>
<b>INCOME</b>					
Dwelling Rents	45,769,430	46,143,000	46,184,000	46,226,033	(-83)
Garage Rents	2,482,126	957,000	974,000	991,950	(-35)
Other Rents	20,574	22,000	22,000	19,784	2
Charges for Services & Facilities	3,603,775	4,082,862	3,768,634	3,555,663	527
Interest Receivable	31,720	44,000	51,000	73,774	(-30)
	<b>51,907,625</b>	<b>51,248,862</b>	<b>50,999,634</b>	<b>50,867,205</b>	<b>382</b>
<b>Balance in hand at 1 April</b>	<b>4,113,244</b>	<b>9,698,168</b>	<b>10,869,802</b>	<b>10,869,802</b>	<b>(-1,172)</b>
<b>Surplus / (Deficit) for year</b>	<b>6,756,561</b>	<b>(-6,725,437)</b>	<b>(-3,643,959)</b>	<b>1,428,585</b>	<b>(-8,154)</b>
<b>Balance in hand at 31 March</b>	<b>10,869,805</b>	<b>2,972,731</b>	<b>7,225,843</b>	<b>12,298,386</b>	<b>(-9,326)</b>
<i>Figures based on:</i>					
<i>Housing Stock</i>	No.	No.	No.	No.	
<i>Housing Stock at 1 April</i>	9,715	9,617	9,637	9,637	
<i>Less Disposals</i>	-87-78	-60	-69	-73	
<i>Other Disposals</i>	-1	-65	-16	0	
<i>Plus Additions</i>	1	18	-21	19	
<i>Housing Stock at 31 March</i>	9,637	9,629	9,589	9,583	
<i>Weekly Charges</i>					
<i>Average Rent (per dwelling)</i>	£91.59	£93.60	£93.60	£93.54	
<i>Average Service Charge (per dwelling)</i>	£1.79	£1.92	£1.92	£1.92	
<i>Average Rent (per garage)</i>	£8.20	£8.36	£8.36	£8.36	

## Appendix C: Relationship between HRA, MRR and Capital Programme

(+ = expenditure)

	HRA	Major Repairs Reserve	Capital Receipts Unapplied 2012/13	Total	Housing Capital Programme
	£000	£000	£000	£000	£000
01/04/2015 Balance in hand (cr is surplus)	-10,870	0	-1,088	-11,958	0
Deficit/(Surplus) for the year (Original Estimate)	6,310			6,310	0
	<b>-4,560</b>	<b>0</b>	<b>-1,088</b>	<b>-5,648</b>	<b>0</b>
Carry Forwards (Capital)					3,824
<b>Operational Variances (Appendix A)</b>	<b>-2,305</b>			<b>-2,305</b>	<b>-9,144</b>
Decreased Direct Revenue Financing 2015/16	-5,684			-5,684	5,684
<b>Non Operational Variances</b>					
Difference between depreciation in MRR original to revised estimate	-165			-165	
HRA operational carryovers 2014/15	415			415	
Additional support to Capital Programme from MRR (per Capital Programme Report, Table 1)					294
Net movement in support to Capital Programme			1,088	1,088	-658
	<b>-12,298</b>	<b>0</b>	<b>0</b>	<b>-12,298</b>	<b>0</b>

31/03/2016 Balance in hand

\*\* see Capital Receipts Reserve  
below para 9 in the Housing Capital  
Outturn Report 2015/16

### From 2014/15 Original Estimate

01/04/2015	Balance in hand	9,698	-1,088	-10,786
	Deficit/(Surplus) for the year	-6,310	1,088	7,398
<b>31/03/2016</b>	<b>Balance in hand</b>	<b>3,388</b>	<b>0</b>	<b>-3,388</b>

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** CAPITAL OUTTURN REPORT 2015/16

**PORTFOLIO HOLDERS:** COUNCILLOR MARK WILKINSON  
COUNCILLOR MIKE DANVERS

**LEAD OFFICERS:** CORPORATE MANAGEMENT TEAM

SIMON FREEMAN, HEAD OF FINANCE  
(01279) 446228

**This is not a Key Decision**

**It is on the Forward Plan as decision number I005990**

**This decision is not subject to Call-in procedures for the following reasons:**

**The recommendations are within the scope of the budget which has been approved by Full Council.**

**This decision will affect no ward specifically.**

**RECOMMENDED that Cabinet:**

- A** Notes the outturn of the Council's Housing and Non-Housing Capital Programmes as at 31 March 2016 detailed as follows:
- (i) Housing Capital Programme expenditure of £21,452,000 against an approved revised budget of £25,103,000.
  - (ii) Non-Housing Capital Programme expenditure of £3,950,000 against an approved revised budget of £6,961,000.
  - (iii) Additional capital expenditure of £1,655,000 in respect of Growth Area Funding/Programme of Development and £5,730,000 in respect of a land purchase for the Enterprise Zone.
- B** Approves the carryover of Housing Capital Programme schemes to 2016/17 of £3,823,800 to meet capital commitments.
- C** Approves the carryover of Non-Housing Capital Programme schemes from 2015/16 of £2,761,830 to meet capital commitments. The carryover includes grant funding to support these commitments of £1,103,000 and a capital receipt of £600,000.
- D** Approves business cases for the refurbishment of the Town Park cycle track bridge surface (£8,500), and emergency works to the Town Park Playground

(£20,000), to replace play equipment and furnishings. This latter work will be carried out in early 2016/17. Both schemes will be funded from the risk reserve.

- E** Recognises the operational performance that has been achieved across all Council services during 2015/16.

## **REASON FOR DECISION**

- A** To ensure that Cabinet reviews performance against the Council's approved 2015/16 Housing and Non-Housing Capital Programmes.

## **BACKGROUND**

1. Detailed budget monitoring reports are formally reviewed each month and reported to Cabinet quarterly to facilitate a close supervision over the Council's financial position throughout the year.
2. In February 2015, Council approved a Housing Capital Programme for 2015/16 totalling £26,772,000 and a Non-Housing Capital Programme totalling £5,840,000.
3. The Housing Capital Programme in 2015/16 continues to deliver significant investment plans for the Council's housing assets and builds upon the Decent Homes Standard.

## **SUMMARY OF THE 2015/16 CAPITAL PROGRAMMES' FINANCIAL PERFORMANCE**

4. Subsequent to the closure of final accounts for 2014/15, £76,000 of work was carried forward, increasing the total Housing Capital Programme to £26,848,000.
5. During 2015/16 changes to the programme approved by Cabinet in December 2015 reduced the approved budget to £25,103,000. This was due mainly to the carryover of budgets in respect of energy efficiency work (£1,450,000) and for planned works to Sumners Farm Close (£450,000). Preparation and consultation work in respect of the planned energy efficiency works was undertaken during 2015/16 to enable the schemes to progress in 2016/17. Likewise the work at Sumners Farm Close is planned to complete in 2016/17.

**TABLE 1 - Housing Capital Programme 2015/16 Outturn**

<b>2015-16 Budget Stage</b>	<b>£000s</b>	<b>Date Approved</b>
Original budget	26,772	5 Feb 15
Carryovers from 2014/15	76	23 Feb 15
	26,848	
2015/16 Revisions Quarter 1	201	17 Sept 15
2015/16 Revisions Quarter 2	(-)1,946	
Revised Approved Budget	25,103	10 Dec 15
<b>Outturn 2015/16</b>	<b>21,452</b>	
<b>Variance from Revised Budget</b>	<b>(-)3,651</b>	Below budget
To be offset by carryover requests	3,824	
<b>Pressure on Housing Capital Programme</b>	<b>173</b>	

6. The adverse variance of £173,000 is due to a number of factors including:
- i. The final account for the Pathfinder Scheme in 2015/16 outturned at £2,128,000 in 2015/16, an increase of £282,000 against the revised estimate. Financing of the scheme in 2015/16 will be met from increased grant funding of £197,000 from Programme of Development funding and additional retained receipts of £85,000 from CLG (Annex A10).
7. A total of £3.824m of work is requested to be carried forward to 2016/17:
- i. A carryover of £3.0m has been identified in respect of external works, see Annex A4/A5. The revised work schedule means that income from work to leasehold properties will now be receivable in 2016/17. The original estimate for leaseholder contribution in 2016/17 is £1,218,000.
  - ii. A carryover of £400,000 on work to kitchens, bathrooms, heating and electrics due to contractor resourcing and performance. Measures are now in place to ensure that the revised work plan will achieve the agreed outcomes.
  - iii. A carryover of £357,000 for electrical works due to delays to the start of planned works.
  - iv. A carryover of £71,000 from Housing IT development to support the implementation of corporate systems and the introduction of HTS

(Property and Environment) Limited from February 2017.

8. Following Cabinet approval on 26 March 2015, Kier Harlow Ltd was awarded housing works packages under the SCAPE National Minor Works Framework up to a value of £5,863,800 in 2015/16. This is EU procurement compliant and covers internal work to properties including windows and doors, disabled adaptations and garages (Annex A8).
9. The outturn of the Housing Capital Programme of £21,452,000 represents an underspend of £3,651,000 against an approved budget of £25,103,000, the details of which are reported in Table 2. However, a carryover of £3,824,000 will impact on financing in 2016/17.

**TABLE 2 - Housing Capital Programme Expenditure 2015/16**

	Approved Budget Feb 2015	Current Approved Budget	Outturn 2015/16	Variance Outturn to Current Budget	Carry overs	Note
	£000s	£000s	£000s	£000s	£000s	
Internal Works	6,330	7,543	7,397	(-)146	400	A2/A8
Structural Barley Croft and Lower Meadow	3,286	1,000	869	(-)131		A1
Windows & Doors	3,530	3,100	3,750	650		A3
Damp/Structural	152	174	151	(-)23		
External Works – Roofing	4,420	5,085	2,107	(-)2,978	2,996	A4/A5
Environmental Works	51	141	146	5		
Other Works	1,496	2,027	2,281	254		A6
Flat Block Refurbishments	576	0	-68	-68		A4/A5
Electrical Upgrades and Fire Safety	1,011	1,071	755	(-)316	357	Para 7 (iii)
Energy Efficiency	1,769	683	598	(-)85		
Disabled Adaptations	809	965	1,153	188		A7
Pathfinder Scheme	1,856	1,845	2,128	283		Para 6 / A10
Surveyors Fees – <b>allocated at year end</b>	1,256	1,214	0	(-)1,214		
Housing IT Development	306	256	185	(-)71	71	Para 7 (iv)
<b>TOTAL</b>	<b>26,848</b>	<b>25,103</b>	<b>21,452</b>	<b>(-)3,651</b>	<b>3,824</b>	
Capital Receipts – RTB	(-)1,338	(-)1,574	(-)2,046	(-)472		Para 12
Retained capital receipts	(-)551	(-)553	(-)545	8		
Major Repairs Reserve	(-)11,270	(-)10,811	(-)11,105	(-)294		Para 14
Leasehold and Other Contributions	(-)486	(-)600	(-)5	595		Para 13
Grant Funding	(-)1,017	(-)1,067	(-)1,325	(-)258		Para 13
Direct Revenue Contribution	(-)12,186	(-)10,498	(-)6,426	4,072		Para 10
<b>TOTAL FINANCING</b>	<b>(-)26,848</b>	<b>(-)25,103</b>	<b>(-)21,452</b>	<b>3,651</b>		

10. There was a direct revenue contribution from the HRA of £6,426,000 (original estimate £12,110,000). This lower direct revenue financing requirement in 2015/16 is due to carryovers totalling £3,824m in 2015/16 to 2016/17 and will impact on the 2016/17 revenue contribution required, (original estimate £7,559,000).

## FINANCING

11. At the end of 2014/15 the Council had a Capital Receipts Reserve as per Table 3, which was applied as shown:

**TABLE 3 - CAPITAL RECEIPTS RESERVE**

	<b>1 APRIL 2015</b>	<b>Capital Receipts 2015/16</b>	<b>Total funding available</b>	<b>Capital Funding Applied 2015/16</b>	<b>Balance 31 MARCH 2016</b>
<b>Housing:</b>	£000	£000	£000	£000	£000
RTB receipts	0	2,046	2,046	(-)2,046	0
Re-invigoration Receipts b/fwd	545	0	545	(-)545	0
Housing Receipts	543	0	543	(-)543	0
<b>TOTAL</b>	<b>1,088</b>	<b>2,046</b>	<b>3,134</b>	<b>(-)3,134</b>	<b>0</b>

12. The original capital programme had assumed 60 “Right to Buy” (RTB) Sales in 2015/16. As at 31 March 2016, 73 RTB disposals had been completed. The impact of the additional sales on the financing of the Housing Capital Programme increases the capital receipts from RTB sales to £1,663,000 (revised estimate £1,574,000). The sale of properties continues to be driven by the Government’s re-invigoration of RTB sales which increased the discount available and has raised tenant awareness. Incentives included a reduced qualification time limit, from five years to three years, before a tenant can buy their property. There is currently no evidence that this reduction has had an impact on the planned or actual RTB sales.
13. Leasehold contributions were curtailed by the reduction to planned external works in 2015/16. However, grant funding included the additional funding for Pathfinder Homes from Programme of Development funding, monies from Stansted Area Partnership in respect of the development of Wissants and the capital grant from CLG in support of the Right to Buy Social Mobility scheme.

14. The Major Repairs Reserve had a nil balance as at 31 March 2015. The notional depreciation charge for dwellings in the HRA for 2015/16 was £11,105,000 and was applied to fund the Housing Capital Programme, resulting in a nil closing balance on the MRR at 31 March 2016. The MRR can only be used to repay debt or to fund capital expenditure.

*For more information see Appendix C of the HRA Outturn report elsewhere on the Cabinet Agenda.*

Details	Original Estimate £000's	Outturn £000's	Variance £'000s
Balance at 1 April 2015	0	0	0
Depreciation Charge 2015/16	(-)11,270	(-)11,105	165
Capital Financing	11,270	11,105	(-)165
<b>Estimated Balance at 31 March 2016</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### **NON- HOUSING CAPITAL PROGRAMME**

15. Following closure of accounts in 2014/15, £884,000 of work was carried forward bringing the total 2015/16 Non-Housing Capital Programme to £6,724,000. Schemes were planned to enable expenditure to meet health and safety requirements, legally committed work and statutory expenditure to properties within the Asset Management Plan.
16. The outturn for 2015/16 was revised to £6,961,000 at Cabinet in March 2016 and at revised estimate schemes totalling £784,000 were deferred to 2016/17.

**TABLE 4 - Non-Housing Capital Programme 2015/16 Outturn**

<b>2015-16 Budget Stage</b>	<b>£000s</b>	<b>Date Approved</b>
Original budget	5,840	5 Feb 15
Carryovers from 2014/15	883	23 Feb 15
	6,723	
2015/16 Revisions Quarter 1	60	17 Sept 15
2015/16 Revisions Quarter 2	162	
Approved Budget - revised	6,961	10 Dec 15
<b>Outturn 2015/16</b>	<b>3,950</b>	
<b>Variance from Revised Budget</b>	<b>(-)3,011</b>	Below budget

To be offset by carryovers	2,762	
<b>Underspend 2015/16</b>	<b>(-)249</b>	

17. 2015/16 schemes fell within the service areas of Finance, Community Wellbeing and Place including the Town Park refurbishment scheme.
18. The net variance of £3,011,000 under budget is due mainly to the following factors:

**TABLE 5 - Non-Housing Capital Programme - Major Variations 2015/16**

	£000s	£000s	Annex A /Reference
<b>New schemes:</b>			
Harlow Transformation Project – software upgrade		98	Annex 21
Sumners Retaining Wall		13	Annex 22
Playhouse refurbishment – 2016/17 scheme costs incurred in 2015/16.		8	Annex16
<b>PLACE SERVICES:</b>			
Commercial properties: Re- roofing Latton Bush Centre – majority of work carried over to 2016/17	(-)93		
Latton Bush Structural works – to complete in 16/17	(-)14		
Refurbishment of vacant commercial properties at The Stow - underspend at final outturn	(-)80		
Re-roofing at The Stow and Bush Fair proposed carryover to enable work to commence in 2016/17	(-)226		
Windows and Doors at the Stow and Bush Fair – underspend at final outturn	(-)55		
<b>PLACE SERVICES: other schemes</b>			
Disabled adaptations and Repairs Assistance – carryover of committed adaptations work	(-)65		
Planning delivery grant funded work carryover to complete software updates	(-)18		

Abercrombie Car Park – awaiting contractor to complete work	(-)32		
Estate Flood Alleviation work – committed works delayed by poor weather conditions	(-)50		
ECC Flood Alleviation match funded scheme in progress	(-)48		
Water Treatment work – demand led and underspent at year end	(-)17		
Asbestos removal work to public buildings – demand led and underspent at year end	(-)49		
Community Map Pro scheme to update the environmental database – in part EU funded – to be combined with underspend on Handheld for Stock Condition Survey and used for upgrade of Corporate GIS in 2016/17	(-)28		
Town Centre Public Realm - scope of scheme under review	(-)65		
Fernhill Travellers site – awaiting external funding and start of work	(-)628		
Town Park HLF funded work – part underspend at completion of major capital works – carryover of HDC remaining funding	(-)110		
General Fund garages – underspend against revised estimate	(-)51		
Latton Farm – delay in completion of legal transactions	(-)710		
<b>FINANCE:</b> IT scheme to complete in 2016/17	(-)47		
<b>COMMUNITY WELLBEING:</b>			
Pitch Regeneration – grant funded work planned to Nicholsfield Pavilion	(-)498		
Regeneration of Public Tennis Courts – carryover for work to Prentice Place Multi Games Areas 2016/17	(-)58		

Leah Manning Centre Lighting awaiting updated work specification	(-)20		
Leah Manning Centre – decision on new minibus pending decision from ECC on contract renewal	(-)60		
Playhouse Glazing – work in progress at year end	(-)62		
Other minor variances	(-)46		
	<b>(-)3,130</b>	<b>119</b>	
<b>TOTAL</b>			<b>(-)3,011</b>

19. Carryovers including grant funded schemes committed to in 2015/16 which are work in progress or will commence in 2016/17 total £2,762,000 as detailed below. Note the cost of the Latton Farm purchase will be offset in part by a capital receipt of £600,000.

**TABLE 6 – CARRYOVERS**

Service Area	HDC funding £000	Grant Funding £000	Total Carryover £000
Finance/IT	50	0	50
Community Wellbeing	209	498	707
Place	626	605	1,231
Place: Town Park	64	0	64
Latton Farm	710	0	710
<b>Total</b>	<b>1,659</b>	<b>1,103</b>	<b>2,762</b>

20. The outturn and financing of the 2015/16 Non-Housing Capital Programme is summarised in Table 7.

**TABLE 7 - NON-HOUSING CAPITAL PROGRAMME 2015/16**

	Approved Budget 2015/16	Current Approved Budget	Outturn 2015/16	Variance Outturn to Current budget
<b>EXPENDITURE</b>	£000s	£000s	£000s	£000s
Governance	15	0	0	0
Finance	236	174	223	49
Community Wellbeing	763	1,003	301	(-)702
Place	2,878	2,658	1,171	(-)1,487
Place: Town Park	1,300	2,158	2,048	(-)110
GF Garages	648	258	208	(-)50
Lattton Farm	0	710	0	(-)710
<b>TOTAL</b>	<b>5,840</b>	<b>6,961</b>	<b>3,950</b>	<b>(-)3,011</b>

<b>FINANCED BY:</b>				
Capital Receipts – RTB	(-)204	(-)199	(-)199	0
Asset Disposals	(-)1,124	(-)600	(-)46	(-)554
Earmarked Resources: Grants	(-)1,693	(-)3,247	(-)2,032	(-)1,215
Disabled Facilities Grant- Strategic Housing	(-)323	(-)323	(-)323	0
Renovation Loans	(-)5	(-)5	(-)6	1
Direct Revenue Financing	(-)719	(-)286	(-)330	44
Prudential Borrowing	(-)1,772	(-)2,301	(-)1,014	(-)1,287
<b>TOTAL</b>	<b>(-)5,840</b>	<b>(-)6,961</b>	<b>(-)3,950</b>	<b>(-)3,011</b>

21. The Non-Housing Capital Programme assumes that a proportion of Right to Buy receipts received by the Council will be applied as funding. Current regulations do not place any restrictions on these receipts and the Council allocates 50% of usable capital receipts remaining after pooling for this purpose.
22. Funding of the Non-Housing Capital Programme included grant funding from Heritage Lottery Fund (HLF) of £1,273,000 in respect of work in the Town

Park supported by a contribution of £136,000 from the CLG through the Programme of Development funding.

23. Income from garages allocated to the general fund made a direct revenue contributions of £207,000 and reserves of £123,000 were drawn on to support the Harlow Transformation Project (Civica upgrade), the refurbishment of the watercolours in the Gibberd Gallery and the replacement of the surface on the cycle bridge in the Town Park.
24. The Non-Housing Capital Programme outturn of £3,950,000 requires additional internal borrowing of £1,014,000, bringing totalling borrowing to £3,809,000. The £2,762m carryover effectively defers additional borrowing to 2016/17.

**TABLE 8**

	<b>£000's</b>
<b>Borrowing to support Non-Housing Capital Programme as at 31 March 2015</b>	<b>2,795</b>
New borrowing to finance shortfall in Non-Housing Capital Programme, 2015/16	1,014
Borrowing to support Non-Housing Capital Programme as at 31 March 2016	<b>3,809</b>

25. In 2014/15 CLG provided a grant of £11,205,000 for the acquisition of land and infrastructure work relating to the Harlow Enterprise Zone which seeks to attract 100 businesses and create more than 2,500 jobs to the area over two linked sites on the eastern side of Harlow, at Templefields and on the London Road. During 2015/16 a second payment of £5,730,000 was made in respect of the acquisition of additional freehold land to the west of London Road.
26. In 2014/15 a capital receipt was received of £2,237,000 in respect of the Growth Area Funding work at Prentice Place and other sites in Harlow and was ring fenced for the further development of Prentice Place. In 2015/16 £82,000 was allocated from these monies in support of development work at Prentice Place.

### **Risks and Opportunities**

27. Key risks in the delivery of the 5 year Housing Investment programme are the performance of contractors and the Council's capacity to deliver a greatly increased housing capital programme with changing priorities.
28. Housing capital funding is at risk from the proposed rent reduction to tenanted properties announced in the Government's Summer Budget. This has major implications for the 30 year HRA Business Plan, which were reported to

Council on 4 February 2016.

29. Key risks in the Non-Housing Capital Programme are centred around the outcome of the stock condition surveys and reviews including the result of the local plan review and the implications for future capital budgets.
30. The impact on the Council's capital programmes of the transfer of resources from Kier Harlow to HTS (Property and Environment) Limited in February 2017 have yet to be identified.

## **IMPLICATIONS**

### **Place (includes Regeneration)**

Contained within the report.

Author: **Graeme Bloomer, Head of Place Services**

### **Finance (Includes ICT)**

Contained within the report.

Author: **Simon Freeman, Head of Finance**

### **Housing**

Contained within the report.

Author: **Andrew Murray, Head of Housing**

### **Community Wellbeing (includes Equalities and Social Inclusion)**

Contained within the report.

Author: **Jane Greer, Head of Community Wellbeing**

### **Governance (includes HR)**

None Specific.

Author: **Brian Keane, Head of Governance**

## **Glossary of terms/abbreviations used**

CLG	Communities and Local Government
RTB	Right to Buy
MRR	Major Repairs Reserve
SCAPE	National Minor Works Framework for procurement

## ANNEX A

### CAPITAL PROGRAMMES FINANCE REPORT, 2015/16 Update on the Status of Capital Projects

#### Housing Capital Programme

- A1. Within the original estimate for Internal Works there was an allocation of £3.2m for Barley Croft and Lower Meadow to facilitate extensive refurbishment works. Following consultation with residents a revised scope of works was agreed to include internal works to boilers, kitchens and bathrooms and windows. The scheme completed in 2015/16 with an outturn for the year of £869,000.
- A2. Internal works were slow to commence due to contractor issues, arising from delays at the beginning of the programme of work in 2015/16. This has resulted in the need to carryover £400,000 to complete the work in early 2016/17. Included in the final cost of internal works is settlement of a final account from 2014/15 which was successfully resolved in 2015/16.
- A3. The Windows and Doors contract for 2015/16 was included in the SCAPE funded programme to be carried out by Kier Harlow. Following a pilot programme in 2014/15 the original estimate in 2015/16 for the work was £3.53m revised in year to a current budget of £3.1m. Outturn at 31 March 2016 is £3.2m plus fees with the additional cost offset by savings in other areas of the housing capital programme. This is a two year programme of work which will complete in 2016/17. A budget for this is included in the 2016/17 estimate.
- A4. Preparation work for the external works contract identified that a substantial number of properties have roofs of a non-standard construction and may require additional unforeseen work to mitigate fire risks. Work with legal and planning was undertaken to resolve the issues involved. And a technical solution was found for the roofs with non-standard construction. It is anticipated that the carryover of £2 996,000 including the leasehold element of the works together with the 2016/17 budget of £4,305,000 will be sufficient to meet the likely costs in 2016/17.
- A5. The original intention to have an eight year planned programme of external works has had to be reassessed following the outcome of the four pilot schemes, leasehold consultation and the reduction in the funding available to the capital programme in future years following the statutory 1% rent reduction from 2016/17. The pilot schemes and leasehold consultation identified a number of factors relating to specification, cost, quality standards, roofing issues, and tenant and leaseholder expectations which has meant a reprogramming of work such that a carryover to 2016/17 of £3m was

requested at year end 2015/16.

- A6. Other works carried out include work to lifts at Sumners Farm Close and Morris House which outturned £60,000 over budget due to additional work identified during installation. A requirement to install automatic vents in the corridors at Pennymead Tower was identified during 2015/16 and outturned at £60K, whilst additional costs were incurred in the removal of asbestos from council dwellings.
- A7. Demand for disabled adaptations to tenanted properties continues to be high and the budget was exceeded by £188,000 in 2015/16.
- A8. Kier works packages have been aligned to link closely to local area investment planning. This will reduce the impact of delivering multiple works to tenants' properties and should alleviate potential issues with access whilst providing a more efficient service. The contract value is £5,863,800 plus an element of surveyors fees allocated to SCAPE schemes giving a total outturn of £6,968,586

<b>SCAPE Works Packages</b>	<b>Work Content</b>	<b>Value (£)</b>
Internal works	Kitchens, Bathrooms, Heating and Electrical work	1,097,580
Internal works	Emergency Heating Installations	9,931
Internal works	Fuse Pulling	91,968
External works	Windows and Doors	3,850,549
External works	Damp and structural	25,311
Related Assets	Garage Improvement Programme	537,875
Lifts	Sumners Farm and Morris House	169,703
Disabled Adaptation Works	Various major and minor adaptations	978,069
Non-Housing Capital Programme: Garages		207,601
	<b>Total</b>	<b>6,968,586</b>

- A9. Forming part of the 2015/16 housing capital programme are the JVCo fixed price works allocated to Kier Harlow through the annual service charge. This work is undertaken in void properties and delivered improvements as follows:
- 84 Kitchens
  - 43 Rewires
  - 143 Boilers
- A10 The contract for a Pathfinder Project was approved in October 2013. Eighteen new houses have been completed at Felmongers, Fesants Croft and The Hill and have been added to the Council's housing stock. The final account is £3,343,000 (revised estimate 2015/16 £3,060,000). Funding for the scheme is from retained:
- |  |            |
|--|------------|
| RTB capital receipts                                 | £1,003,000 |
| direct revenue contribution from the HRA             | £ 290,000  |
| grant income, from: Programme of Development Funding | £ 885,000  |

Moat Housing	£ 868,000
Stansted Area Partnership	£ 297,000

### ***Non-Housing Capital Programme***

- A11. Officers have drawn up plans to carry out a series of stock condition surveys of Non-Housing stock over the next two years. The contract for phase one was awarded in January 2016 with work commencing on 1 February 2016. The work will take 4 months to complete and will cover 60 properties including Latton Bush Centre, the Advice Centre and the Civic Centre.
- A stock condition report and theatre management report commissioned in 2015/16 form the basis of a business case included in the Capital Estimates Report 2016/17 and approved by Council 4 February 2016.
- A separate stock condition survey and dilapidation survey in respect of Mead Park Depot was undertaken in 2015/16 and the report received mid January 2016. It details the work required to be carried out now and over the next 20 years. The general condition of the depot complex is good.
- A12. The survey work will enable a schedule of non-housing assets for development or disposal to be produced and will also help shape and inform the future capital investment requirements for the non-housing asset portfolio.
- A13. Delays to planned IT work in 2014/15 resulted in the carryover of schemes to facilitate upgrades to the ICT infrastructure, software and backup solutions, totalling £104,000 some of which were completed in 2015/16. Within these schemes the proposed backup and disaster recovery work specification were finalised and agreed by a Waiver Report (10 August 2015) to the Portfolio Holder, amending the budget to £36,000 (original carryover £28,000). The scheme to facilitate Windows Migration is included in the 2015/16 carryovers (£47,088).
- A14. Preparation for the upgrade to the Financial Management System, Agresso began in 2015/16. However, due to the need to ensure that the required infrastructure is in place, and that key personnel are available within IT and Accountancy, the majority of the work will be carried out in 2016/17 necessitating a carryover at year end of £3,000, total budget in 2016/17 £173,000. Cabinet on 28 January 2016 approved the contract award under delegated authority and the contract for the upgrade was awarded in early February 2016.
- A15. In Community Wellbeing new schemes in 2015/16 include the purchase of a new van for the Community Rangers. In addition there are various schemes to support work being undertaken in the Town Park.

- A16. At the Playhouse the scheme to renew the windows was reviewed due to cost implications resulting in a carryover of £62,490 at year end. In addition work planned and approved for 2016/17 incurred costs in 2015/16 of £8,000 which will reduce the budget available in 2016/17.
- A17. Cabinet approved a report (23 July 2015) to upgrade ten existing plots at Fern Hill Lane Travellers Site. There are twenty-two plots in need of upgrade at an estimated cost of £628,000. A grant application for £490,000 has been approved by the Homes and Community Agency to carry out work to twelve plots. The cost of the refurbishment of the other ten plots will be met by Essex County Council and Harlow Council, each providing up to £70,000 (50%) of the cost. The expenditure and funding are carried over to 2016/17.
- A18. The approved budget for Disabled Facilities work to owner occupied properties is £610,000 which is supported by a grant from Communities and Local Government (CLG) of £323,000 for 2015/16. The Council has a statutory duty to carry out disabled facilities work to both tenanted and private properties. At year end the budget is fully committed but work still to be completed in 2016/17 means that a carryover of £43,000 is requested.
- A19. Home Repairs Assistance Loans are made available by the Council to owner occupiers for work to improve homes which are repayable when the property is sold. Demand for such loans has increased in recent years such that a budget of £25,000 has been allocated from the 2015/16 Disabled Adaptations Budget, outturn in 2015/16 £7,000.
- A20. Work to refurbish two offices and the reception area at Latton Bush Centre was completed in 2015/16. The funding of £15,000 was drawn from the approved funding pot for Latton Bush Centre and is in two parts, one to refurbish two offices which will maintain income from office rentals and the second to provide a new reception area which will also improve security for the staff.
- A21. The software supporting the Benefits system requires an upgrade to improve and modernise the handling of benefit claims. The work planned known as the Harlow Transformation Project will be fully funded from reserves accumulated for this purpose. Cost in 2015/16 £98,000.
- A22. At Sumners Hatch a health and safety issues arose concerning a defective retaining wall which is part of the landscaping at the front of Hatch and which needed replacing. The cost of £13,000 is included in the Non-Housing capital outturn.
- A23. Work on the capital contracts to restore the Town Park are complete. The

landscaping contract resulted in extensive works across the Park including introducing new paths and restoring the water garden area. The capital build contract refurbished various buildings including Pets Corner which reopened after refurbishment and included a new Events Barn, new surfacing and a reconfigured layout. Work on the bandstand also completed as did work to the new Learning Centre and the refurbishment of Spurriers House.

Changes and variations to both the landscape contract and the building contract due to several unforeseen changes and the complexity of the project means that the final account for the two contracts in 2015/16 is £2,048,000 (Original estimate £1,648,000). Funding is from the Heritage Lottery Fund (£1,273,000), Programme of Development Funding (£673,000) and approved Council expenditure.

- A24. A carryover of £14,000 is included in the Place Service carryovers to enable works to strengthen the apron of the bandstand. A contribution of £8,000 from the design contractors will support this work which is required on grounds of health and safety.
- A25. In March 2015 Cabinet approved the sale of land at Ram Gorse and the purchase of land at Latton Farm to enable Harlow Rugby Club to move to a larger site. Housing will be built at Ram Gorse, including a proportion of social housing to which the Council will have nomination rights. This transaction took place in 2016/17 with a capital receipt of £600,000 to offset the purchase cost of £650,000, not including VAT or stamp duty. A capital receipt from overage arising on the sale of the properties (estimate £200,000) is included in the forward forecast.
- A26. There were no asset disposals to support the Non-Housing Capital Programme in 2015/16.

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** CUSTOMER SERVICE REVIEW AND ACTION PLAN

**PORTFOLIO HOLDER:** COUNCILLOR EMMA TOAL

**LEAD OFFICER:** JANE GREER, HEAD OF COMMUNITY WELLBEING  
(01279) 446406

**CONTRIBUTING OFFICER:** SIMON PIPE, CUSTOMER AND MEDIA SERVICES MANAGER (01279) 446888

**This is a Key Decision**

**It is on the Forward Plan as Decision number I004189**

**Call-in Procedures may apply**

**This decision will affect no ward specifically.**

**RECOMMENDED** that the Customer Service Action Plan at Appendix A is approved.

### **REASON FOR DECISION**

- A** The Customer Service Review and associated Action Plan outlines how the Council will develop customer interaction up to March 2019. It provides a roadmap that sets out the key projects required to improve services and achieve a range of benefits that will ensure the future needs of both customers and the Council are met.

### **BACKGROUND**

1. The most recent Customer Services and Access Strategy had an associated action plan that covered the period to the end of February 2014. The actions in this plan have all been largely achieved and there was a requirement to refresh this to ensure continuous improvement.
2. In July 2014, the Scrutiny Committee requested a review be undertaken in relation to Contact Harlow lost call rate and performance against the Council's complaint response times. This was completed in February 2015.
3. A consultant undertook a review to support the Council in developing an appropriate Action Plan to ensure the future needs of customers and the

Council are met. Implementation of the Action Plan will achieve a range of benefits and help ensure the Council's customer service delivery reflects that it is a customer focused organisation which delivers a consistently good service.

4. Many customers now expect to be able to contact the Council 24 hours a day, seven days a week. Implementation of the Action Plan will enable access to services and information online, at any time. Officers will encourage customers to use its online services and will provide support to do so where required.
5. It is important that the Council takes into account the needs of all of its customers and will seek to meet these where reasonable and practicable to do so. It is acknowledged that it is important to retain face to face contact for some customers. However, failing to recognise and implement a variety of contact channels and 24/7 access to services may have detrimental reputational and financial consequences for the Council.
6. This report highlights the key elements of the review and defines how the Council can deliver the required actions. The Customer Service Review document is attached as Appendix C with the Action Plan at Appendix A and timeframes at Appendix B.

## **INTRODUCTION**

7. It is essential that the Council is able to provide high quality services to its customers whilst recognising the future challenges that lie ahead. This report and associated documents demonstrate that the Council is committed to providing a high quality, cost effective service that can be accessed by all users. Although there will be significant challenges that may require a reduction in the services that are currently provided, there will be provision for other methods of customer interaction that will address this.
8. The attached review highlights that in the future it is likely there will be a need for face-to-face and telephone based services, but increasingly self-service will be the channel of choice for many residents.

The pace of this change toward self-service will be determined locally by a number of factors including:

- (a) The availability of traditional channels and longer queuing and wait times.
- (b) The availability of self-service channels, including how well they are promoted and how easy they are to locate.
- (c) Whether the self-service transaction is quick and the facility easy to use.
- (d) The extent to which customers have the ability or inclination to self-serve.

9. The Council's website is likely to become the first point of enquiry for the majority of customers. If they cannot find the information they require or use self-service for their request such as a reporting a missed bin, then they will raise a service request by phone or face-to-face. Both of these methods will incur significant additional cost for the Council. It is therefore vital that as much as possible is available via self-service, preventing avoidable calls and visits.
10. It is likely that financial pressures will require the Council to deliver more for less in the future. The Council needs to be positioned to respond appropriately by having the right procedures in place to ensure:
  - (a) Information available to advisors and customers is kept relevant and service requests are tracked and can be reported on at any point.
  - (b) Complaint analysis is undertaken and that corrective action can be put in place, ensuring that the same issue does not arise again.
  - (c) Any interaction, which could be avoided by improving self-service facilities, is identified and the necessary improvements made.
  - (d) Front and back office communicates any issues and then jointly agrees resolution.
11. In order for the Council to achieve this, an Action Plan has been developed based on the outcome of the review that sets out both a timetable and the associated actions required. Implementing the Action Plan is likely to achieve a range of benefits, including:
  - (a) Improving customer satisfaction with the Council.
  - (b) Allowing 24/7 access to a range of services.
  - (c) Potential financial efficiency savings.

## **FUTURE DEVELOPMENT**

12. Implementation of the approach is outlined in paragraphs 13 to 32. Implementing the Action Plan successfully will increase choice for customers, extend the period of time that people can access services, optimise resources and help improve outcomes for customers and enhance the reputation of the Council. The Action Plan contains the following outcomes.

### **Establish a Customer Services Board**

13. The Customer Services Board will drive forward the initiatives proposed. The Board will take a holistic approach to the recommendations and will be in a position to influence the whole organisation. For example, by not simply

increasing staffing levels to accommodate demand, but better understand what has driven the demand and addressing the root cause.

14. The Customer Services Board will monitor progress against the Action Plan and the impact on customer services. This includes customer adoption of the initiatives, the take up of new channels and the need to adjust accordingly.
15. It is proposed that the Customer Services Board is amalgamated with the existing ICT Board to ensure the two are aligned and any duplication is avoided. This will ensure a joined up approach and provide cost benefits in terms of Officer time. It will also ensure that any procured software solutions can be integrated in existing infrastructure.

### **Consulting with Customers**

16. A key component of any successful customer service operation is a good understanding of customers, what they want and need, why they behave as they do and what could be done to improve services for customers. Understanding these points is vital to discovering the tasks that need to be undertaken to achieve a channel migration. Service users and other interested groups will be consulted about proposals to change which will be developed following input from customers.

### **Introduce a whole systems thinking approach**

17. Whole systems thinking aims to ensure that all factors are taken into account and the impact this has. For example, A customer contact centre could be fully staffed with fully trained staff, but if they are unable to resolve enquiries due to a lack of IT systems or because of back office blockages then this will impact their effectiveness in dealing with customers. The review has identified a need to ensure whole system thinking is adopted across the organisation at all levels.

### **Publish an Annual Report on Complaints**

18. An annual report will be published which will provide information on the number and type of complaints the Council receives each year. As well as providing greater transparency, this information can be used to provide information on service delivery to improve the customer experience and reduce complaints.

### **Strengthen Contact Harlow's working relationship**

19. There is a need to ensure Contact Harlow continues to develop the relationship between the front and back office. This will also ensure that

customer intelligence is acted upon and used to improve services. This approach will ensure that channel migration opportunities are fully exploited and encourage discussion on issues that work against the whole-system thinking approach.

### **Accelerate the development of 'My Harlow' Self Service portal**

20. A key project will be the development of a 'My Harlow' Self-Service Portal', which will provide customers with a comprehensive range of online information and services. Much has already been achieved in this area and further development is likely to require an increase in the resources within the Contact Harlow system administration team. The full costs will be explored through the Customer Services Board. Any additional costs will be relatively short term and it is likely to bring associated savings and other benefits in the longer term.
21. The portal will allow customers to easily identify services that are relevant to them based on their demographics, prior service needs or location. It will also allow them to subscribe to information that is useful and relevant to their needs and to track the status of requests they have made to the Council. A single view of customers' relationship with the Council will provide a far better understanding of customers' needs, allowing more accurate targeting of services and will provide benefits for customers whilst lowering costs.

### **Redesign of the ground floor and investment opportunities**

22. The current physical layout of the Contact Centre complimented the Council's previous Customer Service Strategy, but it does not encourage customers to change behaviour and switch to other channels. Also it does not recognise the extensive growth in the use and capability of smart phones. The following initiatives will be considered as part of the redesign.
  - (a) The use of floor walkers with mobile technology to assist customers with quick or simple requests will be investigated.
  - (b) A significant proportion of footfall is provided by cash office users and its position therefore informs the design of the physical space. Changing to a non cash handling service would be a well-managed and considered process taken over time. It will not stall other changes that could be made to the area to encourage channel migration.
  - (c) A self-service philosophy will be brought into the heart of the customer experience. Customers will be able to see other customers transacting online whilst in the Contact Centre and this combined with

associated promotion and marketing will assist in changing behaviour.

- (d) A change to the layout of customer seating will also reduce the amount of noise filtering into the booths from waiting customers.
- (e) Staff across the Council will be briefed on self-service functionality and encouraged to promote the digital by default culture to friends and family, as well as customers.

23. It is recognised that all of these actions will require investment at a time of financial pressure. However, if extra space is created in the ground floor area, it may create an opportunity to generate additional income by sharing space with other service providers. Several other councils have undertaken similar projects successfully.

### **Appointment based walk-in service**

24. At the present, time customers have the option to walk in without an appointment and see a Customer Advisor. This makes it difficult to encourage customers not to do so and use self-service instead. Moving to an appointment-based walk-in service will allow the Council to resource the service appropriately and offer a guaranteed appointment. It is also likely to deter those who through convenience or habit (rather than need) prefer to speak face-to-face with a Customer Advisor.

### **Develop a customer focused applications strategy**

25. The development of the 'My Harlow' Self-Service Portal is likely to require the procurement of new software/hardware, which will allow the 'My Harlow' portal to communicate with other systems and ensure that the information given to the customer is accurate and secure.
26. The Customer Services Board will ensure that any new self-service system works with the Customer Relationship Management software (CRM) rather than providing its own self-service portal, ensuring a more joined up approach.
27. Whilst it will take some time for the impact of a new application strategy to take effect, it is expected that the benefits will be significant in the longer term. The application strategy should try to reduce, over time, the number of application systems in place within Harlow Council. Rather than procuring a new system, opportunities will be taken to see if existing systems could be used to perform a similar function.

## **Planned closure of the Cash Office**

28. Complete closure of the Cash Office would save in the region of £60k per annum in staffing and cash collection costs. It would also require alternative solutions to be put in place for customers to make payments, the cost of which is estimated to be a similar amount in the first year. The savings would be realised in later years.
29. There are many opportunities to reduce the impact upon customers and a full communications plan would be put in place demonstrating to customers other methods of payment that may be available to them.
30. A full impact assessment would need to be undertaken prior to any closure although many other councils have successfully closed their cash offices. Within Essex, only Epping Forest DC still promotes cash payments directly, three councils have payment machines only and the remainder have no advertised facilities to take payments directly and instead direct customers to internet payments.
31. The alternatives include greater promotion of Direct Debit as well as partnership arrangements with other services in the town such as the Post Office, banks and local shops. This will provide a wide range of locations to pay which may benefit residents.

## **Encourage customers to use self-service facilities**

32. There are different approaches to achieving channel migration but a clear approach to encourage customers will need to be adopted. This could include reducing office opening hours and targeted promotion of self-service facilities that may encourage customers to use other methods. It will be essential that all information is available electronically in a format that is easy to access and use. A full plan would be developed to ensure that this was successful.

## **CONCLUSION**

33. Implementing the proposed Customer Services Action Plan will ensure that there is a clear direction for how the Council will interact with its customers now and in the future. The table at Appendix B maps out the schedule of actions from paragraphs 13 to 32 and this is reflected in the Action Plan.

## **IMPLICATIONS**

### **Place (includes Sustainability)**

None specific

Author: **Graeme Bloomer, Head of Place**

**Finance (Includes ICT)**

The Action plan sets out clearly the potential savings and costs associated with the implementation of the Strategy. These may vary over time but it currently provides a good indication of the implications of full implementation if agreed.

Author: **Simon Freeman, Head of Finance**

**Housing**

As outlined in the report

Author: **Andrew Murray, Head of Housing**

**Community Wellbeing (includes Equalities and Social Inclusion)**

As outlined in the report.

Author: **Jane Greer, Head of Community Wellbeing**

**Governance (includes HR)**

None specific

Author: **Brian Keane, Interim Head of Governance**

**Appendices**

Appendix A – Action Plan

Appendix B – Action Plan indicative timeframe

Appendix C - Customer Service Review report

**Background Papers**

None.

**Glossary of terms/abbreviations used**

ICT – Information and Communications Technology

Channel migration - Customers move from one method of interaction to another.

For example a shift from seeing an advisor in person and instead interacting through the website.

**Projects & Actions – Target Date, Outcomes and Resource**

This Action Plan set out the projects and actions that have been presented in the associated review and report. It highlights target date for completion, intended outcomes and any cost or savings where appropriate. All actions are the responsibility of the Customer Board who will monitor the delivery.

Action	Description	Target	Outcome	Cost or Savings
1	Establish a Customer Services Board.	End Q3 2016/17	To own and drive forward the initiatives as set out in this document. Monitor progress against the roadmap and the extent of change in the environment such as customer adoption, the take up of new channels etc. and to adjust accordingly.	No Cost although staff time
2	Consult with customers.	End Q3 2016/17	An understanding of barriers and enablers to channel shift.	No Cost although staff time
3	Introduce a whole systems thinking approach.	End Q3 2016/17	Staff able to understand the concept of whole systems thinking and how they can work differently.	No Cost although staff time
4	Publish annual report on complaints.	End Q3 2016/17	Greater transparency with customers. Opportunity to improve customer experience through learning from results and improvement.	No Cost although staff time
5	Strengthen Contact Harlow's working relationship.	End Q1 2017/18	Strengthen the relationship between the front and back office, reducing re-work, complaints and seeking to identify channel shift opportunities.	TBD

Action	Description	Target	Outcome	Cost or Savings
6	Accelerate the development of a my Harlow Self-Service Portal.	End Q4 2017/18	A doubling or even tripling of new functionality delivered each month.	£100k estimated
7	Redesign of the ground floor Customer Reception Area and Investment opportunities.	End Q3 2017/18	A refreshed environment, which encourages channel shift. Potential to rent space in Civic Centre generating income.	TBD
8	Move To An Appointment-Based Walk-In Service.	End Q4 2017/18	Ceasing walk-in enquiries, except in defined emergencies.	No Cost although staff time
9	Develop a Customer-focused applications strategy.	End Q4 2017/18	Ensuing that new applications are procured with self-service in mind.	No Cost although staff time
10	Planned closure of the cash office.	End Q2 2018/19	Closure of the cash office. Would save staff costs although would also require investment in other payment methods meaning costs neutral for year one but further savings would follow in coming years if channel shift is achieved.	£50k Staff Saving £10k Admin Saving per annum
11	Encourage Customers To Use Self-Service Facilities.	End Q4 2018/19	25% growth in customers using online services. 50% growth in registered profiles.	Minimal Cost and staff time
12	Investigate further late opening so that the Contact Harlow team can have regular team meetings and training.	End Q4 2016/17	Better trained staff / shorter opening times will also assist channel shift.	No Cost although staff time
13	Introduce Wi-Fi for public use in the reception area.	End Q2 2017/18	Assisting staff to show customers how to channel shift.	£5k Cost
14	Develop further the promotion of the Self Service terminals.	End Q3 2016/17	Encouragement of customers using different methods of interaction.	Minimal Cost
15	Review the number and purpose of websites, in addition to <a href="http://www.harlow.gov.uk">www.harlow.gov.uk</a>	End Q3 2016/17	To simply and improve the customer experience.	£2k Saving per annum

Action	Description	Target	Outcome	Cost or Savings
16	Rethink the use of the website, email, Facebook, so that contact is made via the most appropriate channels, e.g. take up on an arts event may be improved via an email subscription list as part of the Harlow Customer Profile.	End Q4 2016/17	To improve access to relevant information based upon need, preferences etc.	Minimal Cost
17	Move away to published emails on the website (to forms and self-service facilities).	End Q2 2017/18	To improve the quality of information captured.	No Cost although staff time
18	Use complaints and other feedback as opportunities to introduce whole systems thinking, e.g. Kier Harlow calls being double-processed.	End Q3 2016/17	To reduce waste.	No Cost although staff time
19	Work with ICT to address the current issues, e.g. single internet connection.	End Q2 2017/18	To improve availability of online access – customers and staff.	£5k Cost
20	Annual billing, and other such regular contact with customers, provide a good way to reinforce the message about the convenience of self-service and the benefits to both the customer and the Council of using these services.	End Q3 2016/17	To increase the take up of self-service To reduce costs to the Council.	£2k Cost
21	Complete implementation of Action Plan.	End Q4 2019	Closed Cash Office, reduced demand at Civic Centre, Increase in self-service usage and development.	Estimated £125k Saving

Indicative Timeframe Customer Service Action Plan

Appendix B

		Q3 2016/17	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q4 2017/18	Q1- 4 18/19
1	Establish Customer Services Board	█						
2	Consulting with Customers	█						
3	Introduce whole systems thinking approach	█						
4	Publish annual complaints report	█						
5	Strengthen Contact Harlow's working relationship		█	█				
6	Development of Self-Service portal		█	█	█	█	█	█
7	Redesign of ground floor reception area			█	█	█		
8	Move to appointment based service						█	█
9	Develop applications strategy					█	█	█
10	Planned closure of cash office							█
11	Full promotion of self-serve facilities							█
12	Consider late opening		█	█				
13	Introduce wifi for public use in reception				█	█	█	█
14	Develop promotion of self-service term's	█	█	█	█	█	█	█
15	Review number & purpose of websites	█	█	█				
16	Review contact so most appropriate channels used		█	█	█	█	█	█
17	Move to published emails on website				█	█		
18	Introduce whole systems thinking	█	█	█	█	█	█	█
19	Improve availability of online access				█	█	█	█
20	Use regular contact to promote self-service	█	█	█	█	█	█	█
21	Complete implementation of Action Plan							█

# Harlow Council

## Customer Service

### Review

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## 1. Executive Summary

This report has been produced by Foresight Consulting (UK) Limited in conjunction with Harlow Council following a request for an independent consultancy to undertake a Customer Service Review.

### Objectives

The timing and reasoning behind commissioning the review includes:

- The previous 2012-14 Action Plan has been largely completed and there is a need to ensure that the development is maintained.
- A Scrutiny review last year looked into the twin issues of lost calls and complaints; whilst a short term fix was implemented to recruit more staff, longer term staffing levels clearly need to reduce.
- A programme to undertake the future development of Contact Harlow and how this can be achieved.
- To ensure that there is a joined up approach between the whole council to deliver excellent customer service in a way that encompasses technology and customer needs.

### The Review

The report begins by summarising the development of customer service and access at Harlow Council over the last five years to:

- Chart the considerable progress made already.
- To illustrate the rapid pace of change in customer behaviour.
- To illustrate the increasing demand for online services from Harlow customers.

Next, we review and comment on the current operation, before setting out the latest thinking on:

- How customer demand is likely to change over the next 3 years.
- What this means for Harlow Council's vision for customer access.

We then re-visit the question of customer access and the current operation, and come to a number of conclusions:

- Greater engagement and consultation with customers is required to better understand their needs.
- Any closure of the cash office needs to be carefully planned and handled sensitively.
- Whole systems thinking is limited and the implications of initiatives and responses to perceived problems is not always thought through; leading to unintended consequences.
- Development of the self service capability needs to be accelerated.
- An associated Action Plan is created and monitored by a newly created the Customer Services Board to drive forward projects and change arising from this review.

### **Investment and Savings**

Throughout this document there are various investment and savings suggested. These are all interdependent on the actions being undertaken and as such they are subject to change. Assuming that they are all undertaken, it is estimated that with the required investment, there will be savings in the region of £125k over the lifetime of this report.

## 2. Scope, Method, Assumptions and Exclusions

This report presents the findings of a Customer Service Review and Access Strategy undertaken by Foresight Consulting (UK) Limited. The consultants deployed on this engagement have substantial experience of reviewing other borough/district/city Customer Service operations, as well as the ICT operations that support them.

A mixture of face-to-face interviews, observations, telephone calls/conferencing, desk research and reviewing existing documentation and reports were used to inform the findings and recommendations.

The scope was confirmed following submission of a proposal, and a subsequent meeting with the Head of Community Wellbeing, Head of Housing and Head of Finance for Harlow Council.

The methodology used for this engagement was:

- A visual review of Harlow Council's use of the Firmstep Customer Relationship Management system (CRM) known as AchieveService, telephony, back office systems, web sites and social media, i.e. Facebook and Twitter.
- Meetings with key Harlow Council contacts and examination of relevant documents to gather further information, current thinking and expertise around channel migration and operational improvements.
- Off-site analysis – comparison against our bank of existing knowledge (e.g. call/contact centre stats, CRM costs, other performance metrics), investigation and research
- Follow-up telephone calls and emails to clarify any points that were still unclear.

## 3. Background

The timing and reasoning behind commissioning the review includes:

- The previous 2012-14 Action Plan has been largely completed and there is a need to ensure that the development is maintained.
- A previous Scrutiny review looked into the twin issues of lost calls and complaints.
- A programme to undertake the future development of Contact Harlow.
- To ensure that there is a joined up approach between the whole council to deliver excellent customer service.

Contact Harlow has been in operation since September 2001 and has moved from providing basic information on just a few service areas to in depth information for all Harlow Council services.

Below is a timeline of developments and key milestones in customer service and access since 2011:

## **2011**

- Achieve Service was first implemented, replacing the old HCRM system with a more customer-focused and user-friendly system. It also delivered substantial cost savings in terms of both on-going maintenance and usability. Harlow Council was one of the first council's to deploy the system and now is frequently used as a reference site by others.
- Integration of the switchboard into main phone system.

## **2012**

- Customer Services Strategy produced and targets largely achieved.
- New website development started late 2012.
- Links with Veolia (Waste Management) provided end-to-end reporting on missed bins. Except for having to go back to get the bin, no user input is now required (if reported online).
- A terminal placed in the reception area to promote self-service facilities.
- Bidding for homes made online only.

## **2013**

- Website re-launch completed early 2013 saving £18,900 per annum. Reduction of webpages from 3,891 (11/03/2015) down to around 500 at re-launch to the benefit of all.
- New website more resilient – now externally hosted and can be edited outside of corporate network. New important breaking news banner can be published on every page quickly to alert customers.
- Missed bins application launched within website. Bin widget lookup launched within self-service to enable customers to look up their collection dates before making a report for missed bin.
- Development completed for online bookings of green waste, bulky waste and fridges.
- Advertising screens erected in Contact Centre waiting area.
- Significant work undertaken with housing to improve housing registration; the majority of initial assessments are now on-line.
- Review completed of major demand streams - improving payments and end-to-end processes.
- Provided comprehensive information for customers on how to self-serve and access services (both Harlow Council and other relevant services) during Christmas shutdown – online and in Harlow Times.

## **2014**

- Development of more things to do 'online'.
- Staff increased in Contact Harlow improving lost call rate from above 35% to around 5% - see note below.
- Infonet developed with internal phone directory, which has demonstrated significant internal user satisfaction based on staff survey results.
- Advertising campaigns for self-service in Harlow Times and local media.
- New signage in Contact Harlow including 'A Boards'.
- All webpages with no visits are reviewed with pages no longer of value removed.

Note: The reduced levels of performance resulted from a combination of a large increase in customer contact (due to the Modern Homes programme) at a time when Contact Harlow had reduced staffing levels. Extra funding was then obtained from both the General Funding and

Housing Revenue Account (HRA) to successfully increase the staffing levels in line with demand.

## 2015

- Website refreshed and made 'mobile friendly'.
- Obtained 'blue tick' on Twitter. Over 7k followers. Increase from 5k in just over a year. Similarly, rapid Facebook growth from just over 100 to 1.6k likes (friends).
- Common user interaction – information and requests for service.
- Website achieved most visits in one day on 8/5/2015 with 9,397 visits.
- Webcasts of main Council public meetings.
- Corporate email signature rolled out – promoting Facebook, Twitter and Website.

## 2016

- New features of Social Media explored including Periscope and Instagram.
- Followers increased to 8.3k on Twitter, from 7K in 2015.
- Interactive elements of website significantly increased including new forms, refuse and election data.

### 3.1 Changes in Customer Behaviour

Recently published research has shown a very significant growth in demand by customers for self-service and communication via e-channels.

For example The Office for National Statistics survey for Internet Access – Households and Individuals, 2014 found that:

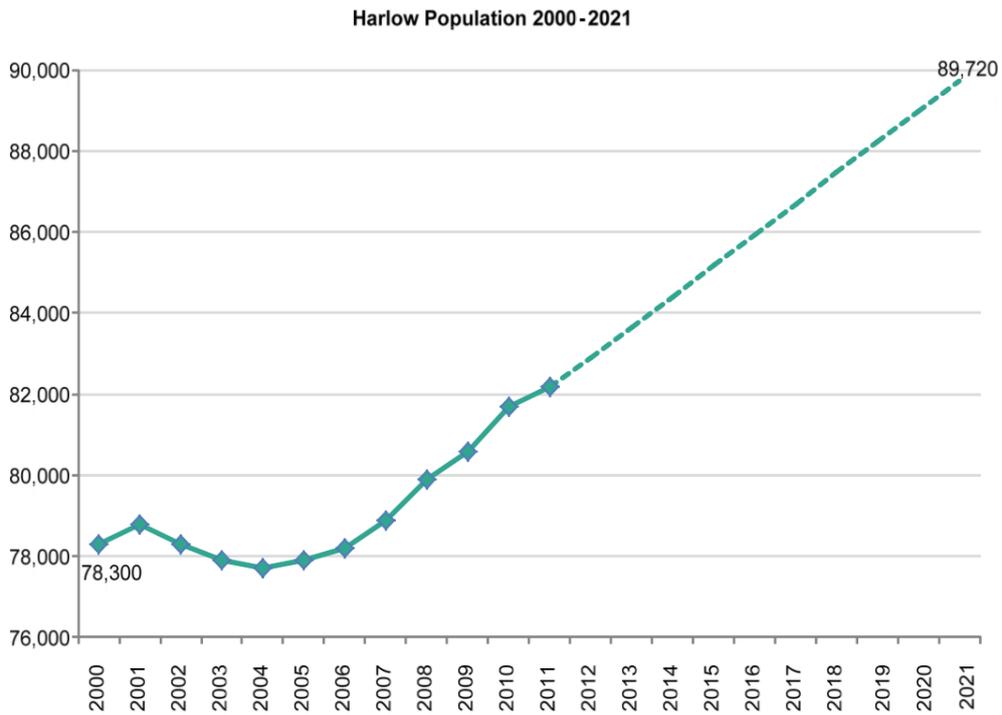
- In 2014, 38 million adults (76%) in Great Britain accessed the Internet every day, 21 million more than in 2006, when directly comparable records began.
- Access to the Internet using a mobile phone more than doubled between 2010 and 2014, from 24% to 58%.
- In 2014, 74% of all adults bought goods or services online, up from 53% in 2008. Clothes (49%) were the most popular online purchase in 2014.
- Of all adults in Great Britain, 67% are aware of Internet storage space services, but the take up of these services to store data is much lower at 35%.
- In Great Britain, 22 million households (84%) had Internet access in 2014, up from 57% in 2006.
- Fixed broadband Internet connections were used by 91% of households.

Use of a computer is inextricably linked to the ability of an individual to use the Internet. In 2014, 73% of adults in Great Britain used a computer every day, up from 45% in 2006. Increases in daily computer usage between 2006 and 2014 were seen for all age groups, with the largest relative increase being for those aged 65 and over. In 2006, of those aged 65 and over, just 9% reported that they used a computer every day, compared with 42% in 2014.

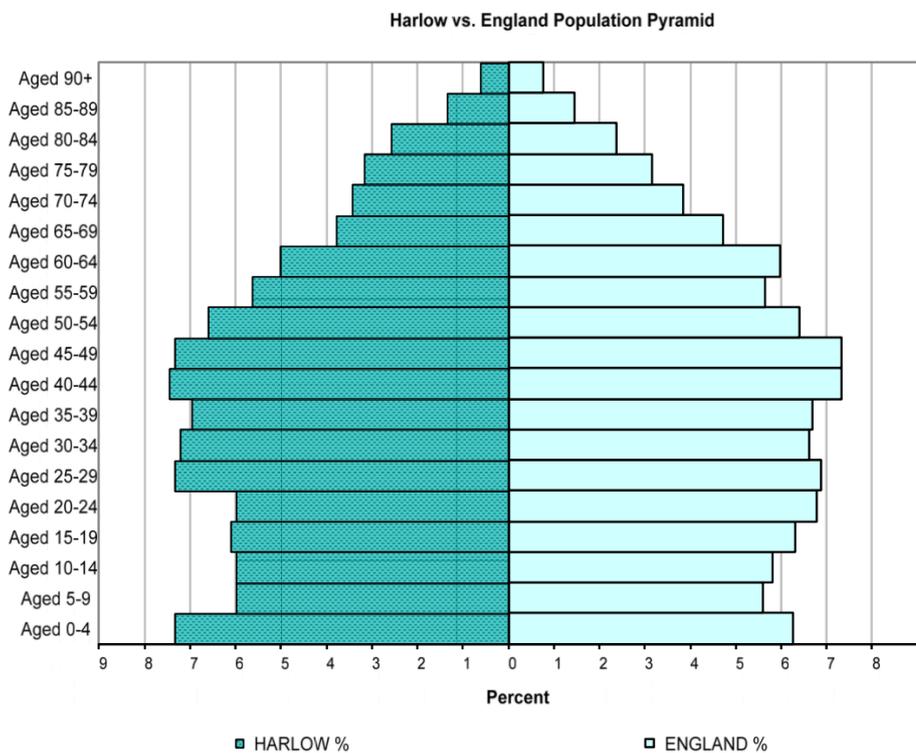
### 3.2 Population Changes

The June 2013 Harlow Population Profile includes some key statistics:

3.2.1 The population of Harlow is set to grow significantly – see chart below.



3.2.2 Harlow has a high percentage of young people aged 0 to 15



The

Ofcom Adults' Media Use and Attitudes Report for 2015, includes some interesting statistics about use of public or civic services online:

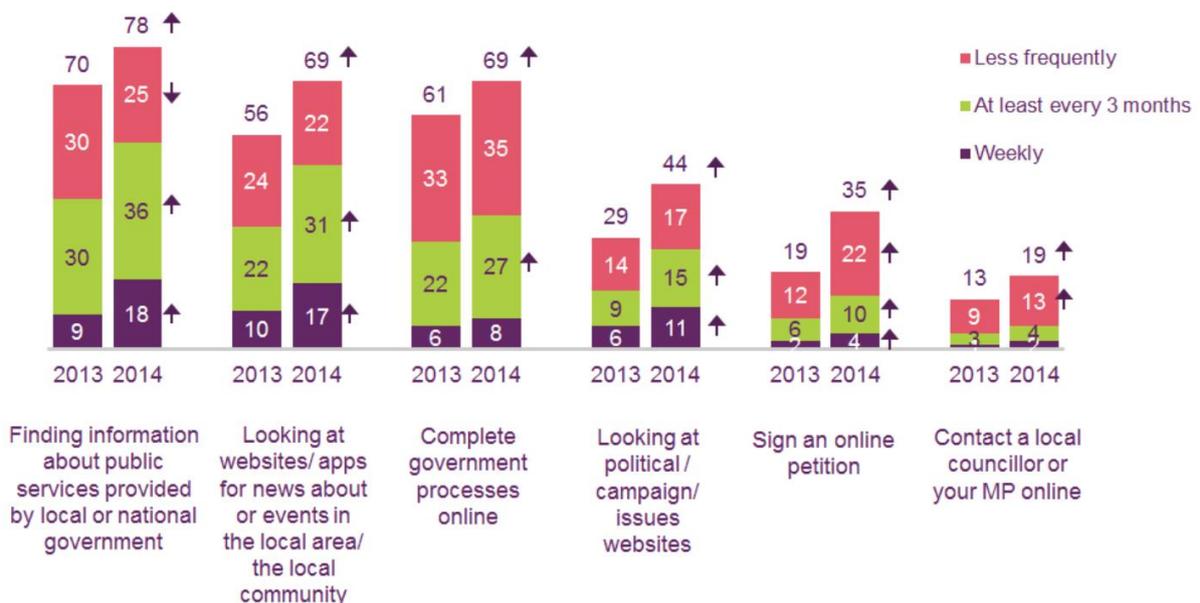
### 3.2.3 By social demographic (see **Appendix A** for an explanation) groups and by sex

All internet users		AB	C1	C2	DE	Male	Female
<b>Base</b>	<b>1609</b>	<b>404</b>	<b>497</b>	<b>314</b>	<b>394</b>	<b>791</b>	<b>818</b>
Finding information about public services provided by local or national government	78%	90% ↑	80%	71% ↓	67% ↓	79%	77%
Looking at websites/ apps for news about or events in the local area/ the local community	69%	84% ↑	71%	61% ↓	57% ↓	70%	69%
Complete government processes online	69%	84% ↑	74% ↑	59% ↓	51% ↓	73% ↑	65%
Looking at political / campaign/ issues websites	44%	58% ↑	49%	31% ↓	28% ↓	51% ↑	37%
Sign an online petition	35%	48% ↑	38%	27% ↓	24% ↓	37%	34%
Contact a local councillor or your MP online	19%	31% ↑	15%	11% ↓	14%	23% ↑	15%

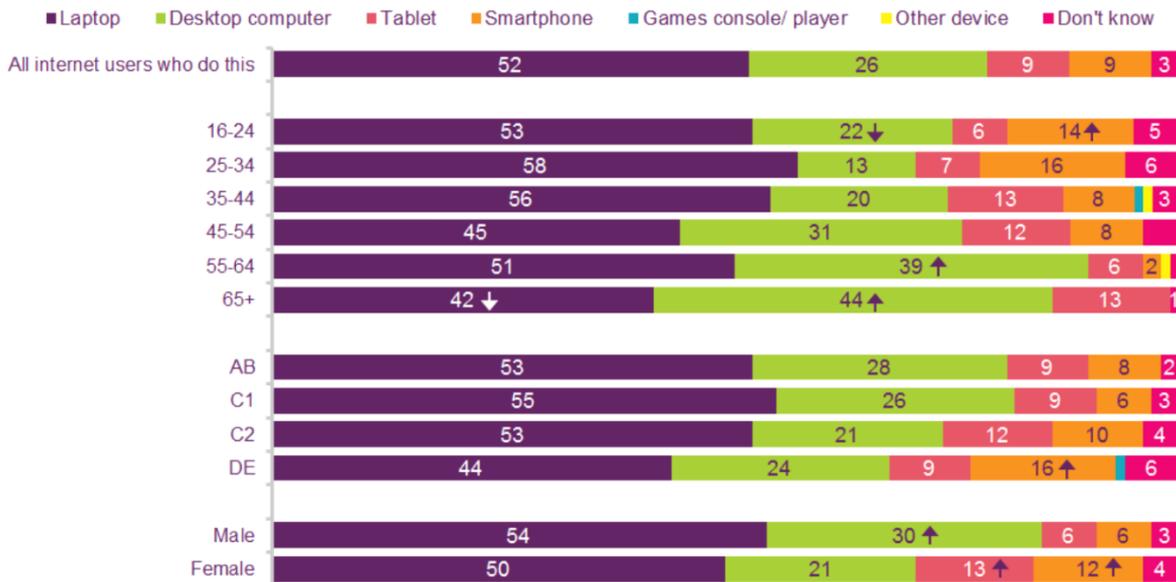
### 3.2.4 By age

All internet users		16-24	25-34	35-44	45-54	55-64	65-74	75+
<b>Base</b>	<b>1609</b>	<b>240</b>	<b>277</b>	<b>319</b>	<b>265</b>	<b>228</b>	<b>150</b>	<b>130</b>
Finding information about public services provided by local or national government	78%	69% ↓	83%	88% ↑	81%	70% ↓	71%	58% ↓
Looking at websites/ apps for news about or events in the local area/ the local community	69%	63%	73%	77% ↑	73%	66%	59% ↓	51% ↓
Complete government processes online	69%	51% ↓	77% ↑	80% ↑	70%	66%	58% ↓	45% ↓
Looking at political / campaign/ issues websites	44%	40%	50%	51% ↑	44%	36%	27% ↓	29% ↓
Sign an online petition	35%	35%	42%	40%	34%	30%	27% ↓	13% ↓
Contact a local councillor or your MP online	19%	12% ↓	15%	23%	19%	21%	21%	15%

### 3.2.5 By frequency of use



### 3.2.6 By device most used



The proportion of adults citing smartphone use (66%) has not increased to a statistically significant level since 2013 (62%). However, almost all of these people (61% of adults) use a smartphone to go online at home, and most (51% of adults) do so outside of the home. This is the only device used to go online in both locations by a majority of adults. The tablet has continued to increase as a device used to access the Internet (39% vs. 30% in 2013) and this trend is likely to significantly increase.

Despite this, alternative devices tend to supplement rather than substitute computer use, with just 6% only using other devices to go online at home or elsewhere.

### 3.3 The increasing demand for online services from Harlow customers

The two tables below further illustrate the increase in demand for online services from 2010 to 2015.

Channel	2010	2015
Face to face customers	Circa 23,000	17,781 General 104,297 Cash Office
Telephone callers	Circa 155,000 (c23,000 of which are lost)	132,688
Website visitors	349,597	415,527
Email enquiries	Estimated doubling in volumes between 2010-2015	

Online Self Service	March 2015	March 2016
	680	1053

Some examples of the growth (from March 2015 to March 2016) in the use of the online services include:

- Bulky collections – up from 102 to 226
- Green waste collections – up from 41 to 56

Year	Visits to <a href="http://www.harlow.gov.uk">www.harlow.gov.uk</a>
2010/11	349,597
2011/12	350,297
2012/13	379,166
2013/14	336,048 – see note below
2014/15	415,527
2015/16	521,120

There are several possible reasons why the unique visitor figures for 2013/14 took a dip after the re-launch of the main Harlow website.

The website was fundamentally redesigned including the look, navigation and structure reducing from nearly 4,000 pages to around 500 at re-launch. All but around five addresses of the 500 pages were changed. This change meant it took time for web visitors to become familiar with the navigation, find content they had possibly saved in their favourites or had referenced on old printed leaflets or on external websites etc.

Most links to the Harlow Council website from other websites were broken upon launch due the URL changes. With so many external websites using old URLs linking to the Harlow Council website it took time to identify and request changes from each external source.

After the re-launch the Council did not heavily promote the website and it was not until end of 2014 that the website and self-serve were promoted within the Civic Centre, through social media and in traditional publications.

The table below shows a snapshot of statistics for those services that are available online for customers to use. It demonstrates that in March 2016, over 32% of enquiries were done by customers themselves using the website compared to those that contacted Contact Harlow.

March 2016	Total	Customer Initiated	Contact Harlow Initiated	Percentage Customer Initiated
Abandon Vehicle Claim form	22	0	22	0%
Abandon Vehicle	99	61	38	62%
Allotment Application	16	16	0	100%
Anti-Social Behaviour	83	10	73	12%
ASB Case Review	0	0	0	0%
Broken Glass	11	1	10	9%
Bulky Collection	616	226	390	37%
Careline Enquiry form	1	1	0	100%
Container Request	206	65	141	32%
Council Tax - Change of address	112	85	27	76%
Council Tax - Disability Discount Claim form	0	0	0	0%
Council Tax - Discount Claim form	28	28	0	100%
Council Tax - Discount Review form	3	3	0	100%
Council Tax - Property Exemption form	2	2	0	100%
Damaged Street Bin	2	1	1	50%
Dead Animal on Public Land Report	8	2	6	25%
Dog Fouling	25	6	19	24%
Dumped Rubbish/HMS Cleaning	590	50	540	8%
Ecco reuse	10	10	0	100%
Fly Posting	0	0	0	0%
Garage Application	127	65	62	51%
Graffiti	6	1	5	17%
Green Waste bagged	258	56	202	22%
Green Waste Premium	349	137	212	39%
Harlow Market Application to Trade	3	3	0	100%
Harlow Market Event Application form	0	0	0	0%
Hate Crime	0	0	0	0%
Housing Initial Assessment	326	160	166	49%
Litter	56	11	45	20%
Missed Bin	156	32	124	21%
Noise	45	12	33	27%
Overflowing Street Bin	17	0	17	0%
Pest Control	33	7	26	21%
Stray, lost, found dog or cat	3	2	1	67%
<b>Total</b>	<b>3213</b>	<b>1053</b>	<b>2160</b>	<b>32.77%</b>

## 4. Review of current Customer Service & Access

### 4.1 Overview

This section takes an overview of the current operation - customer service and access, drawing together common themes and points raised by those interviewed and from direct observations.

It is the view of Foresight Consulting that Contact Harlow is broadly fit for purpose, and like most councils has a mixture of things that work well and things that could be improved to revitalise the service.

### 4.2 Face to face service

The following points were informed by the direct experiences of the two consultants. This was achieved by locating themselves in the ground floor area, observing the operation and speaking with staff and customers about their needs and experiences:

- All customer service staff were very courteous and helpful to everyone who arrived at the desk and they displayed a high level of customer service.
- The two public entrances mean that customers can arrive at the reception desk from different directions. Staff said this can sometimes confuse customers although steps have been taken to try and mitigate this wherever possible.
- The ticketing system for booths works well. Customers are advised of the likely waiting time and can make an informed choice about whether to stay or return later. The loudspeaker system works well.
- The greeting and re-direction of “business to business” callers to the soft furnished waiting area works well.
- The self-service PCs are tucked away at the side of main reception and they are located there because of limited power sockets and network points in the reception area. There are floor standing signs directing customers to the PC plus displays on the plasma screens promoting their location.
- There are six customer advisor booths for face to face transactions. The booths are quite shallow in depth and at times can be noisy. They don’t appear to be as private as they could be.
- There are seven interview rooms operated by a booking system.
- During all visits carried out by Foresight Consulting, they noticed that many customers waiting to be seen were tapping on a smart phone. There is currently no public Wi-Fi available in reception.
- At first sight the area (particularly the main reception desk) looks wasteful of space although on Monday mornings the space is fully utilised by customers queuing for the cash desk.
- The current layout has the potential to be re-designed to actively persuade and encourage customers to use other channels and reduce demand for face to face transactions.

### 4.3 Cash Office

The cash office is by far the biggest draw of customers into the Civic Centre.

As well as making payments, customers often then undertake other transaction such as booking bulky waste collections.

The breakdown of payments into the cash office is shown below:

Cash office payments 01/04/2015 to 31/3/2016	Cash Amount	Cheque Amount	Credit Card Amount	Debit Card Amount
Value	£6,465,242 (53.82%)	£2,091,277 (17.41%)	£103,082 (0.86%)	£3,352,016 (27.91%)
Transactions	67,105 (68.99%)	9,958 (10.24%)	1,032 (1.06%)	19,171 (19.71%)

It is worth noting that many Councils and Housing Associations have stopped taking cash in their offices, promoting instead Direct Debit payments, standing orders, internet payment, payment by automated phone system and PayPoint/AllPay. Harlow Council heavily promotes alternative methods but continues to take cash payments.

Within Essex, only Epping Forest DC still promote cash payments directly. Three have payment machines only and the rest having no advertised facilities to take payments directly, instead directing customers to internet payments.

Some staff suggest that the customer contact generated by the cash office provides the opportunity to identify other emerging needs or issues, which if left unaddressed may develop into more serious problems. Others understand that with the level of savings that the Council needs to find, a planned reduction (of opening times / reduction of resources), along with closure of the cash office when the time is right might have less impact than other service cuts.

The below table shows the number of online-transactions undertaken in late December 2015 / early 2016, when the offices were, i) open and, ii) closed. It is interesting to note the significant increase in online transactions when the offices are closed, even though the period included both Christmas day and Boxing Day. It raises the question about why people choose to visit the Council, when they have used electronic channels previously.

Contact Harlow Open	15/12/15	16/12/15	17/12/15	18/12/15	19/12/15	20/12/15	21/12/15	22/12/15	23/12/15	24/12/15	Totals
Web visits	1,252	1,320	1,289	1,073	811	910	1,347	2,723	2,040	1,088	<b>13,853</b>
Internet Payments	66	66	68	150	75	46	98	84	110	88	<b>851</b>
Auto Telephone payments	153	144	180	371	170	101	284	215	238	297	<b>2153</b>
Self Serve	21	30	18	24	14	18	29	23	24	13	<b>214</b>

Contact Harlow Closed	25/12/15	26/12/15	27/12/15	28/12/15	29/12/15	30/12/15	31/12/15	01/01/16	02/01/16	03/01/16	Totals
Web visits	480	872	1,475	2,456	2,614	2,216	1,150	1,421	1,661	2,226	<b>16,971</b>
Internet Payments	33	37	58	102	128	110	169	123	160	128	<b>1048</b>
Auto Telephone payments	34	87	108	194	237	162	339	179	218	192	<b>1750</b>
Self Serve	5	13	30	51	41	42	38	40	55	71	<b>386</b>

Many of those queuing are using a smartphone whilst they wait whilst others are using a credit or debit card to pay. Both of these groups could therefore pay via the Internet or the automated phone system (IVR). The experience of other local authorities is that many people come to the cash office out of habit (e.g. they always shop that day so pop in to the Civic Centre as just another chore) or out of distrust of other electronic ways of paying (something that can generally be addressed through customer education or improving the electronic payment service provided). Certainly when the Council is closed the number of self-service transactions increase significantly, suggesting that some customers just have a preference to visit, rather than a need.

#### **4.4 Telephone – Call Centre**

The following points were noted during visits to the call centre:

- The operation overall appears to work well, is adequately resourced, with well-trained and motivated staff able to respond to customers calls.
- Work has been undertaken to ensure that resources are matched to demand. The staffing levels and general resource management – in other words whether the operation is run efficiently, has had an increase in resources after a period of particularly poor performance. This improved the lost call rate from over 35% to around 5%.
- There was sufficient resilience in the number of customer advisors to both accommodate peaks and troughs in individual service demands, lunch breaks and sickness.

#### **4.5 Self Service – Website and Social Media**

The following points were noted from speaking with staff involved in the maintenance of the main council website (and other local authorities – where Foresight Consulting has undertaken similar engagements) and reviewing the various sites.

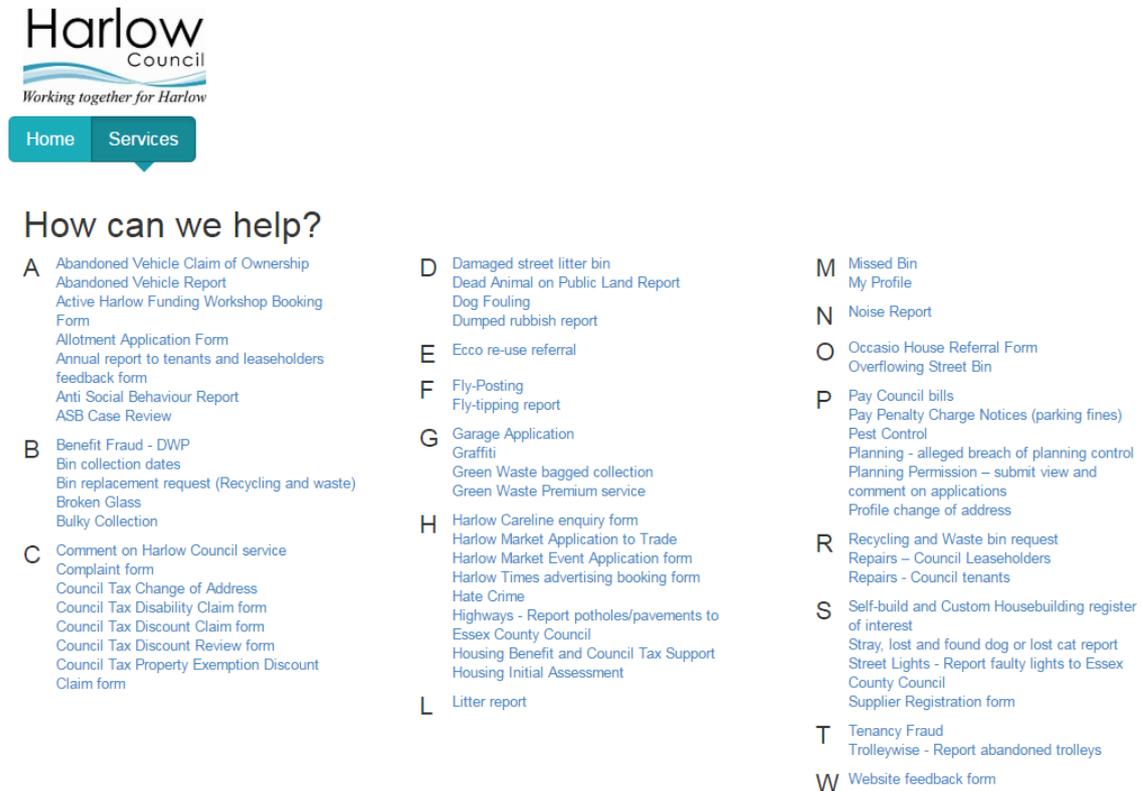
The choice of using Firmstep for both the Council's CRM and for the main website hosting was a good one, albeit that there were some initial teething problems and some outages of service. Firmstep has been chosen by many borough, district and city councils, and so investment in its development is significant and there is a body of shared resources which councils happily exchange.

Hosting the Council's main website externally is a major advantage should there be a local problem, e.g. major power outage, internet connection to the Council is cut/fails etc. Someone with a laptop (phone or tablet) and internet access can normally relocate themselves at home, or somewhere with a Wi-Fi connection and power, and update the website and social media with progress updates and helpful information.

Both the main council website and social media (e.g. Twitter and Facebook) are very focused around promoting the Council's self-service capability and encouraging channel shift.

Some of the other websites that Harlow Council is responsible for require an update.

The self-service capability of the main council website is well advanced with many e-forms available to both customer advisors and more importantly customers. This grows on a monthly basis. See below for an example:



**Harlow Council**  
Working together for Harlow

Home Services

### How can we help?

- A**
  - Abandoned Vehicle Claim of Ownership
  - Abandoned Vehicle Report
  - Active Harlow Funding Workshop Booking Form
  - Allotment Application Form
  - Annual report to tenants and leaseholders feedback form
  - Anti Social Behaviour Report
  - ASB Case Review
- B**
  - Benefit Fraud - DWP
  - Bin collection dates
  - Bin replacement request (Recycling and waste)
  - Broken Glass
  - Bulky Collection
- C**
  - Comment on Harlow Council service
  - Complaint form
  - Council Tax Change of Address
  - Council Tax Disability Claim form
  - Council Tax Discount Claim form
  - Council Tax Discount Review form
  - Council Tax Property Exemption Discount Claim form
- D**
  - Damaged street litter bin
  - Dead Animal on Public Land Report
  - Dog Fouling
  - Dumped rubbish report
- E**
  - Ecco re-use referral
- F**
  - Fly-Posting
  - Fly-tipping report
- G**
  - Garage Application
  - Graffiti
  - Green Waste bagged collection
  - Green Waste Premium service
- H**
  - Harlow Careline enquiry form
  - Harlow Market Application to Trade
  - Harlow Market Event Application form
  - Harlow Times advertising booking form
  - Hate Crime
  - Highways - Report potholes/pavements to Essex County Council
  - Housing Benefit and Council Tax Support
  - Housing Initial Assessment
- L**
  - Litter report
- M**
  - Missed Bin
  - My Profile
- N**
  - Noise Report
- O**
  - Occasio House Referral Form
  - Overflowing Street Bin
- P**
  - Pay Council bills
  - Pay Penalty Charge Notices (parking fines)
  - Pest Control
  - Planning - alleged breach of planning control
  - Planning Permission – submit view and comment on applications
  - Profile change of address
- R**
  - Recycling and Waste bin request
  - Repairs – Council Leaseholders
  - Repairs - Council tenants
- S**
  - Self-build and Custom Housebuilding register of interest
  - Stray, lost and found dog or lost cat report
  - Street Lights - Report faulty lights to Essex County Council
  - Supplier Registration form
- T**
  - Tenancy Fraud
  - Trolleywise - Report abandoned trolleys
- W**
  - Website feedback form

The Council's investment in developing Social Media has been very successful, with over 8k Twitter followers – an increase from 5k in just over a year. Facebook has similarly grown from around a 100 to over 2.5k likes (friends).

## 4.6 Systems Thinking and Complaints

In simple terms, whole systems thinking is an approach to ensure that all factors are taken into account and the impact they have. For example you could have a fully staffed and helpful contact centre but if they are unable to resolve enquiries due to lack of IT or back office blockages then this is not going to fully resolve enquires.

Whilst there is evidence that the Contact Harlow service has continued to evolve, e.g. the promotion of online information and services, there is also evidence of actions or decisions being taken which are creating unintended consequences or which need addressing.

For example:

- In an edition of Harlow Times last year, there was a tear-out coupon allowing customers to come into the Council to pick up 10 free recycling sacks. Whilst clearly recycling is a good cause to be promoting, the influx of customers coming into the Civic Centre over the week is not helpful either to customer services staff or to those customers who have real needs that require them to visit. A better outcome may have been possible by exploring whether local supermarkets (or other such contact points) might undertake the service on behalf of the Council.
- Customer service staff often stop promoting the website to customers when they are busiest, e.g. when the queue is long at the cash office. Conversely, this is often the best time to promote self-service and to collect customer e-contact details such as email addresses and mobile phone numbers, as customers will be most receptive to not having to wait a long time in the future.
- Now that customers are not given rent cards with balances on, customers often cannot produce their rent account number which requires the cashiers to look up. Customers also increasingly ask cashiers for their balance as this previously was on their rent card.
- Similarly, allowing customers to visit the Civic Centre and to speak with a Customer Advisor on-demand, with only a relatively short wait time, discourages customers (many who may actually find it more convenient) from using self-service.

Complaints provide another useful source of information on what potentially is going wrong, particularly repeat incidents. The two tables on complaint volumes and validity (1.4.15 to 31.3.16) illustrate the opportunities for learning and improvement.

They also highlight the fact that although 52.84% of complaints were not upheld, it does mean that 47.16% of complaints received were either upheld or partially upheld and this gives the Council a target to improve on.

### Complaints – Volume by stage

Stage One	Stage Two	Stage Three	Total
723	128	48	899

### Complaints – Validity

Upheld	Not Upheld	Partially Upheld
271 (30.14%)	475 (52.84%)	153 (17.02%)

The Council is set to publish an annual report on complaints – numbers and types received. As well as leading to greater transparency with customers, this information will lead to opportunities to improve through whole systems thinking.

#### **4.7 Information and Communication Technology (ICT) Support**

There were several points made to Foresight Consulting in response to conversations with ICT, Contact Harlow staff and other key users.

Harlow Council now has an ICT Strategy Board and ICT Operation Board which means that decision making is more joined up. It is however recommended that future procurements of business application systems support the new customer services model and the wider organisational needs (as well as the services' needs), thereby reducing training demands in Customer Services and making systems integration easier.

Failure to include Customer Services in the procurement process, as new back office systems are procured, has the potential to create problems. For example, there can be a tendency for services, on the one hand to be attracted to new back office systems, which provide some elements of service-related self-service functionality, whereas they really need to recognise that this functionality should be provided centrally otherwise:

- Self-service silos will be created.
- Customers will probably need different sign-on details for each service.
- Customers may experience a different look and feel within each self-service area.
- The creation of a single view – 'My Harlow' – is then even more difficult to achieve.

The Council only has a single Internet connection (with the exception of the Wi-Fi connection used for Members) into the Council, a second connection is planned. At the moment there is a single point of failure for Firmstep (and Contact Harlow) should there be any problems with it. It is also understood that should there be an invocation of the Business Continuity Plan, Contact Harlow would relocate to another council office and the telephony redirected so that calls could be received and issues resolved at this secondary site.

#### **4.8 Relationship with the rest of the Council**

The relationship between Customer Services and the rest of the Council appears to vary service to service.

A revitalisation of regular front and back office meetings and engagement that initially took place should lead to a better understanding between the two groups.

## 4.9 Costs

It is generally very difficult to make comparisons with other councils for a wide number of reasons which include differing:

- Demands of their customer base and their needs.
- The variety of services that are offered – both in range and depth.
- Opening times and resources deployed, impacting on demand.
- Variations in salary costs and job roles.
- Definitions of a transaction. Is a unique visit, e.g. looking at information a transaction, or is a transaction only when something more substantial is done – pay, book, report, apply etc.

The two main sources of research that are commonly used in comparing costs are by Deloitte and Socitm. The following table uses a cost per visit measure for the three main channels of access using the averages across both pieces of research. It is by no means a definitive measure but does give a general idea on costs.

The cash office, due to the lack of comparable data, is discussed separately elsewhere. However, the actual costs of the cash office are made up of, i) staff costs (in the region of £50k per annum), ii) reduced / eliminating security fees, iii) a proportion of the Duty Manager's time etc.

Harlow	Customer Transactions (per year)	Cost per transaction (average of Deloitte & Socitm)	Total Cost
Face to face	17,781 (3.2%)	£11.44	£203,415 (31.7%)
Telephone	132,688 (23.4%)	£2.30	£305,182 (47.6%)
Website	415,527 (73.4%)	32p	£132,969 (20.7%)
Total	565,996		£641,566
Average cost per transaction			£1.13

For the purposes of comparison at a broader level, figures from other councils that Foresight Consulting have reviewed are set out below.

Oxford City Council's definition of a website transaction was when something more substantial was done; the others were based on unique visits.

Ipswich BC	Customer Transactions	Cost per transaction (average of Deloitte & Socitm)	Total Cost
Face to face	42,000 (5.5%)	£11.44	£480,480 (42.1%)
Telephone	216,000 (28.1%)	£2.30	£496,800 (43.6%)
Website	510,000 (66.4%)	32p	£163,200 (14.3%)
Total	768,000		£1,140,480
Average cost per transaction			£1.49

Oxford City Council	Customer Transactions	Cost per transaction (average of Deloitte & Socitm)	Total Cost
Face to face	14,196 (4.0%)	£11.44	£162,402 (20.8%)
Telephone	257,478 (73.4%)	£2.30	£592,199 (75.9%)
Website	79,357 (22.6%)	32p	£25,394 (3.3%)
Total	351,031		£779,995
Average cost per transaction			£2.22

South Kesteven	Customer Transactions	Cost per transaction (average of Deloitte & Socitm)	Total Cost
Face to face	28,781 (4.6%)	£11.44	£329,254 (37.0%)
Telephone	187,270 (30.0%)	£2.30	£430,271 (48.3%)
Website	408,648 (65.4%)	32p	£130,767 (14.7%)
Total	624,699		£890,292
Average cost per transaction			£1.43

The tables do show the disparity between the cost of providing a face-to-face service and the relatively small number of transactions with the costs of providing the website (and the much higher number of transactions).

The Council has a high percentage of transactions through the website compared to the others and the more transactions that are web enabled, the lower the likely cost will become in other areas.

Based on the figures in the above tables, it does show that Harlow Council has an average cost per transaction of £1.13 which does make it more cost effective than the others.

#### 4.10 The potential for realising savings

There is an opportunity to realise savings through both improving whole systems thinking and channel migration.

Taking whole system thinking first, there are three key aspects:

- By reducing failure demand – when people, structure, process or systems fails to deliver what they are supposed to, either inherently by design or by simply failing. Addressing complaints in a timely manner will also have an impact up failure demand
- By process optimisation – by improving the way services are delivered.
- By rethinking services – addressing the root cause rather than symptoms, by joined up (multi-agency) thinking etc.

The following three tables demonstrate the cost savings that could be achieved should there be a channel shift from traditional methods of interaction to more web based. The figures used are those presented in the previous section as a baseline and show a 5, 10 and 25% shift respectively.

<b>5% Channel Shift</b>				
<b>2019/20</b>	<b>Customer Visits</b>	<b>Cost per visit (average of Deloitte &amp; Socitm)</b>	<b>Total cost</b>	<b>Change £</b>
Face to face	16,892 General (3.0%)	£11.44	£193,244	£10,171 Saving
Telephone	126,054 (22.3%)	£2.30	£289,923	£15,259 Saving
Website	423,050 (74.7%)	32p	£135,376	£2,408 Cost
<b>Total potential savings =</b>				<b>£23,022 Saving</b>

<b>10% Channel Shift</b>				
<b>2019/20</b>	<b>Customer Visits</b>	<b>Cost per visit (average of Deloitte &amp; Socitm)</b>	<b>Total cost</b>	<b>Change £</b>
Face to face	16,003 (2.8%)	£11.44	£183,073	£20,341 Saving
Telephone	119,419 (21.1%)	£2.30	£274,664	£30,518 Saving
Website	430,574 (76.1%)	32p	£137,784	£4,815 Cost
<b>Total potential savings =</b>				<b>£46,045 Saving</b>

<b>25% Channel Shift</b>				
<b>2019/20</b>	<b>Customer Visits</b>	<b>Cost per visit (average of Deloitte &amp; Socitm)</b>	<b>Reduced Cost</b>	<b>Change £</b>
Face to face	13,336	£11.44	£152,561	£50,854 Saving
Telephone	99,516	£2.30	£228,887	£76,296 Saving
Website	453,144	32p	£145,006	£12,038 Cost
<b>Total potential savings =</b>				<b>£115,112 Saving</b>

These potential savings can only be realised if the Council actively seeks to remove capacity from the operation:

- By reducing headcount in both the face-to-face and telephone operations, or re-assigning the same headcount new duties elsewhere where there is growth required,
- By reducing the supporting infrastructure (desktops, phones, call centre capacity) and internal Harlow Council resources (e.g. Finance, HR, facilities),
- Through back office efficiencies such as improving processes and reducing duplication.

Further savings could be made through either closing or restricting use of the cash office:

- By restricting the opening hours or reducing the staffing levels which would make it more difficult for customers to pay face-to-face.
- By making alternative arrangements such as providing e-payments facilities for customers of all council services to pay electronically.
- By encouraging, or even preventing, staff (as customers) from using the cash office. Clearly if staff prefer to pay using traditional means then they are unlikely to be encouraging customers to pay electronically.

As mentioned earlier, in addition to the cash office staff costs (in the region of £50k per annum) there would be savings from reduced / eliminating security fees, a proportion of the Duty Manager's time etc.

Annual billing, and other such regular contact with customers, provide a good way to reinforce the message about the convenience of self-service and the benefits to both the customer and the Council and should be used wherever possible.

## **5. Conclusion**

It is recommended that a full action plan is developed that will take forward the points from this review and that this will allow Harlow Council to successfully develop a course of action for the next four years.

## 6. National Readership Survey (NRS) demographic categories

Social Grade	Social Status	Occupation
A	upper middle class	higher managerial, administrative or professional
B	middle class	intermediate managerial, administrative or professional
C1	lower middle class	supervisory or clerical, junior managerial, administrative or professional
C2	skilled working class	skilled manual workers
D	working class	semi and unskilled manual workers
E	those at lowest level of subsistence	state pensioners or widows (no other earner), casual or lowest grade workers

## 7. Glossary

4G	Wireless Internet provided over mobile phone signals.
ACD	Automatic Call Distribution. This is used in call centres to ensure that calls are answered effectively.
Achieve Service	The software system used by Contact Harlow to log, track and monitor customer enquiries.
API	Application Programme Interfaces (APIs). These allow various IT systems to communicate with other systems .
Back Office	This is traditionally the service specialists. For example Housing Services.
Channel Shift	Also known as Channel Migration. This is where customers move from one method of interaction to another. For example a shift from seeing an advisor in person and instead interacting through the website.
Contact Harlow	The customer service team of Harlow Council.
CRM	This is the Customer Relationship Management system (CRM) Achieve Service is the CRM used by Harlow Council.
Deloitte	A company that provides professional advice services which include the areas of audit, financial advice and technology.
Firmstep	The software company that produces Achieve Service.
Front Office	This is the first point of contact for the customer. For example Contact Harlow.
Homefinder	The system used to bid on properties for those on the Housing list.
Infonet	The Council's internal internet system.
IVR	Interactive Voice Recognition (IVR). This is the automated payment system that allows customers to make payments over the phone 24 hours a day, 7 days a week without the need to speak to a Customer Advisor.
PayPoint/AllPay	Providers that allow customers to make payments to local shops who then pass the money on to the Council for a transaction fee.
Soctim	The Society of Information Technology Management. They promote the efficient use of Information Technology in Local Government and the Public Sector.
Whole Systems Thinking	An approach taken to ensure that all factors are taken into account and the impact they have when doing anything.
Wi-Fi	Wireless Internet provided through fixed line broadband.

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** MANAGEMENT AND OPERATION OF HARLOW ENTERPRISE HUB

**PORTFOLIO HOLDER:** COUNCILLOR TONY DURCAN

**LEAD OFFICER:** JANE GREER, HEAD OF COMMUNITY WELLBEING (01279) 446406

**CONTRIBUTING OFFICERS:** DAVID SELLINGS, ECONOMIC DEVELOPMENT OFFICER (01279) 446487

TINA MCDERMOTT, CONTRACTS MANAGER (01279) 446175

**This is a Key Decision**

**It is on the Forward Plan as Decision number I004193**

**Call-in Procedures may apply**

**This decision will affect no ward specifically.**

**RECOMMENDED that:**

- A** The tender submitted by Contractor B is accepted subject to contract.
- B** The Council enters into a management contract with co-terminus lease for a period of 9 years and 6 months, to be reviewed in Year 4 with a break clause for both parties at Year 5.

**REASON FOR DECISION**

- A** To facilitate the continued management and operation of the Harlow Enterprise Hub and associated business support services and activities.

**BACKGROUND**

1. Harlow Enterprise Hub, located in Edinburgh Way is a successful business centre based in one of Harlow's busy employment areas. The Hub has been providing high-quality office accommodation, enterprise and entrepreneurial support on behalf of Harlow Council since 2008.
2. The Council owns the freehold of the property as a result of government funding being awarded in 2006, the purpose of which was to provide incubation support and premises to Harlow and the local business community.

3. To ensure the operation of the facility meets the changing needs of the business landscape, since 2008 the Council has worked in partnership with a Management Operating Company (MOC) to deliver its services from the Hub.
4. The incumbent MOC's lease and service contract expires on 30 September 2016 and therefore a tender exercise has taken place to seek an operator for the Hub from 1 October 2016.

## **PROCUREMENT PROCESS**

5. A Contract Notice was published on 22 February 2016 seeking tenders from suitably qualified organisations. Three tenders were received by the deadline of noon on 5 April 2016.
6. The analysis and scoring has been assessed by a selection panel comprising:
  - (i) Head of Community Wellbeing
  - (ii) Economic Development Officer
  - (iii) Legal Officer
  - (iv) Finance Officer
7. Tenders have been evaluated against pre-determined criteria included in the invitation to tender documents on the basis of :
  - 60% Financial Offer,
  - 20% Business Plan
  - 20% Track Record.

These weightings have been used to ensure that the Council has the ability to achieve the highest possible level of income per annum, whilst not compromising the quality of services to be delivered.

## **EVALUATING THE BIDS**

### **FINANCIAL OFFER**

8. The tender brief explained that the Council is seeking a guaranteed annual rent, plus offers of an additional revenue income stream and one-off goodwill payment. The guaranteed and potential additional income has been costed and evaluated over a five-year term and 80% of the financial score has been awarded for guaranteed income and 20% of the total score is for potential additional income.
9. Contractor B has offered the highest level of guaranteed rental income to the Council in the sum of £702,544 and, when added to the additional revenue stream, the total projected income over five years is £816,300.
10. Contractor C offered the lowest guaranteed rental income and the highest level

of potential additional income giving a total projected income over five years of £442,577.

11. Contractor A did not offer any opportunities to secure additional income and therefore scored zero for this element but offered guaranteed rental income of £675,000 over a five year term.
12. Additional income cannot be guaranteed as this is governed by the MOC's ability to deliver according to their Financial Plan (additional income is dependent on their success and could be higher or lower than the predicted sum). None of the Contractors offered a one-off goodwill payment.
13. Contractor B offered the most financially advantageous offer to the Council in operating the Hub.

### **BUSINESS PLANNING**

14. Bidders were asked to provide proposals for the operation of the Hub in the form of a Business Plan in order to provide the Council with confidence that the aims and objectives of Harlow Enterprise Hub could be continued and developed.
15. The Business Plan was measured against a series of questions covering the following themes:
  - (a) Understanding of the local context.
  - (b) Organisation, structure and resources.
  - (c) Business support services.
  - (d) Lettings, hiring and marketing.
  - (e) Property and facilities management.
  - (f) Quality and performance management.
  - (g) Risk management and business continuity.
  - (h) Mobilisation, TUPE and exit strategy.
16. Contractor B scored the highest quality marks and provided comprehensive details on how it intends to develop the Hub, its services and profile to sustain and maximise the income potential, as well as building on and securing the Hub as a central point within Harlow for business support and advice and offering a focal point for wider business networks and known as the 'go-to place' for those wishing to start their own business.
17. Contractor C demonstrated a good knowledge and understanding of the business and business support landscape and the areas for growth and intervention, however the delivery model was less clear.
18. Contractor A scored the lowest in this section, providing minimal detail on how it would meet the aims and objectives

19. The breakdown of points scored for each tender are shown at Appendix A with Contractor B scoring the highest in all areas and therefore achieving an overall ranking of 1

## **CONCLUSION**

20. Contractor B has submitted the most economically advantageous tender. The Tender Evaluation Panel is satisfied that Contractor B will provide a high level of service and develop its offer to meet the needs of the existing and future business community. A series of key performance indicators will be agreed and monitored on a regular basis.

## **IMPLICATIONS**

### **Place (includes Sustainability)**

None specific.

Author: **Graeme Bloomer, Head of Place**

### **Finance (Includes ICT)**

As contained within the report.

Author: **Simon Freeman, Head of Finance**

### **Housing**

None specific.

Author: **Andrew Murray, Head of Housing**

### **Community Wellbeing (includes Equalities and Social Inclusion)**

As contained within the report.

Author: **Jane Greer, Head of Community Wellbeing**

### **Governance (includes HR)**

As contained within the report.

Author: **Brian Keane, Head of Governance**

## **Background Papers**

None

## **Glossary of terms/abbreviations used**

MOC - Management Operating Company

TUPE - 'Transfer of Undertakings (Protection of Employment) Regulations 1981

## **Appendices**

Appendix A – Tender evaluation breakdown

## APPENDIX A

### Final tender evaluation scores

Contractor	Track Record	Business Plan	Financial Score	Total Weighted Points Scored*	Guaranteed Income over 5 years	Overall Ranking
A	1200	580	5760	7540	£675,000	<b>2</b>
B	2000	2000	6000	10000	£702,544	<b>1</b>
C	1720	1840	2460	6020	£115,241	<b>3</b>

### Financial evaluation figures over 5 years

Contractor	Guaranteed Income over 5 years	Additional Income (Projected) Over 5 years	Total Projected Income
A	£675,000	Zero	£675,000
B	£702,544	£113,756	£816,300
C	£115,241	£327,336	£442,577

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** THE STOW NEIGHBOURHOOD CENTRE DESIGN  
FRAMEWORK SUPPLEMENTARY PLANNING  
DOCUMENT

**PORTFOLIO HOLDER:** COUNCILLOR TONY DURCAN

**LEAD OFFICER:** GRAEME BLOOMER, HEAD OF PLACE (01279)  
446270

**CONTRIBUTING OFFICERS:** DIANNE COOPER, PLANNING AND BUILDING  
CONTROL MANAGER (01279) 446595

PAUL MACBRIDE, FORWARD PLANNING  
MANAGER (01279) 446258

**This is not a Key Decision.  
Call-in Procedures may apply.  
This decision will affect Netteswell and Mark Hall Wards.**

**RECOMMENDED** that Cabinet RECOMMENDS to Council that The Stow Neighbourhood Centre Design Framework Supplementary Planning Document be adopted.

#### **REASON FOR DECISION**

- A** This Supplementary Planning Document (SPD) has been prepared in conjunction with Essex County Council to help guide future developments and improvements to The Stow Neighbourhood Centre.
- B** The purpose of this Supplementary Planning Document (SPD) is to provide a clear, robust and deliverable Design Framework which can be used to regenerate The Stow. It will promote and guide development opportunities, whilst identifying how funding, reinvestment and planning gain might be used to improve existing buildings and the public realm, as part of a combined regeneration package for the area.

#### **BACKGROUND**

1. The 2006 Adopted Replacement Harlow Local Plan emphasises the importance of Neighbourhood Centres in providing local facilities for residents. The Local Plan sought to improve the vitality and viability of these centres with policy RTCS16 being focused specifically on The Stow and Bush

Fair neighbourhood centres. This policy highlights the potential for partial or full redevelopment and this Supplementary Planning Document (Appendix A) provides the framework for any future developments.

2. Section 106 monies from the Aldi store development at The Stow in 2013 provided the opportunity to carry out an extensive analysis of The Stow Neighbourhood Centre and, with urban design input from Essex County Council, develop a design framework to help guide development to address the needs of local residents and other stakeholders by improving the vitality and viability of the area.
3. This Supplementary Planning Document has been prepared in compliance with the Town and Country Planning (Local Planning) (England) Regulations 2012 for it to be adopted so that it can be taken into account when considering future planning applications in the area. This requires consultation to be undertaken and the consultation statement (Appendix B) sets out the details of the consultation activities which have taken place in the preparation of this Supplementary Planning Document.

## **IMPLICATIONS**

### **Place (includes Sustainability)**

No specific implications beyond those outlined in the report.

Author: **Graeme Bloomer, Head of Place**

### **Finance (Includes ICT)**

There are no specific financial implications resulting from this report. The study was met from developer contributions as set out in the report. Any future funding requirements for the centre will be reported to cabinet as part of the normal annual financial process.

Author: **Simon Freeman, Head of Finance**

### **Housing**

None specific.

Author: **Andrew Murray, Head of Housing**

### **Community Wellbeing (includes Equalities and Social Inclusion)**

Enhancing the built environment is a contributory factor in improving the wellbeing of our communities. This SPD will provide a suitable framework for any future development of the Stow.

Author: **Jane Greer, Head of Community Wellbeing**

### **Governance (includes HR)**

None specific.

Author: **Brian Keane, Head of Governance**

## **Background Papers**

*[These are papers referred to in the preparation of the report that are not attached as appendices but that are available on request for public or Councillor study]*

*The Stow Neighbourhood Centre Masterplan: Live, Work, Shop and Play, Architecture and Design Services, 2013*

*Town and Country Planning (Local Plan) (England) Regulations, 2012*

*National Planning Policy Framework, Department for Communities and Local Government, 2012*

*Harlow Design Guide Supplementary Planning Document, Harlow District Council, 2011*

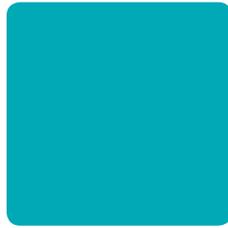
*Design and Good Practice, Parking Standards, Essex County Council and Essex Planning Officers Association, 2009*

*Harlow Retail Study and Town centre Health Check, Harlow District Council, 2007*

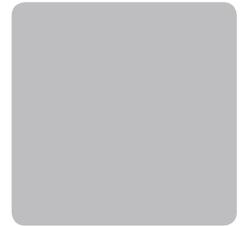
*Adopted Replacement Harlow Local Plan, Harlow District Council, 2006*

## **Glossary of terms/abbreviations used**

SPD- Supplementary Planning Document



**The Stow  
Supplementary Planning Document  
Final Draft July 2016**



## Foreword

The Stow was the first neighbourhood shopping centre in Harlow and will always have an important place in Harlow's history. Today it is still an important place for people to live and work and which also provides a range of valued community facilities, but we know it could be even a better place for local residents, businesses and visitors alike.

This Supplementary Planning Document provides a framework to guide future development that will help the regeneration of The Stow area. It has been prepared following input from local residents, businesses and community groups who participated actively in the consultation process. It will help to ensure The Stow retains its important function in providing shops and services for local residents and visitors.

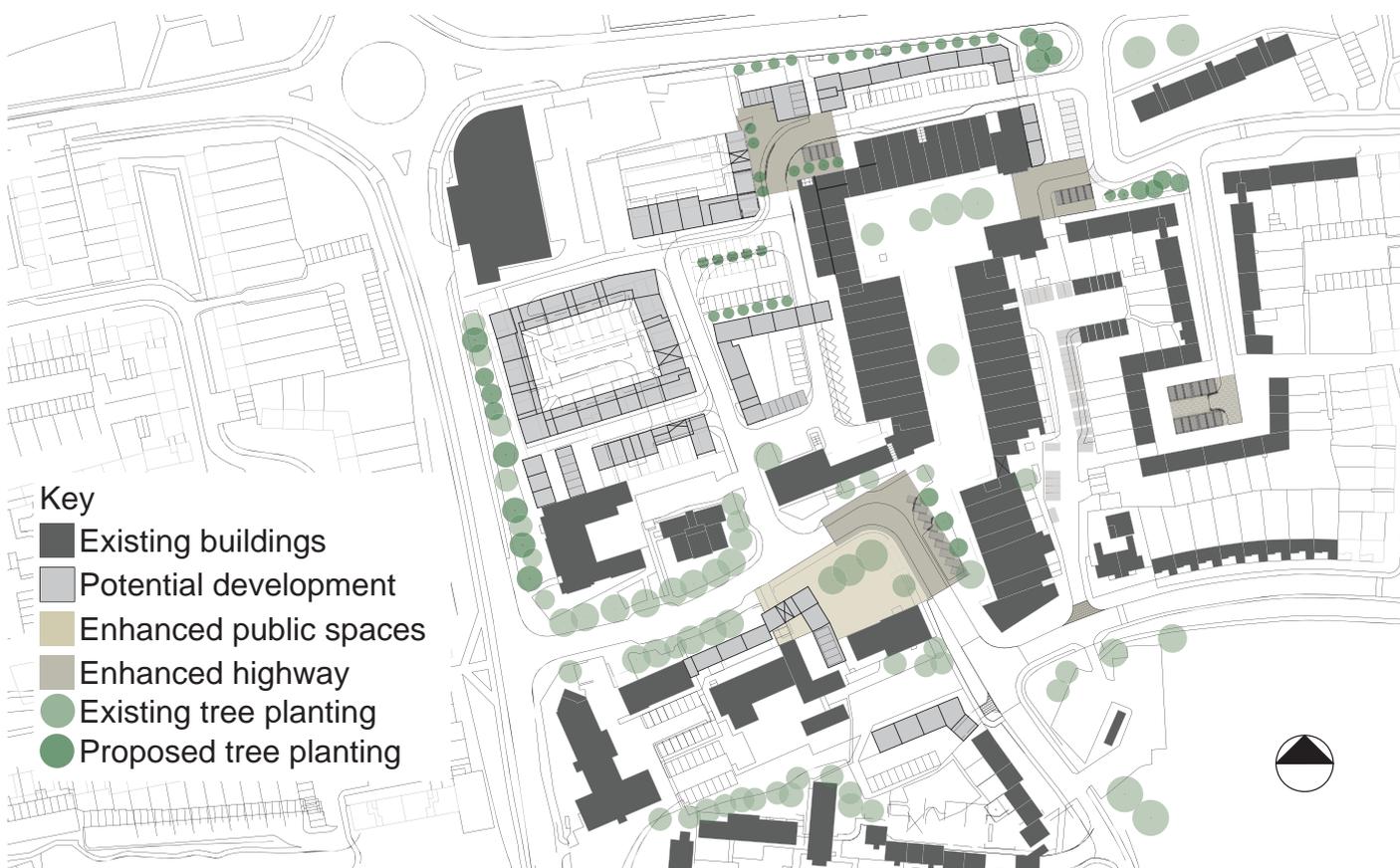


Councillor Tony Durcan, Portfolio Holder for  
Regeneration & Enterprise

## The Stow vision: “Securing the future of a vibrant neighbourhood”

### Executive summary

- Securing the appropriate mixed use development of the service bays site and site adjacent to Aldi including new homes and business/retail units.
- Develop opportunity sites, to create a new outward-looking development frontage to First Avenue
- Improve the Orchard Croft Gateway including landmark public art seen from First Avenue
- Address and improve the backs of The Stow retail units; creating an active frontage
- Introduce a package of improvements to the shopping centre including public realm, lighting, landscaping and street furniture
- Create a range of improved public spaces and squares
- Review and consolidate the public car park and access to service yards
- Improve and enhance Moot House Community and Business Centre
- Greater pedestrian prioritisation and access
- Introduce a comprehensive package of signage, public art and branding throughout The Stow
- Explore whether it would be beneficial for the area to designate the shopping centre as a conservation area, to ensure any future works retain or enhance the historic and distinctive design characteristics of the area
- Cooperative Management – Funding and resource support for the setting up and running of a Stow Neighbourhood Centre community organisation ensuring local businesses, residents and other interested parties have the opportunity to be involved in the management of the neighbourhood centre



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## 1.0 Introduction

### 1.1 Background and purpose

1.1.1 This design framework has been produced to help guide future developments and improvements to The Stow Neighbourhood Centre. The Design Framework is being led by Harlow District Council with assistance from Place Services at Essex County Council.

1.1.2 The purpose of this Supplementary Planning Document (SPD) is to provide a clear, robust and deliverable Design Framework which can be used to regenerate The Stow. It will promote and guide development opportunities, whilst identifying how funding, reinvestment and planning gain might be used to improve existing buildings and the public realm, as part of a combined regeneration package for the area.

### 1.2 Study approach

1.2.1 The 2013 'Live, work, shop and play' masterplan provides an in depth study of The Stow Neighbourhood Centre and a range of proposals for improvement, appearing particularly strong on architectural and historic elements. It highlights the historic value of the neighbourhood, but also how The Stow is perceived (and functions) today as a neighbourhood centre. The key proposals of the 2013 'Live, work, shop and play' masterplan are themed around:

- **Refocussing** – A new public space as the focus for new development and acting as a central node linking the otherwise relatively dispersed anchor points - the pedestrianised precinct, Aldi and the Health Centre.
- **Reconnecting** – Possible reinstating vehicular traffic through the precinct to increase passing trade and rationalise access more generally, with shops being serviced from the front.

- **Revealing** (streetscape and visibility) – Improving the visibility of The Stow by filtering the landscape buffer to the north, new outward looking development frontage, improved signage, new connections, decluttering of key street scenes and public realm improvements including opening up the space in front of Moot House.

- **Restoring** – Identified improvements include consistent shop front design, integrally 'designed' security grilles, refurbishment of canopies and colonnades including lighting, replacement and extension of feature tiling, replacement curtain walling above Dorringtons and to bridge, brickwork cleaning and decluttering/screening of rear elevations.

- **Redefining** (identity) – Reviewing the future retail offer in The Stow and how it can complement Aldi by serving a niche/local need, increasing concentrations of offices and restaurants providing a balanced mix of uses and rebranding through signage, colours etc.

1.2.2 Each of the above key proposals will be used to influence the Design Framework short, medium and long term proposals. Where possible, each theme will be linked to a funding package provided through planning gain, Harlow District Council and Essex County Council.

### 1.3 Location

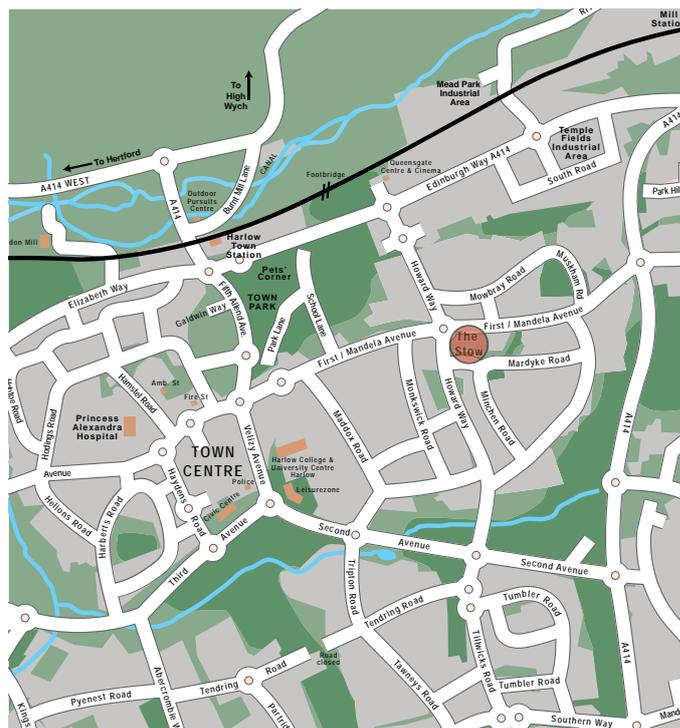
1.3.1 The Stow is located to the eastern edge of Harlow, fronting both First Avenue and Howard Way. The Stow (like all neighbourhood centres in Harlow) is very well connected to the town centre for both public transport and pedestrian/cycleways. The green open space (fronting Mardyke Road and Minchen Road), to the immediate south of the The Stow provides the neighbourhood with green amenity space and recreation space.

1.3.2 The Stow primarily supports the surrounding residential areas, providing both a convenience retail shopping as well as a range of services. Mainly due the range of services provided, The Stow also attracts customers drawn from the wider Harlow area and beyond, and although The Stow's physical appearance has gradually declined since its conception, the neighbourhood centre has a higher business occupancy rate than Harlow town centre, 97%.

### 1.4 Study area

1.4.1 The study area combines the allocated local plan neighbourhood centre area with the wider area deemed The Stow. The eastern site boundary has been drawn to include links into Orchard Croft, Mardyke Road and the north-western corner of the recreation ground.

1.4.2 The significance (and visual importance) of Our Lady Fatima Church on the First Avenue/Howard Way roundabout, as a gateway building to The Stow, means that this site has also been included within the study area.



The Stow in relation to Harlow Town centre



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Fig.1  
 Designated neighbourhood centre  
 Wider study area



## 2.0 Background Policy and Initiatives

### 2.1 National Planning Policy Framework (Department for Communities and Local Government, 2012)

2.1.1 Section 7: Requiring Good Design states “good design is a key aspect of sustainable development, is indivisible from good planning, and should contribute positively to making places better for people.” (para.56). Also that “it is important to plan positively for .... high quality and inclusive design ....., including individual buildings, public and private spaces”. (para.57)

2.1.2 It goes on to suggest that planning policies and decisions should aim to ensure that developments function well, add to the quality of the area, establish a strong sense of place, optimise site potential, sustain an appropriate mix of uses, respond to local character, create safe and accessible environments, and are visually attractive. (para.58) However, it guards against detail and prescription and instead says policy should focus on “guiding the overall scale, density, massing, height, landscape, layout, materials and access of new development in response to neighbouring buildings and the local area” (para.59)

### 2.2 Adopted Replacement Harlow Local Plan (Harlow District Council, 2006)

2.2.1 Policy SD4 suggests mixed use proposals within neighbourhood centres will be permitted if uses are compatible, there would be no loss of viability and vitality to the centre or amenity due to a change of use, and that car parking might be reduced for residential use.

2.2.2 Policy RTCS1 says proposals for retail and other developments which attract large numbers of people, will be determined on a sequential basis, considering need and capacity, sustainable access and Harlow’s hierarchy of centres. Development must be

appropriate to the function, size and character of the centre.

2.2.3 Policy RTCS14 indicates that proposals will be permitted which enhance/protect the role of the neighbourhood centres by improving the range and quality of facilities whilst meeting local need, promoting residential use above shops and on previously developed land, suitably caters for all access modes, and encourages high quality design.

Policy RTCS15 suggests the following uses classes will normally be permitted: A1 (shops), A2 (financial and professional services), D1 (non-residential institutions), D2 (assembly and leisure) and launderettes; provided that centres with 5 or more original units retain a minimum of 40% of frontage length in A1 (shop) use.

2.2.4 Policy RTCS16: states that: “Proposals for the improvement and, if shown to be necessary, partial redevelopment of The Stow will be favourably considered. All proposals must respect the existing character of the Centres, and their position in the architectural heritage of Harlow. Exceptionally, proposals for the full redevelopment of the Centres will be favourably considered. Proposals should not result in the loss of key facilities that contribute to the range of offer or that act as anchors or catalysts which assist in retaining existing or attracting new operators in the neighbourhood centre.”

2.2.5 Policy NE1 protects green wedges such as related to First Avenue and Howard Way.

2.2.6 Policy BE10 guards against new development adversely affecting conservation areas such as the Mark Hall North Conservation Area which adjoins the study area to the north.

2.2.7 The designated neighbourhood centre boundary (shown in figure 1) covers the core retail and service area but excludes emerging peripheral areas including Aldi.

### **2.3 Harlow Design Guide SPD (Harlow District Council, 2011)**

2.3.1 This document provides general guidance for informing site specific policy and planning applications, with section 4.4 focussing on neighbourhood centres:

2.3.2 DG13: Improvement of Existing Neighbourhood Centres includes suggestions that they should promote local identity, enhance legibility by providing taller buildings in suitable locations, provide a vibrant and self-policing mix of uses, ensuring adequate active frontage over the public realm and parking areas, make sure public space is appropriately spatially enclosed, reconnect centres with surrounding neighbourhoods, ensure parking and servicing doesn't dominate the street scene, and promote high quality public realm in appropriate locations.

2.3.3 DG14 Shop Frontages suggests centre should respond to the grain and proportions of buildings, relate to upper storey design, reflect/complement existing materials, reflect diversity, not display inappropriate advertising and external security should not have an adverse visual impact.

### **2.4 The Stow Neighbourhood Centre Masterplan: Live, Work, Shop and Play (Architecture and Design Services, 2013)**

2.4.1 This generates various ideas for the centre's regeneration. It was commissioned by Harlow District Council, though is not adopted policy. Proposals are themed:

- Refocussing – a public space and framing development between Aldi and the shopping centre, as the hub binding the different parts of the neighbourhood centre;
- Reconnecting – potentially reinstating vehicular traffic through the precinct to increase

passing trade and rationalise access, with shops serviced from the front;

- Revealing (streetscape and visibility) – improving visibility by filtering landscape buffers, outward looking development, improved signage, new connections, and a less cluttered public realm;
- Restoring – consistent shop front design, integrally 'designed' security grilles, refurbished canopies and colonnades, tiling restoration and extension, replacement curtain walling, brickwork cleaning, and decluttering/screening of rear elevations; and
- Redefining (identity) – consolidated niche/local retail complementing Aldi, more offices and restaurants, and rebranding through signage, colours etc.

### **2.5 Harlow Retail Study and Town Centre Heath Check (Harlow District Council, 2007)**

2.5.1 This report does not take into account recent changes, notably the new Aldi store. It estimates there are 35 retail, leisure and service business space units in Neighbourhood Centre, equating to 7448m<sup>2</sup> gross floorspace (875m<sup>2</sup> gross of convenience goods retailing, 1783m<sup>2</sup> gross comparison goods retailing, 2,649m<sup>2</sup> community use, 123 m<sup>2</sup> leisure use, 1822m<sup>2</sup> services and 108m<sup>2</sup> vacant).

2.5.2 It suggests there is a relatively good mix of retail outlets, complemented by a range of other uses, and with community facilities also acting as important anchors.



**Key**

- Neighbourhood Services area
- Neighbourhood Centres
- Wildlife Sites
- Green Wedges
- Conservation Areas

2.5.3 It says The Stow mainly serves the day-to-day convenience and service needs of local residents, with survey results indicating that most people mainly visit for top-up food shopping (rather than bulk buy) and/or the Post Office. The Health Centre, dentist and other services were other main reasons for visiting the centre. Although vacancy rates were low, a number of A3 operators do not open until lunchtime and/or early evening. Survey results indicate modes of access are primarily by foot (50%) and car (41%), and priority issues are the poor environment, safety, anti-social issues, parking and lack of atmosphere. (p.51-53)

2.5.4 The authors suggest the centre suffers from poor public realms, dated street furniture, large areas of underused open space and unattractive service yards. (p.59)

2.5.5 The report highlights the potential for redevelopment, to provide more modern retail

floorspace with residential uses above ground floor level. However, any redevelopment would require negotiations with existing leaseholders, relocation and/or compensation. (p.102-3)

2.5.6 The 2007, Harlow Retail Study and Town Centre Health Check is currently being updated.

## 2.6 Design and Good Practice, Parking Standards (Essex County Council/EPOA, September 2009)

2.6.1 Vehicle parking for new developments shall be provided in accordance with the adopted Vehicle Parking Standards. These standards are expressed as a maximum, and justification will be required for the amount of car parking proposed on the basis of operational needs and, if applicable, a Green Commuter Plan.

2.6.2 As well as providing an appropriate level of car parking, it is important that new or extended developments incorporate good design for the layout, landscaping and lighting of parking. This should be user friendly, and not interfere with the public highway or access adjacent to the parking area.

2.6.3 Where the amount of on-site car parking can be reduced, a contribution may be sought by negotiation from developers for use on schemes within the Harlow Area Transport Strategy.

## 2.7 Planning Applications

### 2.7.1 The Stow Planning Applications

Approved Applications- Change of use, conversions

<b>Address</b>	<b>Decision Date</b>	<b>Application Details</b>
94 The Stow	10/04/2015	Change of use from restaurat (A3) to a Hot Food Take-away (A5)
42 Service Bays	17/12/2014	Change of use to a Beauty Treatment/Therapy Salon
117 The Stow	20/08/2014	Change of use from Class A2 (Financial and Professional Services) to Hairdressing Salon
116 The Stow	20/08/2014	Change of use from Class A2 (Financial and Professional Services) to Sui Generis
59-60 & 71-72 The Stow	08/05/2014	Conversion of 3 office units into 5 flats

2.7.2 There are no current applications for The Stow

## 3.0 Baseline Analysis

### 3.1 Historic Environment

3.1.1 What is now known as Moot House (Community Centre) was a former Vicarage associated with St Mary-at-Latton Church (400m to the north-east). This property is thought to have been built in the 1840s and is now a grade II listed building. Adjacent to Moot House is a late C18 century stable range.

3.1.2 The first quarter of the new town to be completed would be the Mark Hall/Netteswell neighbourhood cluster, with The Stow at its heart becoming the town's first neighbourhood centre designed to serve a neighbourhood population of 20,000. Across First Avenue from The Stow lies Mark Hall Conservation Area which includes Mark Hall North, the first completed housing area.

3.1.3 Gibberd began work on The Stow's design as early as 1949. Opened in 1952, the ideas would act as a precedent for the town centre, in particular the lively and inclusive concentration of uses alongside the shops, including a cricket field, tennis club, church hall and service garage. The shopping centre at the core was designed with open spaces at either end of a north-south axis orientated to maximise sunlight and a with a Z shape which helps enclose views. Two key design principles were continuous shop front display and a canopy/recess for weather protection which also distinguished the shops from the dwellings/offices/hall (now leisure club) above. Against Gibberd's wishes a road originally ran through the shopping centre with on-street parking. However, this was considered a failure, resulting in it soon being converted to the pedestrianised system seen today.

3.1.4 The area to the west of the shopping centre was one of the first examples of service industry bays planned to relate to a shopping street, with small single storey units for people

to 'start it off' and larger sites including petrol station (now Aldi) on the perimeter. Service bays were intended to provide self-contained modest premises at affordable rents for small businesses of varying character, purpose and tidiness, which might include working trades, workshops, crafts, retailers, offices and manufacturers.



The Stow, 1952. Hulton Archive



The Stow, 1952. Hulton Archive



Harlow, Moot House, 1960. Francis Frith

## 3.2 Land use, Ownership and Tenure

3.2.1 The original planned land uses of the Gibberd plan remain largely intact, forming three main character areas:

3.2.2 The Shopping Centre – This is the focus for retail (primarily convenience though with some comparison) and services, with residential, offices and leisure space above. A recent planning application approved the conversion of 3 office units (59-60 and 71-72 The Stow) to 5 flats.

3.2.3 It is thought there are currently 56 dwellings above the shopping centre, with access splitting accommodation into four areas – northern block section (11 units), western block section (31 units), south-eastern block (5 units) and eastern block (9 dwellings). The majority (47) are thought to be 2-storey maisonettes accessed via rear stairs, communal paths and often benefitting from front roof gardens, though there are also some flats (9). Most dwellings are still in public ownership, though 10 (with another pending a decision) have been bought out by residents. Residential values and living conditions are adversely affected by anti-social behaviour within the shopping centre, maintenance issues, lack of parking and inadequate self-policing/security to the rear.

3.2.4 Service Industry Bays – These still provide affordable premises to a range of small business, though with a growing proportion of fast food outlets, some vacancies and an out-dated physical environment.

3.2.5 Community Area – Community uses are focussed to the south of the study area, including the Moot House community complex, health facilities, St Andrews Church, library and loosely related to the Recreation Ground. Moot House generously provides seven halls/large rooms for hire (including occasionally for weddings), other rooms dedicated to particular community groups, a social club, café and

gardens.

The neighbourhood centre previously lacked an anchor supermarket able to cater for weekly bulk buy shopping, though this is now provided by the new Aldi, albeit on the former service station site, somewhat detached from the core retail area. Other important anchors/attractors include the post office, health centre and other services. Night time uses include a pub and five restaurants spread loosely across the neighbourhood centre.

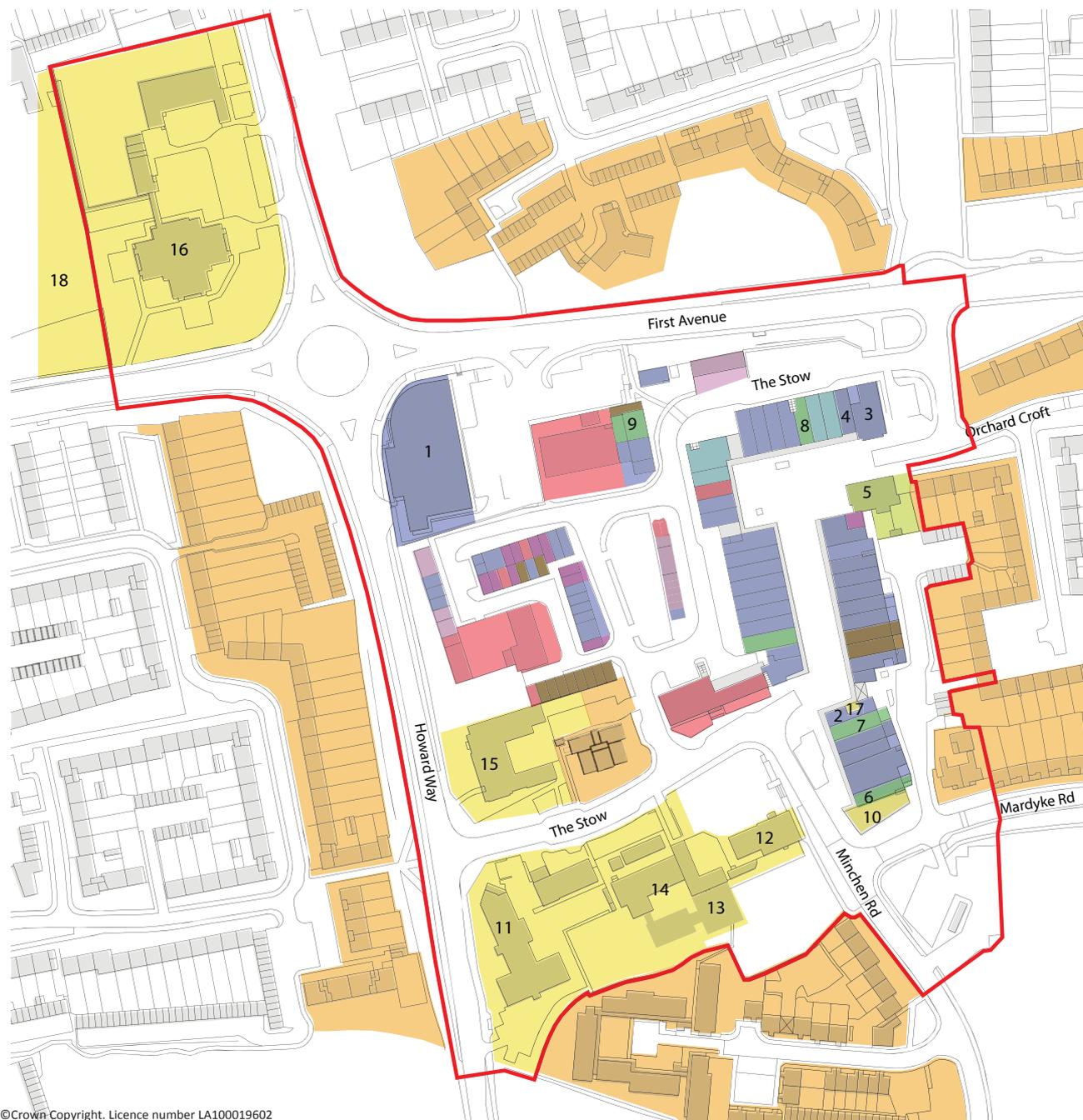
## 3.3 Urban Design

3.3.1 The neighbourhood centre is inward-looking in nature, generally presenting a hidden, inactive and/or unappealing edge to adjoining main roads. However, the new Aldi now actively addresses the (gateway) roundabout and has noticeably improved the centre's outward profile. The proximity of Aldi to Our Lady Fatima Catholic Church, on the other side of the roundabout, also helps integrate the latter within the neighbourhood centre. Similarly the relatively new and outward looking Nuffield House Health Centre helps positively highlight the key turning into the neighbourhood centre from Howard Way. In contrast it is difficult to see the neighbourhood centre from the gateway junction of First Avenue and Orchard Croft, whilst the blank wall of the library provides an uninviting scene approaching from the south.



Entrance to the public car park

**Figure 2 Ground Floor Landuse**



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**Key**

- Study area boundary
- Retail
- Professional service
- Food and Drink
- Drinking establishment
- Takeaways (hot food)
- Business (offices and workspace)
- Residential
- Non-residential institutions & civic
- Industrial
- Vacant

**Shops**

1. Aldi
  2. Dorrington's Bakers
  3. One Stop Convenience Store
  4. Post Office
- Night time**
5. The Essex Skipper Pub
  6. Belash Indian Restaurant
  7. New Cathay Chinese Restaurant
  8. Tales of India Restaurant
  9. Village Kebab

**Non-residential institutions**

10. Mark Hall Library
11. Nuffield House Heath Centre
12. Moot House (meeting rooms)
13. Moot House (social club)
14. Moot House (halls)
15. St. Andrews Methodist Church
16. Our Lady Fatima Roman Catholic Church and Hall
17. Stow Leisure Club (above Dorringtons)
18. St. Alban's Catholic Academy (Primary School) and Burnt Mill Academy (High School)

**Figure 3 First Floor Landuse**



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**Key**

- Study area boundary
- Retail
- Professional service
- Food and Drink
- Drinking establishment
- Takeways (hot food)
- Business (offices and workspace)
- Residential
- Non-residential institutions & civic
- Industrial
- Vacant

### 3.4 Building Design

3.4.1 The shopping centre, designed by Gibberd, provides a reasonably attractive townscape, highlighted by projecting concrete window surrounds and balconies, added tiling (to underpasses, colonnades and unit dividers), and feature curtain walling; though the utilitarian and standardised block form lacks the variety of use and expression often experienced in traditional centres where smaller plots have developed over time.

3.4.2 The shopping centre has an urban character with 3-4 storey continuous block forms and active frontage, which together with the Z shaped layout and colonnades/canopies presents a strong sense of enclosure. Modernisation, including UPVC replacement windows, traditionally styled canopies to maisonette entrances and pigeon protection measures (including netting to balconies), have slightly eroded the centre's architectural integrity, though much remains intact. Publicly accessible streets immediately behind the shopping centre mean the unattractive visible backs of properties are exposed to public view and are vulnerable to unwanted intrusion. Furthermore, as housing is set back behind roof gardens, these rear areas suffer from poor natural surveillance which might otherwise help deter crime and anti-social behaviour.

3.4.3 The Service Industry Bays consist of a number of quite basic and small-scale industrial-type one-storey buildings, offering little or no architectural quality, often appearing run-down and largely back onto The Stow Road, but in places still offer interest considering the range of businesses, freely expressed individual shop front design/displays and winding close-knit site layout.

3.4.4 Moot House and the catholic church provide distinctive and relatively prominent local landmarks, though the latter's presence is undermined by the adjoining square's poor condition and overgrown vegetation.

3.4.5 The approach road from Howard Way to the shopping centre currently suffers from some relatively inactive development edges including an enclosing high wall to part of the Moot House complex.



The shopfront design has declined



The Service Industry Bays



The public facing back of The Stow is poor.

**Figure 4 Townscape Plan**



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**Key**

- Study area boundary
- Excellent building townscape quality
- Good building townscape quality
- Average building townscape quality
- Poor building townscape quality
- Very poor townscape quality
- Landmark
- Key gateway
- Key view

### 3.5 Public realm

3.5.1 The public realm describes the publicly accessible streets and spaces including car parks. There are two main spaces within the neighbourhood centre.

3.5.2 The space outside Moot Hall is the main space, given it is where the area's strategic pedestrian routes converge and where the shopping centre meets the area of community uses. The space is formed by the set-back to Moot House which forms the showcase building. It is also reasonably well framed by the shopping centre, though poorly framed to the west, where blank walls and untidy parking areas prevail, and to the north, considering the building's relatively unresponsive uses and design. The landscape treatment has deteriorated and is poor, with uneven and often filled in concrete paving, excessive overshadowing from trees, outdated raised beds providing the only seating opportunities and being too perceptually split by the road running through.

3.5.3 The other square, designed into the northern section of the shopping centre, is reasonably framed by strongly enclosing active development frontage which nevertheless allows for good access (and reasonable activity) in all directions. As with the rest of the shopping centre, raised kerbs are retained from its days as a trafficked road, creating the need for regular ramps and, protecting the ramp edges, some unappealing and often unplanted concrete planters. The square is reasonably well paved though generally lacks a coherent landscape scheme, with trees within the space appearing too dominant and counter to the sense of building enclosure, raised planting beds poorly maintained and blocking view lines, out-dated and poorly arranged seating, and where the potential attraction of the 'Not in Anger' sculpture is lost amid the clutter. Such issues affect the rest of the pedestrianised public realm.

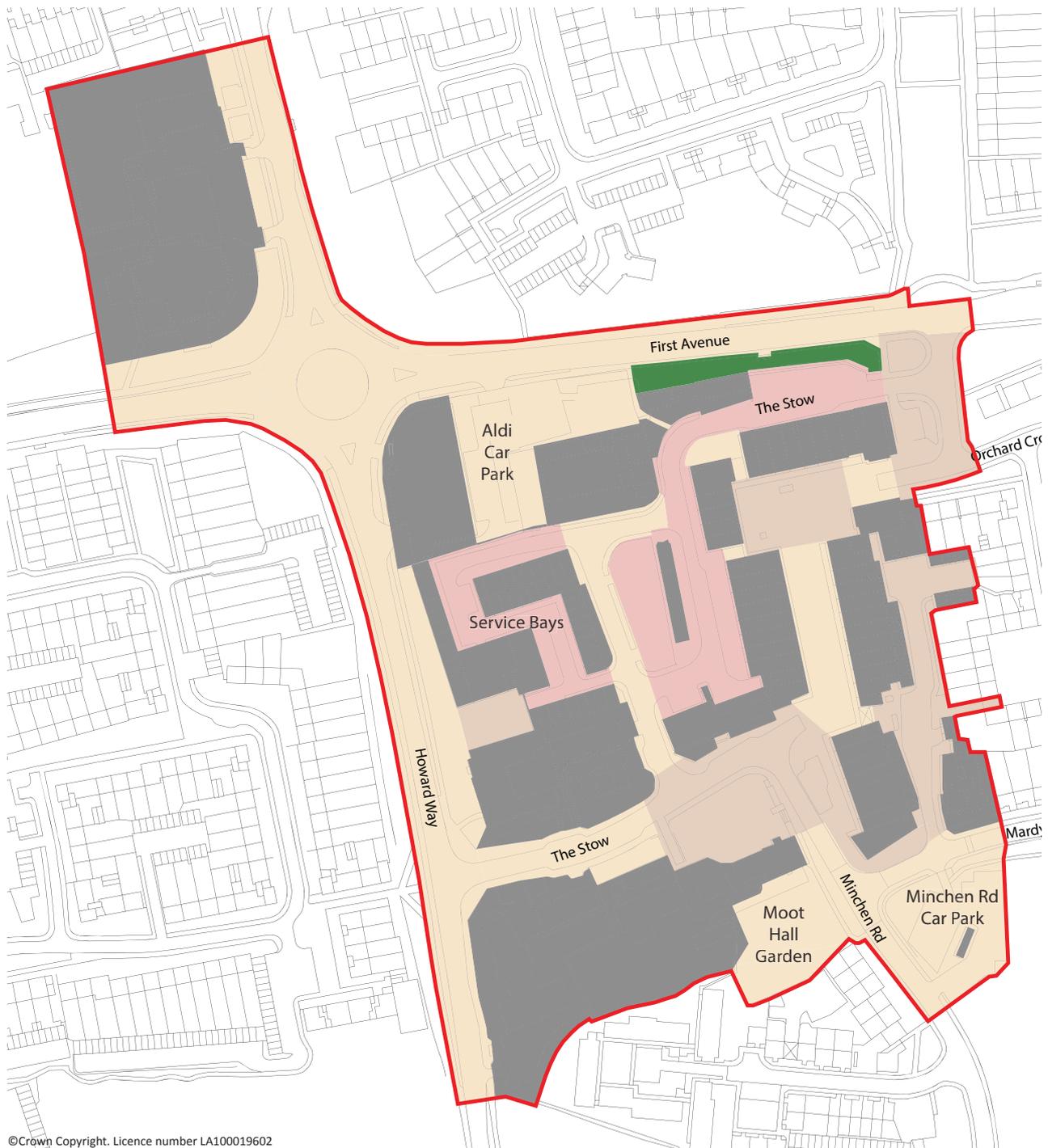
3.5.4 Despite being in close proximity, the neighbourhood centre poorly relates to the Recreation Ground to the south, seemingly turning its back on this attractive space and with the Minchen Road Car Park cutting off views and blocking safe access.

3.5.5 Aside from the streets and spaces mentioned above the public realm treatment is fairly standard, being predominantly bitumen roads and pathways. This is generally in reasonable condition, though service and rear parking areas are often in poor condition and poorly lit, typically a patchwork quilt of deteriorating/broken/infilled materials, including sections of in-situ and concrete paving nearest the shopping centre.

3.5.6 Howard Way and First Avenue are well landscaped routes, designated as green wedges in the local plan. Green verges and street trees also give an attractive green character to The Stow between Howard Way and the Recreation Ground.



**Figure 5 Public Realm Plan**



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**Key**

- Study area boundary
- Development blocks
- Inaccessible woodland
- Excellent public realm treatment
- Good public realm treatment
- Average public realm treatment
- Poor public realm treatment
- Very poor public realm treatment

### 3.6 Transport and movement

3.6.1 The Stow is centred on the neighbourhood's strategic pedestrian network (converging in the space outside Moot House). Strategic pedestrian and vehicular networks are separated, which is consistent with the segregated transport thinking of the post-war era. First Avenue and Howard Avenue, running around the periphery, still provide main road vehicular access to the centre, though do not pass through. Originally the shopping centre was also trafficked, to lend vehicular passing trade and on-street parking, though problems led to it reverting to the pedestrianised layout preferred by Gibberd.

3.6.2 Pedestrian access through the neighbourhood centre is generally adequate, though some routes are poorly overlooked and therefore self-policed. The new Aldi has improved pedestrian access to the shopping centre, though does not provide a direct link to the core area of Service Industry Bays.

3.6.3 Cycle access to/from the neighbourhood is reasonable, though not focussed on it. The excellent strategic/neighbourhood off-road cycle network instead converges on the nearby Stow Recreation Ground, whilst First Avenue also provides a signed on-path route running east-west. Cycle parking is not provided in the neighbourhood centre, though sign/lamp posts etc appear to provide ad-hoc potential for this.

3.6.4 The neighbourhood centre is generally provided with good and convenient bus links, though the stops on the main road are isolated from development and therefore might appear vulnerable to crime.

3.6.5 'Back' roads run behind the shopping centre providing access to service industry bays, car parking, upper floor dwellings and enabling servicing. The main back road is also now being used to access the new Aldi considering there is no right hand turn into

the site from First Avenue. A lack of natural surveillance from surrounding development together with poor lighting means these back roads appear vulnerable to crime and anti-social behaviour.

3.6.6 Car parking is at capacity throughout the neighbourhood centre and a priority issue for local residents in particular. There are two pay-and-display car parks, whilst the new Aldi car park also caters for short-stay needs. Unmarked roads outside the centre provide free/over-spill potential, though in places and at certain times this can unreasonably conflict with the needs of local residents. To the western and northern rears of the shopping centre there is currently no freely available car parking available for residents except out-of-hours. However, in practice, residents, amongst others, appear to be using the (too) limited parking potential on lined streets without enforcement and largely without unduly affecting servicing. The road to the eastern rear of the shopping centre is unlined, though there is again intense competition for the limited number of spaces, including from the rear adjoining cul-de-sac on Orchard Croft which itself has inadequate on-street parking to the front. A small number of garage courts can also be accessed from this back road, though reportedly these and servicing vehicles are sometimes blocked by inconsiderately parked cars.

3.6.7 The Stow address is not street based and instead, rather confusingly for wayfinding, describes the area. This includes five streets covering the main through road, the pedestrianised shopping centre and the collection of roads servicing the rear of the shopping centre and service industry bays.

Figure 6 Movement Plan



### 3.7 Opportunities and Constraints

#### Strengths

- Moot House (historic landmark/community facility)
- Generally unspoilt shopping centre original buildings
- Small businesses (encouraging business starts, the local economy and diversity)
- Dorringtons – classically styled large bakers
- Aldi anchor store
- The Stow Service Industry Bays hubs; niche retail offer
- Affordable rents
- Dwellings provide community presence and proximity to amenities means they need less parking
- Trees and general sense of greenery
- Good spaces (potentially) – within pedestrianised area and outside Moot House
- Pedestrianisation – safe/comfortable environment
- The car park is convenient
- Convenient bus stops
- Connectivity to off-road strategic cycle network
- Relatively higher property values
- Buildings adjoining main roads reduce noise

#### Opportunities

- Restoration of shopping centre and Moot House.
- Better usage and long term viability for Moot House
- Structured well maintained landscaping
- Views focussed on the catholic church
- Improved pedestrian/cycle crossings
- Open up neighbourhood centre to main roads; outward facing development frontage
- Reintroduce road access through/crossing the shopping centre to increase visibility
- Improving the link through to the park
- Improve maisonette gardens and open space
- Improve back parking/servicing areas
- Cycle lanes to green corridors and cycle facilities
- Better desire line pathways between First avenue and the shopping centre
- Filter trees to open up views
- Encourage uses that animate streets and spaces
- Spaces in the shopping centre/outside Moot House.
- Permit parking to help manage potential conflict between occupiers and visitors
- Market stalls to complete range of retail, animate spaces and foster new businesses
- Offices and workspace contributing to the neighbourhood centre mix
- Toilets if not already provided
- Public art to help enliven and brand
- Improve lighting and design out anti-social-behaviour

#### Weaknesses

- Poorly maintained public realm and planters
- Too 'concretey' in places
- St Andrews Methodist Church looks poorly maintained and has suffered from vandalism
- Moot House appears poorly maintained
- Community uses appear peripheral rather than an integral part of the centre
- Difficult and potentially dangerous to cross roundabouts on foot or bike, with signalised crossings requiring potentially long detours
- Rear parking appears unattractive, mostly illegible, lacks natural surveillance and is poorly laid out.
- Pedestrianised centre lacks vehicular passing trade
- Upper maisonettes are vulnerable to public intrusion
- Tree planting sometimes doesn't complement built environment structure
- Park lacks recreational facility and the play area seems small and dated
- Area based addresses can hinder wayfinding

#### Threats

- Too much community space (inside & out) to maintain
- Small (community) businesses priced out, undercut (by big business) and forced out – sterilised centre
- Mixed land ownership and potential for ransom non cooperation
- Developer buy-out and inconsiderate redevelopment
- Public sector land sell off without any development controls
- Unwanted uses, e.g. McDonalds and another supermarket
- Local resistance to change and loss of local assets
- Underground utilities may curtail development
- Harlow's relatively low property values
- Road disruption would affect highway network
- Access to Aldi becomes a problem from west
- Revert to street based addresses
- Lack of a residents association representing The Stow
- The balance between residential, private and business parking spaces
- Creating a 'rat-run' route avoiding First Avenue

### 3.8 Sustainability Appraisal

3.8.1 Planning Practice Guidance states that Supplementary Planning Documents do not require a sustainability appraisal but may in exceptional circumstances require a strategic environmental assessment if they are likely to have significant environmental effects that have not already have been assessed during the preparation of the Local Plan.

3.8.2 A strategic environmental assessment is unlikely to be required where a supplementary planning document deals only with a small area at a local level (see regulation 5(6) of the Environmental Assessment of Plans and Programmes Regulations 2004), unless it is considered that there are likely to be significant environmental effects.

3.8.3 A Screening Report has been produced to accompany this document to determine whether or not the contents of The Stow Neighbourhood Centre Design Framework SPD will have significant environmental effects and in turn require Strategic Environmental Assessment (SEA) in accordance with the European Directive 2001/42/EC. For more information please visit [www.harlow.gov.uk/spd](http://www.harlow.gov.uk/spd)

### 3.9 Summary Issues and Opportunities

3.9.1 Overall the comments received suggest that residents and other stakeholders are in agreement that some form of redevelopment needs to take place to benefit the users and business owners of The Stow.

3.9.2 The short-term suggestions were well received, in particular the planting. There were numerous other comments relating to the need for street furniture and lighting to be considered as well as safety measures such as CCTV.

3.9.3 It was agreed by the majority of respondents that the Service Bay Area needed some improvement; however the specifics of

what should be done here were not clear.

3.9.4 Parking and traffic flows were also key themes with several respondents making clear that any new properties should be allocated sufficient parking spaces.

## 4.0 Development Options

### 4.1 Short Term interventions (1 to 6)

- 1- Parking square
- 2- Permit parking zone
- 3- Entrance to permit zone and pedestrian priority
- 4- Parking Square- northern entrance
- 5- New lighting and landscaping
- 6- Tree maintenance



## 4.2 Medium Term interventions (7 to 12)

continued from 4.1

7- Moot House Square

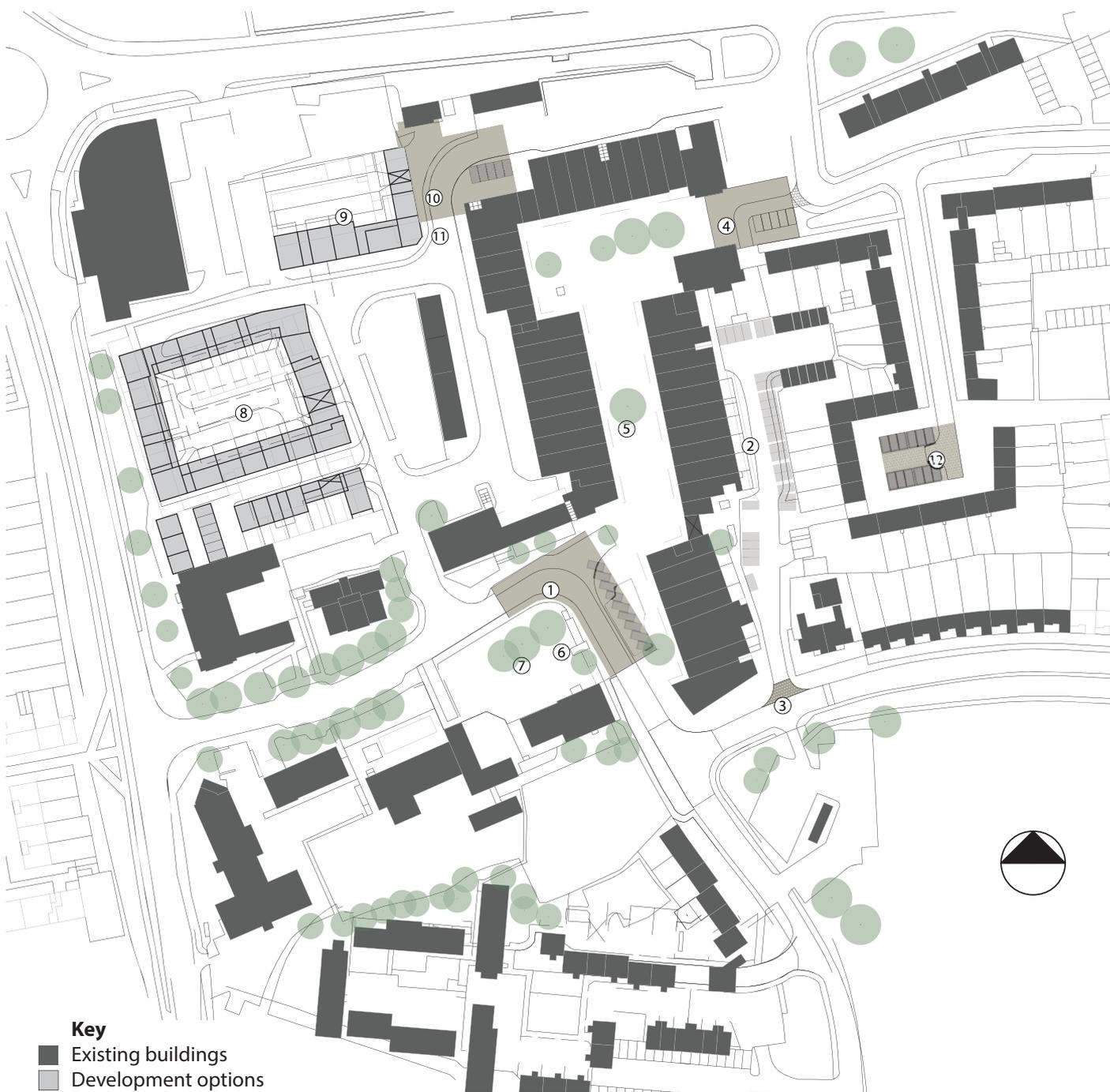
8- Development site on service bays site

9- Development site on the other large site

10- Parking Square

11- Through road access blocked

12- Provision of new parking for residential area



### Key

- Existing buildings
- Development options
- Proposed public space
- Proposed parking squares
- Existing trees
- Proposed planting

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### 4.3 Long Term interventions (13 to 25)

continued from 4.2

- 13- Redeveloped car park
- 14- New public car park
- 15- One way access road
- 16- Service entrance
- 17- Redeveloped community meeting facility
- 18- New parking on open space adjacent to dentists
- 19- Proposed mixed use development

- 20- New residential development
- 21- Refurbished community Library and café
- 22- New development at gateway to The Stow
- 23- New development on the car park site
- 24- Development site on funeral directors site
- 25- Divided units to create double frontages



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### 4.4 Proposed key access and movement



**Key**

- Existing buildings
- Development options
- Proposed public space
- Proposed parking squares
- Existing trees
- Proposed planting
- ← Key pedestrian routes
- ← Key vehicular routes

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## 4.5 Options analysis

### Short Term interventions

1- Parking square: redesigned public realm connecting The Stow with the Moot House, incorporating short stay car parking and loading on a shared surface. Parking areas could be extended further into The Stow, but will need to be carefully designed not to limit pedestrian movement.

2- Permit parking zone: controlled and allocated parking zone to improve resident and business parking approximately 28no. spaces to allocated plus service access and delivery bay.

3- Entrance to permit zone and pedestrian priority: enhanced entrance table to control speed.

4- Parking Square- northern entrance: enhanced public realm creating an entrance gateway to The Stow from the northern entrance. The redesigned entrance includes short stay parking for 5no. vehicles, landscaping and pedestrian priority entrance point; access to the private resident forecourt is maintained.

5- New lighting and landscaping: interventions within The Stow designed to improve the environment and help tackle anti-social behaviour issues.

6- Tree maintenance: failing planting beds removed

### Medium Term interventions

7- Moot House square: redesigned square which could be used for public events including visiting markets.

8- Development site on service bays site: the redeveloped service bays could accommodate

a mixed use development incorporating approximately 55\* units over 3 storeys, 55 parking spaces and private/communal outdoor space. (At least 1 space per unit and some parking for shop units)

9- Development site on the other large site: the redeveloped service bays could accommodate a mixed use development incorporating approximately 15\* units over 2 storeys, 15 parking spaces and private/communal outdoor space. (At least 1 space per unit and some parking for shop units)

10- Parking Square: located centrally which connects the Aldi with The Stow and incorporates 6no. parking spaces.

11- Through road access blocked: The parking square could be used to transform the through route into two separate non connecting access roads.

12- Improved parking for residential area: potentially used in conjunction with intervention 2, the redesigned central residential area could provide parking for an additional 12no. spaces, taking pressure away from the proposed on street parking permit zone.

### Long Term interventions

13- Redeveloped car park: redeveloped public car park providing a mixed use development which fronts onto the new service yard development, incorporating approximately 15\* units up to 2.5 storeys (to ensure any proposals do not dwarf the adjacent Stow buildings or create a tunnel affect between sites 8 & 13), 15 parking spaces (spaces could be allocated out of the public car park provision) and private/communal outdoor space. (At least 1 space per unit and some parking for shop units)

14- New public car park: relocated and redesign featuring 34no. public car park spaces

and through its central location reinforces the links between The Stow and the surrounding development sites.

15- One way access road: a new one-way route maximising the potential for parking.

16- Service entrance with dedicated refuse collection: dedicated waste collection facility to help improve the appearance of the rear blocks.

17- Redeveloped community meeting facility: redeveloped to provide a residential development which fronts onto the main street, incorporating 6\* units over 2.5 storeys, 12 parking spaces (spaces would be allocated out of the additional spaces adjacent to the dentist) and private/communal outdoor space.

18- New parking on open space adjacent to dentists: using the currently available space to alleviate parking pressures in creating spaces for a variety of uses.

19- New mixed use development adjacent to Moot House: redeveloped to provide a residential development which fronts onto the square, incorporating 5\* units over 2 storeys, 5 parking and private/communal outdoor space.

20- New residential development and parking to the rear of Moot House: redeveloped to provide a residential development which fronts onto the square, incorporating 5\* units over 2 storeys, 10 parking and private/communal outdoor space.

21- Refurbished community Library and café: enhanced library, redesigned to front onto the park, providing active frontage and community uses which connect with the space. A community café could be incorporated.

22- New development at gateway to The Stow: redeveloped to provide a residential development which fronts onto the square, incorporating 6\* units over 2 storeys, 8 parking

and private/communal outdoor space.

23- New development on the car parking site to the north: redeveloped to provide a residential development which fronts onto the square, incorporating approximately 15\* units over 2.5 storeys, 15 parking and private/communal outdoor space provided as balconies. (At least 1 space per unit and some parking for shop units)\*Depending on unit size and or residential/commercial mix.

24- Development site on funeral directors site: redeveloped to provide a residential development which fronts onto the square, incorporating approximately 8\* units over 2.5 storeys, (with a focal structure in the north west corner of the site to emphasise The Stow), 8 parking and private/communal outdoor space. (At least 1 space per unit and some parking for shop units)

25- Divided units to create double frontages: to create active frontage to the rear of the block and provide smaller starter units in place of the service bays.

\*Depending on unit size and/or residential and commercial mix

## 5.0 Consultation

### 5.1 Key stakeholder walk and talk

On the 21st August 2014 a 'walk and talk' consultation event was held at The Stow. The main purpose of the event was to understand and discuss some of the specific issues and opportunities currently faced by The Stow. The invited attendees included:

Paul Sallin	Place Services
Peter Dawson	Place Services
Elizabeth Fitzgerald	Harlow Council Planning
Will Hales	Harlow Council Property
Judy Lodge	Harlow Council Housing
Cllr Jackie Cross	Mark Hall Ward Councillor
Cllr Jerry Crawford	Mark Hall Ward Councillor
Cllr Janet Doyle	Mark Hall Ward Councillor
Cllr Mike Danvers	Mark Hall Ward Councillor
John Curry	Harlow Civic Society

Key discussion points:

- The square outside Moot House looks tired and in need of enhancement- the space is owned by Harlow Council. Markets and other activities could be encouraged in this location.
- There was a distinct lack of cycle parking and street furniture.
- Pedestrian and cycle links between the neighbourhood centre and park might be improved.
- Many of the trees are overgrown and are in need of crown lifting.
- Planting beds, planters and other landscaping lack maintenance and have become overgrown.
- Planters are poor and are failing.
- Sponsorship or alternative maintenance opportunities were discussed.
- The conifer trees could be removed.
- Street lighting could be updated and enhanced.



Walk and Talk on site with local ward members

### Buildings

- General cleanliness and maintenance would help improve the look and feel of The Stow.
- Satellite dishes appear on many of the public facing elevations - these need removing and replaced with a single hidden satellite dish
- Business signage at the entrance to The Stow would be useful to encourage business. This might include a list of occupants.
- Proposals need to make reference to the original building design by referencing the tiles and colours.
- Explore options for feature/canopy lighting on buildings
- Any new development which includes residential should include on plot parking, affordable housing and a mix of tenures suitable to The Stow.
- Toilet block and storage bays need refurbishment / redevelopment.
- Tidy the rear service entrances of the commercial units.
- Shutter design should be explored considering visual appeal and security.
- There is a general pest control problem relating to pigeons and the design of the buildings, i.e. featuring lots ledges suitable for perching.

### Car parking and access

- Explore alternative options for parking at the rear of The Stow including business and permit parking.
- De-clutter access through The Stow – removing unnecessary bollards and traffic controls.
- Explore options and viability for a ‘car club’ scheme, perhaps as a pilot for Harlow and recognising that planning cannot force this on developers.
- Improve parking spaces adjacent to First Ave
- Explore options for the space currently used for four disabled parking bays - this could potentially be used as a development site.
- Some residents have reported a shortage of parking, which has been made worse where previously free spaces have reverted to pay

and display, e.g. Minchen Road Car Park.

- Access between Aldi and the rest of the neighbourhood centre might be further improved, though this is complicated by level changes, ownership issues etc.

### General

- The historic importance of The Stow Neighbourhood Centre was recognised and its architecture is a key factor in the Harlow story.
- We discussed the importance of the sculpture outside Moot House, which was the first Harlow sculpture to be installed on site in Harlow.
- Co-ordinated public notice boards (explore options for new locations)
- Ideally keep some of the businesses currently occupying the service bays as part of any redevelopment proposals.

## 5.2 Pre-engagement open event

A drop-in event for the community to give their views was being held on Thursday 4 September 2014, 1pm-7.30pm at the Annexe, Moot Hall, The Stow. This event was facilitated by Harlow Council officers and colleagues from Place Services. The event had 18no. people attendees including business owners and local residents.

## 5.3 Public consultation on options

Following this, options for redevelopment were created, these were consulted in in June 2015. Positive comments included support for new service bay proposals, the proposals for extra parking also received a positive response.

In total, 18 people attended the event including business owners and local residents.

A summary of the feedback received is available from the planning policy team.

## 5.4 Reoccurring public feedback and comments

The Stow SPD consultation report (2015) contains a wealth of feedback which has influenced the vision and key principles of this document.



## 6.0 Design Framework

### 6.1 Strategic Vision

6.1.1 Harlow Council's Corporate Plan 2014/15 - 2016/17 sets out the Council's vision and priorities to drive improvement over the next three years.

6.1.2 Page 5 of the Corporate Plan 'An Enterprising Place' sets out the current and future picture of Harlow as a location for business and growth.

6.1.3 Despite the tough economic climate, Harlow has remained a competitive location for business and growth and is well equipped and situated to support economic growth across west Essex.

6.1.4 However, there are variations in different parts of Harlow. Household incomes of residents are 11 per cent lower than workplace wages and there are pockets of deprivation, notably around the centre and southwest of Harlow.

6.1.5 As Harlow continues to become more business orientated in coming years, a key opportunity is to use the regeneration of deprived areas to create employment opportunities and reinvigorate communities.

6.1.6 The Council will need to continue to work with community groups and other organisations to tackle local problems and improve the lives of residents.

6.1.7 Harlow Council's Corporate Plan, Regeneration and a thriving economy goals for the next three years are:

1. Lead on the delivery of the Enterprise Zone
2. Deliver neighbourhood regeneration and Priority Estate schemes
3. Work with Essex County Council to deliver transport infrastructure

4. Preparing for Growth
5. Support improvements to the Town Centre
6. Support the economic development of Harlow

6.1.8 Key goals relevant and deliverable through the regeneration of the The Stow include:

- Deliver neighbourhood regeneration and Priority Estate schemes
- Preparing for Growth
- Support the economic development of Harlow

6.1.9 Harlow Council is planning to review and set out a regeneration framework for each of the neighbourhood centres, including Bush Fair and Staple Tye.

### 6.2 Key Principles

6.2.1 The development options have been reviewed and amended. The following key principles should be used to inform the future development of The Stow.

- Securing the appropriate mixed use development of the service bays site and site adjacent to Aldi including new homes and business/retail units.
- Develop opportunity sites to create a new outward-looking development frontage to First Avenue
- Improve the Orchard Croft Gateway including landmark public art seen from First Avenue
- Address and improve the backs of The Stow retail units; creating an active frontage
- Introduce a package of improvements to the shopping centre including public realm, lighting, landscaping and street furniture
- Create a range of improved public spaces and squares
- Review and consolidate the public car park and access to service yards

- Improve and enhance Moot House Community and Business Centre
- Greater pedestrian prioritisation and access
- Introduce a comprehensive package of signage, public art and branding throughout The Stow
- Explore whether it would be beneficial for the area to designate the shopping centre as a conservation area, to ensure any future works retain or enhance the historic and distinctive design characteristics of the area
- Cooperative Management – Funding and resource support for the setting up and running of a Stow Neighbourhood Centre community organisation ensuring local businesses, residents and other interested parties have the opportunity to be involved in the management of the neighbourhood centre

### 6.3 Development Framework

6.3.1 First Avenue Frontage and Perimeter Block - new outward-looking development frontage to First Avenue and contributing to a self-securing 'perimeter' block, with a newly privatised rear parking/servicing courtyard where general through traffic is prevented, and moving the bus stop for improved access and self-policing.

6.3.2 Orchard Croft Gateway - gateway improvements including landmark public art seen from First Avenue, an enhanced green approach to the neighbourhood centre, better integrated car parking and new outward-looking commercial units.

6.3.3 Service Bays Loop – a secondary neighbourhood centre loop, with replacement 'service bays' including a mix of retail, offices, workspace, studio space and leisure uses at ground level, and predominantly residential above giving a community presence.

Service Bays Residential Area – a relatively high density community of apartments, mews and compact townhouses closely related to and supporting the neighbourhood centre, and providing a stronger development edge to Howard Way / subject to parking demand, the southern portion of this area might alternatively be developed as an attractively landscaped long-stay public car park primarily aimed at ensuring the viability of high employment uses such as offices.

6.3.4 Service Bay Square - parking square with high quality landscape treatment, providing an attractive focal space for the redeveloped service bay area, and convenient residential and business car parking.

6.3.5 Backs Converted to Active Frontage - New service bays created by splitting off the back portion of selective retail units, to ensure continuous active and attractive frontage to surrounding public realm, and contributing to viable neighbourhood centre circuits.

6.3.6 Shopping Centre Improvements – including integrally 'designed' security grilles; refurbished canopies, balconies and colonnades; tiling enhancement; replacement curtain walling; brickwork cleaning; decluttering of elevations (e.g. satellite dishes, bins and mechanical vents); enclosing and securing stairwells; more bespoke dwelling canopies; 'making-over' the former Cornerstone Centre building; removing/remodelling (reducing to seating height) raised beds; removing some trees to increase daylighting; better arranging the context for the Not in Anger sculpture to give it better presence; and replacing concrete planters with integrally designed landscaping

6.3.7 Eastern Car Parking and Servicing Improvements - Rear service access improved and car parking increased by removing the single storey rear extension to create more space and enhancing the landscape treatment, with adjoining pressures for car parking

reduced by turning the Orchard Lane cul-de-sac into an attractively landscaped parking square.

**6.3.8 The Stow Gateway Approach -** Redevelopment of underdeveloped/utilised sites to provide mixed use (including replacement dentists) and mews housing development contributing to a more actively fronted street, with mature trees protected to the front and additional parking provided to the rear.

**6.3.9 Moot House Community and Business Centre -** Moot House's role widened to accommodate car parking (adjoining Nuffield House Surgery), a car-club, co-working space, and a managed resource for supporting local workspace, incubator units and other small business initiatives requiring meeting space, support infrastructure and affordable (shared) services.

**6.3.10 Main Square -** in front of Moot House transformed into the main neighbourhood square, including new and improved development, a high quality landscape treatment, shared street concept which helps unify the space, cafes and restaurants encouraged to spill out into the space, and promoting events including markets.

**6.3.11 Greater Pedestrian Prioritisation –** Carriageways narrowed and turnings tightened to maximise pedestrian space, facilitate safe crossings and emphasise greater pedestrian prioritisation, for example running through main squares and at key desire line crossings .

**6.3.12 Signage, Public Art and Branding –** A coordinated strategy embracing landmarking, directional and street signage, history and branding, with public art helping express and bind the different elements including establishing a neighbourhood centre brand, bespoke signage, new art pieces in key locations, tiling restored/replaced and changing

to street based addresses (rather than by area).

**6.3.13 Conservation Area –** Explore and review the benefits of including the shopping centre as a conservation area, to ensure any future works retain or enhance the historic and distinctive design characteristics of the area.

**6.3.14 Cooperative Management –** Funding and resource support for the setting up and running of a Stow Neighbourhood Centre community organisation ensuring local businesses, residents and other interested parties have the opportunity to be involved in the management of the neighbourhood centre, through engagement, representation, support for local initiative and, where appropriate, taking on day-to-day management responsibilities in partnership with the Council.

## **6.4 Summary**

**6.4.1** It is clear that The Stow needs to evolve to sustain, enhance and protect its status as a key neighbourhood service and retail centre.

**6.4.2** The way in which the Stow develops is critical to attract new businesses and investment, without negatively affecting the many positive elements The Stow provides its residents, businesses and users.

**6.4.3** This document sets out a number of short, medium and long term interventions which combine to provide a development framework that enhances The Stow. The document highlights a series of quick wins which could be immediately achievable without the need for large scale investment. The medium and long term interventions set out a series of enhancements addressing the potential development form, use, location and massing suitable for The Stow.

**6.4.4** This document has been informed at each stage by stakeholder engagement and

public consultation, and it is clear that there is a widespread desire to see positive change and investment into the stow. This is clearly evidenced in the consultation summary report.

6.4.5 Harlow Council as both a key stakeholder within The Stow and planning authority have been proactive in developing, commissioning and supporting this Supplementary Planning Document to help inform a holistic development framework.

6.4.6 When adopted, this document should be used to guide, assess and inform any emerging planning application, Highways or transformation project within The Stow.

The Stow Neighbourhood Centre Design Framework  
Supplementary Planning Document

Consultation Statement

July 2016

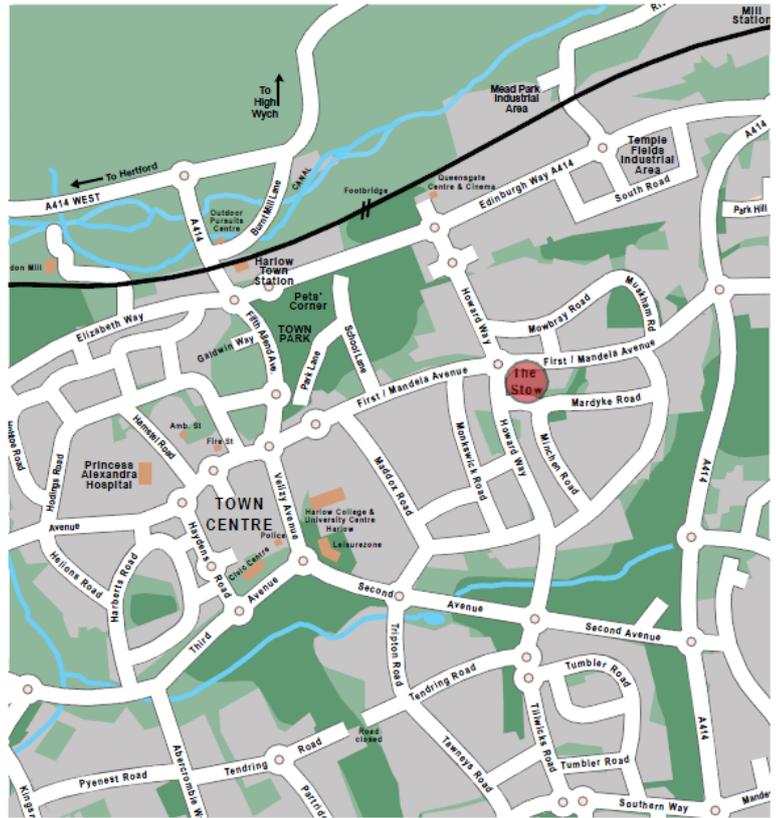
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# 1. Background

1.1. The design framework was produced to help guide future developments and improvements to The Stow Neighbourhood Centre. The Design Framework is being led by Harlow District Council with assistance from Place Services at Essex County Council.

1.2. The purpose of this study is to evolve the 2013 ‘Live, work, shop and play’ masterplan into a clear, robust and deliverable Design Framework which can be adopted as planning policy in the form of a Supplementary Planning Document. It will promote and guide development opportunities, whilst identifying how funding, reinvestment and planning gain might be used to improve existing buildings and the public realm, as part of a combined regeneration package for the area.



The Stow in relation to Harlow Town centre

1.3. The key proposals of the 2013 ‘Live, work, shop and play’ masterplan are themed around:

**1.3.1. Refocussing**

Creating new and improved public space as a focus of the new development.

**1.3.2. Reconnecting**

Improving access and vehicle routes to increase passing trade.

**1.3.3. Revealing**

Improving the visibility of The Stow and its signage and decluttering key street scenes.

**1.3.4. Restoring**

Ensuring all new development keeps to the principles and styles of The Stow such as the extension of feature tiling and replacement curtain walling above Dorringtons.

**1.3.5. Redefining**

Reviewing the future retail offer in The Stow and how it can serve local need.

1.4 The Stow was the first of the neighbourhood centres, situated in the Centre of Nettleswell and Mark Hall wards, it was designed as a shopping and social space for residents. It fronts both First Avenue and Howard Way and is very well connected to the town centre for both public transport and pedestrian/cycleways. The green space

## Appendix B

to the immediate south of The Stow provides the neighbourhood with green amenity space and recreation space.

- 1.5 The Stow primarily supports the surrounding residential areas, providing both convenience retail shopping and a range of services. The Stow has gradually declined as a result of changing habits to both shopping and social interaction.
- 1.6 As of July 2015 the tenure type in The Stow was 74 percent Council tenants (42 properties) and 26 per cent private tenants or owners (15 properties).

## **2. The Stow Neighbourhood Centre Design Framework SPD Consultation**

### **Background**

- 2.1. Public consultation is an important part of the planning process and the Council is committed to involving the community in the preparation of all local planning policy documents, in accordance with national legislative requirements and the Council's Statement of Community Involvement<sup>1</sup> (SCI).
- 2.2. A pre-engagement open event was held on Thursday 04 September 2014 at the Annexe, Moot Hall, The Stow. This was a drop-in event in which business owners and local residents could give their views. Following this additional feedback was received via email and an online questionnaire.
- 2.3. Reoccurring public feedback and comments from this process was then used, along with a range of other evidence, to produce a draft Supplementary Planning Document (SPD). Other evidence included the 2013 'Live, Work, Shop and Play' document, existing national and local planning policy, an analysis of the historic environment, current land use and a 'walk and talk' event involving key stakeholders which took place in August 2014.

### **Viewing and Commenting on the SPD**

- 2.4. The public consultation on the draft SPD ran from Monday 01 June 2015 to Monday 29 June 2015. During this period paper copies of the draft SPD could be viewed at Harlow Civic Centre, Harlow Central Library and Mark Hall Library which is located in The Stow. The documents were available online via the Council website. An unmanned exhibition also ran in the Civic Centre reception from Friday 05 June 2015 until Monday 29 June 2015. This presented a selection of the plans and images from the SPD.
- 2.5. Respondents were encouraged to submit their comments through the consultation portal via the Council's website. Alternatively comments could be emailed or posted into the Council. There were some hand written comments submitted on the exhibition day on Thursday 04 June 2015.
- 2.6. When responding to the consultation, respondents had to provide their contact details, as anonymous responses could not be accepted. This ensured that the process was fair and transparent.

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<sup>1</sup> At the time of the Emerging Strategy and Further Options consultation, the extant SCI was adopted in 2007. A review of the SCI has since been finalised and adopted following a period of public consultation, meaning the SCI: Review is now the adopted SCI for Harlow. The revised SCI reflects changes in national legislation and consultation best practices since 2007.

2.7. Respondents could also speak to Council Officers in person or by telephone for advice, but only written representations could be considered.

### Public Exhibition

2.8. On Thursday 04 June 2015 an exhibition was held at 22 The Stow, an empty retail unit, to allow members of the community and other stakeholders to come and view the documents. Visitors were able to discuss their opinions with the representatives of Harlow Council and Essex County Council. Over 80 people attended the exhibition and were given the option to leave written comments.

### Consultation Materials

2.9. The table below details the consultation materials and their availability:

<b>Material</b>	<b>Availability</b>
Main consultation document	<ul style="list-style-type: none"> <li>• Hard copies available for viewing at the Civic Centre, Harlow Central Library, Mark Hall Library and exhibition.</li> <li>• Downloadable from the Council website.</li> </ul>
Summary maps and images	<ul style="list-style-type: none"> <li>• On display during exhibition.</li> <li>• On display in at the Civic Centre between 05 and 29 June 2015.</li> <li>• Downloadable from the Council website.</li> </ul>
CD	<ul style="list-style-type: none"> <li>• Obtainable from exhibition and on request from the Council</li> </ul>

2.10. The consultation document set out information on:

- The background policy and initiatives.
- A baseline analysis.
- An outline of three possible development options.
- Details of previous and planned consultation.

### Notification Methodology

2.11. A letter was sent out to all addresses within 80 meters of the study area inviting them to participate in the consultation and notifying them of the exhibition date and location. This included all unit owners and occupiers.

2.12. A letter or email (dependent upon previously collected preferred methods of contact), was also sent out to relevant groups. These included local residents associations, Harlow Area Access Group, Councillors, the Harlow Youth Council, Utility Companies, Fire and Police Services, charity groups such as Age Concern, Essex County Council, the Civic Society, the Harlow Chamber of Commerce, local transport providers and national organisations including Historic England and Natural England.

Appendix B

2.13. A press notice and press release were both printed in The Harlow Star newspaper prior to the exhibition and five notices were placed up at strategic points around The Stow area advertising both the consultation and exhibition.



3.5

**Council Officer Comments:** The Community Safety Team have dealt with reports of anti-social behaviour in The Stow for the past five years. Some (including a complaint made in summer 2014) were relating specifically to the activities of young people. Essex Police carried out patrols as result of this and 2015 so far has seen a reduction in the number of complaints received about the area.

In addition to Police patrols diaries were issued to shops to help monitor issues and visits were carried out by the Community Safety Team; however, no diaries were returned.

3.6 The current range of shops was found to be disappointing for some residents. Some lamented the loss of a bank while several feel that the Service Bays are “overrun with fast food outlets. We could do with less of these and more shops and services that might be useful”. Several respondents made reference to the fact that there were empty units within The Stow.

3.7

**Council Officer Comments:** The Service Bay Area has been investigated by the Environmental Health team over recent years. The team understand that in terms of best practise the takeaway restaurants in the Service Bays would not be there- mainly due to concerns over food safety. However, it is acknowledged that it is unlikely that small businesses can afford best practice.

The team have received complaints from at least one resident of St Andrew House, the building to the rear of the Service Bays. This was in relation to noise and smell however the investigation did not find that there was formally a nuisance.

In terms of the compliance of food outlets all have been inspected by the Environmental Health Team within the past 22 months. Based on the results from these last inspections, 75 per cent of outlets were broadly compliant with food hygiene standards. This is below the percentage for Harlow overall.

3.8 Several respondents made reference to a perceived lack of support for local business. One shop owner was concerned with the lack of discussion prior to the draft SPD being presented. Many were concerned that big businesses and chains would be given priority over independent shops and used Aldi as an example of this happening: “How is one shop so powerful as to dictate what happens to the whole area, if they

cared about the Stow then surely they would have integrated somehow into the shopping area rather than segregating themselves.”

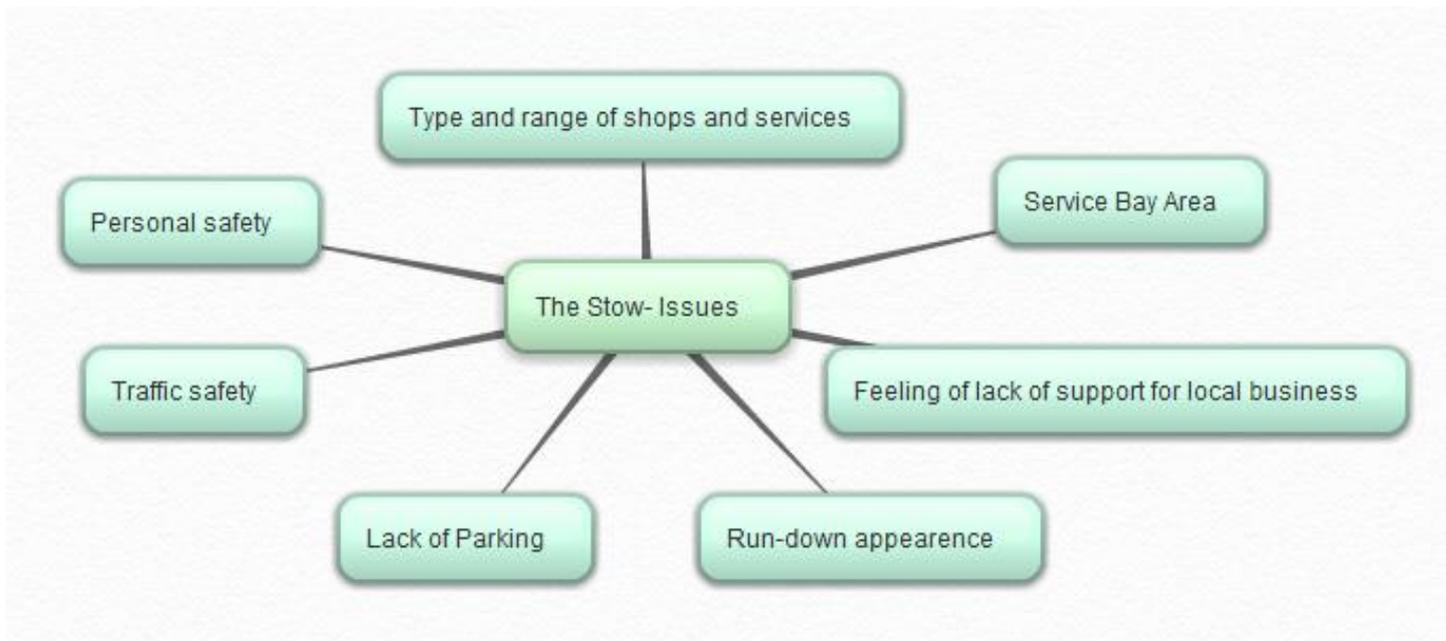
3.9 Other issues that were raised by residents and business owners on the day include negative attitudes about the visual appearance of the Service Bay Area. Some of the business owners raised the need for the Service Bays in allowing local people to run small businesses at a relatively low cost.

3.10

**Council Officer Comments:** In terms of visual appearance the Waste Team suggested that the rear of the shops were particularly unsightly. The shop owners do not have storage behind their units to store containers and other waste and so these often sit out on the pavement before being collected.

Both the Waste Team and the Area Housing Team made reference to the problem with pigeons in The Stow.

3.11



### Comments on Proposed Framework

3.12 Positive comments included support for new service bay proposals with one comment stating that this was “long overdue”. The proposals for extra parking received a positive response, however one comment did stress the need for “a minimum of two parking spaces per dwelling”.

3.13 There was general agreement from respondents that the frontage of Moot House needs to be made more presentable, but concern over its future use. One

respondent was concerned that using this as a market space may not be an appropriate or successful use of the space.

- 3.14 A response was received from the Harlow Art Trust who were broadly supportive of the aims of the draft SPD. The organisation made clear that they would wish to be involved in the procurement of new public art in order to embed proposed works within the wider collection. They believe that the existing pieces of sculpture should be regarded and positive and their setting be enhanced.
- 3.15 Historic England were mainly supportive stating that “Many of the proposed newly created views and well-designed new buildings would enhance the setting of designated heritage assets”. These assets include the Church of our Lady of Fatima and the Moot Hall.
- 3.16 More negatives views were received regarding whether extra trees would be properly planted and maintained and one respondent questioned the plans for car parking, suggesting that a dispersed parking strategy may stop a larger car park just becoming an Aldi overflow.
- 3.17 On the day of the public exhibition there was much debate over the possible re-opening of the through road. Some visitors were open to the idea, suggesting that it may lower rates of anti-social behaviour. However the comments received were mainly against the idea of reopening the road as it may become a rat run or may be dangerous to pedestrians. One visitor to the exhibition in The Stow suggested that a half way approach may be possible with a small amount of parking allowing customers to visit shops for a short period of time.

### Other Suggestions and Solutions

- 3.18 Short term solutions suggested in comments included the need for more seating areas. One local business owner put forward a range of smaller short term solutions including removing rubbish, improving paths and kerbs, pruning of trees and grass cutting. Historic England also focused on smaller scale changes and emphasised the need to consider the ‘user experience’. This would include street furniture, lighting and planting. They went on to suggest the preparation of a design guide for the shop fronts to ensure consistency and for planting, street furniture and paving in the public realm.

3.19

**Council Officer Comments:** The Area Housing Team also picked up on a range of shorter-term needs that would benefit residents in particular. These include improving the appearance of the communal areas to the flats- this could include new handrails and railings, better lighting on the stairwells and nosing on the steps. In relation to the pigeon issues proofing of the windows that overlook the precinct would be welcomed by the residents it was suggested.

- 3.20 The need to reopen public toilets was a comment made by several respondents.
- 3.21 In terms of safety comments from residents suggested that there should be more police patrols and more or updated CCTV cameras. One resident suggested that bylaws should be put in place such as no drinking in the area or no cycling on footpaths.
- 3.22 Traffic safety was a reoccurring theme with two suggestions that there was a need for traffic lights at the junction of Michen Road and Howard Way. Also that the zebra crossing on Howard Way needs addressing, the suggestion being that traffic lights may be the solution here too.
- 3.23 Parking issues prompted a variety of ideas and solutions; one comment suggested that roads could be widened to create more parking for flats. A current business owner thought shops owners should be able to park outside the ancillary buildings to create more parking.
- 3.24 Short to medium term improvements suggested were primarily aesthetic with the desire to improve the look of the flats above shops high on the list.

#### **Other comments**

- 3.25 Several other comments were made which did not offer direct suggestions but which are important for consideration.
- 3.26 In relation to the proposals put forward one business owner was concerned about the potential loss of business. Explaining that there are some shopkeepers who are already doing their best to keep the place tidy and neat and that the Council needs to work with these people and not risk them losing businesses.
- 3.27 The question was raised over what will happen to existing Council controlled homes and whether new one will new ones be built.
- 3.28 Finally some comments were made regarding the consultation document. The Mark Hall and Netteswell Community Association pointed out that some of the land use in relation to Moot House and shops was not correct. One resident commented that the maps were difficult to understand. He also felt that the consultation was not well publicised.
- 3.29 A comment for consideration in the final documents, as suggested by Historic England, was that that a map highlighting all listed and conservation areas should be included in the SPD.

## 4. Summary and next steps

- 4.1 Overall the comments received suggest that residents and other stakeholders are in agreement that some form of redevelopment needs to take place to benefit the users and business owners of the Stow.
- 4.2 The short-term suggestions were well received, in particular the planting. There were numerous other comments relating to the need for street furniture and lighting to be considered as well as safety measures such as CCTV.
- 4.3 It was agreed by the majority of respondents that the Service Bay Area needed some improvement; however the specifics of what should be done here were not clear.
- 4.4 Parking and traffic flows were also key themes with several respondents making clear that any new properties should be allocated sufficient parking spaces.

4.5

**Council Officer Comments:** The Regeneration Team provided the following comment which provides a clear summary of their stance and ties in with many of themes brought up by the respondents of the consultation.

“The Stow provides a diverse range of enterprise and employment opportunities to the local and wider community. A number of external factors have changed the dynamics and reliance on neighbourhood shopping centres, leading to a lack of investment and redevelopment. As an inward facing centre this is a fundamental drawback in creating an improved, vibrant centre; for many the service areas of the centre are what is seen first and signage of both The Stow Service Bays and shopping centre is poor.

Redevelopment of The Stow should consider its role in providing affordable accommodation for a range of small and start-up businesses as well as the retail and service sector. The area needs to ensure it is a pleasant and welcoming environment that is well maintained to ensure that businesses, employees, residents and the wider community are attracted to the area.”

- 4.6 The next step in the process is a roundtable meeting bringing key Council Officers together to discuss the results of this summary report.
- 4.7 Following in this a final draft SPD will be created.

## Appendix 1: List of consultees

- Advisory Council For Education Of Romany And Other Travellers
  - Age Concern Harlow
  - Arriva
  - British Gas
  - BT Openreach
  - Design Council
  - Entec
  - Environment Agency
  - Essex CC
  - Essex Fire
  - Essex Police
  - Harlow and District Chamber of Commerce
  - Harlow Area Access Group
  - Harlow Civic Society
  - Harlow Conservation Volunteers
  - Harlow Ethnic Minority Umbrella
  - Harlow Homeless Centre
  - Harlow Youth Council
  - Historic England
  - Homes and Communities Agency
  - Homestart Harlow
  - Mark Hall And Netteswell Community Association
  - Mobile Operators Association
  - National Grid
  - Natural England
  - NHS England - Essex Area Team
  - Our Lady of Fatima Roman Catholic Church
  - Quarry Springs Residents Association
  - SM Coaches
  - Sport England
  - St Albans RC Primary School
  - St Andrews Methodist Church
  - Thames Water
  - Transco
  - UK Power Networks
  - Veolia Water
  - West Essex CCG
- As well as this 592 properties which lie within 80 meters of the study area boundary (as shown on the map) were contacted. This included both residential and business properties.



- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>A. Church of Our Lady Fatima</li> <li>B. Aldi</li> <li>C. Service Industry Bays—see separate map</li> <li>D. St Andrew’s Methodist Church</li> <li>E. St Andrew’s House</li> <li>F. Former council rent office—now vacant</li> <li>G. Car park</li> <li>H. Garages &amp; misc.</li> <li>I. Additional units—see separate map</li> <li>J. Main pedestrian shopping area—see separate map</li> <li>K. The Essex Skipper Pub</li> <li>L. Mark Hall Library</li> </ul> | <ul style="list-style-type: none"> <li>M. Moot House meeting rooms</li> <li>N. Moot House social club</li> <li>O. Moot House Halls</li> <li>P. Nuffield House Health Centre</li> <li>Q. St Alban’s Catholic Academy</li> <li>R. Burnt Mill Academy</li> <li>S. The Stow Playing Field</li> <li>T. Stow Leisure Club (above Dorrington’s)</li> <li>★ Pedestrian walkway</li> <li>— Study area boundary</li> <li>— Boundary of properties consulted (80m from study area boundary)</li> </ul> |
|---|---|

## **Appendix 2: Respondents**

Ms Valerie Cullen – Mark Hall and Netteswell Community Association

Mr Walt Tingle – Mark Hall and Netteswell Community Association

Mr Peter Mountsteven

Ms Wendy Rendell

Mrs Lisa Weemes

Mr Tony Batrick

Mr Terence Oliver

Mr Keith Mash

Mr Mick Patrick

Mrs C Seingier

Mr Mark Muncey – Doherty Shoe Repair

Mr Chris Snow – New Town Studio

Mr Davd Grech – Historic England

Mr Alistair Howe- Harlow Art Trust

## Appendix 3: Example of notification letter

**Forward Planning**  
Harlow Council  
Civic Centre  
The Water Gardens  
Harlow CM20 1WG

Telephone: (01279) 446 897  
Email: [myharlow@harlow.gov.uk](mailto:myharlow@harlow.gov.uk)  
Date: 27 May 2015

Dear Sir/Madam,

### THE STOW DESIGN FRAMEWORK SUPPLEMENTARY PLANNING DOCUMENT

The opening of the new Aldi store at The Stow represents major investment in the area and provides a catalyst for further regeneration. With assistance from Essex County Council, Harlow Council is preparing a Supplementary Planning Document (SPD) for The Stow Neighbourhood Centre to help promote and guide development opportunities as part of its regeneration. The SPD will also identify how funding, reinvestment and planning gain could be used to improve the area.

Last year, an Issues and Opportunities drop-in event was held to find out how the local community, local businesses and other stakeholders would like The Stow to be improved. The views and opinions expressed have helped inform the production of a consultation draft of the SPD, which provides background and analysis of The Stow, identifies strengths & opportunities and details various development options.

Public consultation on the document runs from **Monday 1 June to Monday 29 June**. You are being contacted because you may be interested in the document and/or you live near The Stow. If you do not wish to be contacted again, please let us know.

From the start of the consultation period, the document can be viewed on the Council website at [www.harlow.gov.uk/spd](http://www.harlow.gov.uk/spd), where you can also submit comments. Alternatively, comments can be emailed to [myharlow@harlow.gov.uk](mailto:myharlow@harlow.gov.uk) or posted to the Council at the address above. The document will also be available to view at the Harlow Civic Centre, Harlow Central Library and Mark Hall Library. All comments must be received by 5pm on **Monday 29 June 2015**.

Additionally a public exhibition will be held at **22 The Stow** (next to the Salvation Army charity shop) on **Thursday 4 June from 1pm to 8pm** where Officers will be present to answer questions. An unstaffed exhibition will then be located at the Civic Centre until the end of the consultation period.

*By responding, you give consent to the Council to hold & process your personal data in accordance with the Data Protection Act. Your name, organisation & comments may be available for others to view at the Council offices & on the Council website. Data gathered through this consultation will be held up to & probably beyond 2031.*

If you have any questions, please telephone 01279 446 897 or email [myharlow@harlow.gov.uk](mailto:myharlow@harlow.gov.uk)

Yours sincerely,



Dianne Cooper, Planning & Building Control Manager

## **Appendix 4: Harlow Star news article (4 June 2015)**

Harlow Council is seeking views on a document which will help promote and guide future development opportunities as part of the regeneration of The Stow. Consultation on the document, which has been jointly produced with Essex County Council, starts on Monday 1 June.

Councillor Durcan said: “The Stow was the first neighbourhood shopping centre in Harlow and will always have an important place in the town’s history. Today it is still a vibrant place with many local businesses operating in the area and there is some community activity but we know it could be a better place for local residents. Recent investment with the Aldi development gives us the opportunity to regenerate the Stow and we want to put a plan in place to help make that happen. The first, and most important, phase of this work is to get the views of local residents, businesses and community groups so we can start putting options together”.

The draft document can be read and views given at [www.harlow.gov.uk/spd](http://www.harlow.gov.uk/spd) from Monday 1 June. The document will also be available to read in the Civic Centre, Central Library and Mark Hall Library.

An exhibition is being held at 22 The Stow (next to the Salvation Army charity shop) from 1 – 8pm on Thursday 4 June, where Officers will be present to answer questions on the document. There will also be an unstaffed exhibition at the Civic Centre from Friday 5 June.

The consultation closes on Monday 29 June.

## Appendix 5: Promotional poster

# Have your say!

## The Stow SPD Consultation

Harlow Council is consulting on a draft Design Framework Supplementary Planning Document for The Stow, which will help promote and guide future development opportunities for the neighbourhood centre.

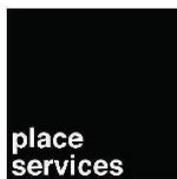


**The consultation runs from Monday 1 June to Monday 29 June.**

You can read the draft document and make comments by visiting the Council website:  
[www.harlow.gov.uk/spd](http://www.harlow.gov.uk/spd)

The document can also be viewed at the Civic Centre, Central Library & Mark Hall Library.

An exhibition is being held at 22 The Stow (next to the Salvation Army charity shop) on Thursday 4 June from 1pm to 8pm, where Officers will be available to answer questions.



## Appendix 6: Exhibition photos



Representatives of Essex County Council and Harlow District Council discussing ideas with members of the public and local Councillors during the exhibition at 22 The Stow on 4<sup>th</sup> June 2015.





The un-manned exhibition which was in place in the Civic Centre reception between 05 and 29 June 2015.

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** LOAN ARRANGEMENTS TO HTS  
(PROPERTY & ENVIRONMENT) LIMITED

**PORTFOLIO HOLDER:** COUNCILLOR JON CLEMPNER

**LEAD OFFICER:** MALCOLM MORLEY, CHIEF EXECUTIVE  
(01279) 446004

**CONTRIBUTING OFFICER:** SIMON FREEMAN, HEAD OF FINANCE  
(01279) 446228

**This is a Key Decision.**

**It is on the Forward Plan as decision number I006012**

**Call-in Procedures may apply**

**This decision will affect no Ward specifically.**

**RECOMMENDED that:**

- A** Cabinet approves the provision of a loan of up to £1.4m to HTS (Property & Environment) Ltd as working capital for the business.
- B** Authority is delegated to the Chief Executive, in consultation with the Leader of the Council and the Portfolio Holder for Resources, to finalise the detailed negotiation of the facilities agreement between the Council and HTS (Property & Environment) Ltd.

**REASON FOR DECISION**

- A** The provision of the loan will be applied to finance the company set up costs which will ensure that HTS (P&E) LTD is able to initiate trading from 1 February 2017.
- B** The approval of the loan will enable the costs incurred by the company in the months leading up to trading as a new company next February to be financed and repaid or amortised over a period of time which is usual in instances of new start businesses.

**BACKGROUND**

1. Following the Cabinet decision in October 2015, Officers are undertaking the work required to establish a wholly owned Council company to deliver services currently provided by Kier Harlow Ltd.

2. This work has resulted in the establishment of two wholly owned companies, HTS Group Ltd and HTS (Property & Environment) Ltd. The latter being the company vehicle that will be used to facilitate the TUPE transfer of the existing Kier Harlow workforce from 1 February 2017 and to undertake the full range of trading activities currently provided through the JVCo.
3. Governance arrangements have been established with the HTS (P&E) Ltd Board and Shareholder Sub Committee now formalised to oversee the successful transition and ongoing trading of the company.

## **PROPOSALS**

4. It is intended that, subject to Cabinet approval, the loan to be provided by the Council be sourced from Public Works Loans Board (PWLB) borrowing. The loan will then be provided to HTS (P&E) Ltd at a rate determined under the State Aid Loan Repayment Calculation methodology. All costs of the Council will be covered to avoid any state aid issues and interest repayments will be met by payments from HTS (P&E) Ltd to the Council.
5. The loan facility will be unsecured, owing to the fact that there is no parent company with any assets against which to place a charge or seek a guarantee and ultimately the Company is wholly owned by the Council. Whilst this presents risk, the loan funding has been factored in to HTS (P&E) Ltd operational budget plans and is serviceable given the contracted level of service it is proposed that it will provide to the Council.
6. Currently the funding is coming from the Transition Budget and the costs will be transferred to the loan to ensure that HTS start-up costs are borne by the company and to avoid any State Aid concerns or challenge.

## **IMPLICATIONS**

### **Place Services (includes Sustainability)**

Contained within the report.

Author: **Graeme Bloomer, Head of Place**

### **Finance (Includes ICT)**

The Council will raise funds through borrowing to facilitate the loan to HTS (P&E) Ltd (internal borrowing may present itself as an option for the Council in terms of financing the loan but commercial rates will drive the loan facility to HTS (P&E) Ltd due to State Aid requirements. All financing cost associated with the loan will be met through the repayments from HTS (P&E) Ltd.

Author: **Simon Freeman, Head of Finance**

### **Housing**

None specific.

Author: **Andrew Murray, Head of Housing**

**Community Wellbeing (includes Equalities and Social Inclusion)**

None specific.

Author: **Jane Greer, Head of Community Wellbeing**

**Governance (includes HR)**

A binding legal agreement setting out the terms of any loan will be required to protect the Council's interests.

Author: **Brian Keane, Head of Governance**

**Background Papers**

None.

**Glossary of terms/abbreviations used**

PWLB – Public Works Loans Board

**REPORT TO:** CABINET

**DATE:** 21 JULY 2016

**TITLE:** REFERRAL FROM AUDIT AND STANDARDS  
COMMITTEE – ANNUAL GOVERNANCE  
STATEMENT 2015/16

**PORTFOLIO HOLDER:** COUNCILLOR MIKE DANVERS

**LEAD OFFICERS:** SIMON FREEMAN, HEAD OF FINANCE (01279)  
446228

BRIAN KEANE, HEAD OF GOVERNANCE (01279)  
446037

**This is not a Key Decision  
Call-in Procedures may apply  
This decision will affect no ward specifically.**

**RECOMMENDED** that Cabinet approves the Annual Governance Statement for 2015-16.

#### **REASON FOR DECISION**

- A** The Accounts and Audit Regulations 2011 require the Council to conduct, at least annually, a review of the effectiveness of its system of internal control and to approve an Annual Governance Statement which is required to accompany the Council's Statement of Accounts.
- B** The Audit and Standards Committee considered the draft Annual Governance Statement for 2015-16 and has recommended that Cabinet approve it.

#### **BACKGROUND**

1. At its meeting on 22 June 2015, the Audit and Standards Committee received a report on the Annual Governance Statement 2015/16 and reviewed the draft statement. The original report that was considered by the Committee is attached as Appendix 1 to this report.
2. The Committee has asked that the Cabinet approve the Annual Governance Statement 2015/16.

## **IMPLICATIONS**

Implications of the recommended decision are outlined in the 'Implications' section of the original report, which is attached as Appendix 1.

## **APPENDICES**

**Appendix 1** – Original report to the Audit and Standards Committee, 'Annual Governance Statement 2015-16', incorporating:

Appendix 1A – Draft Annual Governance Statement 2015-16

## **BACKGROUND PAPERS**

All original reports to the Audit and Standards Committee can be viewed from <http://moderngov.harlow.gov.uk/ieListDocuments.aspx?CId=120&MId=783&Ver=4>

**REPORT TO:**           **AUDIT AND STANDARDS COMMITTEE**

**DATE:**               **22 JUNE 2016**

**TITLE:**               **ANNUAL GOVERNANCE STATEMENT 2015-16**

**LEAD OFFICER:**   **SIMON FREEMAN, HEAD OF FINANCE**  
                              **(01279) 446228**

**RECOMMENDED** that the Committee recommends to Cabinet the approval of the Annual Governance Statement for 2015-16.

## **BACKGROUND**

- 1.1. The Accounts and Audit Regulations 2015 require the Council to conduct, at least annually, a review of the effectiveness of its system of internal control and to approve an Annual Governance Statement which is required to accompany the Council's Statement of Accounts.
- 1.2. The Statement should be prepared in accordance with proper practices in relation to internal control. The CIPFA/SOLACE document *Delivering Good Governance in Local Government (2012)* defines the format.
- 1.3. The Council must review its systems of internal control and governance annually and assure itself that its internal control environment is effective. Various sources of assurance are relied upon to enable preparation of the Annual Governance Statement. These include:
  - (i) work of the internal auditors;
  - (ii) work carried out by the external auditors and
  - (iii) if applicable, reports from any other review agencies and inspectorates.
- 1.4. Heads of Service, as Officers who have responsibility for the development and maintenance of the internal control environment, provide annual declarations assessing the rigour of the control environment in their service. The Internal Audit annual report (also on this Committee Agenda) and review of the effectiveness of internal audit form a key element of the review, as does the Council's work on risk and performance management.
- 1.5. The Statement covers all significant corporate systems, processes and controls, spanning the whole range of the Council's services, including those designed to ensure that:
  - (i) the Council's policies are implemented in practice;
  - (ii) high quality services are delivered efficiently and effectively;
  - (iii) the Council's values and ethical standards are met;

- (iv) laws and regulations are complied with;
- (v) required processes are adhered to;
- (vi) financial statements and other published performance information is accurate and reliable; and
- (vii) human, financial, environmental and other resources are managed efficiently and effectively.

- 1.6. The Statement is required to disclose any governance issues which may impact on the Council being able to achieve its corporate objectives. These are set out at section 5 of the Statement, together with actions proposed to address these issues and improve performance.
- 1.7. Preparation of the Statement has been managed by the Council's Governance Group. This group will continue to monitor the actions set out in section 5 of the Statement, along with other work that is relevant to governance. This will include, but is not limited to managing the external audit recommendation tracker and reviewing progress with risk and performance management.
- 1.8. A draft of the Statement was considered by the Corporate Management Team with the Heads of Service on 31 May 2016.

## **CONSIDERATIONS**

- 1.9. Although the Annual Governance Statement is not subject to audit by the external auditors, it is a public document, and auditors form a view of governance arrangements by comparing statements with their accumulated knowledge of systems and controls. Any significant differences between the two are likely to raise questions about the Council's willingness to acknowledge and address problem areas.
- 1.10. Approval of the Annual Governance Statement should be at a corporate level and should be confirmed by the most senior Officer and Councillor signing the Statement on behalf of the Council. It is good practice for the Council to review and approve the Annual Governance Statement separately from the accounts, as proposed in this report, as this helps to ensure its robustness and reinforce its corporate standing.
- 1.11. As the Annual Governance Statement is published with the Council's accounts, it is an opportunity to demonstrate that the Council is self-aware, and to set a transparent agenda for improvement.

## **CONCLUSION**

- 1.12. The review of the Council's systems of internal control and governance has confirmed that, although there are some areas where arrangements could be strengthened, the Council's overall control environment remains satisfactory.

Work will continue during 2016-17 led by the Governance Group to address areas where improvement or further development is needed.

## **IMPLICATIONS**

### **Place (Includes Sustainability)**

None specific.

Author: **Graeme Bloomer, Head of Place**

### **Finance (Includes ICT)**

This Statement explains how the Council delivers good governance and reviews the effectiveness of these arrangements.

Author: **Simon Freeman, Head of Finance**

### **Housing**

None specific.

Author: **Andrew Murray, Head of Housing**

### **Community Wellbeing (Includes Equalities and Social Inclusion)**

None specific.

Author: **Jane Greer, Head of Community Wellbeing**

### **Governance (Includes HR)**

Approval of the Annual Governance Statement is required by section 4(3) of the Accounts and Audit (England) Regulations 2011.

Author: **Brian Keane, Head of Governance**

## **APPENDICES**

Appendix A – Annual Governance Statement 2015-16

## **BACKGROUND PAPERS**

*NB: These are papers referred to in the preparation of the report that are not attached as appendices but that are available for public or Councillor study.*

Accounts and Audit (England) Regulations 2015

Delivering Good Governance in Local Government (Framework and Guidance Note for English Authorities) CIPFA/SOLACE

### Harlow Council - Annual Governance Statement 2015/16

#### 1. Scope of responsibility

- 1.1. Harlow Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 1.2. In meeting this overall responsibility, the Council must put in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, including arrangements for the management of risk.
- 1.3. The Council has in place all of the elements of a framework of governance consistent with the principles of the CIPFA/SOLACE Framework Delivering Good Governance in Local Government. This statement explains how the Council delivers good governance and reviews the effectiveness of these arrangements. It also meets the requirements of regulation 4(3) of the Accounts and Audit Regulations 2011, in relation to the publication of an annual governance statement.

#### 2. The purpose of the Governance Framework

- 2.1. The Governance Framework comprises the systems and processes, culture and values by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 2.2. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risks of failure to achieve policies, aims and objectives, and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives. The system is designed to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
- 2.3. The Council's financial management arrangements conform to the governance requirements of the CIPFA Statement on the Role of the Chief Financial Officer in

Local Government (2010).

- 2.4. The Council's governance framework has been in place within the Council for the year ended 31 March 2016 and up to the date of the Statement of Accounts (30 June 2016).

### 3. The Governance Framework

- 3.1. The Council's Governance Framework has been set up over successive years and is reviewed annually to ensure its continuing effectiveness with regard to the six CIPFA/SOLACE principles of effective governance, which are:

- **Purpose and Outcomes** - Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area
- **Functions and Roles** - Councillors and Officers working together to achieve a common purpose with clearly defined functions and roles
- **Conduct and Behaviour** - Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour
- **Scrutiny and Managing Risk** - Taking informed and transparent decisions which are subject to effective scrutiny and managing risk
- **Capacity and Capability** - Developing the capacity and capability of Councillors and Officers to be effective
- **Accountability** - Engaging with local people and other stakeholders to ensure robust public accountability

- 3.2. A brief description of the key elements of Governance Framework in place at Harlow Council is included as Appendix 1. The annual review of the effectiveness of this framework is covered in the next section.

### 4. Review of effectiveness

- 4.1. The Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by:

- a) the work of the senior management team who have responsibility for the development and maintenance of the governance environment
- b) the role of the Cabinet and committees, including the Audit and Standards Committee
- c) the Internal Audit Manager's Annual Report
- d) comments made by the external auditors
- e) other review agencies and inspectorates

- 4.2. The review has been led by the Governance Group comprising the Monitoring Officer, the Section 151 Officer, a Policy and Performance representative, the

Internal Audit Manager, the Legal Services Manager and other officers when they have specific contributions to make. In carrying out the review, the Group has kept in mind the six CIPFA/SOLACE principles of effective governance. The Group has considered the following evidence:

- a) Service Assurance Statements – each Head of Service, in conjunction with their managers, have completed a self-assessment covering the effectiveness of Governance arrangements in their area. The self-assessments, which have been reviewed by Internal Audit, have been used to identify areas for improvement both at a service level and, where more than one service has identified an area for improvement, corporate actions have been added to the improvement plan covered in the next section.
- b) The Internal Audit Manager’s annual opinion on the Council’s control framework, delivered to the Audit and Standards Committee, as the body charged with governance.
- c) Based upon the results of work undertaken during the year it is the Internal Audit Manager’s overall opinion that the Council has an adequate and effective governance, risk management and control framework for 2015/16. Areas for improvement were identified in a number of reviews and action plans agreed. Where significant deficiencies in control processes have been identified by Internal Audit, the actions that the Council’s management plan to take will, if implemented satisfactorily, resolve the deficiencies in the appropriate manner.
- d) External audit reports issued during the 2015/16 year. Where these exist, we have also used reports from other agencies and inspectorates.

4.3. During the year the Governance Group has been responsible for monitoring and reviewing the corporate governance framework and for considering specific governance issues as they arise. The work of this group has strengthened many of the Council’s governance processes and has addressed issues raised in the Annual Governance Statement. In particular, the group has been able to ensure that there is better integration of the assurance framework and that the process for producing the Annual Governance Statement is more robust.

4.4. The Governance Group has undertaken an assessment of the arrangements for governance during 2015/16 and has concluded that arrangements are fit for purpose. As a result of this work, a number of governance issues have been identified and in order to further strengthen arrangements, an action plan to address these issues is set out below.

## **5. Governance Issues Identified**

5.1. This final part of the Annual Governance Statement (AGS) outlines the actions taken, or proposed, to deal with significant governance issues identified. The Council’s Governance Group, which monitors and reviews the corporate governance framework, has ensured that the issues raised in the previous AGS have been addressed as detailed in Table 1 below:

**Table 1 – Progress on significant governance issues identified in the 2014/15 AGS**

Significant issue identified in 14/15 AGS	Action taken in 15/16 to address the issue
<p><b>1. Corporate Approach to Service Planning and Risk Management</b></p> <p>Since the previous AGS there have been improvements in risk management and service planning processes with further work required.</p>	<p>Risk management monitoring and reporting arrangements continue to be enhanced, ensuring these are integrated with business and service planning processes, with a new IT based system being introduced to support this.</p>
<p><b>2. Corporate approach to Anti-Fraud</b></p> <p>In light of benefit fraud moving to the DWP Single Fraud Investigation Service, now is a good time for the Council to consider its approach to corporate fraud.</p>	<p>The focus of anti-fraud work this year has been to update the Council's Whistleblowing policy and undertake an assessment of housing fraud risks (including Right to Buys). An action plan is being developed to ensure the maximum benefit is achieved from the resources available with a specific focus on potential housing fraud.</p>
<p><b>3. Partnerships</b></p> <p>There are a wide range of partnerships in place in order to deliver the Council's priorities and objectives. This is expected to increase as the Council continues to address government funding challenges.</p>	<p>The Council has established a register of community partnerships and has risk assessed them in order to help the Council ensure they have adequate assurances and governance arrangements in place. A partnership protocol is being drafted by the Head of Community Wellbeing.</p>
<p><b>4. Business continuity plan testing</b></p> <p>Testing regimes need to be introduced to verify the effectiveness of business continuity plans, train participants on what to do in a real scenario and identify areas where the plan needs to be strengthened.</p>	<p>A review and update of corporate and key service business continuity plans has taken place. A desk top exercise involving the senior management team is planned for early 2016/17 to help test these plans.</p>
<p><b>5. Succession planning</b></p> <p>Teams stated in their Service Assurance Statements that they were attempting to address this issue as part of current restructures or that there was a need to review this area, especially in small teams with a high staff turnover.</p>	<p>Succession planning and the need for greater knowledge sharing continue to be addressed through implementation of the People Resource Plan, which also identifies this as an area for focus and improvement.</p>
<p><b>6. Project Management training</b></p> <p>Teams were aware of project management processes but not always adequately trained in this area.</p>	<p>Information on the Council's project management resources, including templates and support available, was disseminated to managers to raise awareness.</p>

- 5.2. In preparing this statement and reviewing the effectiveness of the Council's governance arrangements, the following areas have been identified for improvement. These are set out in the table below, together with the steps to be taken to address them:

**Table Two: Areas for improvement during 2016/17**

Key improvement area	Action to be taken in 16/17
<p><b>1. Financial sustainability</b></p> <p>The Council requires a robust efficiency plan</p>	<p>The Council will continue to plan its future financial sustainability through its Medium Term Financial Strategy. Locking in to any</p>

Key improvement area	Action to be taken in 16/17
in order to guarantee its four year financial settlement from central government.	longer term financing settlement will be subject to production of a four year efficiency plan and will also be subject to the rules that underpin any such deal to be published by the Government.
<p><b>2. Local Authority Trading Company</b></p> <p>It is important for robust governance arrangements to be put in place as Harlow Trading Services (HTS) is set up, being a significant new venture for the Council, and Kier Harlow is wound down.</p>	<p>Formal transition governance and reporting lines have been put in place which includes a Transition Board.</p> <p>Effectiveness of governance arrangements will be monitored following the establishment of the HTS (Property and Environment) Board and Harlow Council Shareholder Sub Committee.</p>
<p><b>3. Corporate approach to Anti-Fraud</b></p> <p>In light of the 2016-19 Local Government Counter Fraud and Corruption Strategy the Council needs to review its anti-fraud arrangements.</p>	<p>Based on a recent fraud assessment the focus of Anti-Fraud work is planned to be in the Housing area.. This will help inform a review of the Council's anti-fraud strategy and arrangements.</p> <p>In addition, the Council is also part of the pan-Essex group that is developing a data matching solution to identify potential fraud relating to council tax discounts and exemptions but this may also indicate other possible fraud activity.</p>
<p><b>4. Performance Management</b></p> <p>In 2016/17 the Council will be migrating its service planning, risk performance management into a single system (InPhase).</p>	<p>Successful completion of the InPhase project is being overseen by the Project Sponsors (Head of Finance and Head of Governance), and monitored through regular updates to CMT/HoS.</p>
<p><b>5. Service resilience</b></p> <p>Identified as a theme in the Service Assurance Statements, especially as resources are diverted in setting up Harlow Trading Services.</p>	<p>Resourcing requirements and alternative service delivery models will be considered to ensure the continued delivery of key Council services.</p>

- 5.3. The Corporate Governance Group will oversee this action plan over the coming year and report on progress to the Audit and Standards Committee. The Group will ensure that governance issues are promoted, addressed and monitored in a co-ordinated manner throughout the next financial year.

APPENDIX 1

<b>PURPOSE AND OUTCOMES</b>	<b>FUNCTIONS AND ROLES</b>	<b>CONDUCT AND BEHAVIOUR</b>	<b>SCRUTINY AND MANAGING RISK</b>	<b>CAPACITY AND CAPABILITY</b>	<b>ACCOUNTABILITY</b>
Focusing on the purpose of the Council and on outcomes for the community and creating and implementing a vision for the local area.	Councillors and Officers work together to achieve a common purpose with clearly defined functions and roles.	Promoting values for the Council and demonstrating the values of good governance through upholding high standards of conduct and behaviour.	Taking informed and transparent decisions which are subject to effective scrutiny and managing risk.	Developing the capacity and capability of Councillors and Officers to be effective.	Engaging with local people and other stakeholders to ensure robust public accountability.
<b>Annual Governance Statement 2016/17</b>					
<ul style="list-style-type: none"> <li>• A new corporate plan covering 2016/17 to 2018/19 has been approved.</li> <li>• Open and transparent reporting of Key Performance Indicators and action plans for indicators that are out of tolerance</li> </ul>	<ul style="list-style-type: none"> <li>• The Constitution, which sets out decision making framework, gives clear definitions of roles and responsibilities and a protocol for how Councillors and Officers work together.</li> </ul>	<ul style="list-style-type: none"> <li>• A robust whistleblowing policy and zero tolerance approach to fraud and corruption.</li> <li>• Leadership encourages open and supportive culture.</li> <li>• The Constitution sets out codes of conduct for Councillors and Officers.</li> </ul>	<ul style="list-style-type: none"> <li>• Guide to decision making in Cabinet style of Governance.</li> <li>• Standard committee report format and modern.gov system for reporting.</li> <li>• Overview and Scrutiny Committee.</li> <li>• Audit and Standards Committee.</li> <li>• Medium Term Financial Strategy and integrated service planning approach.</li> <li>• A corporate Risk Strategy and toolkit.</li> <li>• A performance management framework which includes integrated performance and financial management report.</li> </ul>	<ul style="list-style-type: none"> <li>• A People Resources Plan to ensure that the Council has the staff, the skills, the knowledge, the facilities and the resources to meet legal requirements, its Vision and Corporate Plan.</li> <li>• The Council has an established induction and training programme for existing and new Councillors. This process includes mentoring and training events as and when identified.</li> </ul>	<ul style="list-style-type: none"> <li>• Defined standards of customer service backed by a complaints procedure.</li> <li>• Strategy for encouraging stakeholder involvement.</li> </ul>
<ul style="list-style-type: none"> <li>• An active Corporate Governance Group which takes charge of the Annual Governance Statement.</li> </ul>					

**MINUTES OF THE SHAREHOLDER SUB COMMITTEE FOR HTS  
(PROPERTY AND ENVIRONMENT) LIMITED  
HELD ON**

17 February 2016

6.40 - 7.25 pm

**PRESENT**

**Committee Members**

Councillor Jon Clempner (Chairman)  
Councillor Joel Charles  
Councillor Andrew Johnson  
Councillor Rod Truan  
Councillor Mark Wilkinson

**Officers**

Malcolm Morley, Chief Executive  
Simon Freeman, Head of Finance  
Brian Keane, Head of Governance  
Joel West, Governance Support Officer

1. **APOLOGIES FOR ABSENCE**

None.

2. **DECLARATIONS OF INTEREST**

None.

3. **SUB COMMITTEE WORK PLAN**

The Sub Committee received the draft work plan for February 2016 – April 2017.

Officers confirmed that regular Progress reports on Project Plan will include updates on fleet preparation.

The draft HTS Articles of Association will be made available to Sub Committee members well in advance of the March 2016 meeting.

**RESOLVED** that the work plan is noted.

4. **HARLOW TRADING SERVICES LIMITED TRANSITION PLAN UPDATE REPORT**

The Sub Committee received the HTS (Property and Environment) Limited Project Plan (February 2016). Brian Keane, Head of Governance, introduced the Plan. Brian explained the Plan was a high level document, would be subject to amendments as the project progressed, and was

supported by a number of dedicated Project Groups (as detailed in Appendix B of the Plan).

Councillor Joel Charles asked for a written note on what specifically is meant by 'Receive fleet', at row 31 of Appendix A (Baseline Project Plan).

**RESOLVED** that the HTS (Property and Environment) Limited Project Plan (February 2016) is noted.

## 5. **REFERENCES FROM THE LATC BOARD OF DIRECTORS**

### a) Appointment of Non-executive Director of HTS (Property and Environment) Ltd

Brian Keane, Head of Governance, informed the Sub Committee that the HTS (Property and Environment) Limited Board of Directors had its inaugural meeting earlier that day (Wednesday 17 February 2016) and had discussed options for appointment of a Non-Executive Director for HTS (Property and Environment) Limited. The Board had agreed that any appointee must have commercial experience and be outward facing. It also indicated desirable competencies for any appointee, including knowledge of Harlow.

The Board estimated the likely time commitment of the Non-Executive Director as around 17 days per annum and felt remuneration of around £20,000 per annum including expenses would attract a suitably high calibre candidate. This figure is in line with the indicative costs agreed by the Cabinet from the original options appraisal.

Councillor Andrew Johnson asked that it be made explicit that existing Harlow Councillors are disqualified from holding the post.

A note will be provided to Sub Committee members on the Non-Executive Director recruitment strategy, to include details of where the post will be advertised.

**RESOLVED** that the Board of Directors' recruitment proposals for the HTS (Property and Environment) Limited Non-Executive Director are noted.

### b) Appointment of a Managing Director of HTS (Property and Environment) Ltd

Brian Keane, Head of Governance, informed the Sub Committee that the HTS (Property and Environment) Limited Board of Directors had also discussed options for appointment of a Managing Director for HTS (Property and Environment) Limited. Options included open advertising for the post and the recruitment of the current Kier Harlow Regional Operations Director. The Board had indicated a desire to interview the current Kier Harlow Regional Operations Director; an interview was then

held. The Board had decided unanimously, subject to consultation with the Sub Committee and the agreement of the Council's Chief Executive as to the terms and conditions, to offer the post to the current Kier Harlow Regional Operations Director.

Councillor Clempner indicated agreement to the Board's proposal and felt that, taking all factors into consideration, appointment of the current Kier Harlow Regional Operations Director represented the best option for HTS (Property and Environment) Limited.

Councillors Charles and Johnson indicated unease with the Board's recruitment process. They felt that advertising the post would promote openness and transparency and would ensure the best possible candidate was recruited by HTS.

The Sub Committee felt that its input in this process was sought at a relatively late stage. It asked that, for future consultations, the Sub Committee be consulted at formative stages of discussion.

The Sub Committee requested a confidential note from Officers on the terms of the appointment by HTS of the current Kier Harlow Regional Operations Director.

**RESOLVED** that the Sub Committee informs the HTS (Property and Environment) Limited Board of Directors that it:

- A** Agrees with the proposal to appoint the current Kier Harlow Regional Operations Director as Managing Director of HTS (Property and Environment) Limited.
- B** Asks that, in future consultations on Board proposals, the Sub Committee's input will be invited at an earlier stage of discussion.

6. **MATTERS OF URGENT BUSINESS**

None.

7. **SCHEDULE OF FUTURE MEETINGS**

The Sub Committee's meetings for the remainder of 2015/16 were agreed as follows:

Thursday 24 March 2016, 7.30pm in the Council Chamber.

Thursday 21 April 2016, 7.30pm in the Council Chamber.

CHAIRMAN OF THE SUB COMMITTEE

**MINUTES OF THE CABINET OVERVIEW WORKING GROUP  
HELD ON**

10 March 2016

7.30 - 8.28 pm

**PRESENT**

**Overview Working Group Members**

Councillor Ian Beckett (Chair)  
Councillor Maggie Hulcoop (Vice-Chair)  
Councillor David Carter  
Councillor Simon Carter  
Councillor Clive Souter  
Councillor John Strachan

**Other Councillors**

Councillor Tony Durcan

**Officers**

Jane Greer, Head of Community Wellbeing  
Cara Coxhead, Area Housing Manager  
Wendy Makepeace, Area Housing Manager  
Lisa Purse, Corporate and Governance Support Officer

39. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Manny Doku, Muriel Jolles and Danny Purton.

40. **DECLARATIONS OF INTEREST**

None.

41. **MINUTES**

**RESOLVED** that the minutes of the meeting held on 11 February 2016 be agreed as a correct record.

42. **MATTERS ARISING**

None.

43. **REVIEW OF COUNCIL HOUSING EMPTY PROPERTY MANAGEMENT**

The Overview Working Group received a report that reviewed council housing empty property management. Wendy Makepeace, Area Housing Manager outlined the detail within the report which included significant

improvements made in the number of vacant properties at any one time and turnaround times.

The Group discussed various issues including recharges, the Council's bidding process and regeneration of The Briars, Copshall Close and Ayletts Field.

**RESOLVED** that the Overview Working Group noted the work to date to improve empty property management and the proposed actions to further improve performance, as explained in paragraphs 19 to 22 of the report.

44. **REVIEW OF FINANCIAL SUSTAINABILITY OF PETS CORNER**

The Overview Working Group received a scoping report that detailed a review of the financial sustainability of Pets Corner. Jane Greer, Head of Community Wellbeing summarised the recommendations contained within the report and explained the remit of the proposed Pets Corner Working Party.

**RESOLVED** that the Overview Working Group:

**A** agreed the scope for the Review of the Financial Sustainability of Pets Corner as set out in the report.

**B** agreed that a working party be established, with terms of reference as set out in Appendix A of this report, to examine options and make recommendations for the long term financial sustainability of Pets Corner.

**C** Councillors David Carter, Maggie Hulcoop and John Strachan, be appointed to the Pets Corner Working Party.

45. **FUTURE OF THE TOWN CENTRE**

The Overview Working Group received a report which detailed background, current progress and future progress and activity to revitalise Harlow Town Centre. Jane Greer and Councillor Tony Durcan provided an update on work to date including funding and the appointment of a dedicated Officer, different types of markets, new signage and new lighting as well as medium to long term market analysis work that would underpin a masterplan exercise.

The Group discussed the large number of landlords and owners within Harlow Town Centre and the importance of coordinating and communicating with local businesses.

**RESOLVED** that:

**A** the Overview Working Group considered whether there is further added value, through research and guidance, that it can provide in addition to the existing work being carried out by the cross-party working group and Council Officers.

**B** a further report is provided to the Overview Working Group in six months' time, on progress as detailed in the report.

46. **WORK PLAN**

The Overview Working Group received a report that outlined its Work Plan for the current year.

**RESOLVED** that the 2015/16 Work Plan is noted.

47. **MATTERS OF URGENT BUSINESS**

None.

CHAIRMAN OF THE OVERVIEW  
WORKING GROUP

# HOUSING STANDARDS BOARD

## Minutes

22 March 2016

7.00pm – 8.15pm

### PRESENT:

#### Committee Members

Cllr Rod Truan (Chairman) (RT),  
Cllr Bob Davis (BD)  
Cllr Simon Carter (Shadow Portfolio Holder  
- Housing (SC)

#### Tenancy Standards Panel:

Jo West (JW)  
Jane Steer (JS) (left at 7.30)

#### Leaseholders Standards Panel:

Darrell Thomas (DT)

#### Tenant Representatives:

##### Property Standards Panel:

Shaun Russell (SR)  
Hugh Hoad (HH)

#### Officers:

Andrew Murray (AM)  
Zulfi Kiani (ZK)  
Simon Pipe (SP) (Item 4 only)  
Jenny Pearce (JP)

		Action
1.	<b><u>Apologies</u></b>  Cllr Bill Pryor (BP), Cara Coxhead (CC), Wendy Makepeace (WM).	
2.	<b><u>Minutes of last meeting (23.02.16) and Matters arising</u></b>  Minutes of the last meeting were approved.  <i>Any Other Business:</i> Estate Inspections: The schedule of estate inspections is still to be put on the web site. Timetable to be circulated. <i>Web site does contain details of the estate inspections.</i>  Painting Programme: Painting programme for the new financial year to be presented to the Property Standards Panel on 23 March 2016.  Editorial Panel: It was confirmed that whilst Councillors are not part of this Panel they are briefed on any significant matters.  Mapping of the new relationships within the LATC was presented.	Noted  ZK (completed)  Noted  Noted  Noted
3.	<b>Cabinet Work plan 2015/16</b>  The draft cabinet work plan was noted.	Noted
4.	<b>Presentation of logo for HTS Group Ltd</b>  The logo and branding for HTS Group had been out for consultation.	Noted

	No firm decision had yet been made. Further comments to be made direct to Simon Pipe. HTS Board to discuss further. Once the logo is agreed this will be communicated.	Noted
<b>5.</b>	<b>Briefing Notes</b>  The briefing notes were all noted.	Noted
<b>6.</b>	<b>Current Consultations:</b>  Pay to Stay: Fairer rents in Social Housing (Consultation Response). The DCLG are thinking of tapering multi-thresholds for when the market rent will kick in. They are looking to provide further details in the next couple of months. Further updates will be made when information is available.	Noted
<b>7.</b>	<b>Formal questions and answers</b>  None	Noted
<b>8.</b>	<b>Draft Tenant &amp; Leaseholder Engagement Timetable 2016-17.</b>  Will be unable to confirm date of the Tenant and Leaseholder timetable for 2016/17 until after the council elections in May.	Noted
<b>9.</b>	<b>Training Programme</b>  Proposed training programme was presented but subject to confirmation of the dates. ZK will distribute programme once finalised.	ZK
<b>10.</b>	<b>Any other Business</b>  The Election Purdah period for the Council and the Essex Police & Crime Commissioner (PCC) elections on Thursday 5 May 2016 starts Wednesday 30 March 2016.  Occasio House (owned by East Thames) is due to close in September 2016. The future use of the building is still to be decided by East Thames, and Essex County Council is working with East Thames undertaking assessments of current occupants. Any referrals will be made direct to the council as appropriate.	Noted  Noted

The Date of the Next meeting is: TO BE ADVISED

Minutes of the Environmental SIT meeting were attached the papers but were for information only.

### **Background Papers**

NB: These are papers referred to in the minutes of this meeting and are not attached as appendices but that are available for the public or Councillors to study. There were no additional reports.

**MINUTES OF THE HARLOW LOCAL HIGHWAYS PANEL  
HELD ON**

6 April 2016

10.00 - 11.35 am

**PRESENT**

**Committee Members**

Councillor Eddie Johnson, Essex County Council (Chairman)  
Councillor Karen Clempner, Essex County Council  
Councillor Tony Hall, Harlow District Council  
Councillor Danny Purton, Harlow District Council

**Officers**

Sonia Church, Highways Liaison Manager, Essex County Council  
Rissa Long, Highways Liaison Officer, Essex County Council  
Joe McGill, Properties, Facilities and Projects Manager, Harlow Council  
Lisa Purse, Corporate and Governance Support Officer, Harlow Council

128. **INTRODUCTIONS AND APOLOGIES**

The Chairman welcomed all attendees to the meeting and invited Councillors and Officers to introduce themselves.

Apologies of absence were received from Essex County Councillor Mike Danvers and Tony Durcan and Harlow Councillors David Carter and Clive Souter.

129. **DECLARATIONS OF INTEREST**

None.

130. **MINUTES OF LAST MEETING AND MATTERS ARISING**

**RESOLVED** that the minutes of the meeting held on 14 January 2016 are agreed as a correct record.

At the request of Councillor Karen Clempner, the Chairman provided clarity on the process for asking questions to the Panel.

Reference minute 122b (2) – the Panel discussed and described ‘merge in turn’ signs.

Reference minute 123 – Rissa confirmed that a pedestrian crossing on Old Hall Rise, Church Langley would not be installed as the required criteria had not been met. The process for measuring feasibility was discussed.

131. **PUBLIC QUESTIONS**

No public questions had been submitted in advance of the meeting.

There were two members of the public in attendance and, with permission of the Chairman addressed the Panel as follows:

1) Vic Potter

a) Gilden Way

Mr Potter expressed concern that during the construction of the proposed housing development in the location of Gilden Way, construction vehicles may cause disruption to Old Road and Priory Avenue in Old Harlow. It was suggested that Harlow Council's Planning Team may be able to offer some information.

b) M11 7a

Mr Potter made reference to the minutes of meeting held 14 January 2016 112 (c) and was advised that there would be a further opportunity to discuss plans during the Essex County Council consultation planned to take place in summer 2016.

2) Copshall Close Resident

A member of public reported numerous traffic islands in various locations across the Town that were dirty, no longer illuminated or had been taken away but needed the concrete base removing. The Chairman of the Panel advised that the Essex Highways Rangers were responsible for this work and that he would make enquiries.

132. **UPDATE ON SCHEMES APPROVED 2013/14, 2014/15 AND 2015/16**

Sonia Church explained that, as per all Local Highways Panels in Essex, there would be a reduction to the 2016/17 budget compared to its 2015/16 budget due to provision made for investment in local roads and footway resurfacing.

The Panel received a report from Essex County Council on the status of schemes approved in 2013/14, 2014/15 and 2015/16. Rissa provided some further updates on several of the schemes listed, as follows:

LHAR004002 – Passmore Area Cycle Improvements – it was agreed that this scheme would be cancelled and £5,000 would be allocated to undertake the design works.

LHAR152007 – Malkin Drive, Church Langley – the existing traffic calming feature had been removed.

LHAR152022 – Church Langley Way – the Chairman and Officers agreed to review progress of relining the white lines on the approaches from

roundabouts leading to Church Langley and from the exit of Tesco onto Church Langley Way.

LHAR151001 – A414 Fifth Ave junction with Burnt Mill Lane – this had been completed.

LHAR151006 – A414 Hamburger roundabout at Southern Way - this had been completed and it was agreed that a report would be circulated to the Panel.

LHAR152027 – Parsloe Road junction with Phelips Road and Markwell Wood – this had been completed.

133. **POTENTIAL SCHEME LIST**

The Panel received a report on potential schemes from Essex County Council. The Chairman asked Members of the Panel to identify additional potential schemes for 2016-17.

**RESOLVED** that:

- a) the Safer Roads, Traffic Management, Walking and Cycling as detailed in the report submitted are progressed for 2016-17 noting b - g below.
- b) LHAR162001 – Parsloe Road junction with Phelips Road and Markwell Wood - deflection agreed at cost of £36,000.
- c) The Panel agreed that LHAR162003 - Tawneys Road – would be a priority scheme.
- d) The Panel agreed that Passenger Transport schemes 1-6 and 11-12 would be priority schemes for 2016/17.
- e) An additional Safer Roads scheme for investment including signage at the Hamburger roundabout would be included for 2016/17 at a cost of £7,100.
- f) An additional Traffic Management scheme to relieve parking congestion at Kingsland would be included for 2016/17.
- g) An additional Traffic Management scheme to remove a footpath adjacent to a car park at Tany's Dell School would be included for 2016/17.

Councillor Karen Clempner reported that bus routes in the location of Little Pardon had changed. The result of this is that the bus shelters are positioned on the wrong side of the road.

134. **ANY OTHER BUSINESS**

- a) Panel members expressed concern that the utility works along the grass verges on main roads in Harlow are causing a great amount of soil to be upturned and that weeds would set in if the soil is not reinstated as soon as possible after the works had been completed.

135. **DATE OF NEXT MEETING**

To be confirmed. The next meeting will be held in the evening around July 2016.

CHAIRMAN OF THE PANEL

**MINUTES OF THE SHAREHOLDER SUB COMMITTEE FOR HTS  
(PROPERTY AND ENVIRONMENT) LIMITED  
HELD ON**

31 May 2016

7.30 - 8.34 pm

**PRESENT**

**Sub Committee Members**

Councillor Jon Clempner (Chairman)  
Councillor Joel Charles  
Councillor Rod Truan  
Councillor Mark Wilkinson

**Officers**

Graham Branchett, Chief Operating Officer  
Brian Keane, Head of Governance  
Julie Galvin, Assistant Solicitor  
John Phillips, Managing Director, HTS (Property and Environment) Limited

8. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Andrew Johnson.

9. **DECLARATIONS OF INTEREST**

None.

10. **MINUTES**

**RESOLVED** that the minutes of the meeting held on 17 February 2016 are agreed as a correct record and signed by the Leader.

11. **MATTERS ARISING**

None.

12. **SUB COMMITTEE WORK PLAN**

The Sub Committee received the draft work plan for February 2016 – April 2017.

It was noted that the proposed Sub Committee meeting on 9 June may not be needed if the Articles of Association are agreed at tonight's meeting.

Councillor Joel Charles noted that the work plan indicated a loan will be requested from Harlow Council's Cabinet on 21 July 2016. Officers agreed to provide a note on the potential impact of loan repayments on the

dividend to be paid by HTS (Property and Environment) Limited to Harlow Council.

13. **HARLOW TRADING SERVICES LIMITED TRANSITION PLAN UPDATE REPORT**

The Sub Committee received the HTS (Property and Environment) Limited Project Plan (May 2016). John Phillips, Managing Director of HTS (Property and Environment) Limited, introduced the Plan.

The Chairman asked that future expenditure summaries (Appendix C from the report submitted) include forecast expenditure for each budget head. He also asked that tasks are assigned appropriate milestone dates to ensure progress can be tracked.

In response to questions from the Sub Committee, John Phillips indicated that he is hopeful a Finance Director for HTS (Property and Environment) Limited will be in post by September 2016. One of their first tasks will be to draft financial regulations for the company.

Graham Branchett, Chief Operating Officer, informed the Sub Committee that there will be further clarity on some risks within the Risk Register (Appendix C from the report submitted) once Kier Group's demobilisation plan has been made available to the Council and HTS. The Sub Committee requested a briefing note on the implications of the Kier Group demobilisation plan once received.

**RESOLVED** that the HTS (Property and Environment) Limited Project Plan (May 2016) is noted.

14. **REFERENCES FROM THE LATC BOARD OF DIRECTORS**

a) Articles of Association

The Sub Committee received a report proposing Articles of Association for HTS (Property and Environment) Limited.

The Sub Committee proposed an additional Article to clarify the arrangements for appointing and replacing board members in the event of a Councillor retiring, or a change in the political control of the Council.

**RESOLVED** that the proposed Articles of Association are agreed, subject to the inclusion of the following additional Article below 22.1.8 (and appropriate renumbering of subsequent Articles):

- (i) Article 22.1.9 that person is removed by the council (being the holding company's sole shareholder) by a notice in writing to the company;

b) Scheme of Delegation

The Sub Committee received a report proposing a Scheme of Delegation for HTS (Property and Environment) Limited.

**RESOLVED** that the proposed Scheme of Delegation is agreed.

15. **CONSULT ON NON-EXECUTIVE CHAIRMAN POSITION**

The Sub Committee received a report that summarised the results of the recruitment exercise for a Non-Executive Chair for HTS Group. The report included a confidential appendix which showed the CV of the candidate selected by the Board.

**RESOLVED** that the Sub Committee notes the Board's selected candidate for the post of Non-Executive Chair, HTS Group.

16. **MATTERS OF URGENT BUSINESS**

None.

CHAIRMAN OF THE SUB COMMITTEE

**MINUTES OF THE HARLOW LOCAL HIGHWAYS PANEL  
HELD ON**

29 June 2016

7.00pm - 8.17pm

**PRESENT****Committee Members**

Councillor Eddie Johnson, Essex County Council (Chairman)  
Councillor Mike Danvers, Essex County Council (Vice-Chair)  
Councillor Karen Clempner, Essex County Council  
Councillor Tony Durcan, Essex County Council  
Councillor Tony Hall, Harlow District Council

**Officers**

Sonia Church, Highways Liaison Manager, Essex County Council  
Rissa Long, Highways Liaison Officer, Essex County Council  
David Sprunt, Principal Area Transportation Co-ordinator, Essex County Council  
Jo Maskell, Governance Support Officer

**1. INTRODUCTIONS AND APOLOGIES**

The Chairman welcomed all attendees to the meeting.

Apologies were received from Harlow Councillors David Carter, Danny Purton and Clive Souter.

**2. DECLARATIONS OF INTEREST**

None.

**3. MINUTES OF LAST MEETING AND MATTERS ARISING**

The minutes of the meeting held on 6 April 2016 were agreed as a correct record subject to the inclusion of schemes for parking and dropped kerbs, which were raised at the meeting for inclusion in the potential schemes list for Barn Mead, Kingsland and Northbrooks.

The following matters arising from these minutes were noted:

- (a) Update on Schemes Approved 2013/14, 2014/15 and 2015/16 (Minute 132)

LHAR151006 (A414 'hamburger' roundabout) – The promised progress report to members of the Panel was in hand; and would include the outcome of discussions regarding the possibility of cross-hatching on the roundabout to ensure queueing vehicles

didn't restrict the free passage of vehicles from Potter Street onto the roundabout.

(b) Potential Scheme List  
(Minute 133)

It was noted that the Highways Liaison Officer would investigate whether the redundant bus shelters in Little Parndon would be removed.

4. **PUBLIC QUESTIONS**

Although no formal questions had been received in line with Standing Order 10, the Chairman permitted two Pilkingtons' residents to raise their concerns about a road safety issue within their estate.

Due to lack of any physical barriers or signage and impaired sight-lines because of overgrown hedges, there was ambiguity about the right of way where a public foot/cycle path crossed the highway. Members of the Panel were concerned to hear that there had been a recent accident involving a vehicle and cyclist at the junction purely due to all parties being oblivious to the shared highway area.

The Highways Liaison Officer reported that Essex County Council was aware of the issue and had begun preparatory work to identify what needed to be done to clarify rights of way. In which case, although no funding had been allocated within the current year, any proposed work could commence at the earliest opportunity once funding did become available.

In the meantime, it was noted that the landowner might voluntarily cut back the hedge in question to improve sight-lines.

**RECOMMENDED** that a scheme to improve highway safety at this junction in Pilkingtons be agreed as a high priority potential scheme and held as a first reserve should funding become available earlier than envisaged.

5. **UPDATE ON SCHEMES APPROVED**

The Panel received a progress report on the list of Harlow Council schemes which had been approved by Essex County Council.

Members of the Panel were concerned to learn of the significant increase in cost for Casualty Reduction designs on the Velizy Avenue northbound approach to Terminus Street signals and that, furthermore, this additional funding of £6,000 would be found from the dropped kerb fund. The Panel requested details of the increased cost (due to electrical connection work to signage) and which dropped kerb schemes would be deferred to fund the increased costs.

**RECOMMENDED** that

- (a) the Highways Liaison Officer is requested to advise the Panel on the reason for the increased costs and which dropped kerb schemes would be affected by the transfer of funding for the Casualty Reduction designs;
- (b) on receipt of the above information, the Chairman and Vice-Chairman of the Panel, in consultation with the Head of Place, be delegated to decide whether to contest the Casualty Reduction designs chosen for Velizy Avenue.

6. **POTENTIAL SCHEME LIST**

The Panel received a progress report on the list of capital schemes which could potentially be considered for funding in the 2017/18 financial year.

The Panel emphasised that the Council should liaise with the bus companies to ensure that all the proposed bus shelters were positioned suitably and that the shelters should provide adequate shelter from the elements. They also asked if advertising were a feasible option to reduce the costs of providing the shelters.

Highways Liaison Officer undertook to investigate the different styles of bus shelters available so that the Panel could have an in-put into the designs selected for Harlow.

**RECOMMENDED** that the report is noted.

7. **MAJOR CAPITAL SCHEMES**

The Panel received a presentation on the major capital schemes proposed for Harlow.

These included Junction 7a, M1; A414/B183 First Avenue; London Road Enterprise Zone access and link road; New Hall/First Avenue/London Road; Cambridge Road/Edinburgh Way and the Clock Tower Roundabout.

**RESOLVED** that the presentation is noted.

8. **ANY OTHER BUSINESS**

Members of the Panel raised the following issues:

Digital Signage

It was noted that real-time signage had been successfully piloted and was being rolled out across the County. A date had not yet been set for implementing it in Harlow.

A414 Speed Limit (Between M11 and Park Inn Roundabouts)

It was suggested that speed cameras should be positioned on this stretch of road due to the amount of drivers exceeding the limit there.

Parking on Potter Street

A potential traffic hazard from vehicles parking along the road outside the Miller and Carter Restaurant (albeit in Epping Forest District Council territory) was noted.

9. **DATES OF NEXT MEETINGS**

The dates of future meetings of the Panel were noted:

10am, 15 September 2016.

7pm, 31 January 2017.

10am, 29 March 2017.

CHAIRMAN OF THE PANEL