

**CABINET**  
**Thursday, 12 October 2017 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 3 - 10)  
  
To approve the minutes of the meeting held on 14 September 2017.
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 11 - 21)

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)

There have not been any decisions taken by Portfolio Holders under delegated powers since the last meeting of the Cabinet.

10. Town Centre Area Action Plan - Issues and Options Consultation  
(Pages 22 - 26)

11. Management Options for Enterprise Zone Building (Pages 27 - 33)

12. DCLG Pilot Programme for 100 Percent Business Rates Retention - 2018/19 (Pages 34 - 41)

13. Appointment of a Consultant for the Re-Development of Lister House  
(Pages 42 - 44)

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

None.

15. 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 Tuesday, 5 September 2017 of Housing Standards Board (Pages 45 - 47)

16. Matters of Urgent Business

To deal with any matters of an urgent nature.

**MINUTES OF THE CABINET  
HELD ON**

14 September 2017

7.30 - 8.55 pm

**PRESENT**

**Committee Members**

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

**Additional Attendees**

Councillor Lanie Shears  
Councillor Mark Ingall

**Other Councillors**

Councillor Simon Carter  
Councillor Joel Charles  
Councillor Andrew Johnson  
Councillor Eddie Johnson  
Councillor Clive Souter

**Officers**

Graeme Bloomer, Head of Place  
Andrew Bramidge, Project Director – Harlow Enterprise Zone  
Simon Freeman, Head of Finance  
Jane Greer, Head of Community Wellbeing  
Brian Keane, Head of Governance  
Andrew Murray, Head of Housing  
Adam Rees, Governance Support Officer

38. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Strachan.

39. **DECLARATIONS OF INTEREST**

None.

40. **MINUTES**

**RESOLVED** that the minutes of the meeting held on 20 July 2017 are agreed as a correct record and signed by the Leader.

41. **MATTERS ARISING**

None.

42. **WRITTEN QUESTIONS FROM THE PUBLIC**

None.

43. **WRITTEN QUESTIONS FROM COUNCILLORS**

None.

44. **PETITIONS**

None.

45. **FORWARD PLAN**

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

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

None.

47. **JOINT FINANCE AND PERFORMANCE REPORT, QUARTER 1 2017/18**

Cabinet received a report which set out both the Council's financial performance, along with its performance against its own performance indicators for the first quarter of 2017/18.

Proposed by Councillor Jon Clempner (seconded by Mike Danvers) it was:

**RESOLVED** that Cabinet:

**A** Acknowledged the projected outturn position set out in sections three and four of Appendix A to the report for the first quarter (April – June) of 2017/18 as follows:

- (i) A favourable variation on controllable budgets of £85,000 representing -0.14 percent of the gross General Fund Budget.
- (ii) A total projected underspend of £104,000 representing - 0.17 percent of the gross General Fund Budget.
- (iii) The Council performed on target or above target for 41 out of 43 (95 percent) of performance indicators.

48. **HOUSING REVENUE ACCOUNT, QUARTER 1 FINANCE REPORT 2017/18**

Cabinet received a report which provided an update on the Housing Revenue Account (HRA) for the first quarter of 2017/18 and asked that

Cabinet noted variances in the HRA budget and the forecast budget of the HRA and Major Repairs Reserve.

Proposed by Councillor Mike Danvers (seconded by Councillor Mark Wilkinson) it was:

**RESOLVED** that Cabinet:

**A** Noted:

- (i) An unfavourable variation against the approved Housing Revenue Account (HRA) operational /controllable budget of £297,000 representing 0.56 percent of the gross HRA Budget.
- (ii) An unfavourable non-operational variance of £3,801,000 representing (-)7.19 percent of the gross HRA Budget which includes adjustments to capital programme financing as a result of an updated outturn position for 2016/17 and reflecting the urgent need to reprioritise the programme.

**B** Noted the forecast balances at 31 March 2018, of £6,094,000 in respect of the Housing Revenue Account and nil in respect of the Major Repairs Reserve.

49. **CAPITAL PROGRAMMES, QUARTER 1 FINANCE REPORT 2017/18**

Cabinet received a report which provided an update on the Council's Housing and Non-Housing Capital Programmes, to approve a revised Housing Capital Programme for 2017/18, and to approve two business cases.

Proposed by Councillor Mike Danvers (seconded by Councillor Mark Wilkinson) it was:

**RESOLVED** that:

**A** Progress was noted on the delivery of the Council's Housing and Non-Housing Capital Programmes as at Quarter 1 as follows:

- (i) Housing Capital Programme – forecast outturn of £22,601,000 (original estimate £18,530,000).
- (ii) Non-Housing Capital Programme – a forecast outturn of £7,591,000 (original estimate £5,425,000).

**B** Approval was given for a revised Housing Capital Programme for 2017/18 outlined in paragraphs 20 and 21 of the report to be

realigned to accommodate revised Housing Asset Management priorities.

**C** Approval was given for new business cases in respect of the Non Housing Capital Programme:

- (i) To install new air conditioning (£12,000) at Mead Park Depot as part of the Health and Safety works agreed with HTS Ltd and funded from the contribution from Kier Harlow following the end of the Kier Harlow Contract. (Outlined in Annex A14 to the report).
- (ii) A supplementary estimate of £100,000 in respect of the Hummingbird Pub (approved by Cabinet on 20 July 2017).

50. **ANNUAL TREASURY MANAGEMENT REPORT 2016/17**

The Cabinet received a report on the Council's treasury management functions in 2016/17.

Proposed by Councillor Mike Danvers (seconded by Councillor Jon Clempner) it was:

**RESOLVED** that Cabinet:

- A** Noted the annual Treasury Management Report for 2016/17 (Appendix A) including that the Council operated within the Treasury Management Strategy Statement during 2016/17, and that the report is recommended to Full Council for approval.
- B** Noted the issues that the outcome of the EU Referendum is creating and their impact on the Council's treasury management activities.
- C** Recommended to Full Council adoption of the revised Minimum Revenue Provision (MRP) Policy, attached as Appendix B to the report.

51. **NON DOMESTIC RATES - DISCRETIONARY RATE RELIEF POLICY**

Cabinet received a report setting out a revised Discretionary Rate Relief Policy for non-domestic rates.

Proposed by Councillor Mike Danvers (seconded by Councillor Jon Clempner) it was:

**RESOLVED** that:

- A The proposed Discretionary Rate Relief Policy, as set out in Appendix A to the report, was recommended to Full Council for adoption.

52. **SELECTION OF CONTRACTOR FOR PRENTICE PLACE**

Cabinet received a report to appoint a contractor for refurbishment works to Prentice Place.

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

**RESOLVED** that Cabinet:

- A Approved, subject to formal contract, the appointment of Contractor A (as set out in the report) for refurbishment works to Prentice Place for the sum of £3,269,774 (which includes a sum of £300,000 for contingency and risk items identified in the tender analysis).

53. **HTS (PROPERTY AND ENVIRONMENT) LIMITED CONTRACT AWARDS 2017/18 - PHASE 2**

Cabinet received a report to award three Business Cases to HTS (Property and Environment) Limited.

Proposed by Councillor Mark Wilkinson (seconded by Councillor Emma Toal) it was:

**RESOLVED** that:

- A The following Phase 2 Business Cases were awarded to HTS (Property and Environment) Limited subject to terms and conditions, and that separate contracts are entered into for each activity not exceeding the values set out in the table below:

a) Communal Boilers	£1,912,000
b) Energy Efficiency	£188,000
c) Garages	£500,000
<b>TOTAL</b>	<b>£2,600,000</b>

54. **DISPOSAL OF THE COUNCIL'S FREEHOLD PROPERTY KNOWN AS THE STOW DEPOT**

Cabinet received a report which sought approval to dispose of the Council's freehold interest in the Stow Depot.

Cabinet agreed to amend recommendation B in the report to emphasise the Council's desire to secure more affordable and social housing in Harlow.

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

**RESOLVED** that Cabinet:

- A** Declared the Stow Depot as surplus to requirements.
- B** Approved plans to dispose of the Council's freehold interest in the Stow Depot conditional upon the purchaser delivering a satisfactory mixed use scheme of redevelopment, incorporating an appropriate level of affordable and social housing.
- C** Delegated the Head of Place, in consultation with the Portfolio Holder for Regeneration and Enterprise, the authority to negotiate and finalise the terms of the disposal and (subject to being satisfied that it would be for the best consideration reasonably obtainable) thereafter procure the legal completion of the development and sale documentation (and all ancillary documents).

55. **HARLOW ENTERPRISE ZONE - ARTICLE 4 DIRECTION**

Cabinet received a report which sought approval to seek an Article 4 direction for Kao Park in order to remove permitted development rights from the area.

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

**RESOLVED** that Cabinet:

- A** Approved the seeking of an Article 4 direction for Kao Park, covered by the London Road South Local Development Order (LDO), and the area of Templefields covered by the Templefields LDO and to formally seek the consent of the Secretary of State to grant this.

56. **CHANGES TO THE MEMBERSHIP OF THE HARLOW LOCAL HIGHWAYS PANEL**

Cabinet received a report to change the membership of the Harlow Local Highways Panel.

**RESOLVED** that:

A Councillors Karen Clempner and Mike Danvers were appointed to the Harlow Local Highways Panel in place of Councillors David Carter and Tony Hall.

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

a) **Referral from Audit and Standards Committee - 2016/17 Statement of Accounts**

Cabinet considered a referral from the Audit and Standards Committee to approve the 2016/17 Statement of Accounts.

Proposed by Councillor Mike Danvers (seconded by Councillor Jon Clempner) it was:

**RESOLVED** that Cabinet approved the 2016/17 Statement of Accounts (attached as Appendix 1 to the report) be approved.

b) **Referral from Audit and Standards Committee - Management Letter of Representations 2016/17**

The Cabinet received a report from the Audit & Standards Committee recommending that the Management Letter of Representation 2016/17 is acknowledged.

Proposed by Councillor Mike Danvers (seconded by Councillor Jon Clempner) it was:

**RESOLVED** that Cabinet acknowledged the Management Letter of Representation 2016/17 (attached as Appendix 1 to the report).

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

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

a) **Minutes of meeting Thursday, 15 June 2017 of Shareholders Sub-Committee**

b) **Minutes of meeting Tuesday, 27 June 2017 of Safety Committee**

c) **Minutes of meeting Thursday, 10 August 2017 of Cabinet Overview Working Group**

59. **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>

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
I007 558	Town Centre Area Action Plan - Issues and Options Consultation	Cabinet	12 Oct 2017  Toddbrook	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton)  Graeme Bloomer
I007 695	Management Options for Enterprise Zone Building	Cabinet	12 Oct 2017  Old Harlow	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers), Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Malcolm Morley OBE
I007 556	Local Development Plan - Approval of Regulation 19 Consultation	Cabinet	7 Dec 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton)  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
I007 288	Local Council Tax Support Scheme Proposals 2018/19	Cabinet	7 Dec 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I007 289	Treasury Management Strategy Statement 2017/18: Mid-Year Review	Cabinet	7 Dec 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I007 290	Joint Finance and Performance Report, Quarter 2 2017/18	Cabinet	7 Dec 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
I007 291	Housing Revenue Account, Quarter 2 Finance Report 2017/18	Cabinet	7 Dec 2017	Key decision: <b>No</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
I007 292	Capital Programmes, Quarter 2 Finance Report 2017/18	Cabinet	7 Dec 2017	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I007 410	Principles Report for the HRA Housing Review	Cabinet	7 Dec 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  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
I007 694	Award of Contract for Domestic Waste and Recycling Collection Services	Cabinet	7 Dec 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton)  Graeme Bloomer
I007 847	Lift Refurbishment Programme	Cabinet	7 Dec 2017	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Andrew Murray
I007 826	Disposal of Freehold Land to the Rear of Kingsmoor House	Cabinet	7 Dec 2017  Sumners and Kingsmoor	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Graeme Bloomer
I007 293	Debt Write Offs	Cabinet	7 Dec 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
I007 294	Corporate Plan 2018/19	Cabinet	25 Jan 2018	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Leader of the Council (Councillor Jon Clempner)  Malcolm Morley OBE
I007 295	Medium Term Financial Strategy 2018/19	Cabinet	25 Jan 2018	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I007 296	General Fund Budget 2018/19	Cabinet	25 Jan 2018	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
I007 297	Housing Revenue Account Business Plan 2016-2046	Cabinet	25 Jan 2018	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
I007 298	Housing Revenue Account Budget 2018/19	Cabinet	25 Jan 2018	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
I007 299	Capital Programmes 2018/19 - 2020/21	Cabinet	25 Jan 2018	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
I007 300	Treasury Management Strategy 2018/19	Cabinet	25 Jan 2018	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I007 559	Town Centre Area Action Plan - Approval of Regulation 18 Consultation	Cabinet	25 Jan 2018  Toddbrook	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton)  Graeme Bloomer
I007 412	Housing Allocations Policy	Cabinet	22 Feb 2018	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Housing (Councillor Mark Wilkinson)  Andrew Murray
I007 557	Local Development Plan - Submission to Planning Inspectorate for Examination Under Regulation 22	Cabinet	22 Mar 2018	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton)  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 955	Regeneration of Lister House and surrounding area of Staple Tye	Cabinet	22 Mar 2018  Staple Tye	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Regeneration & Enterprise (Councillor Tony Durcan)  Jane Greer
I007 301	Joint Finance and Performance Report, Quarter 3 2017/18	Cabinet	22 Mar 2018	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I007 302	Housing Revenue Account, Quarter 3 Finance Report 2017/18	Cabinet	22 Mar 2018	Key decision: <b>No</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
I007 303	Capital Programmes, Quarter 3 Finance Report 2017/18	Cabinet	22 Mar 2018	Key decision: <b>No</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Resources (Councillor Mike Danvers)  Simon Freeman
I001 163	Non Housing Asset Management Strategy	Cabinet	22 Mar 2018 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 191	Health and Wellbeing Strategy	Cabinet	22 Mar 2018 Subject to OWG Review	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
I007 304	Debt Write Offs	Cabinet	22 Mar 2018	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
I007 560	Town Centre Area Action Plan - Approval of Regulation 19 Consultation	Cabinet	Jun 2018 (date of meeting to be confirmed)  Toddbrook	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton)  Graeme Bloomer
I007 561	Town Centre Area Action Plan - Submission to Planning Inspectorate for Examination Under Regulation 22	Cabinet	Dec 2018 (date of meeting to be confirmed)  Toddbrook	Key decision: <b>Yes</b>  Likely exemption status: <b>Open</b>	Officer's report	Portfolio Holder for Environment (Councillor Danny Purton)  Graeme Bloomer

**REPORT TO:** CABINET

**DATE:** 12 OCTOBER 2017

**TITLE:** TOWN CENTRE AREA ACTION PLAN –  
ISSUES AND OPTIONS CONSULTATION

**PORTFOLIO HOLDER:** COUNCILLOR DANNY PURTON, PORTFOLIO  
HOLDER FOR ENVIRONMENT

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

**CONTRIBUTING OFFICER:** DAVID SELLINGS, TOWN CENTRE  
DEVELOPMENT COORDINATOR (01279)  
446487

**This is not a Key Decision**

**It is on the Forward Plan as Decision Number I007558**

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

The report is for noting only.

**This decision will affect Toddbrook Ward.**

**RECOMMENDED** that Cabinet:

- A** Notes the contents of the report.
- B** Notes the informal Issues and Options Consultation due to be undertaken by Allies and Morrison, subject to Local Development Plan Panel input at its meeting on Wednesday 4 October 2017.

**BACKGROUND**

1. As part of the Local Development Plan process, in June 2017, Cabinet approved for the Council to produce an Area Action Plan (AAP) for the town centre.
2. The AAP which forms part of the Local Development Plan enables the Council to produce a detailed spatial planning framework that will support both development and regeneration of Harlow Town Centre.
3. In order to produce a robust and fit-for-purpose plan that meets planning regulations, the AAP needs to carefully consider future development opportunities, uses and needs that can inform a Master Plan for the town centre.
4. A successful AAP will include an evidence base that examines and validates

future development and demand, establishes the impact of future growth, infrastructure and connectivity issues and opportunities especially in the context of the wider urban area and is inclusive to the needs and issues of the town centre stakeholders.

5. The AAP provides an opportunity for the Council to work closely with existing and future stakeholders to create a vision that will encourage investment, provide for sustainable growth, and create an aspirational town centre that meets the needs of residents, businesses and visitors.
6. Anticipated housing and economic growth through developments such as Gilston Park, Harlow Enterprise Zone, as well as Public Health England relocating to the town, create an impetus in securing the successful and sustainable future of Harlow Town Centre.

## **PROGRESS TO DATE**

7. In July 2017, consultants Allies and Morrison were appointed to support the Council in developing the AAP, in particular the consultation requirements under Regulation 18 and the publication of the proposed AAP under Regulation 19 (pre-submission to Secretary of State).
8. Over the summer Allies and Morrison have undertaken scoping and desktop research to understand the work to date and current landscape of the town centre, including pipeline developments by both the public and private sector.
9. In particular consultants have carried out:
  - a) Evidence base review;
  - b) Sustainability appraisal scoping report;
  - c) Urban design analysis; and
  - d) Movement baseline.
10. The above work forms part of the evidence base that will support in the preparation of the AAP and is important to help shape the future direction (vision) of the town centre.
11. In addition to the above, a stakeholder workshop is scheduled to take place early October 2017.
12. The aim of the workshop is to gain an understanding from the various town centre stakeholders of the issues and options that are present and using their views to inform the development of the AAP.

13. The workshop forms part of the informal engagement process and provides an opportunity to better understand the town centre and the aspirations of its stakeholders (both public and private) who will play a key role in shaping its future direction and most importantly economic success.
14. The work gathered from the evidence base and stakeholder engagement will support the development of the issues and options that will form the basis of the AAP.

## TIMETABLE

15. Over the coming months work will progress in preparing the AAP and will require Full Council approval at various stages to meet statutory planning obligations.
16. The following timetable sets out the key dates for the AAP in the coming months:

4 October 2017	Local Plan Panel	Consultants Update and approval of stakeholder workshop content
10 October 2017	Stakeholder Workshop	Informal consultation to inform issues and options
12 October 2017	Cabinet	Progress update
6 December 2017 (TBC)	Local Plan Panel	Formal presentation of draft Issues and Options
25 January 2018	Cabinet	Recommendation to approve Regulation 18 consultation
February – March 2018		Regulation 18 consultation
April – May 2018		Production of Draft AAP

June 2018	Local Plan Panel	Draft AAP presented
June 2018	Cabinet	Recommendation to approve draft AAP under Regulation 19
August – September 2018		Publication under Regulation 19

## IMPLICATIONS

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

None specific.

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

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

None specific resulting from the recommendations set out within the report. However, economic growth is likely to play an increasingly important role in the longer term funding arrangements for the Council under the Government's proposals for full Business Rates Retention and the removal of Revenue Support Grant.

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)**

As contained within the report.

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

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

The continued undertaking of this commission by the appointed Consultants assists with statutory consultation requirements.

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

## **Background Papers**

Harlow Local Development Plan: Local Development Scheme, Development Management Policies: Proposed Town Centre Area Action Plan, Cabinet – 22 June 2017.

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

AAP - Area Action Plan

Regulation 18 - The Town and Country Planning (Local Planning) (England) Regulations 2012. Preparation of a Local Plan – A local planning authority must notify and consult bodies who may have an interest the plan.

Regulation 19 - The Town and Country Planning (Local Planning) (England) Regulations 2012. Publication of a Local Plan – Before submitting a plan to the Secretary of State the local planning authority must make the proposed plan available for inspection and allow specific consultative bodies to make representation.

**REPORT TO:** CABINET

**DATE:** 12 OCTOBER 2017

**TITLE:** MANAGEMENT OPTIONS FOR ENTERPRISE ZONE BUILDING

**PORTFOLIO HOLDERS:** COUNCILLOR MIKE DANVERS, PORTFOLIO HOLDER FOR RESOURCES

COUCILLOR TONY DURCAN, PORTFOLIO HOLDER FOR REGENERATION AND ENTERPRISE

**LEAD OFFICER:** MALCOLM MORLEY OBE, CHIEF EXECUTIVE (01279) 446004

**CONTRIBUTING OFFICER:** ANDREW BRAMIDGE, HARLOW ENTERPRISE ZONE – PROJECT DIRECTOR (01279) 446410

**This is a Key Decision**  
**It is on the Forward Plan as Decision number I007695**  
**Call-in Procedures may apply**  
**This decision will affect Old Harlow Ward.**

**RECOMMENDED that:**

- A** Cabinet approves the development of an in-house management option for the Harlow Council owned 'Nexus' building on the Harlow Science Park.
- B** The marketing of the building is undertaken by the appointed agents for the wider Science Park development.
- C** Cabinet reviews the arrangements after two years of the building being operational.

**REASON FOR DECISION**

- A** Cabinet has already approved the development of the building and the detailed design of this is now underway. Full planning approval is expected this autumn and construction work is scheduled to start in Quarter 1 of 2018 for completion by the end of that year. A decision now needs to be made as to the management arrangements for the building so that a structure can be put in place prior to the commencement of building works. Cabinet has already agreed that the building will remain in the Council's ownership, to

ensure a revenue stream to the Council, but asked that options be considered for its management.

## **BACKGROUND**

1. The Harlow Science Park will be the flagship development of the Harlow Enterprise Zone, providing space for science and technology companies and bringing many high value jobs to Harlow. It is specifically designed to provide high quality space that will complement the science parks in the Cambridge area and capitalise upon the growth of the science and technology sectors in the London Stansted Cambridge Corridor. A working title for the building of 'Nexus' has been identified to commence the marketing. This has been selected to emphasise the centrality of the building to the wider development, its role in connecting businesses and to provide a science and technology flavour.
2. Discussions with local property agents have identified that there is a shortage of space in the local area for space in the 2,000 to 10,000 square foot range to support small and medium sized businesses. This is notoriously difficult to fund in the commercial market since most funders will only wish to fund developments that are targeted at larger companies with strong covenants on long leases. Almost by definition this excludes the target small and medium sized businesses.
3. Accordingly, a proposal has been developed with Vinci and its professional team to construct a building of approximately 30,000 square feet over three floors that are capable of being subdivided into medium sized business units. This will provide an essential part of the ecosystem that is required for a successful Science Park and a range of spaces for a variety of businesses that can interact with each other. Part of this building will also contain a café and meeting spaces to provide some wider facilities on the site at an early stage in its development, as well as providing a marketing suite for the wider Science Park development.
4. Once fully occupied, it is estimated that the gross rental income of the building will equate to £600,000 per annum. This is based on a conservative rental estimate of £20 per square foot, although the building is being marketed at £22 to £25 per square foot. A cautious approach has been taken to the income projection since even at £20 this will exceed any other office rentals in Harlow. For reference the highest rental value at Kao Park is £18. However, it should be remembered that the Science Park will be a premium product for which there are no direct comparators in the town and that the agents believe that these figures are achievable.
5. In July 2017 Cabinet approved a proposal to complete the design of this building and to procure its construction. It was further agreed that another

report would be presented to Cabinet to provide options for its future management.

## **ISSUES/PROPOSALS**

6. Three options have been presented:
  - a) Management is contracted out via a tender process to a provider of business space to manage on behalf of the Council;
  - b) Management is contracted out via a tender process to a managing agent to provide a property management service; and
  - c) Management of the building is dealt with in-house by Council staff.

### **Option 1 – Contracted out to a Management Operating Company (MOC)**

7. This option could work in a similar way to the Harlow Enterprise Hub which went through a tender process in 2016 to appoint an operator. Under this option an experienced provider of business space would be contracted to manage the building on behalf of the Council. This would happen via the granting of a lease with full operational responsibility transferred to the operator. In exchange for this a guaranteed income stream would be provided to the Council and perhaps a share in any profits over a certain level. Tenants would be sub-tenants of the MOC.
8. The advantages of this option are:
  - a) All risks in terms of void units such as loss of income, responsibility for business rates are transferred to the MOC;
  - b) The Council has a secure, guaranteed income stream; and
  - c) Day to day management and operational pressures are transferred to an experienced operator who would sub-let space to occupiers.
9. The disadvantages of this option are:
  - a) This option has the lowest level of revenue receipt for the Council since it transfers all risk to the operator and they will need to be compensated for that risk;
  - b) It potentially reduces the influence that the Council can have on the building since day to day operational control will have been ceded; and
  - c) It ties the Council into a longer term arrangement since an MOC will

not take on the operating risk without some long term prospects. The Enterprise Hub arrangement is for a five year period with an option to extend for up to a further five years.

10. The financial arrangement for the Harlow Enterprise Hub provides for a guaranteed rental income to the Council of £150,000 per annum plus a profit share, which on the current contract gives an estimated forecast income of £816,300 over a five year period. Without a full commercial tendering exercise it is impossible to predict what a similar outcome might be for the Nexus building, but the expected income would be greater than that of the Enterprise Hub.

### **Option 2 – Contracted out to a property agent**

11. This option would see the Council contract with a commercial property agent who would provide a professional management service to the Council. Occupiers would be tenants of the Council and the agent would receive a percentage of the rental income to cover their services – marketing, lease negotiation, building management & security and all tenant liaisons.

12. The advantages of this option are:

- a) A greater proportion of the rental income would be transferred to the Council than with Option 1; and
- b) Day to day management and operational pressures are transferred to the agent.

13. The disadvantages of this option are:

- a) The Council retains the risk of void units and the liability of business rates on any void units; and
- b) It potentially reduces the influence that the Council can have on the building since day to day operational control will have been ceded.

14. A typical financial arrangement for this option would be to pay a property agent a fixed percentage of the gross rental income. The Council would also need to make a provision for the potential business rate liabilities on any empty units.

### **Option 3 – Management in-house**

15. The Council could provide a direct management service via its own Property and Facilities team. The Council already manages the Latton Bush Centre and various industrial and retail units (as well as the Civic Centre) and,

although this will be a very different building with a very different tenant mix, the Council already has some in-house expertise in terms of property management. Although the building is larger than the Enterprise Hub, it is specifically designed to meet the needs of medium sized companies with units in the 2,000 – 5,000 square foot range. Therefore, it is likely that there will be a maximum of 12 tenants in the building and possibly fewer if there are occupiers at the higher end of that range. Therefore, it could be considered that the management requirements will be lower than at a building such as the Enterprise Hub which has a higher proportion of much smaller businesses.

16. Under this option the Council would retain 100 percent of rental income, but have to meet its management and operating costs as well as making provision for the risks associated with void units in relation to business rates. This option therefore has the maximum potential financial exposure but it also has the highest potential financial rewards.
17. The advantages of this option are:
  - a) The Council retains all rental income from the property;
  - b) The Council retains full control of what will, in effect, be the marketing suite for the Science Park development; and
  - c) The Council retains the flexibility to appoint a managing agent at some point in the short to medium term if it so desires.
18. The dis-advantages of this option are:
  - a) The Council retains full risk and liability in relation to empty units and in particular the payment of business rates on those units; and
  - b) The Council retains full liability for day to day repairs and maintenance and for dealing with all tenant enquiries.
19. Whichever option was pursued, some of the operational costs of the building would, clearly, be met through an additional service charge to the occupier such as the provision of a reception service, cleaning, security and routine repairs and maintenance. The Council would be responsible for meeting its own management and legal costs as well as marketing and letting. Given that the Council does not have experience of letting office space in the high end market that Nexus is targeting it is recommended that the three property agents that are currently engaged to market the wider Science Park site (Bidwells, Strettons and Derrick Wade Waters) are also engaged to market the Nexus building.
20. Whilst there are inevitably risks associated with managing a building in terms

of potential liabilities, it is considered that the advantages of an in-house option could outweigh these. It will certainly result in the highest potential revenue stream for the Council which was one of the original objectives in undertaking the development. There is confidence amongst the development team in the product that is being produced and there is already interest in the building before construction work has commenced. The market that is being targeted is not a volatile one, as it would be with, for example, business start-ups, and as such there is some mitigation of the risk of void units. This is therefore proposed as the preferred option but with a review after two operating years to assess performance and whether or not any alternative approach should be taken.

## **IMPLICATIONS**

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

None specific.

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

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

Subject to the decision of the Cabinet work to develop the detailed budget implications will be incorporated in to the Councils normal budget setting processes. Consideration will be given to the longer term repair and maintenance costs, the ongoing management costs, expected income generated from tenancies and the implications for any periods of vacancy in determining the operational budget for the building.

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, Head of Community Wellbeing**

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

A robust and statutory compliant service charge model is required and must be managed to ensure that all running costs incurred are lawfully recovered and less amenable to challenge.

Tenants will be required to enter into lease terms prior to occupation obliging Tenants to pay appropriate rent and services charges on demand and giving the Council enforceable remedy in the event of non-payment.

Surveyors appointed to market the property must be appointed pursuant to Contract Standing Orders.

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

### **Background Papers**

None.

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

DCLG – Department for Communities and Local Government

LDO – Local Development Order

OJEU – Official Journal of the European Union

SELEP – South East Local Enterprise Partnership

**REPORT TO:** CABINET

**DATE:** 12 OCTOBER 2017

**TITLE:** DCLG PILOT PROGRAMME FOR 100 PERCENT BUSINESS RATES RETENTION – 2018/19

**PORTFOLIO HOLDER:** COUNCILLOR MIKE DANVERS, PORTFOLIO HOLDER FOR RESOURCES

**LEAD OFFICER:** SIMON FREEMAN, HEAD OF FINANCE (01279) 446228

**This is a Key Decision**

**It is not on the Forward Plan. The following exemption applies:**

It is being considered under the urgency procedure due to the late release of information from the Government.

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

The need for further information to be released by the Government means that a final decision is required before call-in procedures can be applied.

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

**RECOMMENDED** that Cabinet:

- A** Notes the content of the report and its potential implications for the forthcoming budget setting for 2017/18.
- B** Grants delegated authority to the Head of Finance, in consultation with the Leader of the Council and the Portfolio Holder for Resources, to give notice formally of the Council's intention to accept or to decline to opt into the 100 percent BRR Pilot Programme with the other constituent Essex local councils as deemed most favourable to the Council.

**REASON FOR DECISION**

- A** To enable an informed decision, subsequent to the outcomes of an independent financial review and formulation of agreed terms, to be made in determining whether the Council should participate with Essex billing and precepting authorities in the DCLG's Pilot Programme for 100 percent Business Rates Retention (BRR) in 2018/19.

**BACKGROUND**

1. The current Medium Term Financial Strategy (MTFS) was approved by Full Council on 2 February 2017. The MTFS incorporated the agreed funding

under the Government's four year deal through to 2019/20. It also highlighted a number of areas which will impact upon the Council's future resources, one of which included the longer-term implications of the Government's intentions for 100 percent retention of Business Rates and associated conditions that may be applied and the transfer of additional responsibilities to councils.

2. The Business Rate Retention Scheme (BRR) commenced in 2013/14 and has increasingly been regarded as the core source of direct Government funding within its Settlement Funding Assessment (SFA). Within the Autumn Statement made on 23 November 2016, the Chancellor set out the Government's intention to remove Revenue Support Grant (RSG) altogether and to focus council funding solely on BRR. The BRR system was intended to see a simplification of council funding arrangements and to incentivise councils to encourage economic growth in their areas. In return, this would improve the business rates collectable and therefore the funding retained locally through the funding arrangements.
3. The current funding mechanism system retains the RSG system within the SFA which in itself is extremely complex and assesses a council's funding need on four key formula driven elements. It is very much a mechanism which can be used by the Government to influence council funding at a national level. It is important to recognise the forward forecast of funding received through the RSG element of SFA has been projected to reduce to almost nil during the period of the MTFS.
4. BRR, in its current format, has in reality been more complex than had been envisaged whilst it transfers significant risks to councils. It also introduced the redistribution of significant proportions (50 percent) of locally collected business rates directly back to Central Government.
5. The Government continues with consultation and research on further significant changes to the existing BRR system, which is linked to the phasing out of RSG and the eventual design of new proposals for local government funding which, it is hoped, will simplify and make the whole distribution mechanism for local government funding more transparent. It is anticipated that the redesign of the BRR and SFA arrangements will not impact until 2019/20 or 2020/21.
6. A business rates pool has operated within Essex since 2016, but due to uncertainties regarding the Council's position in relation to business rates collection and its potential claims against the Government Safety Net, the Council did not join the pool, as reported in the 2016/17 budget papers presented to Cabinet in January 2016. Ongoing uncertainty and volatility in the business rates income, especially in light of the new rating list effective from April 2017 and the increased likelihood of increased rating appeals,

resulted in the Council opting not to join the Essex Pool again for the 2017/18 financial year.

### **DCLG INVITATION TO LOCAL COUNCILS IN ENGLAND TO PILOT 100 PERCENT BUSINESS RATES RETENTION IN 2018/19**

7. The Government has already initiated one pilot scheme for 100 percent BRR operating in five specifically urban council areas with effect from 1 April 2017. These pilots will retain 100 percent of business rates income and forego some existing grants. Over the pilot period, which will be continuing on into 2018/19, they will retain all of their growth in business rates income.
8. In response to its consultation exercise in 2016 on Self Sufficient Local Government, the Government made a commitment to launch a further pilot scheme in 2018/19. The intention is to provide an opportunity for the DCLG to test more technical aspects of the 100 percent BRR system, such as tier-splits, and to evaluate how collaboration between local authorities may work in practice.
9. There has remained uncertainty as to whether the 2018/19 pilots would go ahead following the general election in June and the lack of information flowing from DCLG in relation to this initiative. However, in September 2017, the Government issued an invitation to local authorities to form pools, expecting agreement to be in place from all authorities in a functional economic area (such as a county), to apply jointly for pilot status for 100 percent retention of Business Rates. The Government considers this to be an opportunity that will allow councils to make coherent strategic decisions about the wider area and to jointly manage risk and reward.
10. In addition, the pilots will test council's administration, for example how they tackle collection avoidance, technical planning for implementation, and will look at system maintenance, including how the accounting, data collection and IT systems will work.
11. This second pilot will run for the financial year 2018/19 only and is aimed towards more-rural based catchments. Councils selected as pilots for 2018/19 will be expected to forego Revenue Support Grant (RSG) and Rural Services Grant (the Council only receives the former of these two grants). The value of the grant foregone will be taken into account in setting revised tariffs and top-ups, which will be used to ensure that the changes are cost neutral, except for the value of any growth retained.
12. Each pool will have a single safety net threshold determined on the basis of the pool's overall Baseline Funding Level and Business Rates Baseline. However, the pool's safety net threshold will be set at 97 percent of its recalculated baseline funding level, instead of the existing 92.5 percent.

This represents a favourable adjustment to reflect the additional risk stemming from greater retention. Pilots will operate with a 'zero levy', as is the case for the current 2017/18 pilot areas. Therefore, it is retention from potential growth of Business Rates over and above a council's Business Rates Baseline that presents a notable attraction for participating councils.

13. To be accepted as a pilot for 2018/19, the DCLG has indicated that an agreement must be secured locally from all relevant councils to be designated as a pool for 2018/19. Therefore, if one of the councils within a functional economic area declines the invitation, the likelihood is that the remaining councils will not be accepted into the pilot scheme.
14. Pooled areas should propose a split for sharing additional growth. Pooled areas will be required to demonstrate how additional growth will be used to promote the financial stability and sustainability of the pooled area. In addition, it is expected that some retained income from growth to be invested to encourage further growth across the area.
15. The pilot that commenced in 2017/18 is protected by a 'no detriment' clause, guaranteeing that these areas will not be worse off as a result of participating in the pilot. There is a risk that the clause will be removed for the 2018/19 pilot scheme and applications are required to specify whether or not they would be willing to become a 100 percent BRR pilot if the 2018/19 pilots were expected to operate without the benefit of 'no detriment' protection and how they would factor in that risk across the pool.
16. Any proposals for new pilots must be received by the Department for Communities and Local Government on or before Friday 27 October 2017.
17. It is expected that successful applications will be announced before or alongside the publication of the draft local government finance settlement, which usually occurs in mid-December each year.

#### **PROPOSAL FOR AN ESSEX WIDE PILOT**

18. Essex County Council has initiated a series of discussions and communications to explore the merits of forming an Essex pilot. Not only are there potential benefits from annual retaining Business Rates surpluses, the Council recognises that participating in the pilot provides a key opportunity to shaping the fair distribution of local government funding.
19. After preliminary consultation with and general support from the county's district councils, and recognising there is potential scope to benefit from participating in the pilot, Essex County Council has written to DCLG expressing an interest on behalf of the county's councils.

20. Given the Government's requirement for all councils within a pilot area to subscribe to a pilot bid, the County Council continues to engage with all relevant authorities, which comprises the twelve Essex district councils, unitary councils and fire authority (police authorities do not participate in Business Rates funding).
21. With Business Rates growth opportunities extending across various Essex councils from new business development, there is potential for county-wide gains. However, these gains must be weighed against the risks that exist both within the local economy and business sector and the inherent operational funding formulae agreed for the pilot scheme.
22. The timescale by which bids must be lodged with DCLG is extremely tight. Disappointingly, information supplied by DCLG about the pilot scheme is also limited. Therefore, the Essex councils are pursuing two primary lines of enquiry to facilitate the decision-making process:
  - a) Councils are, as a group, to participate in dialogue with a representative of the DCLG, and
  - b) A modelling exercise has been commissioned to project the likely financial benefits or penalties of participating in such a pilot scheme.
23. Ahead of the outcomes from these enquiries, the consensus view of the Essex councils about submitting a bid is that, if there are clear financial benefits to be derived from a new Essex pool that significantly exceed the potential risks, it will be beneficial for a collaborative bid to be made. The findings from the lines of enquiry will clearly influence each council's position.
24. There will need to be one lead council to submit the bid to DCLG, although meeting the deadline of 27 October will require a swift and intense process of negotiations between the relevant Essex councils for the purpose of defining the pilot group's operational funding formulae, setting strategies to manage risks and defining how new local business growth will be supported within the geographical catchment area.
25. Meanwhile, whilst Officers await the review's outcomes and any other information that may become available, it is important to identify the risks the Council may be presented with if it elects to proceed with the Essex bid based upon the current information released from DCLG. The identified risks are:
  - a) Given the very short timescale allowed by the Government for expressions of interest to be made, decisions may be necessary based on best estimates rather than full facts;

- b) Currently it is anticipated that even if the Council decides to participate in an Essex based pilot, should one or more councils withdraw their support from the Essex bid, it would be highly likely that the bid would fail;
- c) The limited details made available indicate that the no detriment clause in place for the earlier pilots will not be included within the deal effectively removing financial protections for the pilot area;
- d) Uncertainty on how Business Rates distributions will revert back to the existing methodology after the single-year pilot is complete (assuming no continuation after one year and nationwide introduction of 100 percent BRR after 2019/20);
- e) The need for the business rates pool that will be created locally within Essex to absorb part of any significant reduction in Business Rate income – meeting the safety net locally rather than nationally;
- f) The possibility of an unsatisfactory formula for distribution of Business Rates surpluses and deficits having a negative impact;
- g) In the event of any significant additional Business Rates collection within the Harlow District, the benefits would be shared out with other authorities within the Essex pilot instead of being retained by the Council alone; and
- h) Competing bids for use of pooled surpluses between Essex councils may arise generating, in turn, risk of distorted distribution of investment.

## **CONCLUSION**

26. With limited information available at the time of writing this report it is not possible at this time to determine the overall impact on the Council and whether, on balance, that would be beneficial or detrimental. Therefore, Cabinet is requested to provide delegated authority to the Head of Finance, as the Council's statutory officer under Section 151 of the Local Government Act 1972, in consultation with the Leader of the Council, and the Portfolio Holder for Resources, to give notice formally of the Council's intention to accept or to decline to opt into the 100 percent BRR Pilot Programme with the other constituent Essex councils as deemed most favourable to the Council.

## **IMPLICATIONS**

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

None specific.

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

### **Finance**

Outline financial implications are contained within the report. Outcomes of a financial modelling exercise, dialogue with DCLG and negotiations with authorities comprising the proposed Essex pilot should provide an insight into the benefits, or otherwise, of participating in the 100% BRR pilot scheme.

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)**

None specific.

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

### **Background Papers:**

DCLG Invitation to Local Authorities in England to pilot 100 percent Business Rates Retention in 2018/19 and to pioneer new pooling and tier-split models.

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

BRR – Business Rates Retention.

DCLG – Department for Communities and Local Government

MTFS – Medium Term Financial Strategy is the full financial plan across five years that considers the General Fund, HRA and Capital budgets

RSG – Revenue Support Grant.

SFA – Settlement Funding Assessment.

Baseline Funding Level - The baseline funding level can be thought of as the relative amount of funding that the government considered an authority needed

from business rates at the time the BRR scheme was set up in 2013-14, indexed thereafter by the change in the small business rates multiplier

**Business Rates Baseline** - An authority's business rates baseline represents the amount of business rates that in 2013-14 government expected an authority to receive from its share of business rates. Thereafter, it has been effectively indexed by the change in the small business rates multiplier.

**REPORT TO:** CABINET

**DATE:** 12 OCTOBER 2017

**TITLE:** APPOINTMENT OF A CONSULTANT FOR THE RE-DEVELOPMENT OF LISTER HOUSE

**PORTFOLIO HOLDER:** COUNCILLOR TONY DURCAN, PORTFOLIO HOLDER FOR REGENERATION AND ENTERPRISE

**LEAD OFFICER:** JANE GREER, HEAD OF COMMUNITY WELLBEING (01279) 6406

**CONTRIBUTING OFFICERS:** ANDY DEBNAM, REGENERATION AND DEVELOPMENT MANAGER (01279) 446448  
ALISON FOX, REGENERATION PROJECTS MANAGER (01279) 446407

**This is a Key Decision**

**It is not on the Forward Plan. The following exemption applies:**

The original quotation was at a level which would not have required Cabinet approval and any delay in the project would result in significant unnecessary costs to the Council.

**Call-in Procedures may apply**

**This decision will affect Staple Tye Ward.**

**RECOMMENDED that:**

- A** Cabinet approves the appointment of the consultants Faithful and Gould, via the Pagabo Framework, to provide the professional services to develop a scheme and gain planning consent for the Lister House site in Staple Tye for the sum of £113,132.50.

**REASON FOR DECISION**

- A** Appointing a consultancy will support the progress of the redevelopment of the Lister House site for housing and reduce unnecessary costs associated with the site once vacant possession is achieved, which is expected in autumn 2018.

**BACKGROUND**

1. The site of the existing Lister House medical centre has been subject to a Land Swap Options Agreement with Harlow Health Centre Trust (HHCT),

whereby the Council's land on Abercrombie Way has been swapped with the existing Lister House medical centre. This was approved by Cabinet in February 2008 and October 2013. The Agreement enables a new medical centre to be developed that is fit for purpose and for the existing site of the medical centre to be redeveloped as residential units in order to help facilitate the regeneration of the area.

2. The land swap took place in May 2017 and HHCT has commenced building the new medical centre on the Abercrombie Way site. During the development of the new medical centre the existing medical centre is occupying Lister House under a lease arrangement. It is expected that vacant possession of the existing Lister House site will be achieved in autumn 2018.
3. At the point that the Council takes vacant possession of the Lister House site, it is intended that the existing buildings will be demolished and the redevelopment of the site for housing will commence. The redevelopment of the site will be a key step in regenerating the surrounding area of Staple Tye.
4. It is important that planning permission for a new development is in place prior to the demolition of the existing buildings in order to preserve the rights of the existing building.
5. Demolishing the existing building promptly after achieving vacant possession will ensure that the Council is not liable for unnecessary costs associated with being responsible for an empty building, such as security costs to prevent vandalism and Business Rates.
6. In order to be ready to demolish the existing buildings, once we achieve vacant possession of the site, a development consultancy is to be appointed to provide pre-contract services up to and including the submission of a planning application for the proposed redevelopment of the Lister House site. They will also undertake all the necessary work such as site surveys, service disconnections and cost consultancy that will enable the Council to appoint demolition contractors.

## **ISSUES/PROPOSALS**

7. The Council has signed up to the national Pagabo Procurement Framework which is EU compliant. Under this framework, Faithful and Gould have submitted a quote of £113,132.50 to provide multi-disciplinary professional and design services to deliver the required work to develop a suitable housing scheme for the Lister House site.
8. Faithful and Gould will provide professional services that will include overarching Project Management services, Quantity Surveyor, Principal Designer, Mechanical and Electrical Engineer, Architect, Civil Engineer and

Structural Engineer.

9. Whilst developing a proposed housing scheme for the Lister House site, opportunities to regenerate a wider area surrounding the site will be considered.
10. If approved, it is anticipated that Faithful and Gould would commence work on this as quickly as possible in order to be able to submit a planning application in early 2018 and therefore achieve vacant possession of the site in autumn 2018.

## **IMPLICATIONS**

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

None specific.

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

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

Subject to the approval of the recommendations the costs of the consultancy appointment will be met from within existing resources/grants held by the Council.

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)**

As contained within the report.

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

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

The use of a EU compliant Framework discharges the requirements of Contract Standing Orders and Public Procurement Regulations. Faithfull and Gould and any sub-contractors will be required to enter into an appropriate contract for services together with ancillary collateral warranties.

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

### **Background Papers**

None.

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

None.

# HOUSING STANDARDS BOARD

## Minutes

5 September 2017

7.00pm – 7.45pm

**PRESENT:**

**Committee Members**

Cllr Mark Wilkinson (MW) – Chair,  
Cllr Simon Carter (SC).  
Cllr Bill Pryor (BP),

**Leaseholder Standards Panel:**

**Officers:**

Andrew Murray (AM),  
Cara Coxhead (CC),  
Wendy Makepeace (WM),  
Christopher Smith (CS),  
Zulfi Kiani-Mackintosh (ZKM),  
Jenny Pearce (JP).

**Tenant & Leaseholder Representatives:**

**Property Standards Panel:**

Shaun Russell

**Tenancy Standards Panel:**

		Action
1.	<b><u>Apologies</u></b>  Cllr Bob Davis (BD) - (Vice-Chair), Jane Steer (JS), Lucy Cooper.	Noted
2.	<b><u>Declaration of Interest</u></b>  Cllr Simon Carter declared an interest in HTS Group.	Noted
3.	<b><u>Minutes of last meeting (04.07.17) and Matters arising</u></b>  The minutes were agreed.  <i>Briefing Notes:</i> Following the Public Enquiry into the Grenfall Tower, the Council is still waiting for a report identifying what further actions a required.  <i>Housing Performance Reports:</i> Leaflets containing information on the Welfare Panel were distributed to the Cllrs represented on the Housing Standards Board, to be circulated to members within their Party. Names have been put forward and will be contacted.  <i>CO detectors:</i> There are 1727 properties with boilers in bedrooms of which 1540 have had co detectors installed. The remaining 187 are being contacted through the “non access” process.  <i>Briefing Notes:</i> The Joint Finance and Performance Report 2016/17 was forwarded to members of the Housing Standards Board.	Noted  Noted  Noted  Noted  Noted

<p><b>4.</b></p>	<p><b>Cabinet Work plan 2016/17</b></p> <p>The work plan was noted.</p>	
<p><b>5..</b></p>	<p><b>Briefing Notes:</b></p> <p>The briefing notes for HRA Quarter 1 and Capital Programmes Quarter 1 finance reports 2017/18 and the HTS (Property &amp; Environment) Ltd Contract Awards 2017/18 – phase 2 were noted.</p> <p>A number of questions were raised and answered respectively.</p> <p>The Joint Finance and Performance Report 2017/18 will be forwarded when available.</p>	<p>All</p> <p>JP</p>
<p><b>6.</b></p>	<p><b>Current Consultations</b></p> <p>None</p> <p>It was noted that the consultation on the HCA Tenant Empowerment Standard has now closed and is available on the HCA website.</p>	<p>Noted</p> <p>Noted</p>
<p><b>7.</b></p>	<p><b>Formal questions and answers</b></p> <p>None</p>	<p>Noted</p>
<p><b>8.</b></p>	<p><b>Any other Business</b></p> <p>Details on consultation on changes to contact harlow including the possible closure of the cash office will be available when known.</p> <p>The use of trackers on machinery used by HTS was noted. To be passed to Environment SIT.</p> <p>Joseph Rank House, Redstone House and Terminus house are not Council owned. These properties have been redeveloped into domestic housing. The Council plays a strong “community leadership” role in Harlow, and works with all its partners to ensure health and safety of Harlow residents is a top priority. The landlords of these buildings have not issued statements in response any enquiries regarding fire safety or responses from the CLG in relation to their expected reviews. Harlow, as a town is “named” as an area in the latest DCLG list where only one block it appears has failed fire safety tests. This relates to Occasio House which is owned by East Thames and is unoccupied.</p> <p>In relation to the removal of the “local” aerial ladder, given that the London fire Service has stated that it will be taking one to every tower block fire they now attend, concerns have been raised through</p>	<p>Noted</p> <p>ZKM</p> <p>Noted</p> <p>Noted</p>

	the local Essex Fire and Rescue Service. The Council is still waiting for a response.	
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The Date of the Next meeting is: 26 September 2017

**Background Papers**

None