

CABINET

10:00	Tuesday, 16 February 2016	Committee Room 1, County Hall, Chelmsford, Essex
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Quorum: 3

Membership

Councillor David Finch
Councillor Kevin Bentley

Councillor Rodney Bass
Councillor Anne Brown
Councillor Graham Butland
Councillor Ray Gooding
Councillor Eddie Johnson
Councillor Dick Madden
Councillor John Spence

Cabinet Member responsibility

Leader of the Council (Chairman)
Deputy Leader, Economic Growth, Waste and
Recycling(Vice-Chairman)
Infrastructure
Corporate, Communities and Customers
Health
Education and Lifelong Learning
Highways and Transport Delivery
Adults and Children
Finance

**For information about the meeting please ask for:
Judith Dignum (Secretary to the Cabinet)
03330134579 / Judith.dignum@essex.gov.uk**



Essex County Council

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Part 1

(During consideration of these items the meeting is likely to be open to the press and public)

	Pages
1 Apologies for Absence	
2 Minutes	5 - 16
3 Declarations of Interest To note any declarations of interest to be made by Members in accordance with the Members' Code of Conduct	
4 Questions from the Public A period of up to 15 minutes will be allowed for members of the public to ask questions or make representations on any item on the agenda for this meeting. On arrival, and before the start of the meeting, please register with the Committee Officer.	
5 Education Transport Contract Extensions and Awards 2016 The Equality Impact Assessment is available on line	17 - 22
6 Long term options for Meals on Wheels Service The Equality Impact Assessment is available on line	23 - 30
7 Decision as to whether ECC should participate in a new entity to deliver Garden Settlements in North Essex The Equality Impact Assessment is available on line	31 - 42
8 Cabinet Decisions Report	43 - 46
9 Date of Next Meeting To note that the next meeting will be held at 10.00am on Tuesday 22 March 2016.	
10 Urgent Business To consider any matter which in the opinion of the Chairman should be considered in public by reason of special circumstances (to be specified) as a matter of urgency.	

Exempt Items

(During consideration of these items the meeting is not likely to be open to the press and public)

To consider whether the press and public should be excluded from the meeting during consideration of an agenda item on the grounds that it involves the likely disclosure of exempt information as specified in Part I of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act.

In each case, Members are asked to decide whether, in all the circumstances, the public interest in maintaining the exemption (and discussing the matter in private) outweighs the public interest in disclosing the information.

11 Urgent Exempt Business

To consider in private any other matter which in the opinion of the Chairman should be considered by reason of special circumstances (to be specified) as a matter of urgency.

MINUTES OF THE MEETING OF THE CABINET HELD AT COUNTY HALL, CHELMSFORD, AT 10.00AM ON 26 JANUARY 2016

Present:

Councillors	Cabinet Member responsibility
D M Finch	Leader of the Council (Chairman)
K Bentley	Deputy Leader and Economic Growth, Waste and Recycling
R Bass	Infrastructure
A Brown	Communities and Healthy Living
R Gooding	Education and Lifelong Learning
R Hirst	Transport, Planning and Environment
E Johnson	Highways Delivery
D Madden	Adults and Children
J Spence	Finance

Councillors J Young, M Mackrory, S Walsh, M Buckley, N LeGresley, C Pond, M Page, K Twitchen, J Knapman, R Howard, I Henderson, K Bobbin, N Hume, G Butland, M Maddocks and P Channer also attended.

1. Apologies for Absence

Apologies were received from Cllr Eddie Johnson. Members were informed that Cllr Bentley would leave the meeting at 10.30am.

The Chairman welcomed Gavin Jones, Chief Executive, to his first meeting of Cabinet.

2. Minutes

The minutes of the meeting held on 15 December 2015 were agreed as a correct record and signed by the Chairman.

3. Declarations of Interest

Cllrs Madden and Spence declared an interest if item 7, Chelmsford Park and Ride – approval to tender and award the operational contracts for Chelmsford Park and Ride.

4. Public Questions

No members of the public had registered an interest in asking a question or making a statement on any of the items to be considered at the meeting.

5. 2015/16 Financial Overview as at the Third Quarter Stage

The Cabinet received report FP/998/02/15 by the Cabinet Member for Finance which set out the forecast financial position of Essex County Council's (ECC) revenue and capital budgets as at the third quarter of the 2015/16 financial year.

The following information was provided in response to questions raised from Councillors Young and Mackrory.

- On the revenue budget a net saving of £5m against budget is forecast at this stage
- There is provision for winter pressure should it be needed
- There are pressures on the capital budget that are outside the control of the council
- A review has been undertaken resulting in the identification of reserves no longer required
- The Adult Social Care budget will continue to face pressures but remains within 1% of the overall adult budget.
- Plans are in place to reduce the current Adult Social Care overspend with the aim of a balanced budget by financial year end.

Resolved:

To draw down funds from reserves as follows:

1. **£35,000** from the Transformation Reserve to Education and Lifelong Learning portfolio for redundancy costs related to the Education Redesign.
2. **£62,000** from the Transformation Reserve to Education and Lifelong Learning portfolio for redundancy costs incurred through the Adult Community Learning restructure.
3. **£644,000** from the Transformation Reserve to Corporate Services portfolio to fund the In Person project to be drawn down on a phased basis.
4. **£57,000** from the Transformation Reserve to Corporate Services Recharged Support Services for Adult Mental Health and Waste Portfolio projects supported by the Transformation Support Unit.
5. **£167,000** from the Community Initiative Reserve to Transport, Planning and the Environment portfolio to support the Community Initiative capital scheme.
6. **£750,000** from the Reserve for Future Capital Funding Reserve to Finance Recharged Support Services for Transforming Corporate Systems.

To appropriate funds to reserves as follows:

1. **£127,000** to the Transformation Reserve from Adult Social Care portfolio as a result of the deferral of Phase 2 of the Care Act.
2. **£446,000** to the Transformation Reserve from Corporate Services Recharged Support Services portfolio relating to the Digital Channels project.
3. **£100,000** to the Transformation Reserve from Corporate Services Recharged Support Services in relation to the People and Change project, which will be requested in 2016/17.
4. **£124,000** to the Transformation Reserve from Corporate Service Recharged Support Services, which was for capacity to develop service propositions for 2016/17, and is no longer required.
5. **£2.7m** pay award contingency budget to the General Balance from the Finance portfolio.
6. **£980,000** to the General Balance from Finance Recharged Support Services in relation to the Insurance Cost Recovery Account under spend on provision.

To approve the following adjustments:

1. At the half year stage, Cabinet approved the inclusion of Schools Human Resources and Jobscene within EES Traded (formerly Essex Education Services). On the basis of these activities being subsumed into the EES trading account, approval is now sought to:
 - a. Increase the budgeted surplus of the trading activity by **£745,000**; and
 - b. Appropriate this additional surplus to the General Balance to offset the budget shortfall within the Education and Lifelong Learning portfolio (**£280,000**) and Corporate Services Recharged Support Services (**£465,000**) created as a consequence of the transfer of these activities into EES trading service.
2. To reduce the financial target for the Schools Staff Insurance Scheme by **£312,000**.
3. To amend the capital budget as shown in Appendices C and C(ii) which allows for capital slippage of **£14.1m**, capital budget additions of **£6.0m**, capital budget reductions of **£12.6m** and advanced works of **£1.9m**.
4. To transfer **£458,000** from Leader portfolio to the Finance Recharge Support Services to transfer Policy and Management under spend.

5. To transfer the **£4.9m** Redundancy Reserve balance to the Transformation Reserve, and close the Redundancy Reserve
6. To transfer the **£5.7m** Consultation Reserve balance to the General Balance, and close the Consultation Reserve
7. To transfer the **£9.8m** Collection Fund Investment Risk Reserve balance to the General Balance, and close the Collection Fund Investment Risk Reserve
8. To transfer the **£1.1m** Energy Inflation Reserve balance to the General Balance, and close the Energy Inflation Reserve
9. To transfer the **£372,000** Essex Transport Reserve balance to the General Balance, and close the Essex Transport Reserve.

6. Essex and Southend-on-Sea Waste Local Plan – Proposed Submission Publication

The Cabinet received report FP/296/11/15 by the Cabinet Member for Transport, Planning and the Environment asked the Cabinet to consider the draft Waste Local Plan Proposed Submission Document and to formally make a recommendation to the Council that the document be published for pre-submission consultation and then be submitted to the Secretary of State.

The Chairman and Councillor Mackrory complimented officers on the production of the waste plan. Councillor Hirst also recorded his thanks to Members of the Reference Group.

The following information was provided in response to questions raised from Councillor Young.

- The plan is not an operating strategy but outlines the duty of a planning authority to ensure a plan is in place for the adequate provision of waste management across the county.
- The policy is to incentivise people to reduce, re-use and recycle
- The plan is based on well informed forecasts and estimates and is designed to ensure self-sufficiency at all levels.

Resolved:

1. Agree the proposed responses to the representations received at the Revised Preferred Approach and previous versions of the RWLP.
2. That Cabinet recommends to full Council:
 - a. that the Council agrees to the publication for pre-submission consultation of the RWLP under Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012 in the form submitted to it (appendix 1); and.

- b. that the Council agrees that the RWLP be approved for submission to the Secretary of State for independent examination under section 20 of the Planning and Compulsory Purchase Act 2004.
3. Agree that the Director of Operations: Environment and Economy is authorised to:
 - a. make minor amendments to the RWLP to correct drafting typographical or printing errors;
 - b. Update the sustainability appraisal at any time before the documents are approved by full council;
 - c. propose to the Secretary of State amendments to the RWLP which may result from (inter alia) analysis of the representations made following public consultation, recommendations of the Sustainability Appraisal and any additional evidence considered and consult on these changes if required before they are sent to the Secretary of State and;
 - d. determine a response to any amendments which may be proposed by the Inspector during the Examination in Public process (but not to agree proposed 'main modifications'); and
 - e. take all necessary steps to ensure compliance with the relevant statutory processes and procedures necessary for preparation and participation of the Council at the Examination in Public.
4. Note that the Cabinet Member for Transport, Planning and the Environment is authorised to approve further consultation on any recommendations that may be proposed by the Inspector during or following the Examination in Public (e.g., any main modifications proposed by the Inspector).
5. Agree to amend the Minerals and Waste Development Scheme with the revised timetable for the production of the Waste Local Plan

Cllrs Bentley, Madden and Spence left the meeting

7. Chelmsford Park and Ride – Approval to tender and award the operational contracts for Chelmsford Park and Ride

The Cabinet received report FP/312/11/15 by the Cabinet Member for Transport, Planning and the Environment asked Cabinet to agree the tender contracts for the operation of buses and site management at the Chelmsford Park and Ride sites and to note that the Cabinet member will make the decision on the award of these contracts.

The following information was provided in response to questions raised from Councillors Pond and Young.

- Park and Ride is designed to provide good transport links to the residents of Essex wishing to use the facilities of Chelmsford.
- The facility is very popular and well used and the benefits are transparent.
- On the issue of park and ride, Chelmsford City Council has taken part in useful discussions over the future of long stay parking facilities in the City.

Resolved:

1. Approve the procurement of a new contract for the operation of a bus service to the Chelmsford Park and Ride sites from 25 September 2016 for a period of five years, extendable by the Council for a further two years, with the contract being awarded under the Council's public transport framework agreement.
2. Approve the procurement of a contract covering the management of Front of House services at the Park and Ride sites from 25 September 2016 for a period of five years, extendable by the Council for a further two years, with the contract being awarded using an open procurement process which complies with the Public Contracts Regulations 2015.
3. Approve the procurement of a contract covering the management of maintenance of the Park and Ride sites from 25th September 2016 for a period of five years, extendable by the Council for a further two years with the contract being awarded using an open procurement process which complies with the Public Contracts Regulations 2015.
4. Agree that the contracts may be awarded by the Cabinet Member for Transport, Planning and the Environment and that the contracts referred to in 2.2 and 2.3 may be awarded to MITIE under the terms of the current ECC Facilities Management framework if MITIE can demonstrate better value than any of the tenders received.

 Cllrs Madden and Spence returned to the meeting

8. Revenue and Capital Budgets 2016/17 and Medium Term Resource Strategy

The Cabinet received report FP/333/12/15 by the Cabinet Member for Finance which presented information to enable the Cabinet to recommend the revenue budget for 2016/17 and the capital programme for 2016/17 to 2018/19 to Full Council in February. Please note that the capital programme for 2017/18 and 2018/19 is our current view.

Asks the Cabinet to note the funding sources for 2016/17; the revenue budget for each portfolio; the proposal in respect of the council tax rate for 2016/17 and the capital programme for 2016/17, and to approve the related recommendations set out below in section 2.

Asks the Cabinet to note the Medium Term Resourcing Strategy (MTRS) from 2017/18 to 2018/19, which is informed by the best information available regarding future funding and demand, whilst noting the risks and mitigations approach as outlined in the report.

Asks the Cabinet to note that whilst the Council is able to present a balanced budget for 2016/17, this does assume full delivery of savings and some utilisation of reserves and there is not yet a balanced position for 2017/18 and 2018/19.

The following information was provided in response to questions raised from Councillors Mackrory, Le Gresley and Henderson.

- It has been recognised the Council tax freeze would have to end at some point and it is with regret that Council tax will increase by 1.99% and the social precept by 2% be applied
- The draft financial settlement presents some difficult challenges.
- Work will be undertaken to seek to influence energy companies to reduce prices and with local communities to preserve services that are facing a challenge.
- Further savings of £76m, in addition to the £521m already achieved, will need to be identified.
- A final financial settlement is still awaited but the budget presented to Members is one which will enable local services to be preserved and the value of service to the people of Essex to be continued

Resolved:

1. The net revenue budget requirement to be set at **£861.0 million(m)** for 2016/17
2. The net cost of services to be set at **£927.5m** for 2016/17
3. The total council tax requirement be set at **£570.2m** for 2016/17
4. That council tax be increased by 1.99% and a 2% social care precept be levied, therefore the Essex County Council element of the council tax for charge for a Band D property in 2016/17 will be **£1,130.13**. A full list of bands is as follows:

Council Tax Band	2015/16	2016/17
	£	£
Band A	724.50	753.42
Band B	845.25	878.99
Band C	966.00	1,004.56
Band D	1,086.75	1,130.13
Band E	1,328.25	1,381.27
Band F	1,569.75	1,632.41
Band G	1,811.25	1,883.55
Band H	2,173.50	2,260.26

5. That a schedule be presented to Full Council setting out the council tax rate for each category of dwelling and the precepts on each of the council tax billing authorities for 2016/17, together with the final tax base.
6. Agree to the proposed total schools budget of **£539.2m** for 2016/17 which will be funded by the Dedicated Schools Grant.
7. That the underlying balance on the General Balance be set at **£60.4m** at as at 1 April 2016 after the proposed drawdown of **£19.4m**
8. That the capital payments guideline be set at **£250.5m** for 2016/17 and that the Executive Director for Corporate and Customer Services, in consultation with the Cabinet Member for Finance, be authorised to make adjustments to the phasing of payments between years (should that be necessary) as the capital programme is finalised, and to report any impact on the Prudential Indicators at the subsequent quarterly review to Cabinet in July 2016.
9. Agree that the Cabinet Member for Finance, in consultation with the Executive Director for Corporate and Customer Services, may make any necessary adjustments to the figures to be submitted to Full Council upon receipt of the final tax base and forecast business rates receipts for 2016/17 to be notified to the Council by the respective billing authorities (due by 31 January), the final capital grant in respect of education from the Department for Education (DfE) due in mid-January, and the final settlement from government due 3rd February 2016.
10. That the Executive Director for Corporate and Customer Services (section 151 officer) statement on the robustness of the estimates and reserves be noted
11. Approval of the 2016/17 - 2018/19 Prudential Indicators and limits, together with updated limits for 2016/17

12. Approval of the Treasury Management Strategy for 2016/17
13. Approval of the policy for making a prudent level of revenue provision for the repayment of debt
14. Recommend to Full Council for approval the Pay policy statement for 2016/17
15. Note that the report outlines the medium term (2017/18 – 2018/19) revenue issues facing the Council highlighting the funding sources and implications for the medium term. The position is based on the best intelligence available today including future funding, price rises and demand; but there is inherent uncertainty given the changes in national and local circumstances.
16. Note that whilst there is a balanced budget for 2016/17, this is not yet the case for 2017/18 and 2018/19. Further savings will need to be secured in the medium term and a focus on outcomes based commissioning.
17. Note the draft equivalent Band D tax base for the purpose of determining the council tax charge is 504,545 properties.
18. Note the findings of the Equality Impact Assessment (EIA)
19. Note the Council's Financial Regulations set out the policies and the framework for managing the financial affairs. They seek to ensure that the Council conducts its affairs in a way that complies with specific statutory provision, generally accepted accounting principles and professional good practice. In addition, the Chief Finance Officer authorises officers to make day to day decisions in accordance with and up to the limits set out in a scheme of delegation for financial management which implements Financial Regulations.

9. Live at Home Project: Contracts for Domiciliary Care – Current Contracts & Update on Future Procurement

The Cabinet received report FP/100/04/15 by the Cabinet Member for Adults and Children which sought approval from Cabinet to extend and vary the current Best Value Ranked List ("BVRL") contracts for the provision of Live at Home Services for a period of 12 months whilst a procurement process is completed and set a minimum price for the provision of such care.

To inform the Cabinet that, at present, the preferred approach for the procurement of services to be delivered from February 2017 onwards is a form of Ranked List but that further market engagement and financial modelling is needed and that a further report will be brought to Cabinet in April 2016 to seek authority to launch the procurement.

To ask the Cabinet to agree a drawdown from the Transformation Reserve of £81,000 to fund the extension of the current BVRL contract and ensure continuity of service delivery whilst the procurement is underway.

Resolved:

1. Approve an extension to the current BVRL contracts for a maximum of 12 months expiring in February 2017.
2. Agree that a further report to Cabinet is brought back in April 2016 setting out how the Council will procure services in the longer term.
3. Agree that, as part of the extension, all providers will be asked to resubmit prices for each district based on a revised pricing matrix and that these along with the provider's score relating to quality will be used to produce a new ranked list which will be used for care placements awarded after 10 April 2016.
4. Agree that current packages of care (whether awarded via the BVRL or via spot purchase) will be paid at the current rates but that with effect from 10 April 2016 the Council will apply a minimum rate of:
 - (a) £11.32 per hour for night sleeping and 24 hour live in care; and
 - (b) £13.92 per hour for all other care covered by these contracts.
5. Authorise the Director for Integrated Commissioning and Vulnerable People to approve the revised ranked list for the BVRL extension following the submission of revised proposals from providers.
6. Agree to draw down £81,000 from the Transformation Reserve to manage the extension to the current BVRL contract.

10. Cabinet Decisions Report

The Cabinet received report FP/330/12/15 by the Secretary to the Cabinet setting out the decisions taken by or in consultation with Cabinet Members since the last meeting.

11. Date of Next Meeting

Members noted that the next meeting of the Cabinet would take place on Tuesday 16 February 2016 at 10.00am.

12. Exclusion of the Press and Public

Resolved:

That having reached the view that, in each case, the public interest in maintaining the exemption (and discussing the matter in private) outweighed the public interest in disclosing the information, the public (including the press)

be excluded from the meeting during consideration of the following items of business on the grounds that they involve the likely disclosure of exempt information as specified in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

13. Approval to tender and award the operational contracts for Chelmsford Park and Ride.

(Exempt under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, information relating to the financial or business affairs of any particular person (including the authority holding that information))

The Cabinet noted the confidential appendix to report FP/312/11/15 which contained exempt information referred to in that report and decisions taken earlier in the meeting (minute 7 above refers).

14. Live at Home Project: Contracts for Domiciliary Care – Current Contracts & Update on Future Procurement

(Exempt under paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, information relating to the financial or business affairs of any particular person (including the authority holding that information))

The Cabinet noted the confidential appendix to report FP/100/04/15 which contained exempt information referred to in that report and decisions taken earlier in the meeting (minute 9 above refers).

The meeting closed at 10.52am.

AGENDA ITEM 5

Report to Cabinet	Forward Plan reference number: FP/331/12/15
Date of Meeting: 16 February 2016	County Divisions affected by the decision: All divisions
Title of report: Education Transport Contract Extensions and Awards 2016	
Report by: Cllr Ray Gooding - Cabinet Member for Education and Lifelong Learning	
Responsible Director: Clare Kershaw, Director for Commissioning, Education and Lifelong Learning	
Enquiries to: Shamsun Noor, Head of School Admissions and Transport, Tel: 033301 32246, Email: shamsun.noor@essex.gov.uk	

1. Purpose of report

- 1.1. To outline the proposals in relation to the extension and procurement of education transport contracts totalling £15.8m which are due to expire in July 2016. These contracts represent 66% of the total value of home to school transport contracts currently in place.
- 1.2. To seek the authority of Cabinet to carry out the necessary contractual and procurement processes to ensure that suitable transport arrangements are in place for September 2016 onwards, to fulfil the Council's statutory and policy based obligations to provide transport to school for children.

2. Recommendations

- 2.1. Agree that the Director for Commissioning: Education and Lifelong Learning is authorised to extend any home to school transport contracts which expire in July 2016 and where extension is permitted.
- 2.2. Agree that the Director for Commissioning: Education and Lifelong Learning is authorised to enter into new contracts to replace any home to school transport contracts which expire in July 2016 and where extension is not

permitted or considered to be in the Council's best interests. Any such new contract is to be for one year and give the Council the right to extend.

3. Background and proposal

- 3.1. The Council has a statutory and policy based responsibility, under the terms of the Education Act 1996 (as amended) and its Education Transport Policy to provide free home to school transport to pupils who meet the eligibility criteria.
- 3.2. This report relates to transport arrangements for pupils who are transported (or to be transported) on hired transport secured by the Council from commercial operators where the current contracts expire at the end of the 2015-16 academic year in July 2016.
- 3.3. There are 291 individual education transport contracts that are due to expire in July 2016, covering the full spectrum of primary, secondary and special school transport. Action must be taken in respect of all of these contracts to either extend or re-tender them so transport is provided for the relevant children from September 2016.
- 3.4. For the purposes of this report, the table and commentary below illustrates the scale of the contracts in question, their current value in financial terms and the proposed actions to be taken.

No of contracts	No of pupils travelling	Value based upon 190 school days	Number to be offered for 1 year extension at 0%	Value of number to be extended for 1 year at 0%	Number identified for tender	Value of number identified for tender
291	9281	£15.8m	183 (63%)	£8.6m	108 (37%)	£7.2m

- 3.5. Detailed analysis was undertaken by Commercial and Transport officers of all the expiring home to school transport contracts to determine a proposed way forward.
- 3.6. A total of 183 have been identified as suitable for extension (see 3.8 below) for a year based upon a 0% price increase. The contract conditions allow for this. This would mean that the contracts in question would continue to be operated by the current contractor (subject to agreement) at the existing operating price unless requirements materially changed.
- 3.7. Consideration was given as to whether, in the context of the decreased price of fuel, operators could be asked to continue contracts at a reduced rate. However, fuel does not form the major proportion of transport operators' costs with wages and associated on costs constituting a far greater share of total costs. These have not diminished in recent years and are unlikely to diminish in the short term. Continuing with the practice of offering extensions on a non-

inflationary 0% basis is felt to represent a reasonable and proportionate approach.

3.8. The reasons for concluding that extension of the 183 contracts is appropriate are as follows:

- Requirements have not changed since the original tender/contract award with little or no increase to cost;
- The daily operating price is considered to represent efficient value based on current and historical data on the price per passenger for contracted transport;
- There is opportunity to renegotiate the operating price of some of the contracts based upon reduced pupil numbers;
- It would not benefit pupils or Essex County Council in the short term to change the contractor for a number of special needs contracts, whereas an extension would provide greater flexibility for the Council to consider more efficient and effective models of delivery in the medium to longer term;
- The Council has recently started to implement a new '*Bus and Passenger Transport Strategy*' as part of the broader integrated transport agenda. There may be opportunities for some of these contracts to be incorporated into the wider network. As such extending the contracts for one more year is felt appropriate pending any future decisions around integration.

3.9. A total of 108 contracts have been identified as requiring tender action for some or all of the following reasons:

- The maximum term of the contract duration, including any extension clauses, has been reached;
- Material change of requirements due to natural reduction in pupil numbers;
- Change of transport requirement due to impact of policy changes e.g. phasing out of faith school transport and effect of the new 'nearest school only' transport policy;
- A review of the current contract suggests that better value could be achieved by retendering, based on comparing the contract price with the current and historical data.

3.10. Bids will be requested, in accordance with the Council's Passenger Transport Framework Agreement for such contracts, for 1 year with the option to extend. Routes being tendered will include all existing operators and will expose routes to competition.

- 3.11. All contracts will be procured in such a way so as to comply with the law.
- 3.12. No significant changes to routes or services are proposed.

4. Policy context and Outcomes Framework

- 4.1. Increasing educational attainment and skills is one of the aims of a *Vision for Essex 2013-17*. The Council has also set out outcomes which it seeks to achieve, one of which is an aspiration that children in Essex get the best start in life. Ensuring children have access to school is a critical factor in this. Another aim is to ensure that people in Essex experience a high quality and sustainable environment and use of public transport will help deliver this.
- 4.2. Providing transport for eligible children, to enable their attendance at school, is not only fundamental to the above aims, but also links to supporting their future employment and wellbeing, both of which form part of the Council's vision and Outcomes Framework.
- 4.3. Moreover, the law requires the Council to provide school transport to eligible children and hence it is essential that suitable arrangements are made for pupils to be transported through the contracts in question.

5. Financial Implications

- 5.1. Home to school transport is an area of considerable Council expenditure. In the current financial year, the forecast outturn is £24.3m (net position including a £1.5m recharge to the dedicated schools grant - DSG).
- 5.2. The 2016/17 proposed budget for Home to School Transport is £24.0m. This position reflects an efficiency saving expected as a result of price constraint (inflation avoidance) but also the impact of policy changes to decrease demand. The above contracts represent 66% of the total proposed 2016/17 budget.
- 5.3. Where renegotiation or re-tender takes place, the intention would be to see a reduction in operating prices where, for example, the numbers of children expected to be transported decreases on certain contracts due to the impact of policy changes. The above savings have already been taken account of within the Medium Term Resourcing Strategy.

6. Legal Implications

- 6.1. Where contracts are to be extended and procured, this will be carried out in accordance with the Council's procurement policy and procedures and with the Public Contracts Regulations 2015.

- 6.2. The Council has a legal duty to provide home to school transport in certain circumstances and also provides transport to some children over and above statutory requirements in accordance with its home to school transport policy.

7. Staffing and other resource implications

- 7.1. There are no staffing or resource implications for the Authority.

8. Equality and Diversity implications

- 8.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when ECC makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 8.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 8.3 The Equality Impact Assessment (attached as appendix 1) indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

9. List of appendices

- 9.1 Appendix 1 – Equality Impact Assessment.

10. List of Background papers

- 10.1 List of home to school transport contracts expiring in July 2016.



Essex County Council

AGENDA ITEM 6

Report to Cabinet	Forward Plan reference number: FP/264/10/15
Date of Meeting: 16 February 2016	County Divisions affected by the decision: All Divisions
Title of report: Long term options for Meals on Wheels service	
Report by Cllr Dick Madden - Cabinet Member for Adults and Children	
Responsible Director: Helen Taylor, Director for Integrated Commissioning & Vulnerable People	
Enquiries to Louise Hall, Head of Commissioning Vulnerable People; louise.hall@essex.gov.uk , 07585 307867	

1. Purpose of report

- 1.1. The purpose of this report is to seek agreement from Cabinet on the future of the Meals on Wheels service in Essex. The current contract for the Meals on Wheels service expires on 30 September 2016 and cannot be extended beyond this date.
- 1.2 In 2015 the Council carried out a successful pilot exercise under which a significant number of service users have been transferred to alternative provision. We enabled service users to choose the right provider for them. More details about the pilot are set out in later in the report.
- 1.3 This report sets out options and asks the Cabinet to decide on the future of the service.

2. Recommendations

- 2.1. Agree that with effect from 1 October 2016 the council will support residents who require a hot meal by operating an accredited list of providers in Essex in place of a commissioned Meals on Wheels service.
- 2.2. Assess all service users of the current Meals on Wheels service and ensure that they are provided with an equivalent service via community alternatives or domiciliary care.

- 2.3. Agree that the Director for Integrated Commissioning and Vulnerable People is authorised to create and operate the accredited list of providers.

3. Proposal – Options considered

- 3.1. With the completion of the pilot and the expiry of the current contract in September 2016, the Council needs to decide on the future of the meals service. The following three options are presented for consideration.

OPTION 1

- 3.2. ECC ceases to commission a meals service provider after the current contract with Sodexo expires.
- 3.3. ECC maintains a list of options and providers available to those interested in a meals service on the ECC 'Living Well' website, but provides no assurance as to the quality of service from the providers listed. ECC provides support to vulnerable adults to identify providers able to meet their needs.
- 3.4. Over the next three years, this option will deliver estimated savings of £434,528. There is considerable reputational risk with this option, as ECC will cease provision without offering a reasonable alternative service, although ECC would be required to ensure that residents social care needs are being met.

OPTION 2

- 3.5. ECC commissions a single provider to deliver a countywide service.
- 3.6. The cost per meal would be likely to increase significantly, due to increased costs of provision, decreasing consumer market and the removal of ECC's subsidy. A commissioned meals service would be provided to eligible residents regardless of other, more preferable local community providers. The existence of a commissioned service reduces demand for other providers, making it difficult to diversify the marketplace.
- 3.7. Over the next three years, this option would deliver estimated savings of £608,905, if the Council passes on the full cost of the service to service users. The cost to the Council of the service would rise if the Council maintained the current level of charges. There is considerable risk with this option as meal costs are likely to increase and the service may well become unviable. Further, individual choice would be restricted, due to a single provider.

OPTION 3

- 3.8. ECC transitions all those receiving a Meals on Wheels service to a more flexible and personally-tailored meals service, with local community provision wherever possible.

- 3.9. ECC establishes an accredited list of providers in Essex accessible to all residents requiring support with meals. Vulnerable adults would be supported in selecting a provider to meet their needs.
- 3.10. ECC establishes minimum standards for providers to be accredited, in order for them to receive referrals from the Council. This will assure adults who are unable to prepare their own meals of a quality meals service.
- 3.11. Over the next three years, this option will deliver estimated savings of £427,778. There is minimal risk with this option, as ECC has successfully demonstrated transitioning meals service recipients to new arrangements in the 2015 pilot.

The recommended option: OPTION 3

- 3.12. The Meals on Wheels service has operated under the following principles:
- Meeting nutritional needs of the most vulnerable;
 - Increasing choice and control;
 - Increasing independence; and
 - Preventing social isolation.
- 3.13. The Care Act 2014 promotes a personalised approach to care and encourages the use of local community resources to support service users.
- 3.14. This recommended option satisfies both the principles of the traditional Meals on Wheels service and the Care Act.
- 3.15. ECC will ensure that the needs of all service users continue to be met. Every service user will be contacted and ECC will help them to make arrangements for an alternative provision. For individuals able to access meals in their community, alternative options are likely to help to reduce instances of social isolation and loneliness.
- 3.16. If no other suitable provision can be put in place then the Council will arrange provision via domiciliary care services. There are sufficient resources available to work with service users to identify alternative provision. This work is expected to begin in the spring to allow all service users to make the transition before the expiry of the contract.
- 3.17. The pilot and similar activities conducted by other local authorities has demonstrated that the Essex market is in a position to be able to support the needs of service users currently accessing the community meals service. In order to implement this decision ECC would undertake an initial phase of working with the market to accredit suppliers and establishing which suppliers are able to operate in which areas.
- 3.18. During the pilot it became clear that staff assisting service users did need to ensure that provision was appropriate. An informal assessment of the appropriateness of the provider was made, but without an accreditation

system it will be difficult to ensure that the Council keeps up to date with market intelligence about the standards operated by providers.

- 3.19. By moving to an accredited list the council can still look to ensure minimum standards are in place for providers offering an alternative provision. Minimum accreditation standards for providers can help reassure residents that the service they are receiving is of good quality.
- 3.20. Establishing an accredited list also presents an opportunity to work in partnership with Trading Standards to set minimum standards for providers, and provides further support to some of Essex's most vulnerable residents.

4. Background

2015 pilot: Alternatives to Meals on Wheels

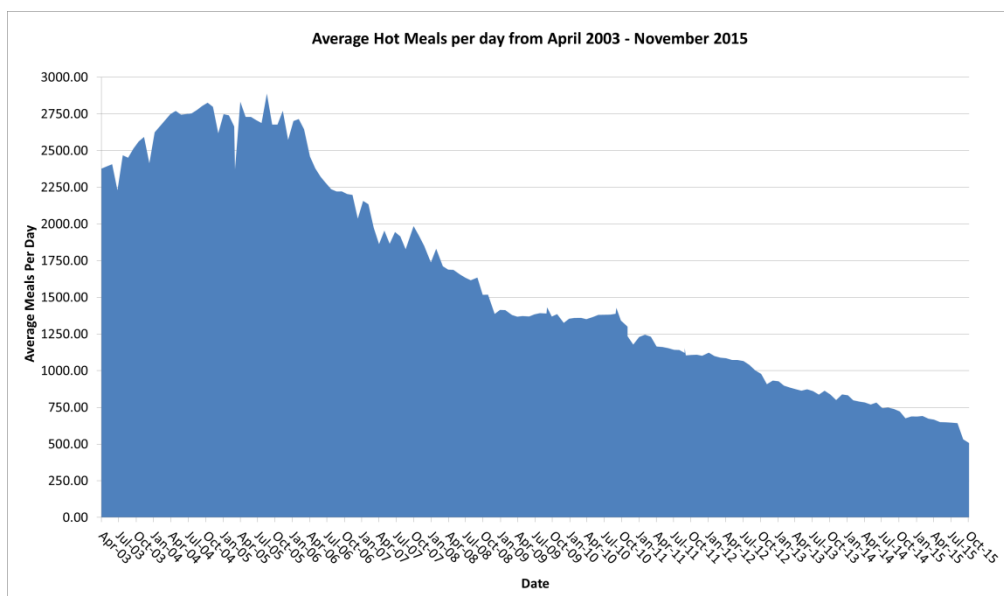
- 4.1. In September 2015 the Council entered into a one year contract with Sodexo to operate a Meals on Wheels service but for a reduced geographical area. This resulted in the closure of their Colchester depot with meals delivered out of their alternative depots in Basildon and Enfield; and that 143 people would no longer receive a meals service from Sodexo.
- 4.2. This allowed ECC to test alternative options for meals recipients, using those 143 people affected. Between July and September 2015 those affected were supported by the Council's Engagement Team, officers from Commissioning Delivery, social workers, Community Agents and ECL to identify an alternative provision.
- 4.3. A number of service users were able to access local hot meal delivery providers to replace the service they received from Sodexo with, some having an increased choice in the number of providers who could support them and an improved range of choice of meals and a number of different ways in which it could be provided.
- 4.4. In some cases service users were unable to prepare their own meals and couldn't access a local provider. For these service users a package of care was provided to encompass a visit by a domiciliary carer who could heat a previously delivered frozen meal for them.
- 4.5. The table below shows the alternative provision put in place:

Alternative Provision	Number of Service Users
Domiciliary care package	7
Alternative hot meal provider	89
Frozen meals or alternative provider	24
Support from family	7
Preparing their own meals	7
Support from carers	6
No service required e.g. In residential reablement, hospital etc.	3

- 4.6. At the end of this period ECC was able to identify an alternative provision for all of the 143 affected service users. The pilot was a success, with many residents welcoming the flexibility given by their new service.

Changing demand for Meals on Wheels in Essex

- 4.7. The number of meals being delivered via the Council's commissioned service has declined significantly over the last 10 years:



- 4.8. Residents' changing demands and expectations is seen as a significant contributory factor in the declining numbers of people in receipt of the community meals service. On-going work such as the reablement service, community mobilisation, community agents and the widening availability of alternatives such as online shopping is likely to see this trend continue with over 60% of people referred to the meals service in the last financial year exiting the service within 12 months.
- 4.9. For many individuals the current Meals on Wheels service is doing nothing to address their social isolation or reducing independence as the drive to deliver a financially viable service reduces the contact time with service users. The current contract simply requires meals to be delivered. They are not required to signpost people to other services or help people to access community based solutions.
- 4.10. In November 2015 an average of 507 meals were delivered each day and there were 690 residents accessing the service. Those accessing this service are all individuals who were originally assessed as being unable to prepare their own meals, although many may not have been re-assessed since they first received the service.

5. Policy context and Outcomes Framework

- 5.1. The delivery of this service aligns to the corporate outcome 'People in Essex can live independently and exercise choice and control over their lives' and to the aim in A Vision for Essex 2013-17 to protect vulnerable people and it also helps spend taxpayers money wisely.
- 5.2. The recommended option in this report also aligns to the corporate outcome 'Sustainable economic growth for Essex communities and businesses'.
- 5.3. The delivery of this service also aligns to the following outcome indicator: Proportion of people who live independently.
- 5.4. The commissioning activity for the Meals service has been considered in line with the following principles:
 - Promotion of independence and safeguarding
 - Prevention
 - Prioritisation of resources
 - Transitional protection.

6. Financial Implications

- 6.1. A financial appraisal has been undertaken on the three options being considered. The results of this appraisal are set out in the Table 1 below.

	Annual Budget	2016/17 - Expected Cost	2016/17 - Increase / (Decrease) in Cost Against Budget	2017/18 - Expected Cost	2017/18 - Increase / (Decrease) in Cost Against Budget	2018/19 - Expected Cost	2018/19 - Increase / (Decrease) in Cost Against Budget	Total - Increase / (Decrease) in Cost Against Budget
Option 1								
From 1/10/16 an unaccredited list of providers published	£290,443	£298,796	£8,353	£67,916	(£222,527)	£70,089	(£220,354)	(£434,528)
Option 2								
From 1/10/16 a new Countywide Commissioned Service is in place without the provision of an ECC subsidy	£290,443	£262,424	(£28,019)	£0	(£290,443)	£0	(£290,443)	(£608,905)
Option 3								
From 1/10/16 an accredited list of providers maintained	£290,443	£304,046	£13,603	£69,416	(£221,027)	£70,089	(£220,354)	(£427,778)

- 6.2. The MTRS currently has a net annual budget of £290,443 built in each year for the Meals on Wheels subsidy from 2016/17 to 2018/19. All three options will deliver a saving on the current annual budget over the three year period considered. Option 2 gives rise to the largest saving (£608,905).
- 6.3. The recommended option – option 3 – gives rise to an additional cost above the 2016/17 budget of £13,603. This shortfall will be met from general balances should sufficient headroom not be identified within service budgets. The underspend of £221,027 and £220,354 in 2017/18 and 2018/19 respectively against the forecast contained within the Medium Term Resourcing Strategy will be ring-fenced as savings but not released until the

transition phase of the project is complete and it is confirmed that sufficient capacity exists within the market to make the model sustainable. The application of the savings will be subject to a formal decision at that future point in time.

- 6.4. The financial appraisal makes no assumption on the level of subsidy to be applied beyond 1st October 2016. Any subsidy would need to be funded from the savings identified above.

7. Legal Implications

- 7.1 The Council is not required to provide a community meals service, but it is required to ensure that eligible social care needs are being met. The Council has successfully moved to the recommended model across a significant part of Essex and the new services appear to have been generally well received and the Council has not received significant complaints.
- 7.2 When operating an accreditation system it will be important to ensure that:
- The system operates in a way that is fair to providers and consumers;
 - The system is transparent and as objective as possible; and
 - Service users are not told by ECC staff that they have to use an accredited provider.
- 7.3 The Care Act 2014 requires the Council to have regard to the need to have a sustainable range of high quality of providers. The removal of a commissioned service in favour of accredited suppliers will be of significant benefit and will allow most service users to choose an option which best suits their needs.

8. Staffing and other resource implications

- 8.1. The transition will involve significant resources but the end result will be a better range of services available to Essex residents. There will be a resource saving by no longer commissioning a community meals service.
- 8.2. Development of local community solutions may provide both paid and volunteering opportunities.

9. Equality and Diversity implications

- 8.1 Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when ECC makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.

- (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 8.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 8.3 The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse impact on any people with a particular characteristic.

10. List of Appendices

(available at www.essex.gov.uk if not circulated with this report)

- 10.1. Equality Impact Assessment

11. List of Background Papers

- 11.1. Community Meals Service Pilot - Findings and Recommendations

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

AGENDA ITEM 7

Report to Cabinet	Forward Plan reference number: FP/376/01/16
Date of Meeting: 16 February 2016	County Divisions affected by the decision: All Divisions in Braintree, Colchester and Tendring Districts
Title of report: Decision as to whether ECC should participate in a new entity to deliver Garden Settlements in North Essex	
Report by Councillor Roger Hirst, Cabinet Member for Planning, Transport and the Environment	
Responsible Director: Andrew Cook – Director of Operations – Environment and Economy	
Enquiries to Paul Turner – Corporate Lawyer and Deputy Monitoring Officer email paul.turner2@essex.gov.uk Tel 03330 134591	

1. Purpose of report

- 1.1 To explain the proposals for ‘garden settlements’ in North Essex and to seek Cabinet’s on-going support, working together with the district councils of Braintree, Colchester and Tendring to progress the idea.
- 1.2 To note the award of £640,000 of grant assistance from the Department of Communities and Local Government (DCLG) for information and to note that a Joint Shadow Delivery Board has been set up to oversee delivery of the project.
- 1.3 To agree in principle that the Council should participate in a legal entity created for the purpose of delivering garden settlements (‘a special purpose vehicle’). Cabinet are asked to agree that the Cabinet Member for Planning, Transport and the Environment may approve the final form of such an entity.
- 1.4 To note that this proposal does not yet have financial implications for the Council and that by approving the recommendations in this report the Council is not committing to any financial obligations.

2 Recommendations

- 2.1 That Cabinet is pleased to note the successful outcome of the recent bid for grant funding from Department of Communities and Local Government which will enable the Garden Settlements concept to be progressed and which will provide on-going support for partnership working between Colchester Borough Council, Braintree District Council, Tendring District Council and Essex County Council to deliver the project and note that the grant funding is being held by Colchester Borough Council on behalf of the North Essex Garden Settlements Project.
- 2.2 Agree that the Cabinet Member for Planning Transport and the Environment or their deputy will represent the Council, in accordance with the Council's Constitution, on the Joint Delivery Board in accordance with the Governance Structure, set out in Appendix A.
- 2.3 To note that the grant funding is being held by Colchester Borough Council on behalf of the North Essex Garden Settlements Project.
- 2.4 Agree that the Cabinet Member for Planning Transport and the Environment be authorised to agree to establish and participate in a special purpose vehicle for delivery of the project.
- 2.5 Agree that the Cabinet Member for Planning, Transport and The Environment will determine officer and member representation on the special purpose vehicle.
- 2.6 Note that should there be any material changes or substantial financial investment by the Council is required, further requests will be made in accordance with the Constitution.

3 Background and proposal

- 3.1 In the work being carried by Tendring District Council, Colchester Borough Council and Braintree District Council on their respective Local Plans, the potential for new major developments in the form of new 'garden settlements' has been identified as a possible means of meeting future growth requirements. Possible locations for garden settlements have been identified.
- 3.2 In accordance with the Duty to Cooperate, the Council is working closely with the three district councils who are at similar stages in their respective Local Plan preparation, to plan effectively for the long term. As part of this process, the four councils are thinking strategically, are not being restricted by current plan making time horizons and are considering whether Garden Settlements could address some of this long term need both within the plan period and beyond.

What are Garden Cities (or Garden Settlements)?

- 3.3 Garden Cities are described by the Town & Country Planning Association (a charitable organisation) (TCPA) as *'holistically planned new settlements which enhance the natural environment and offer high-quality affordable housing and locally accessible work in beautiful, healthy and sociable communities'*.
- 3.4 Garden Cities are underpinned by a set of principles. These principles have evolved from Ebenezer Howard's original vision in 1898 which described how *'the advantages of the most energetic and active town life, with all the beauty and delight of the country, may be secured in perfect combination'* and include:
- land value capture for the benefit of the community;
 - strong vision, leadership and community engagement;
 - community ownership of land and long-term stewardship of assets;
 - mixed-tenure homes and housing types that are affordable for ordinary people;
 - a strong local jobs offer in the Garden City itself, with a variety of employment opportunities within easy commuting distance of homes;
 - beautifully and imaginatively designed homes with gardens, combining the very best of town and country living to create healthy homes in vibrant communities;
 - generous green space linked to the wider natural environment, including a surrounding belt of countryside to prevent sprawl, well connected and biodiversity rich public parks, and a mix of public and private networks of well-managed, high quality gardens, tree lined streets and open spaces;
 - opportunities for residents to grow their own food, including generous allotments;
 - strong local cultural, recreational and shopping facilities in walkable neighbourhoods; and
 - integrated and accessible local transport systems with walking, cycling and public transport being the most convenient and affordable – with a series of settlements linked by rapid transport providing a full range of employment opportunities (as set out in Ebenezer Howard's vision of the 'Social City' in his book – *To-Morrow: A Peaceful Path to Real Reform* (1898)).
- 3.5 In terms of scale, the Government has indicated that Garden Cities should comprise approximately 15,000 dwellings and above, as well as associated employment, green space and infrastructure, with the expectation that it would take longer than one plan period to deliver these new communities. Additionally, there could be scope to apply Garden City Principles including land value capture to smaller settlements.
- 3.6 Garden City Developments CIC (GCD), a not for profit community interest company has been appointed by the four councils to promote and establish partnerships with local landowners and option holders to investigate the feasibility of the proposed Garden Cities.

- 3.7 GCD has met Members from each Council, has held numerous meetings with key landowners, and is currently undertaking discussions with these landowners and option holders.
- 3.8 The intention of these discussions is to develop the Councils' options around applying land value capture and long term stewardship arrangements for the community assets created as part of the development, and to specifically explore landowners' appetites for engaging with the councils on these issues and willingness to enter legally binding agreements with the respective councils.
- 3.9 Parallel to this, the local planning authorities are also actively seeking to evolve the policy process to further endorse the emerging concepts – the result being that all three district councils may decide to identify a Garden Settlement as a broad location for growth in their Local Plan Preferred Options.
- 3.10 Should some or all of the districts decide to proceed with a Garden Settlement as part of their Preferred Options, depending on its location, dedicated Development Plan Documents would be prepared for each settlement once the principle has been agreed. This process will allow for extensive community consultation and participation very early on in the process.
- 3.11 It is noted that the consideration of new Garden Settlements is considered visionary and at the forefront of current strategic planning thinking. In principle support for the proposals has already been obtained from Government and the Councils are also receiving assistance from the Major Projects Division of the Homes and Communities Agency (ATLAS).
- 3.12 It is envisaged that the delivery of new Garden Settlements could assist in a commitment to a viable and committed housing trajectory across the Councils beyond the proposed Local Plan period.

Outcome of DCLG Bid

- 3.13 The district councils are already expending considerable sums as part of their formal plan making processes. The strategic scale and associated timing of potential Garden Settlements is beyond what any Council has dealt with over recent times and as such focus, dedicated resources, specialist advice and support is required to develop proposals – particularly at this early stage when the 'ask' and scope is still being defined and refined.
- 3.14 It is for this reason that in 2014, the DCLG issued a prospectus entitled '*Locally-led Garden Cities*'. This document invited expressions of interest from Councils interested in developing new Garden Settlements, along with an indication of how Government could support such development.

- 3.15 In response to this prospectus, the Councils bid for, and have been successful in obtaining, dedicated funding of £640,000 from the DCLG to further investigate the feasibility of Garden Settlements.
- 3.16 This funding will assist in facilitating a number of work streams that will need support to develop emerging proposals, to meet key milestones and secure delivery. These include brokerage assistance, direct planning support and capacity funding. The funding will also enable the Councils to both dedicate sufficient technical input, and undertake a range of key studies and assessments.

Governance Structure:

- 3.17 To commence the strategic thinking around garden village settlements and prior to the bid funding being received, an interim governance structure had been set up through the Councils' joint working. It was always anticipated that if the joint funding bid to the Department of Communities and Local Government was successful, these governance arrangements would be reviewed and refreshed to respond to the following project drivers:
- Clarity on how decisions on investment and other key areas will be made;
 - Streamlining of the Shadow Delivery Board and Steering Group roles to reflect decisions that may need to be made during the coming year;
 - Use & management of DCLG funding for commissioning substantive areas of consultancy support for master-planning, legal and financial work;
 - Cross boundary working on strategic planning issues and associated evidence base relevant to the garden settlements between local authorities to complement the preparation of individual Local Plans;
 - Need to maintain focus in light of the number of diverse workstreams related to the garden settlements running in tandem
- 3.18 A refreshed Governance Structure for Garden Settlements has been proposed by ATLAS to the Steering Group for adoption by the Joint Shadow Delivery Board and is attached as **Appendix A**.
- 3.19 It is recommended that the Cabinet Member for Planning Transport and the Environment or their deputy would sit on the Joint Delivery Shadow Board, supported by appropriate officers on the Steering Group and delivery teams as appropriate. The governance structure may require further revision as the project evolves.

Special Purpose Delivery Vehicle

- 3.20 Garden Cities Developments (GCD) has been engaged by the Councils to assist with this project. The land under consideration is owned by third parties. Initial discussions have commenced with the landowners. One concern expressed by landowners is whether the Councils are able to deliver the development. GCD have advised that the creation of a separate delivery vehicle for this purpose will help demonstrate that the Councils are serious

and committed to the project and therefore aid their discussions with landowners. The Joint Shadow Delivery Board received some legal advice providing an analysis of delivery vehicle options, taking into account the fact that the development:

- Is likely to take decades to complete;
- Will need to be undertaken by co-operation with the landowner;
- Will need to find a way of 'capturing land value' for the community'; and
- Will need to find a way of securing long term stewardship of the community assets.

3.21 Possible forms of delivery vehicle were considered, accepting that the advice was limited as no final development model has been identified. The vehicle needs (as far as possible) to be:

- Established quickly, to assist with the establishment of credibility;
- Flexible, given the uncertainty as to how the model might work;
- Designed with transition in mind – so it can move from a body with a delivery role vehicle to a vehicle which exercises long term stewardship of assets;
- Able to access finance (either from the Councils via prudential borrowing or commercial borrowing guaranteed by Councils); and
- Able to buy and sell land and hold significant contracts with landowners.

3.22 There are factors which always need to be considered when establishing an external entity. These are:

- Ability to distribute surpluses;
- Ability to reflect ownership;
- Security/stewardship of assets;
- Procurement law;
- State Aid; and
- Taxation

3.23 In addition to considering a vehicle structure the number of delivery bodies needs to be explored. Options are:

- (1) Single entity to deliver all projects across the three districts.
- (2) A single entity to co-ordinate all projects with a SPV subsidiary for each project. The SPV for each project could be part owned by developers/landowners.
- (3) One entity for each project.

3.24 The Joint Shadow Delivery Board favoured an overarching corporate entity wholly owned by the all the Councils, which will have the ability to set up separate single special purpose vehicles for each site/project, if required.

- 3.25 On this basis further advice is being commissioned to run parallel with the various concept phasing, to ensure that once the preferred type of development model is known the appropriate delivery vehicle can be established, thereby preventing any unnecessary delay to the progress of the project. For this reason it is proposed that the Cabinet Member authorises the appropriate delivery vehicle, in consultation with the Council's Section 151 and Monitoring Officer.

4 Policy context and Outcomes Framework

- 4.1 The garden settlement proposals will help deliver the aims of *A Vision for Essex 2013-17* to develop and maintain infrastructure. A key aim of garden cities is for the community to have responsibility for key assets which will improve the resilience of these communities.

5 Financial Implications

- 5.1 There is a £646,000 grant from the Department of Local Government and Communities. It is confirmed that the funding will be received by Colchester Borough Council as a Section 31 grant (of the Local Government Act 2003), which will be used for the next stages of the project, in accordance with the bid.
- 5.2 The project is still at an early stage, and the full financial implications for the authorities involved have not as yet been determined. The project may need to externally borrow significant sums, as well as source funding within existing resources within the overall context of our medium term forecasts / treasury strategies. This will be discussed in detail between the Chief Financial Officers of each authority, with the outcomes being subject to further decisions as the project progresses. No expenditure over and above the grant is committed at this stage.

6 Legal Implications

- 6.1 There will be a need for legal advice as part of the delivery of the project. The schemes will need agreement with relevant landowners to ensure that the development is undertaken in accordance with garden city principles. The agreement will need to comply with the principles of state aid and, if necessary, procurement law. Since the development model has not yet been finalised it is not possible to give advice on this, but it is likely to be the new entity and not ECC which enters into these agreements.
- 6.2 Any entity created will have limited liability which means that ECC will not be liable for the debts of the entity. The Localism Act 2011 gives ECC the power to create companies and other legal entities in appropriate circumstances.

7 Staffing and other resource implications

- 7.1 ECC's role within the garden settlement project is being undertaken by ECC staff within existing resources. There is a project officer employed by the districts which will be funded by the DCLG grant. This has no financial impact on ECC.

8 Equality and Diversity implications

- 8.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc on the grounds of a protected characteristic unlawful
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 8.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 8.3 The equality impact assessment indicates that the proposals in this report will/will not have an adverse impact on any people with a particular characteristic. Indeed the new settlements will have a positive impact on disabled people because it will be a new settlement with new infrastructure, all of which meets current accessibility requirements. The planning of the new settlements will take account of the demography of the area. Delivery of new homes will help relieve the shortage of housing in Essex.

9 List of Appendices

(available at www.essex.gov.uk if not circulated with this report)

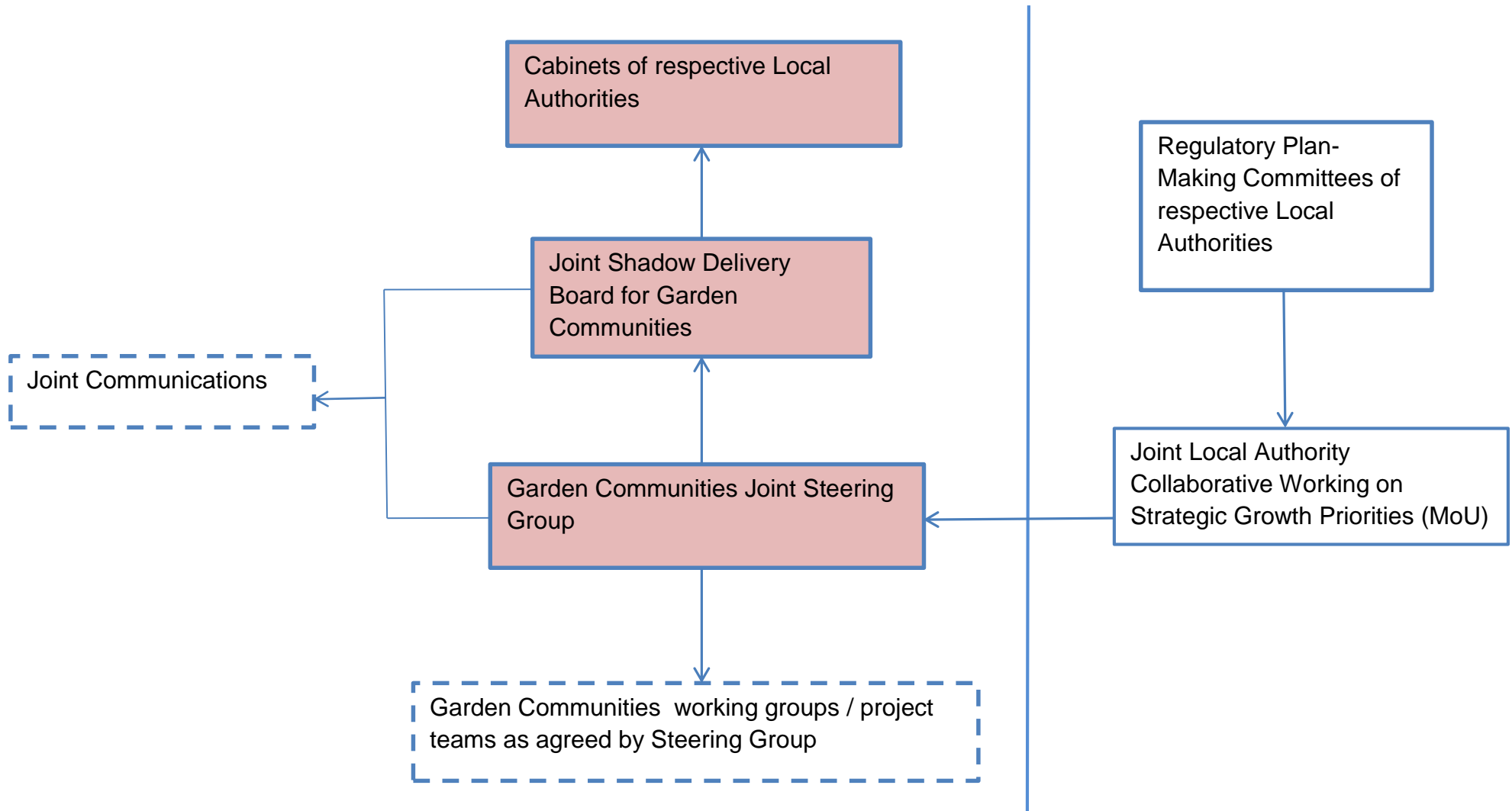
Appendix A Governance structure.

10 List of Background Papers

Bid for CLG funding submitted by the four local authorities.

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

Governance Structure for Garden Communities





Essex County Council

AGENDA ITEM 8

Report to Cabinet	Forward Plan Reference Number FP/373/01/16
16 February 2016	County Divisions affected by the decision: All
Decisions taken by or in consultation with Cabinet Members	
Report by: Secretary to the Cabinet	
Enquiries to: Judith Dignum, 033301 34579	

The following decisions have been taken by or in consultation with Cabinet Members since the last meeting of the Cabinet:

Leader

Deputy Leader & Cabinet Member for Economic Growth, Waste & Recycling

Cabinet Member for Infrastructure

Cabinet Member for Highways Delivery

FP/374/01/16	Local Highway Panel Scheme Approval – Brentwood
FP/375/01/16	Local Highway Panel Scheme Approval – Rochford
FP/377/01/16	Local Highway Panel Approval – Brentwood
FP/383/01/16	Proposed 20mph Speed Limit on Westwood Avenue, West Park Hill, West Way, elm Way & Manor Way

FP/384/01/16	Consultation on proposed 20mph on New Church Road, Church Close, School Lane (all local roads) West Bergholt, Colchester
FP/386/01/16	Local Highway Panel Scheme Approval – Basildon
FP/390/02/16	Consultation on Proposed 20 MPH Speed Limit at Dale Close and Lucy Lane North (Local Roads)
FP/391/02/16	Local Highway Panel Scheme Approval - Castle Point
FP/392/02/16	Local Highway Panel Scheme Approval – Basildon
FP/393/02/16	Local Highway Panel Scheme Approval – Maldon
FP/394/02/16	Local Highway Panel Scheme Approval - Braintree
FP/395/02/16	Local Highway Panel Scheme Approval - Colchester

Cabinet Member for Finance

FP/350/12/15*	Sourcing Strategy for Major Capital Constructions Projects: Essex Construction Framework
FP/274/10/16**	Increasing Independence Working Age Adults – Drawdown of Funding

Cabinet Member for Communities and Healthy Living

Cabinet Member for Education and Lifelong Learning

FP/381/01/16	Essex Music Service: Tuition Charge to Schools - Hourly Rate Increase
FP/382/11/15	Schedule 403 - Appointment of School Governors

Cabinet Member for Adults and Children

FP/314/11/15*	Commissioning of Specialist Adoption and Special Guardianship Order (SGO) Support Services
FP/385/01/16	Report for Final Award of Contracts for Reablement at Home Services
FP/321/11/15*	Independent Mental Capacity Advocacy (IMCA) Recommissioning

FP/348/12/15* Adult Social Care Transport Contracts Procurement Proposals

Cabinet Member for Transport, Planning and the Environment

FP/303/11/15* To provide ECC comments to the Chelmsford Local Plan –
Issues and Options Consultation Document November 2015

*** Key Decisions**

