



Essex County Council

## Cabinet

<b>10:15</b>	<b>Tuesday, 21 December 2021</b>	<b>Council Chamber County Hall, Chelmsford, CM1 1QH</b>
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**For information about the meeting please ask for:**

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### **Essex County Council and Committees Information**

All Council and Committee Meetings are held in public unless the business is exempt in accordance with the requirements of the Local Government Act 1972.

Members of the public will be able to view and listen to any items on the agenda unless the Committee has resolved to exclude the press and public from the meeting as a result of the likely disclosure of exempt information as defined by Schedule 12A to the Local Government Act 1972.

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### **Pages**

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#### **Meeting Arrangements**

In accordance with paragraph 14.7 of the Council's Constitution, the Leader has agreed that all members may take part in the meeting and vote if they are present via Zoom. The link to the Zoom meeting has been sent to members separately. Members of the public may watch on YouTube and there will of course be the normal public access to the Council Chamber, from which any member of the public may observe the meeting and make representations.

<b>1</b>	<b>Membership, apologies, substitutions and declarations of interest</b>	<b>5 - 5</b>
<b>2</b>	<b>Minutes: 24 November 2021</b>	<b>6 - 11</b>

- 3 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. No statement or question will be longer than three minutes and speakers will be timed.
- On arrival, and before the start of the meeting, please register with the Democratic Services Officer.
- 4 Procurement of new energy supply contracts and adoption of renewable energy policy for 2021-22 (FP/096/07/21)** **12 - 23**  
The Equality Impact Assessment is available [online](#) – please scroll to bottom of page, below Meeting Documents
- 5 Essex County Council Social Value Policy (FP/183/10/21)** **24 - 31**  
The Equality Impact Assessment is available [online](#) – please scroll to bottom of page, below Meeting Documents
- 6 Beaulieu Park Railway Station - Commissioning of Network Rail GRIP Stage 5 (FP/204/11/21)** **32 - 41**  
The Equality Impact Assessment is available [online](#) – please scroll to bottom of page, below Meeting Documents
- 7 Transfer of Land at former Essex County Hospital, Colchester to Essex Housing Development LLP (FP/206/11/21)** **42 - 49**  
The Equality Impact Assessment is available [online](#) – please scroll to bottom of page, below Meeting Documents
- 8 Decisions taken by or in consultation with Cabinet Members (FP221/11/21)** **50 - 52**
- 9 Date of Next Meeting**  
To note that the next meeting of the Cabinet will take place at 10.15am on Tuesday 18 January 2022, in the Council Chamber at County Hall, Chelmsford.
- 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)

The following items of business have not been published on the grounds that they involve the likely disclosure of exempt information falling within Part I of Schedule 12A of the Local Government Act 1972. Members are asked to consider whether or not the press and public should be excluded during the consideration of these items. If so it will be necessary for the meeting to pass a formal resolution:

**That the press and public are excluded from the meeting during the consideration of the remaining items of business on the grounds that they involve the likely disclosure of exempt information falling within Schedule 12A to the Local Government Act 1972, the specific paragraph(s) of Schedule 12A engaged being set out in the report or appendix relating to that item of business.**

- 11      Confidential Appendix: Transfer of Land at former  
Essex County Hospital to Essex Housing  
Development LLP (FP/206/11/21)**
- Information relating to the financial or business affairs of any particular person (including the authority holding that information);
- 12      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.

**Committee:** Cabinet

**Enquiries to:** Emma Tombs, Democratic Services Manager  
[Emma.tombs@essex.gov.uk](mailto:Emma.tombs@essex.gov.uk)

**Membership, Apologies, Substitutions and Declarations of Interest**

**Recommendations:**

To note:

1. Membership as shown below
2. Apologies and substitutions
3. Declarations of interest to be made by Members in accordance with the Members' Code of Conduct

**Membership**  
(Quorum: 3)

**Portfolio**

Councillor K Bentley	Leader of the Council (Chairman)
Councillor L McKinlay	Deputy Leader and Community, Equality, Partnerships and Performance (Vice-Chairman)
Councillor T Ball	Education Excellence, Life Long Learning and Employability
Councillor M Buckley	Waste Reduction and Recycling
Councillor G Butland	Devolution, the Arts, Heritage and Culture
Councillor B Egan	Children's Services and Early Years
Councillor L Scott	Highways Maintenance and Sustainable Transport
Councillor J Spence	Health and Adult Social Care
Councillor L Wagland	Economic Renewal, Infrastructure and Planning
Councillor C Whitbread	Finance, Resources and Corporate Affairs

## Minutes of a meeting of the Cabinet that took place in the Council Chamber at County Hall on Wednesday 24 November 2021

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### Present:

Councillor	Cabinet Member Responsibility
Councillor K Bentley	Leader of the Council (Chairman)
Councillor L McKinlay	Deputy Leader and Community, Equality, Partnerships and Performance
Councillor T Ball	Education Excellence, Life-Long Learning and Employability
Councillor M Buckley	Waste Reduction and Recycling
Councillor G Butland	Devolution, the Arts, Heritage and Culture
Councillor B Egan	Children's Services and Early Years
Councillor L Scott	Highways Maintenance and Sustainable Transport
Councillor J Spence	Health and Adult Social Care
Councillor L Wagland	Economic Renewal, Infrastructure and Planning

Councillors M Durham, I Henderson, D King, M Mackrory, M Platt, and P Schwier were also present. Councillor C Pond also participated via Zoom link.

### 1. Membership, Apologies, Substitutions and Declarations of Interest.

The report of Membership, Apologies and Declarations was received and the following were noted:

1. There had been no changes of membership since the last report.
2. Apologies for absence were received from Councillor Whitbread, Cabinet Member for Finance, Resources and Corporate Affairs.
3. There were no declarations of interest.

### 2. Minutes of Previous Meetings

The Minutes of the meeting held on 15 October 2021 were approved as a true record and signed by the Chairman.

### 3. Questions from the public

Representations were heard from Prof. Jules Pretty and Mr S Lyster speaking in support of Agenda item no. 4 – Action Plan in Response to Essex Climate Action Commission's Report.

#### 4. **Action Plan in Response to Essex Climate Action Commission's Report (FP/177/10/21)**

The Cabinet received a report setting out a number of matters in relation to the action plan developed in response to the Essex Climate Action Commission's report for their consideration and approval.

The Leader of the Council, the Cabinet Member for Highways Maintenance and Sustainable Transport, the Cabinet Member for Economic Renewal, Infrastructure and Planning, the Cabinet Member for Devolution, the Arts, Heritage and Culture, and Councillor Schwier responded to questions from Councillors Henderson, King and Pond regarding:

- The distribution of initiatives throughout the County;
- The finances required to deliver the plan, and the reliance on central government for this;
- The Council's amount of influence in respect of bus routes and fares;
- The delivery of Active Travel and funding for Public Rights of Way and cycle paths;
- The emerging timeline delivery of the plan and the resources, both financial and human, that would be required;
- A 'responsible investment' approach for the Essex Pension Fund;
- The strength of the Developers' Charter;
- Plans to increase the number of School Streets;
- The implementation of the Essex Housing pilot scheme.

Councillor Schwier would additionally provide a written answer to Councillor King with regard to the implementation of the Greening our Streets scheme.

#### **Resolved:**

1. That Essex County Council fully supports the recommendations in the Commission's report Net Zero: making Essex Carbon Neutral.
2. That ECC will work with partners across Essex to play its part in the delivery of the Commission's vision for a net zero, climate resilient county and that it will establish a climate action group with the anchor institutions to drive collective action across Essex on the climate agenda and help Essex deliver the Commission recommendations.
3. To agree the action plan at appendix A to this report.
4. To agree to earmark reserves funding to deliver the action plan as follows and note that the Cabinet Member for Finance, Resources and Corporate Affairs will be asked to approve drawdowns when detailed business cases have been completed:
  - Everyone's Essex Plan Reserve £6.23m,
  - Climate Change Reserve £2.265m,
  - Transformation Reserve £695,000

5. To agree that ECC work to develop a zero landfill by 2030 policy, subject to an affordability and deliverability review, for all waste it is responsible for as the Waste Disposal Authority. ECC will develop a new Essex Joint Municipal Waste Management Strategy in partnership with District, Borough and City authorities which will put greenhouse gas emission considerations at its heart.
6. That within the Everyone's Essex Plan Reserve, agree to request that Essex Housing Development LLP develops proposals for the proposed residential units on the Hargrave House development to be a pilot scheme to be net zero in construction and net zero in use, as well as climate resilient for flooding, overheating and water scarcity. This requirement will be reflected in the development appraisal which is used to inform the value at which the site is transferred to Essex Housing LLP.
7. To recognise new burdens of £1.151m for consideration for approval within future years' Medium Term Resource Strategy (MTRS) and future budget planning requirements.
8. To note that cabinet members are committed to bringing updates, on a rolling rota basis, progress made in their own portfolios to address the climate challenge.
9. To instruct officers to report annually to Cabinet on the Council's greenhouse gas emissions and climate resilience measures. The first report will be for financial year 2021/22 and will be published in 2022.
10. To agree that an updated action plan should come back to Cabinet following publication of these emission reports.

5. **Better Care Fund Plan 2020/21 (FP/180/10/21)**

The Cabinet received a report containing matters related to the Better Care Fund Plan 2020/21 for their consideration and approval.

The Cabinet Member for Health and Adult Social Care responded to questions and comments from Councillors Mackrory, Henderson and King in respect of the need to keep hospital patients mobile to improve outcomes on their release, the reasons for readmittances post release, the resources required to deliver the plan, and the importance of high quality end of life care.

**Resolved:**

1. To agree the Better Care Fund Plan for Essex in the form appended to this report.
2. To agree to authorise the Executive Director for Adult Social Care to vary the section 75 agreements to reflect the agreed Plan.



**6. Early Years and Childcare Strategy 2022 (FP/178/10/21)**

The Cabinet received a report containing matters related to the Early Years and Childcare Strategy 2022 for their consideration and approval.

The Cabinet Member for Children's Services and Early Years would provide written answers to Councillors Mackrory and Henderson with regard to the £4.7m funding block surplus and the number of Family Hub Networks in the County.

**Resolved:**

1. To adopt the Essex Early Years and Childcare Strategy 2022 as appended to this report.
2. To agree that implementation of the Strategy will start in January 2022.

**7. Extension and Tender of Local Bus Services (FP/136/08/21)**

The Cabinet received a report containing matters related to the extension and tender of local bus services for their consideration and approval.

The Cabinet Member for Highways Maintenance and Sustainable Transport responded to questions from Councillors Pond and Mackrory in respect of operators' pricing models and options for including emissions standards within the tendering process.

**Resolved:**

1. To agree that, subject to 2.2, arrangements are made to continue the local bus network in its current form until 31 July 2024 by:
  - (a) undertaking a procurement exercise using the ECC Dynamic Purchasing System to competitively tender 47 contracts (set out in Appendix A, Part I);
  - (b) Extending those contracts which allow for extension until 31 July 2024;
  - (c) Undertaking a procurement exercise using the ECC dynamic purchasing system for those contracts which cannot lawfully be extended or where the operator will not agree to them being extended.
2. To agree that the contracts for services in the Uttlesford area as listed in part (iv) of Appendix A are consulted on and re-tendered, commencing on 31 January 2023 with the possibility of extension for up to two years in total.
3. To agree that nothing in this decision allows the cost of the local bus network to exceed the budget as set out in the medium term resource strategy, or the sum in the confidential appendix.

4. To agree that the Director, Highways and Transportation is authorised to extend contracts where possible, retender if extension is not possible and award contracts is delegated to the Director, Highways and Transportation.

8. **Concessionary Fares Settlement 2022/23 (FP/138/08/21)**

The Cabinet received a report containing matters related to the Concessionary Fares Settlement 2022/23 for their consideration and approval.

1. To agree to proceed as in option 3 below and that for 2022/23 we will keep the same discretionary elements of concessionary fares in as for 2021/22.
2. To authorise the publication of a draft reimbursement scheme for concessionary bus fares in 2022/23 based on the DfT default Calculator Scheme on or before 1 December 2021.
3. To agree that ECC's preference is to agree a fixed cost scheme that is consistent with Government advice, subject to this being lawful.
4. To agree that a further report be made to the Cabinet Member for Highways Maintenance and Sustainable Transport with respect to negotiation of reimbursement arrangements once the Department for Transport guidance on concessionary fares payments for 2022/23 has been assessed in order to set out our negotiating parameters for the scheme.
5. To agree that if the Cabinet Member authorises negotiations with operators and a final negotiated scheme is recommended and it meets the terms set out in Option 3 then he is authorised to make a final decision on issuing the final scheme.

9. **Decisions taken by or in consultation with Cabinet Members (FP/176/10/21)**

The report was noted.

10. **Dates of Future meetings**

The dates of future meetings for 2022 were noted as:

18 January  
15 February  
15 March  
19 April  
24 May  
21 June  
19 July  
13 September  
18 October

15 November  
15 December (Thursday)

(all Tuesdays, except 15 December)

**11. Date of the next meeting**

The next meeting of the Cabinet would take place on Tuesday 21 December 2021 in the Council Chamber at County Hall, Chelmsford.

**12. Urgent Business**

There was no urgent business.

**13. Confidential Appendix: Extension and Tender of Local Bus Services (FP/136/08/21) (Public and press excluded)**

The confidential appendix to report FP/136/08/21, to which minute 7, above, refers was agreed.

**14. Urgent exempt business (Public and press excluded)**

There was no urgent exempt business.

There being no further business, the meeting closed at 3.40pm

**Forward Plan reference number: FP/096/07/21**

<b>Report title:</b> Procurement of new energy supply contracts and adoption of renewable electricity policy for 2021-202	
<b>Report to:</b> Cabinet	
<b>Report author:</b> Councillor Christopher Whitbread, Cabinet Member for Finance, Resources and Corporate Affairs	
<b>Date:</b> 21 December 2021	<b>For:</b> Decision
<b>Enquiries to:</b> Tom Day, Head of Energy and Low Carbon Programme, email. <a href="mailto:Thomas.Day@essex.gov.uk">Thomas.Day@essex.gov.uk</a>	
<b>County Divisions affected:</b> All Essex	

## 1. Everyone's Essex

- 1.1. Everyone's Essex sets out the Council's four strategic aims and 20 commitments. The strategic aim of High Quality Environment includes a commitment to Net Zero to work across the Council and County to hit our net zero targets by ensuring that the Council significantly reduces its carbon footprint whilst also supporting an acceleration in the progress towards sustainable energy.
- 1.2. Consistent with achieving this commitment, this paper seeks approval for a new Renewable Electricity Policy for the period 2021 to 2025 and the procurement of new energy supply contracts for electricity and gas from 1 October 2022.

## 2. Recommendations

- 2.1. Agree to procure flexible supply contracts for electricity and gas for the Council's energy requirements for its core estate and infrastructure from 1 October 2022 using an open single stage procurement procedure. Contracts will be for a 3-year contract term with an option to extend for up to 3 years.
- 2.2. Agree that the purchases under the flexible supply contracts over the 3 year term will have a maximum total expenditure of £25.6m (£23.1m for electricity and £2.5m for gas) based on forecast spend in 2022/23 of £8.4m (£7.6m for electricity and £800,000 for gas).
- 2.3. Agree to back up the flexible electricity supply contracts with the purchase of Renewable Energy Guarantee of Origin certificates from the successful electricity supplier at an additional estimated cost of £78,000 per annum.
- 2.4. Agree that the flexible supply contracts will be procured using an evaluation model based on 60% price and 40% quality, of which 5% of the quality score will assess social value.

- 2.5. Agree that the Executive Director, Economy, Investment and Public Health, is authorised to agree the detailed evaluation model for the procurement of the flexible supply contracts in consultation with the S151 Officer.
- 2.6. Agree that the Cabinet Member for Finance, Resources and Corporate Affairs is authorised to award the contracts to the successful bidders following completion of the procurement process.
- 2.7. Agree to adopt the Renewable Electricity Policy 2021-25 in the form appended to this report.

### **3. Background and Proposal**

- 3.1. The Council is responsible for procuring energy for its core estate and infrastructure – this includes circa 250 operational buildings (including offices, libraries, children's centres, youth and respite centres, country parks), highways, street lighting and other infrastructure. The number of operational buildings is expected to reduce as the estate commercialisation programme for core properties progresses. The Council also currently procures energy on behalf of schools including 120 schools for electricity and 80 schools for gas.
- 3.2. The Council currently buys its electricity from Npower Commercial Gas Limited (Npower) and its gas supply from Scottish and Southern Energy Gas (SSE) under flexible supply contracts.
- 3.3. The contracts with Npower and SSE were procured in 2018 for 3 years with an option to extend for a year. Both contracts were extended for 12 months and will expire on 30 September 2022. New supply contracts for electricity and gas are now needed to provide the Councils' energy requirements from 1 October 2022.
- 3.4. Flexible supply contracts were recommended in 2018 – such contracts enable the Council to lock in prices and volumes at any point during the contract term for all or part of the length of the contract instead of committing to a fixed price energy deal which requires prices and volumes to be locked in for the entire length of the contract at a set price from the outset. The alternative contractual arrangement, a fixed cost contract, provides cost certainty but does not allow for potential savings by obtaining the best prices in the market at any given point in time due to fluctuations in the energy market. Recent record wholesale electricity and gas prices highlight how the Council has been protected from price increases under the flexible supply contract and the risk of entering a fixed price contract when market prices are high.
- 3.5. A flexible cost contract makes it easier to allow for changes in volume requirements not forecast at the start of the contract. The Covid pandemic has highlighted how the Council has been protected from unforeseen changes in the Council's energy demand under the flexible supply contract which has enabled us to adjust our forecast and amend purchases accordingly whereas this could not have been possible had the Council been on a fixed supply contract.

- 3.6. Following a procurement exercise, the Council appointed MITIE Facilities Services Limited (Mitie) under a facilities management contract to advise the Council on various matters including providing technical advice and services in relation to the procurement of energy. The contract with Mitie expires in September 2026. Mitie advises the Council when to make purchases of either electricity or gas under the current flexible supply contract. This is managed under an agreed Risk Management Policy and Procedure that ensures appropriate arrangements exist to measure and control risk whilst seeking to obtain the best price possible for electricity and gas over the life of the contracts.
- 3.7. Each purchase of energy is subject to the Council's governance process before Mitie can proceed with the purchase on behalf of the Council. The Council then pays the agreed price for the agreed period.
- 3.8. The energy that the Council has used will emit an estimated 84,590 tonnes of carbon over the life of the current three year contracts for electricity and gas (an average of 28,196 tonnes per annum) split c.60% from electricity usage and c.40% from gas usage. As part of the Council's strategy to reduce its carbon footprint, the Council purchased Renewable Energy Guarantees of Origin (REGOs) from Npower in December 2020. These REGOs show that an amount of renewable electricity equivalent to the amount purchased by the Council (which could come from fossil fuel as well as renewable sources) has been generated from renewable sources and supplied to the national grid. The REGOs also expire on 30 September 2022.

### **Procurement of Electricity and Gas Supply contracts**

- 3.9. The current forecast spend for 2022/23 is £8.4m for electricity and gas. The forecast spend is allocated as set out below:
  - Electricity £7.6m
  - Gas - £800,000

Within these figures the anticipated spend is

- core Council estate £4.1m (£3.3m on electricity and £800,000 on gas)
- highways including Street Lighting is £4.3m on electricity.

These figures include the commodity costs - the cost of the energy itself including production, supply and supplier's margin - and the non-commodity costs which include government levies and taxes, and transportation and distribution charges.

- 3.10. Research has been undertaken with various public sector organisations including district and county councils on their contractual arrangements for energy. The consensus is that they purchase via a national framework agreement such as Crown Commercial Services, Laser or Vertas whereby they benefit from the collective purchasing power, technical support and market expertise as many organisations do not have the capability to approach the market directly.

- 3.11. It is proposed that schools are no longer included in the Council's energy contracts. Maintained schools were asked to confirm by 22 October 2021 whether they wished to continue to purchase energy via the Council's contract in order for the Council to assess the viability of continuing to include such schools. While sixty-six primary schools expressed an interest in being part of the new contract, the level of opt in is too low in terms of volumes of gas and electricity to be a viable inclusion in the new supply contract and to balance out the contract management costs to the Council. Schools who expressed an interest will be signposted to alternative national frameworks which will potentially provide the schools with greater cost certainty than the Council's proposed arrangements. Furthermore, as part of its ambition to reach net zero by 2030 across the core estate including maintained schools, the Council is also investing in a new team within Infrastructure Delivery who will provide advice to all maintained schools on energy efficiency and retrofit measures and options for procuring certified renewable electricity for the school's supply.
- 3.12. For the procurement of the new energy contracts, it is proposed that:
- 3.12.1. the Council continues to purchase via flexible supply contracts for electricity and gas under which the commodity cost of the electricity and gas which typically is 38% / 56% respectively of the overall energy cost will be set at the time the purchase is made;
  - 3.12.2. the supply contracts are for a 3-year term with an option to extend for up to 3 years - Mitie have advised that flexible contracts are typically awarded for 3 years or longer as sufficient time is needed within the contract to allow for effective delivery of a risk management strategy to review the market and to assess whether the product and supplier are still providing value for money;
  - 3.12.3. there are 2 lots - a single supplier will be awarded a contract for each lot:
    - Lot 1 – Electricity supply including:
      - REGOs to provide electricity 'backed by' renewable energy which is an additional cost; and
      - 'Sleeving Arrangements' under which any renewable electricity sourced from off-site renewable generators can potentially be included at an additional cost in the electricity supply contract should the Council choose to do so at a later date. The supplier will be required to provide this option.
    - Lot 2 – Gas supply;
  - 3.12.4. the lots are procured using an open single stage procurement procedure - there are a small number of suppliers in this market and the Council would benefit from evaluating the benefits of all bidders;
  - 3.12.5. tenders will be evaluated on the basis of 60% price and 40% quality, of which 5% will assess social value;

- 3.12.6. tenders will evaluate suppliers' charges and non-commodity costs which include:
- suppliers' operating cost and profit margin - this typically covers 1.4% / 0.9% of the overall cost of electricity / gas respectively; and
  - other non-commodity third party charges which include network costs and social and environmental obligations and taxes – this makes up the remaining 61% / 43% of the overall cost of electricity / gas respectively;
- 3.12.7. Mitie provides technical advice, support and services on the procurement and tender documents and purchasing the energy under the new contracts in accordance with the terms of its existing contract with the Council;
- 3.12.8. Quality questions will cover topics including:
- Customer management services including service commitments on prompt and accurate billing, electronic invoicing and wider account administration and customer service standards for core estate
  - Allowance for reforecasting of forecast volumes
  - Sustainability and environmental criteria such as adherence to Sustainable Development Goals
  - Escalation process within the organisation
  - Flexibility in customer portfolio with ability to add and remove sites
  - Provision of management information data e.g. price, consumption, and other site data as a source of management information for the Council
  - Allowing for sleeving in renewable electricity from a third-party renewable generator .
- 3.13. It is proposed that the tender will be published in January 2022, and suppliers will be given 30 days to respond. Mitie and the Council will jointly evaluate tenders based on the evaluation criteria published within the tender documents. Award and completion of contract is anticipated to take place in May 2022 following which purchases of energy for the period from 1 October 2022 onwards can start.

### **Renewable Electricity Policy**

- 3.14. A commitment in Everyone's Essex is to "work across the Council and the County to hit our net zero targets, by ensuring that the Council significantly reduces its carbon footprint whilst also supporting an acceleration in the progress towards sustainable [...] energy...".
- 3.15. The Council also has an ambition to achieve a net zero carbon core estate and local authority maintained schools estate by 2030 through investment in energy efficiency, retrofit measures and increasing the use of renewable electricity in the estate. Furthermore, the Essex Climate Action Commission recommended that



Essex produces enough renewable energy within the county to meet its own needs by 2040.

- 3.16. In response, the Council should consider where it sources its energy from and how green it is.
- 3.17. The Council does not currently have a consolidated policy for buying renewable electricity for its maintained estate. There is now an opportunity with the new procurement to adopt a policy for buying 'green' electricity.
- 3.18. It is proposed that the Council adopt a Renewable Electricity Policy for 2021-2025 (the Policy), as set out in Appendix 2, to provide a framework for future electricity purchases, that has three priorities:
  - 3.18.1. Maximising opportunities for "on-site" renewable electricity generation through rooftop solar photovoltaics (PV) and other technologies on the Council's core estate;
  - 3.18.2. Using the Council's purchasing power to buy "off-site" renewable electricity direct from renewable energy generators (such as a solar farm) and incentivising additional renewable energy to be built to meet that demand;
  - 3.18.3. Committing the Council to buy the remainder of its electricity requirements from an electricity supply contract that is "backed by" certified renewable energy by purchasing REGOs.
- 3.19. Adopting this Policy will allow the Council to:
  - 3.19.1. support delivery of the commitment to climate action in Everyone's Essex
  - 3.19.2. respond positively to the recommendations of the Climate Commission for Essex;
  - 3.19.3. support the Council's ambition to reach net zero in its core estate by 2030;
  - 3.19.4. support the development of a low carbon economy in Essex - leading by example and encouraging businesses to invest in renewable energy;
  - 3.19.5. support the national net-zero 2050 target.
- 3.20. Each priority on its own has benefits and limitations:
  - 3.20.1. On-site renewable generation (solar PV) benefits from avoiding the cost of having to supply electricity through the grid. The limitation is that only approximately 10% of the Council's electricity can be supplied through this route due to limitations in available space for solar PV roof systems.

- 3.20.2. Off-site renewable generation provides multiple benefits such as a long term hedge on energy prices, cost certainty, direct access to renewable energy and using the Council's purchasing power to incentivise more renewable generation to be built. The disadvantage is that it requires a long term commitment and can be a more complex arrangement that takes time to negotiate.
- 3.20.3. Certified renewable energy can be put in place quickly but does not mean that the Council is purchasing renewable energy, rather it enables the Council to state that an amount of renewable electricity has been generated on the UK grid equivalent to the amount of electricity that the Council has used.
- 3.21. The three priorities together aim to provide the combined benefits of energy resilience, carbon reduction, reputational benefits, cost certainty and the opportunity to make long term savings on energy commodity costs.
- 3.22. Whilst this Policy addresses renewable electricity, options for buying renewable gas are limited. It is difficult to procure in the volume the Council would need due to limited generation in the UK and renewable gas (bio-methane) has an estimated price premium of c.17% -25%. On this basis the Council will not specify a renewable gas contract in the current procurement. The Council will however continue to review the market and will explore opportunities to reduce its use of gas by decarbonising heating systems through converting sites from gas or oil heating to electric heating supplemented by other energy efficiency and retrofit measures.

#### **4. Links to our Strategic Ambitions**

- 4.1. This report links to the following aims in the Essex Vision:
- Develop our County sustainably
- 4.2. The report also supports the strategic aim "High Quality Environment" within the Council's Plan for Essex 2021-25; Everyone's Essex. It supports the commitment to work across the Council and County to hit our net zero targets by ensuring that the Council significantly reduces its carbon footprint whilst also supporting an acceleration in the progress towards sustainable energy.
- 4.3. Approving the recommendations in this report will have the following impact on the Council's ambition to be net carbon neutral by 2030:
- Any increase in on-site generation would have a direct reduction on the Council's carbon emissions
  - Any increase in off-site renewable energy, i.e. the Council buying its energy from a renewable generation site such as a solar farm would enable the Council to state that its carbon emissions for that electricity are nil.

- 4.4. This report links to the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':

- A high quality environment

## 5. Options

- 5.1. **Option 1: Do not procure new supply contracts and let the current contracts continue on market rates (not recommended)**

When the current supply contracts expire, the Council would have to remain with the current suppliers to ensure continuity of supply – the energy rates would be the high end of the prevailing rates at that time. This could see an estimated increase in billed rates for commodity costs of 200% - 300% and this would not be value for money for the Council.

- 5.2. **Option 2: Procure fixed price fixed term supply contracts (not recommended)**

This would provide the Council with budget certainty for the full duration of the contract for both commodity and non-commodity costs. Fixed price contracts are also simpler to administer in billing arrangements. The disadvantages are that the Council would lose the ability to buy electricity or gas at more competitive market rates which can be beneficial compared to a fixed price. Suppliers will also price risk into a fixed contract which makes fixed price contracts potentially more expensive. There will also be less ability to manage volumes under a fixed contract which could result in penalties if the Council does not use all the electricity it commits to (or if it needs to use more than it contracted to) under a fixed contract. Fixed contracts would also not allow the Council to buy off site renewable energy as recommended in the renewable electricity strategy but REGOs would be available.

- 5.3. **Option 3: Procure flexible supply contract with ability to adjust volumes and adopt the proposed Policy (recommended option)**

The new flexible supply contracts will be subject to the same risks and benefits as the current supply contracts. Purchases of energy will be made via a trading desk provided by Mitie who will advise on future purchases to assist the Council to make multiple energy purchases taking advantage of the benefits of price changes in the commodity market during the life of the contract. This is a strategy of buying "little and often" that enables the spread of risk over several purchases ideally resulting in an overall lower energy price. It also enables the Council to pursue the strategy for renewable energy and sourcing from off-site renewables which would not be available under a fixed price contract.

Flexible contracts also provide other benefits including:

- options for fixing non-commodity costs

- allowing volumes to be reforecast enabling the Council to allow for changes in its demand profile from, for example, estate rationalisation
- provide more flexibility when adding additional sites to the contract (i.e. taking advantage of already purchased commodity).

The approval of the proposed Policy will provide a framework for future energy purchases that is consistent with, and seeks to prioritise, on and off site renewable electricity generation. It also commits the Council to buy the remainder of its electricity requirements from an electricity supply contract that is “backed by” certified renewable energy by purchasing REGOs. There is a charge for buying these certificates. The priorities set out in the Policy will assist the Council in reducing its carbon footprint.

#### **5.4. Option 4: Flexible Agreement with a Cashout mechanism (not recommended)**

This is similar to option 3 but all volume imbalance risk would sit with the Council. The customer buys to a forecasted volume, however any deviation (either +/-) is ‘cashed out’ to an agreed index price. These contracts offer complete freedom to purchase but are risky to manage if not understood, or forecasting is not carefully considered. Index prices can be very volatile and as such can significantly affect the contract prices on a month by month basis. This option includes very high price risk for the Council and is therefore not recommended.

## **6. Issues for consideration**

### **6.1. Financial implications**

#### **The energy contracts**

- 6.1.1. The Council requires energy to operate its core estate and infrastructure and this is an unavoidable cost, although price and volume are variables in determining the actual total cost incurred. Consequently the Council has already made budget provision for the energy contracts within its base budget and that provision is updated on an annual basis based on updated prices and volumes.
- 6.1.2. The net annual energy budget included in the MTRS across the Council estate (including streetlighting) totals £8.2m based upon draft budget costs for 2022/23. The forecast contract costs are anticipated at £8.4m leaving a small shortfall of circa £200,000. This will be contained within the existing service budget. The price of energy can be split into commodity (the actual energy itself) and non-commodity (e.g. network charges and government tariffs). Both are charged per unit of consumption.
- 6.1.3. In principle the Council’s energy cost incurred will be its consumption multiplied by its contract price. In the flex options the price is not fixed at the start of the contract but is dependent on the energy market with respect to supply and demand and the point at which purchases are made. This contrasts with the fixed price options of agreeing in advance the price to be paid for any given volume

consumption. In both options the market price of energy is one component of the commodity cost. In a fixed price agreement any utility company would factor in risk in its pricing in order to allow for unforeseen future market price movements. To mitigate some of the risks of a flexible contract, at any point within the contract the Council is able to fix our purchasing basket for a predetermined length should circumstances require this.

- 6.1.4. The recommendations include buying Renewable Energy Guarantee of Origin (REGO) as part of the supply contract – this is an avoidable cost of an estimated £78,000 per annum. This estimated cost is conservative and reflects a recent step change in REGO prices quoted by utility companies due to growth in demand for green certificates from corporate energy customers. Whilst the benefits of REGOs are outlined in this report, they come at a cost and their acquisition is over and above the minimum required.
- 6.1.5. Non-commodity charges represent some 65% of the total cost incurred and are generally pass through costs with little ability to manage them. It is possible to fix the price inclusive of non-commodity but again utility companies would factor in risk pricing where none of the parties could control all those non commodity components. Indeed it is possible that utility companies would seek to renegotiate and pass on any increase in non-commodity charges in the event of unforeseen policy or regulatory changes.
- 6.1.6. There is no definitive route to the least cost option for energy. The ultimate cost incurred will be a combination of a perceived forward market price for a fixed price arrangement with risk factored in versus the actual market price under a flex arrangement.

### **The procurement exercise**

- 6.1.7. The proposed procurement approach is considered likely to deliver best value in overall cost terms. This is the most effective route to market, with the flexibility to take advantage of the best market pricing at a given point in time, and also be the most efficient and economical way to procure energy.
- 6.1.8. The total consultancy costs for the Council to procure contracts over the proposed contract term, is a maximum one off cost of £32,350 plus an annual cost of £48,575. This will be delivered through Mitie Energy, as part of the overall Mitie FM contract. The total Year 1 cost is £89,925 or £80,925 excluding the contingency. There is budget provision to cover Mitie's fees over the 3 years of the contract, however there is an immaterial shortfall in 2022/23 which we will seek to mitigate from within existing budgets. The Year 1 cost is broken down as follows:

<b>Service</b>	<b>One Off Consultancy Fee</b>
Procurement Flex (Electricity (HH, NHH and UMS) and Gas)	£32,350
Contingency fund	£9,000 - (only to be used if the process becomes more complex than

	anticipated) - as of 29/10/2021 this has not been used.
<b>Service</b>	<b>Per Annum Cost</b>
Risk Management Service – Electricity and Gas (Outsourced)	£48,575

6.1.9. Provision of the Council's costs will be made from the current budget for the Mitie contract within Property. The cost of managing the Bureau service is already part of the main Mitie FM contract. The Risk Management Service is an additional charge at £48,575 which was added to the main Mitie FM contract in 2018.

6.1.10 The likely costs of the contract management have been favourably benchmarked against a neighbouring Authority.

## 6.2. Legal implications

6.2.1. The Council is obliged to obtain the best value energy costs to operate its core estate and infrastructure, but it is permitted to specify green energy if it considers it appropriate.

6.2.2. The proposed energy supplies will be subject to the full regime of the Public Contracts Regulations 2015 (the Regulations) and the proposed procurement would be compliant with the Regulations.

6.2.3. Any social value considerations should be relevant and proportionate to the contract and only relate to the metrics set out in the Public Services (Social Value) Act 2012. Contracts should be awarded on the basis of the most economically advantageous tender and qualitative, environmental and/or social aspects should be linked to the subject matter of the contract.

6.2.4. It is noted that Mitie will provide the Council with advice on its purchases of energy under the proposed flexible supply contracts. Mitie provides such services under the current FM contract which was compliantly procured. All purchases of energy will be subject to separate governance at the time of such purchases.

## 7. Equality and Diversity implications

7.1. 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.

- 7.2. 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).
- 7.3. 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.

## **8. List of appendices**

- 8.1. Appendix 1: Equality Impact Assessment.
- 8.2. Appendix 2: Renewable Electricity Policy 2021-2025

## **9. List of Background Papers**

None declared.

## **Appendix 2 to Cabinet report – Reference FP/096/07/21**

### **Essex County Council**

#### **Renewable Electricity Policy 2021-25**

##### **1. Everyone's Essex**

- 1.1 Everyone's Essex, the Plan for Essex: 2021-2025, sets out the Authority's four strategic aims and 20 commitments. The strategic aim "High Quality Environment" includes a commitment to "work across the Authority and the County to hit our net zero targets, by ensuring that the Authority significantly reduces its carbon footprint whilst also supporting an acceleration in the progress towards sustainable...energy...".
- 1.2 The Authority's current budgeted annual spend on electricity across its operational buildings, highways, streetlighting and other infrastructure is £7.6 million. The Authority has an opportunity to leverage its spend on electricity to support its net zero targets whilst improving the Authority's financial resilience through the sourcing of renewable electricity.
- 1.3 This Renewable Electricity Policy, supports the Authority's commitment to source 100% renewable electricity through three parallel priorities:
  - on-site renewable electricity generation
  - off-site renewable electricity generation
  - certified renewable electricity.

This combined approach aims to provide energy resilience, carbon reduction, reputational benefits, cost certainty and the opportunity to make long term savings on energy commodity costs.

- 1.4 This policy does not cover gas. Options for buying renewable gas are limited due to limited generation in the UK and renewable gas comes with a price premium. On this basis the Authority is not currently looking to procure renewable gas as part of its supply contract. The Authority will however continue to review the market and will explore opportunities to reduce its use of gas by decarbonising heating systems through converting sites from gas or oil heating to electric heating supplemented by other energy efficiency and retrofit measures

##### **2 Background**

- 2.1 The UK is at the forefront of responding to the climate crisis. The UK has signed the Paris Agreement which commits the world to act to hold global temperature rises to below 1.5°C and the UK is the first country to enshrine in law a commitment to reducing greenhouse gas emissions to net zero by 2050. This year, the Government has committed in law to reduce our greenhouse gas emissions, 78 per cent, by 2035 from a 1990 baseline.



- 2.2 More recently, the Government has set an ambitious national target to end gas fired energy generation and reach a 100% renewable electricity generation mix – primarily wind and solar – by 2035.
- 2.3 Everyone's Essex, Our Plan for Essex: 2021-2025 makes a commitment to work across the Authority and the County to hit our net zero targets by ensuring that the Authority significantly reduces its carbon footprint whilst also supporting an acceleration towards sustainable energy.
- 2.4 The Essex Climate Action Commission (ECAC) recommended that Essex produces enough renewable energy within the County to meet its own needs by 2040. It also recommended that solar photovoltaic (PV) panels are installed on every available roof on both domestic, industrial and commercial properties by 2050 and 25% of rooftops by 2030.
- 2.5 The Authority also has an ambition to achieve a net zero carbon core estate by 2030 through investment in energy efficiency, retrofit measures and increasing the use of renewable electricity on the Authority's own estate.
- 2.6 The Authority's budgeted 2022/23 spend on electricity is £7.6M across the core estate and its core estate and infrastructure – this includes circa 250 operational buildings (including offices, libraries, children's centres, youth and respite centres, country parks), highways, street lighting and other infrastructure. The Authority does not currently have a consolidated policy for using renewable electricity for its maintained estate. Renewable electricity was not stipulated as part of the previous energy supply contract that runs from 1 October 2018 to 30 September 2022. That supply is a combination of 'green energy' from renewable generation such as off-shore wind and solar farms, and 'brown energy' primarily from gas fired power stations.
- 2.7 As part of the Authority's strategy to reduce its carbon footprint, the Authority purchased Renewable Energy Guarantee of Origin (REGO) certificates from its current supplier in 2019 to ensure that the electricity that it buys is "backed up" by renewable electricity.

### **3 Renewable electricity policy**

- 3.1 In response to the Authority's Organisation Plan and the ECAC recommendations there is an opportunity for the Authority to lead by example by proactively making a decision on where it sources its future energy requirements from and how renewable that energy is.
- 3.2 The Authority's contractor Mitie Energy has assessed the current energy consumption and emissions for the core estate and infrastructure including maintained schools. As part of this work, there are a number of recommended measures to support the Authority's ambition to reach net zero across its core estate by 2030 including:

- Energy efficiency – behaviour change and capital investment to improve the energy performance of buildings.
- Electrification and degasification – investing in technologies such as heat pumps to shift heating for the Authority’s buildings from gas to electric which will reduce carbon emissions (whilst noting that this will increase the Authority’s demand for electricity consumption as buildings are converted from gas to electrical heating systems).
- Renewable generation - increasing the Authority’s renewable energy supply through investment in on-site renewable generation. The most suitable approach for the Authority to generate electricity on-site is roof mounted solar PV technology.
- Renewable energy procurement – procure an electricity supply agreement with a renewable generator to supply renewable electricity to the Authority’s estate.

3.3 Based on these recommendations and the Authority’s ambition to achieve a net zero carbon core estate by 2030 it is proposed that the Authority adopt a Renewable Electricity Policy that has three combined workstreams:

- Workstream 1: On Site Renewable generation
- Workstream 2: Off-site renewable generation (Power Purchase Agreement)
- Workstream 3: Green energy tariff

### 3.4 **Workstream 1: On Site Renewable generation**

The Authority maximises opportunities to self-generate renewable energy on its core estate - the most suitable approach to generate electricity on-site is roof mounted solar PV technology. This could also include small ground mounted systems or solar canopies above office car parking spaces where space permits. Currently the Authority generates less than 1% of its electricity needs across its core estate and streetlighting from rooftop solar. Desktop research estimates that this could increase to circa 10%.

Solar installs are quick, efficient but will require capital investment that on average will payback in seven to nine years. Subject to full business cases, the Authority would need to develop an estate wide solar PV rollout programme across its entire core estate. This should also include exploring the business case for battery storage of the energy created.

#### **Benefits:**

- long term cost savings – the on-site electricity generation and consumption benefits from avoiding the cost of using the electricity network (“non-commodity charges”) to get the power from the point of generation to the point of consumption. These charges typically make up 60% of the cost of electricity.

- carbon emissions reduction
- a visible demonstration of commitment to climate action
- leading by example in response to ECAC's recommendation to see solar on every available rooftop in Essex where practicable.

**Challenges:**

- As noted above, there are capacity restrictions and it is unlikely onsite generation will exceed 10% of the Authority's total electricity needs. Any future projects to install solar PV will also need to take account of the ongoing estate rationalisation programme.

**Next steps:**

- Further work is needed to confirm the potential for onsite generation as part of the estate retrofit programme. Some solar PV installations are already being funded by the Public Sector Decarbonisation Fund Scheme (PSDS). Capital funding to support the Authority's ambition to get the core estate to net zero by 2030 will increase the number of solar PV projects in the pipeline.
- The proportion of on-site generation could also increase in the longer term when a wider range of technologies such as battery storage can be deployed.

### **3.5 Workstream 2: Off-site renewable generation (Power Purchase Agreement)**

The Authority could source a significant proportion of its electricity direct from a renewable generator(s) (for example a solar farm) at an agreed price under a long term agreement known as a Power Purchase Agreement (PPA). A licenced energy supplier would facilitate the transfer of the electricity from the generator to the Authority's estate.

**Benefits:**

- Carbon emissions reduction: the Authority would significantly increase its electricity sourced from renewable generation with an associated reduction in its carbon emissions
- Financial resilience: There has been significant recent volatility in UK energy markets and the long term forecast is for energy prices to increase year on year above inflation. A PPA would fix the price the Authority would pay for the energy it takes from the generator for the long term providing the Authority with 'energy budget security'
- Cost savings: A PPA provides the potential to make long term cost savings

- **Additionality:** The Authority would incentivise *additional* renewable energy generation to be built to supply its electricity and help to decarbonise the UK electricity grid
- **Traceability:** an increase in the proportion of electricity in the Authority's supply that is directly attributable to renewable generation in the national energy system and associated reduction in carbon emissions
- **Reputational and Innovation:** this would be a long term commitment to shift to renewable energy and a visible demonstration of climate action through procurement

#### **Challenges:**

- **Availability:** the availability of renewable generation installations and experienced developers, with sites that have planning permission can be relatively rare, and more so if looking narrowly at sites in Essex.
- **Complexity and risk:** these contracts can be more complex in nature to enter in to compared to a typical contract for electricity supply and are long term in nature (minimum 10 to 15 years).

#### **Next steps:**

- Develop an outline business case to evaluate the opportunity for a PPA, prior to undertaking market testing and developing a full business case (financial and environmental) for off-site renewable energy.

### **3.6 Workstream 3: Green energy tariff**

Where the Authority purchases from non-renewable sources, there is a commitment that such electricity is “backed by” renewable energy by purchasing Renewable Energy Guarantees of Origin (REGOs) which guarantee that for the amount of electricity the Authority buys from the market (which could come from fossil fuel as well as renewable sources) it is “backed up” by an equivalent amount of renewable energy that has been generated and supplied to the national grid. This is certifiable renewable electricity that is already available on the market and can be bought for a small centrally funded premium. (Note: GAS REGOs are not yet viable in terms of affordability or availability).

#### **Benefits:**

- An immediate gain in recognition and reputation, that supports the Authority's ambitions and the commitments made in Everyone's Essex.

#### **Challenges:**

- REGO certificates do not have the effect of driving additional demand for UK renewables
- REGOs do not guarantee that the energy bought does not necessarily come directly from renewable sources, rather it confirms that the energy is “backed up” by an equivalent amount of renewable energy
- Cost risk: whilst historically the cost of REGOs has been low, demand has increased significantly and prices have jumped significantly in 2021 as more corporate organisations demand REGO backed electricity supply products.

**Next steps:**

- Commit in principle to purchasing REGOs for electricity that the Council purchases from the National Grid

## **4 Links to our Strategic Ambitions**

4.1 This report links to the following aims in the Essex Vision:

- Develop our County sustainably

4.2 This Renewable Electricity Policy will have the following impact on the Authority’s ambition to be net carbon neutral by 2030:

- the opportunity to source 100% renewable electricity to align with the Authority’s ambition
- ensure that as the Authority reduces its reliance on gas heating and replaces this with electric heating which is generated from renewable sources

4.3 This report links to the following strategic priorities in the emerging Organisational Strategy ‘Everyone’s Essex’:

- A strong, inclusive and sustainable economy
- A high quality environment

**End**

**Forward Plan reference number: FP/183/10/21**

<b>Report title: Essex County Council Social Value Policy</b>	
<b>Report to:</b> Cabinet	
<b>Report author:</b> Councillor Christopher Whitbread - Cabinet Member for Finance, Resources and Corporate Affairs	
<b>Date:</b> 21 December 2021	<b>For:</b> Decision
<b>Enquiries to:</b> Melanie Evans, Director Procurement email <a href="mailto:melanie.evans2@essex.gov.uk">melanie.evans2@essex.gov.uk</a> or Laura Lee, Head of Procurement – Place and Corporate <a href="mailto:laura.lee@essex.gov.uk">laura.lee@essex.gov.uk</a> or Samantha Butler, Social Value Lead, <a href="mailto:samantha.butler@essex.gov.uk">samantha.butler@essex.gov.uk</a>	
<b>County Divisions affected:</b> All Essex	

## 1. Everyone's Essex

- 1.1 Essex County Council spends approx. £1.2 billion per annum via its suppliers. This report proposes harnessing the power of this spend to help deliver the aims of Everyone's Essex.
- 1.2 The policy will do this by including social value in the quality assessment of a tender evaluation, allowing ECC to take into account the way an organisation will deliver a contract and contribute to important Everyone's Essex commitments to residents. This allows us to consider areas such as providing jobs and skills opportunities to residents and positive climate impacts in line with the ECC strategy to reach Net Zero targets, when a contract is being performed.

## 2 Recommendations

- 2.1 Agree the social value policy in the form appended to this report.

## 3 Background and Proposal

- 3.1 The term 'Social Value' is defined in the Public Services (Social Value) Act 2012 which came into force in January 2013. It requires all public sector organisations (and their suppliers) to look beyond the financial cost of a contract and consider how the services they commission and procure might improve the economic, social and environmental well-being of an area. (Local Government Association).
- 3.2 Public authorities consider the wider financial and non financial value created by the way an organisation delivers the contracts they let and express the contribution to its commercial outcomes in terms of the wellbeing generated for individuals, communities, the economy and the environment. This must be

achieved in accordance with the Public Contracts Regulations 2015 and the 1988 Local Government Act.

- 3.3 Social Value through Procurement is where an authority uses its purchasing power to achieve added value to the community. This can be achieved in the way that we specify what goods or services we are buying, but most commonly it is done by scoring tenders to give weight to added commercial value that a provider contributes to the authority and community through the way it performs the contract. For example, if a vendor's recruitment procedures included outreach to those furthest to the job market they might commit to employing the long term unemployed or those not in education, employment or training. Social value is not a new idea, but it is one currently enjoying a renaissance.
- 3.4 Examples of social value include creating employment or training opportunities for our residents, providing careers advice and employment support for the long term unemployed, or reducing the use of single-use plastic.
- 3.5 Following approval of an amendment to the Procurement policy and procedures, in September 2020 ECC commenced use of the National Social Value Taskforce<sup>1</sup> Framework Themes, Outcomes and Measures methodology where appropriate for tenders over £100,000.
- 3.6 Our procurement procedures permit a flexible weighting of up to 20% of total scores available on a tender to be assigned to social value, with social value forming part of the quality assessment of bids received.
- 3.7 The National Social Value Measurement Framework 'Themes, Outcomes and Measures' – or 'National TOMs' for short – is a method of reporting and measuring social value to a consistent standard. It provides the golden thread between an organisation's overarching strategy and objectives, to the delivery of specific social value Outcomes achieved through procurement. The National Framework is reviewed and endorsed by the National Social Value Taskforce.
- 3.8 The National Social Value Taskforce ('NSVTF'<sup>2</sup>) is the governance body for the master list of social value Measures and is chaired by the Local Government Association's National Advisory Board. The NSVTF updates the master list of Social Value Themes, Outcomes, Units of Measure and associated Financial Proxies annually. This can include changes due to inflation, improvements to the definitions (based on feedback from Councils across the country) and the inclusion of new measures, to harness opportunities in particular sectors. For example, in recent years the NSVTF added measures for construction and facilities management procurements.
- 3.9 The taskforce have published proxy values calculated for the National Social Value Taskforce using the Unit Cost Database (UCD)\* that was developed for Government and follows the principles laid out by HM Treasury for monetising

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<sup>1</sup> Founded in 2016 the National Social Value Taskforce (NSVTF) is a subgroup of the LGA's National Advisory Group for procurement. It is not a legal entity in itself; it is an LGA initiative.

<sup>2</sup> National Social Value Taskforce was founded in 2016 and is a subgroup of the LGA's National Advisory Group for procurement. It is not a legal entity in itself; it is an LGA initiative.

the economic, environmental and social impact, with specific regard to potential savings for the public sector.

- 3.10 Where the UCD does not provide a proxy value for a certain measure, then one has been developed on behalf of the National Social Value Taskforce - following relevant government guidance if any exists. The National TOMs Framework 2019 for social value measurement set out this methodology, together with relevant sources. For example the employment of an apprentice is likely to save benefit costs or training costs which would have been incurred if that person had not been employed as an apprentice and that person's improved life chances may mean that they are less likely to use other ECC services.
- 3.11 These calculations have been used, adapted to ensure they reflect the commercial value to Essex County Council to produce the ECC TOMs calculator which is appended to this report as Appendix 2. This assigns a value to different categories of social value and is used to calculate a 'proxy value' for the social value being provided. The calculator is already being used and is a subset of the National Social Value Taskforce set of Measures and comprises amended Financial Proxies where necessary to ensure that they meet ECC conditions and objectives, in accordance with the Local Government Act 1988. This enables a 'social value' to be calculated with respect to the tender
- 3.12 By considering social value in the early stages of a commissioning and procurement projects and by engaging the market before a tender is issued, public authorities can ensure that bidders are prepared and that social value requirements are proportionate to the size and duration of the contract. Moreover, we can encourage vendors' understanding and consideration of social value in areas that matter most to our residents and make a commercial contribution to the organisation's objectives. In this way we can maximise the benefits for Essex residents, delivering on specific corporate objectives including climate, jobs and skills development.
- 3.13 To achieve this, it is important that social value is not only a responsibility of the Procurement team, but also budget-owners and commissioners who have responsibility for the contracts being let. Therefore, it is considered best practice for authorities to have a corporate-wide social value policy. In addition, the introduction of a corporate policy for social value would indicate to vendors the importance and longevity of this agenda.

## **4 Links to our Strategic Ambitions**

4.1 This report links to the following aims in the Essex Vision

- Enjoy life into old age
- Strengthen communities through participation
- Develop our County sustainably
- Connect us to each other and the world
- Share prosperity with everyone



- 4.2 A positive impact is anticipated on the Council's ambition to be net carbon neutral by 2030 because vendors are encouraged to design social value offers relating to improving climate and environment-related practices. Climate is one of ECC's Priority Social Value Measures. These Priority Measures are set out in the 'ECC TOMs Calculator' and a Multiplier of three is applied to them when the total Value Score is calculated.
- 4.3 This report links to the following strategic priorities in the emerging Organisational Strategy 'Everyone's Essex':
- A strong, inclusive and sustainable economy
  - A high quality environment
  - Health, wellbeing and independence for all ages
  - A good place for children and families to grow

**Annex A** to the Social Value Policy sets out the proposed updated Social Value Outcomes that are mapped to the new 20 Commitments set out in 'Everyone's Essex'. Subject to approval by the Cabinet, the Master TOMs Calculator will be updated in line with these new Outcomes.

## 5 Options

### 5.1 Option 1 - Do nothing – not recommended

Without a corporate-wide social value policy, social value remains the responsibility of the Procurement Team, not those responsible for the commissioning intent of projects. This can mean that conversations about social value can take place much later in the procurement process and limit the authority's ability to consult the market and raise awareness of the opportunities in a timely manner. For this reason, this option is not recommended.

### 5.2 Option 2 – Adopt the proposed Social Value Policy with approval for changes to specific social value Measures to be delegated to the Executive Director for Corporate Services and Cabinet Member for Finance, Resources and Corporate Affairs — recommended option

Implementing a Social Value Policy can elevate social value from a procurement process to an organisation-wide policy. Organisation-wide ownership of social value, will encourage each project owner across the authority to consider how they can achieve priority objectives in the Corporate Strategy, thereby ensuring they make a commercial contribution in line with the 1988 Local Government Act. For example, a project manager in Directorate A can enable local jobs and skills opportunities, thereby delivering on Corporate objectives in Directorate B.

The Policy can also enable us to set out a framework for:

- ensuring the social value measures we use align to the Corporate Strategy

- how changes to Social Value Themes, Outcomes and Priorities are made
- how changes to the specific Measures listed in the TOMs Calculator\* where they deliver Outcomes agreed by the Cabinet (\*this is the master list of Social Value Units of Measures. Each Measure sits under one of the agreed Social Value Outcomes).
  - For example, in a large construction project, there may be particular opportunities for local jobs for priority groups and we could add more detailed social value units of measure to encourage and capture this opportunity but only if these measures meet with the specific Social Value Themes and Outcomes approved by the Cabinet.
- In this option, we recommend that:
  - Cabinet approves the Social Value Themes and Outcomes and Priorities.
  - the Cabinet Member for Finance, Resources and Corporate Affairs approves changes to the list of Social Value Measures in the ECC TOMs Calculator, where those measures deliver on the Outcomes agreed by the Cabinet.

NB: If there is a proposal to add a new measure that does not align to the existing Social Value Themes, Outcomes and Priorities approved by Cabinet, the decision would be referred to the Cabinet.

  - Responsibility for approving the removal of TOMs measures for specific procurements, to meet the Public Contracts Regulations requirements for relevance, proportionality to the subject matter of the contract and non-discrimination is delegated to Heads of Procurement. Responsibility for variations to the TOMs measures for specific procurements, to meet the Public Contracts Regulations requirements for relevance, proportionality to the subject matter of the contract and non-discrimination is delegated to Heads of Procurement.
- We recommend this option, because it meets best practice principles of publishing an organisation-wide Social Value Policy, it will enable the Council to update the master ECC TOMs Calculator efficiently to harness specific opportunities to deliver on corporate objectives (but only where they deliver on the Outcomes already agreed by the Cabinet).

5.3 Option 3 – Adoption of the Social Value Policy, with the Cabinet approving all changes to the master list of specific social value Measures in the ‘ECC TOMs Calculator’ - not recommended.

- By requiring Cabinet approval of any changes to the master list of TOMs measures, we will significantly increase the resources required to update the framework, even when the Measures deliver on the Outcomes agreed by the Cabinet.
- For this reason, we do not recommend this option, but instead propose that the Cabinet approve changes to Measures that do not align with the Themes and Outcomes they have ratified.

## **6 Issues for consideration**

### **6.1 Financial implications**

- 6.1.1 Embedding social value throughout the Essex County Council tender and procurement process (for tenders in excess of £100,000 where relevant, proportionate and non-discriminatory to do so) should realise local economic benefits over the long term, within the existing budget envelope of the Council.

It would be expected that the long term result of local economic benefits realised through the implementation of Social Value Policy and the achievement of Essex County Council Social value Outcomes (annex A), would reduce the overall cost to Essex County Council of supplying services to the county.

- 6.1.2 The recommendations presented in this report do not request funding or additional budget allocation.
- 6.1.3 There are no direct cost implications to Essex County Council that can be quantified through the implementation of the Social Value Policy in this report.
- 6.1.4 There should not be a price escalation in tenders which include the requirement to demonstrate social value for the quality evaluation of a tender. However, this must be considered when reviewing the increase in cost of products and services to Essex County Council on a periodic basis, to monitor if any associated costs of meeting social value requirements for some suppliers is absorbed, by submitting higher Bid values.
- 6.1.5 The weighting for social value will be form part of the quality evaluation in tenders and is flexible, up to a maximum of 20% of the total scores available in a tender. The ratio of quality-price in a tender will have an impact the % of Social Value available to be achieved and price will be the main allocation of total score, therefore, a target of 20% Social Value will not always be possible in a tender.
- 6.1.6 Tender evaluation on tenders in excess of £100,000 using the Master Essex County Council TOMs Social Value Calculator, will allow a standardised approach to be taken and ensures a consistent, transparent and robust process takes place through assessment to award.

### **6.2 Legal implications**

- 6.2.1 The Public Contracts Regulation 2015 (the “Regulations”) require Local Authorities to award contracts based on the Most Economically Advantageous Tender (MEAT). The MEAT can be determined based on price or quality alone or may be based on a price/quality split.
- 6.2.2 Regulation 67(2) (Contract Award Criteria) states that the ‘tender shall be identified on the basis of the price or cost, using a cost-effectiveness approach,

such as life-cycle costing in accordance with regulation 68, and may include the best price-quality ratio, which shall be assessed on the basis of criteria, such as qualitative, environmental and/or social aspects, linked to the subject-matter of the public contract in question. To ensure compliance with the Regulations, once the social value weighting has been determined it will be clearly stated in decision papers as part of the quality assessment.

6.2.3 Public authorities are required by the Public Services (Social Value) Act 2012 to consider:

- how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and
- how, in conducting the process of procurement, it might act with a view to securing that improvement.

6.2.4 The authority must consider only matters that are relevant to what is proposed to be procured and, in doing so, must consider the extent to which it is proportionate in all the circumstances to take those matters into account.

6.2.5 Any social value considerations should be relevant and proportionate to the contract and only relate to the metrics set out in the Public Services (Social Value) Act 2012. Evaluation criteria must be linked to the subject matter of the contract.

6.2.6 Contracts must be awarded on the basis of the most economically advantageous tender and qualitative, environmental and/or social aspects should be linked to the subject matter of the contract.

6.2.7 In order to be contractually enforceable, there would need to be contractual obligations to report and deliver measurable social value improvements in the specification and in the contract.

6.2.8 One difficulty with enforcing social value requirements is that if the benefits are not provided ECC can only sue for direct financial losses which may be difficult to prove with social value. The TOM calculator may assist with this.

6.2.9 It is suggested that the Council includes, where appropriate, a standard clause in contracts which sets out 'liquidated damages' based on the TOM calculator to try to reduce disputes about social value. There will also be a natural temptation for contractors to highlight current activity as social value or to count social value for multiple contracts. Care must be taken to avoid double counting by contractors in any reporting.

6.2.10 ECC will need to keep its policy under review as it may be that future legislative change increases our ability to obtain social value from procurement activity.

## **7 Equality and Diversity Considerations**

- 7.1 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.
- 7.2 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).
- 7.3 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.
- 7.4 The equality impact assessment indicates that the proposals in this report will make a positive change. It is anticipated that there will be a positive impact on:
- 7.4.1 employment of younger cohorts as a number of measures within the 'ECC TOMs Calculator' relate to employment and skills development for young people and care leavers.
  - 7.4.2 opportunities for people with mental health issues because the ECC TOMs Calculator includes measures for offering more support to those with mental health issues..
  - 7.4.3 opportunities for people with learning disabilities as there is a specific measure for the employability of people with a disability, both learning and physical, and of people with sensory impairment, within the 'ECC TOMs Calculator'.

## **8 List of Appendices**

- 8.1 Appendix 1 Social Value Policy, including Annex A – Social Value Themes and Outcomes, updated to reflect Everyone's Essex Commitments.
- 8.2 Appendix 2: Current ECC TOMs Social Value Calculator – for information
- 8.3 Appendix 3 : EQIA

## **9 List of Background papers**

None



# Essex County Council

## Social Value Policy

December 2021



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## Introduction

This Policy sets out how we will help deliver Everyone's Essex and help reduce carbon emissions by using Social Value.

Social Value through procurement is the additional benefit to the community which we can derive, over and above the direct purchasing of goods, services and outcomes. Public authorities consider the wider financial and non financial value created by an organisation through the way it delivers their contract and express it in terms of the wellbeing generated for individuals, communities, the economy and the environment.

Essex County Council (ECC) recognises the important role it can play in enabling Social Value through its commissioning and procurement activity. In 2020/2021 we spent approximately £1.2 billion via our procurement activity. Through our approach to social value in procurement, we will harness this expenditure to influence the way suppliers deliver goods, services and works to provide social value to our residents.

This document describes ECC's policy for social value achieved through procurement ensuring that these quality criteria are relevant and proportionate to the subject matter of the contract and non-discriminatory.

## Background

The Public Services (Social Value) Act 2012 confirmed the social value responsibilities of authorities procuring service contracts subject to public procurement regulations. The 2012 Act states: That when procuring contracts for the provision or services, or services together with purchase or hire of goods or the carrying out of works by

- entering into a public services contract that is not a contract based on a framework agreement, or
- concluding a framework agreement as regards which public services contracts are likely to constitute the greater part by value of the contracts based on the agreement,

we must consider:

- how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area
- how, in conducting the process of procurement, it might act with a view to securing that improvement.
- whether to consult

Essex County Council intends to seek social value through all its procurements over £100,000 where it is relevant, proportionate and non-discriminatory to do so. To achieve this effectively and deliver value to residents, commissioners must consider the value of commercial outcomes delivered to the authority in accordance with the Local Government Act 1988 which prohibits local authorities from using non-commercial considerations when awarding contracts unless it is necessary to comply with the law or to achieve the principles of best value.

This will include consideration of the wider impact that the activities have on the economic, environmental and societal objectives of the authority. These points should be assessed during the development of the strategic business case, procurement category strategy, specification, tendering process and contract management activities.



## Rationale for the policy

Requiring our suppliers to set out the social, economic and environmental benefits they achieve when performing our contract means that the true commercial impact is taken into account when tendering. It will encourage vendors to consider the way that they deliver goods, services or works, for example:

- promoting greater environmental sustainability: minimising waste and pollution, supporting carbon reduction initiatives, furthering energy efficiency and other sustainability activities.
- creating job opportunities for local residents, those not in education, employment or training, for care leavers or for people with disabilities
- providing support, advice or mentoring opportunities to the long term unemployed, schools or school leavers;
- providing sub-contracting opportunities for a diverse range of suppliers, including the participation of small and medium sized enterprises (SMEs) and 3rd sector organisations, and local suppliers in general
- offering a range of apprenticeship, training and skills development opportunities as well as employment opportunities

## Policy context

This Social Value Policy supports the delivery of ['Everyone's Essex: our plan for levelling up the county 2021 to 2025'](#)

. These are:

- A Strong, Inclusive and Sustainable Economy
- A high quality environment Health, Wellbeing and Independence for all Ages
- A Good Place for Children and Families to Grow Inclusion of Social Value

Whilst Social Value can apply with any value of contract, there is an operational cost to preparing and scoring the evaluation model. Therefore, we will normally only require social value to be considered when we are procuring a contract with a value of over £100,000.

## How we score social value in our tenders

Like many Councils across the country, Essex County Council has adopted the Local Government Association's National Social Value Taskforce 'National Themes, Outcomes and Measures' method of classifying and scoring social value in our tender processes. This method is frequently referred to as the 'National TOMs'. We adapted them to focus on the delivery of the Council's commercial objectives and policy outcomes as set out in 'Everyone's Essex: our plan for levelling up the county 2021 to 2025' and focus on social value delivered locally. **This resulted in the 'ECC TOMs'. The master list of ECC TOMs is called the 'ECC TOMs Calculator'.**

The Social Value element of bids is scored in two parts: the value score (the commercial value of the social value bid expressed in monetary terms using the ECC TOMs Calculator) and the Supporting Statement score (which contributes to the evaluation of the commercial value to ECC by making an assessment of the robustness of the delivery plan to achieve the Social Value bid by the supplier).

## The ECC TOMs Calculator comprises:

- A set of social value 'Themes and Outcomes':
  - This is a list of the different categories of social value that contribute to ECC's commercial objectives as set out in Everyone's Essex. Please see **Annex A** below for a list of the Themes and Outcomes.
- A set of Units of Measure for each of the Outcomes:
  - These Units of Measure are used to compare bids on a like for like basis. They are set out as a description of the specific type of social value (the Measure) and a metric (the Unit) Social value will normally only count if it takes place in the administrative county of Essex. If we are prepared to consider benefit arising elsewhere then this will be made clear in the tender documents.
  - They also enable us to collate the total benefits delivered by vendors to Essex communities – and sometimes more widely - and provide a consistent method of performance management reporting.
  - We will not take account of benefit under more than one heading, to avoid benefits being double counted.
  - We will not allow a benefit to be counted at all unless we believe it is deliverable and measurable – such benefits will be assigned a zero score
- A set of Financial Proxies:
  - Each Unit of Measure is assigned a financial value based on our estimate of the commercial value of that unit. This represents the estimated value of social value in terms of things that we would like to deliver (such as jobs and environmental improvements), the value of things that we would might otherwise have to pay for (such as social care and concessionary bus fares). These all contribute to the continuous improvement of our services and thus help the Council to deliver its duty under section 3 of the Local Government Act 1999 This enables us to calculate the total economic value of contributions that bidders offer.
- Multipliers:
  - This is a weighting system that enables ECC to ensure its scoring system aligns to its commercial objectives.
  - A factor of between 1 and 3 is applied to each Unit of Measure, with those that are considered to make a significant contribution to our Priorities assigned a higher value.
  - When final social value bid scores are calculated, the corresponding Financial Proxy is multiplied by the weighting before the total 'Value' score is calculated.
  - NB: When ECC reports the social value delivered, the multiplier will not be applied.

The social value created will vary from one supplier to another, depending on the sector, industry, and business operations. A supplier does not need to constrain themselves to the Measures relating to the ECC Social Value Priorities. They will only be given credit for the social value on the TOM and the multiplier means that contributions to outcomes which benefit our priorities will be given more credit.

The full set of ECC Themes and Outcomes is set out in **Annex A**. The ECC Social Value Priorities are: jobs, skills, young people and climate.

The ECC TOMs social value Themes, Outcomes and Priorities are selected and weighted to reflect [Everyone's Essex: our plan for levelling up the county 2021 to 2025](#) and annual organisational plans. Any changes to the Themes, Outcomes, Priorities or Multipliers will be agreed by the Cabinet.

The TOMs Calculator will be periodically reviewed to incorporate emerging leading practice (such as that published by the Local Government Association National Social Value Taskforce), to take into account inflation and to ensure that they are effective, relevant and proportionate measures to contribute to ECC's objectives.

Amendments to the Master ECC TOMs Calculator and Calculators for specific projects will be governed as set out in Table 1.

**Table 1: Authority required to amend to the ECC TOMs Calculator.**

Document	Approval required	Form
Amendments to the Social Value Themes and Outcomes and Priorities in the Master ECC TOMs Calculator	Cabinet	Cabinet Report
Amendments to the Units of Measure, Financial Proxies, or Multipliers in the Master ECC TOMs Calculator	Cabinet Member for Finance, Resources and Corporate Affairs	CMA
Amendments to the guidance provided within the Master ECC TOMs Calculator	Director of Procurement	Written confirmation
Amendments to the Social Value Procurement Procedures.	Director of Procurement	Written confirmation
Addition or amendment of Measures in the ECC TOMs Calculator for a specific project.	Director of Procurement	Social Value Assessment Form
variation of Measures from the ECC TOMs Calculator for a specific project (e.g., to comply with Public Contracts Regulations)	Head of Procurement or Director of Procurement	Social Value Assessment Form
Decision to allow some or all benefits outside Essex to be counted for a specific project	Head of Procurement or Director of Procurement	Social Value Assessment Form

## Delivery

This Policy will be delivered as follows:

- (i) We will provide learning materials in the [Social Value Catalogue](#) for vendors to explain how it can be included in bid.
- (ii) We will educate our procurement and commissioning officers on social value and on the ECC TOMs.
- (iii) All procurements over £100,000 will normally be required to include social value as a part of the scoring and evaluation process where it is relevant and proportionate to do so. To comply with the Public Contracts Regulations 2015, any evaluation criterion must be relevant and proportionate to the subject matter of the contract and non-discriminatory. If the council considers that it is not relevant and proportionate to include social value, a formal exemption will be requested using the Social Value Assessment Form; to be approved by a Head of Procurement.
- (iv) The weighting for social value will be form part of the quality evaluation in tenders and is flexible, up to a maximum of 20% of the total scores available in a tender. This means that the statement of social value can count to the 10% of the overall contract award.
- (v) The Social Value element of bids is scored as set out above (using the Value Score and the Supporting Statement). Once a contract is awarded, the Procurement Service will record and monitor the social value committed by successful bidders. The responsibility for ensuring the committed social value benefits are delivered will fall to the officers responsible for management of that individual contract.

## Review

Essex County Council will periodically review its Social Value Policy. In doing so, it will take account of any changes in legislation and changes to the council's priorities.

## ANNEX A: PROPOSED ECC SOCIAL VALUE THEMES AND OUTCOMES

The Social Value Themes and Outcomes are set out in the table below. Since the publication of Everyone's Essex, we have reviewed and updated the Outcomes, to ensure that they continue to deliver value in line with this policy.

These themes and outcomes have been used to reorganise the benefits in the TOM to reflect the contribution Social Value is making towards achieving Everyone's Essex. They are not directly used themselves in the evaluation process – to be awarded social value points in a tender the tenderer will have to demonstrate they will achieve benefits in the TOM.

ECC SOCIAL VALUE THEMES	ECC SOCIAL VALUE OUTCOMES	Commitments in Everyone's Essex to which this Outcome contributes
1. A Strong, Inclusive and Sustainable Economy.	Business growth and the impact of public sector spend within the county maximised.	<b>Future Growth and Investment:</b> We will help <b>grow</b> existing <b>businesses</b> and the economic sectors of the future in Essex, including the arts, and secure high levels of new investment by working with partners to promote the county, by creating the conditions for growth and by maximising the impact of <b>public sector spend</b> within the county.
1. A Strong, Inclusive and Sustainable Economy.	Essex residents in employment, skills gaps reduced and barriers to employment reduced for disadvantaged groups.	<b>Good Jobs:</b> We will work hard to address the impacts of the Covid pandemic on unemployment by supporting business recovery and building a stronger economy for the future, enabling people to build the skills they need to be part of it, and working alongside Essex businesses to help reduce barriers to employment for disadvantaged groups.
2. A high quality environment	Suppliers contribute to the delivery of net zero targets; reduced greenhouse gases; reduced waste; and strengthened climate resilience	<b>Net Zero:</b> We will work across the council and the county to hit our net zero targets, by ensuring that the council significantly reduces its carbon footprint, whilst also supporting an acceleration in the progress towards sustainable housing and energy, and active and alternative forms of travel across the county. <b>Green Communities:</b> We will work with communities and businesses, providing advice and support to enable and empower local action to reduce greenhouse gas emissions and build climate resilience. <b>Minimise Waste:</b> We will minimise the impact on the environment by supporting residents and businesses to reduce waste and increase the amounts recycled, and by working with others to deliver a more circular economy whereby we better protect our natural resources through the efficient and ongoing reuse of materials.
3. Health, Wellbeing and Independence for all Ages	Partners and communities address the socio-economic drivers that underpin poor health outcomes, such as poor housing, poverty, economic insecurity and low skills.	<b>Levelling Up Health:</b> We will seek to reduce health inequalities by bringing together partners and communities to address the socio-economic drivers that underpin poor health outcomes, such as poor housing, poverty, economic insecurity and low skills.
3. Health, Wellbeing and Independence for all Ages	Residents enabled to live independently and increased proportion of people able to live healthy lifestyles.	<b>Promoting Independence:</b> We will work with key partners and the adult safeguarding board to help individuals to live free from abuse and neglect and will enable residents to live independently by assisting them to access suitable accommodation, supporting access to employment and meaningful activities, and enabling independence at home through reablement, care technology, and market shaping to ensure strong domiciliary support, and investment in housing. <b>Healthy Lifestyles:</b> We will aim to increase the proportion of people able to live healthy lifestyles by embedding a community-first approach, by helping people to overcome social isolation, mental ill health and

		substance misuse, and by helping people to live fit and active lifestyles.
4. A Good Place for Children and Families to Grow	Businesses and communities support the achievement of education outcomes.	<b>Education Outcomes:</b> We will achieve educational excellence and high standards for all children and young people as we recover from the pandemic, by working in partnership with early years providers, schools, colleges and universities, by building greater coherence across the system and by engaging businesses, communities and the arts sector in supporting education outcomes.
4. A Good Place for Children and Families to Grow	Outcomes improved for the most vulnerable and disadvantaged groups.	<b>Outcomes for Vulnerable People:</b> We will work to improve outcomes for the most vulnerable and disadvantaged groups including Children in Care, Care Leavers, Children with SEND and children from BAME communities, by working with children, young people and partners across the system.
4. A Good Place for Children and Families to Grow	Our partners to help make our communities safer and address key issues such as violence and vulnerability, and safety for women and girls.	<b>Safety:</b> We will continue to improve the safety of Essex residents, including children and young people, by sustaining our nationally recognised approach to early intervention, safeguarding and neglect, addressing domestic abuse, child criminal and sexual exploitation, and peer on peer violence and abuse. We will continue close working with our partners to help make our communities safer and address key issues such as violence and vulnerability, and safety for women and girls.

## **Essex County Council**

The information contained in this document can be translated,  
and/or made available in alternative formats, on request.

Published December 2021.

<b>Document Title:</b>	ECC TOMs Social Value Calculator
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Issue Control		
Version	Date	Description
v7	21/12/2020	Document version control added
v8	11/03/2021	On ECC TOMs tab: Bidder name cell added, 1000 separator applied to Units offered column, formula removed from cell J33 On Priority measures tab: title and additional ECC priorities added to align with ECC TOMs tab
v9	16/07/2021	Priority of Environmental measures (ECC 21- ECC 26) increased to 3 and added to Priority Measures Tab, added Social Value logo; changed document name to ECC TOMs Social Value Calculator.
V10	28/10/2021	Removal of 'Other Initiatives'.



Themes	Outcomes	ECC Ref	NT ref	Measures	Units	Proxy value	Prioritisation (1-3)	Units offered	Total value	Help text	Comments
Enable Inclusive Economic Growth	Increase sustainable employment within Essex	ECC 1	NT1	No. of local people (FTE) hired or retained on contract for one year or the whole duration of the contract, whichever is shorter.	no. people FTE	£28,460.00	3		£0.00	Localised to Essex County Council	
		ECC 2	NT2	% of local people employed on contract (FTE)	%	£0.00	1		£0.00	Record only	
		ECC 3	NT3	No. of employees (FTE) taken on who are long term unemployed (unemployed for a year or longer)	no. people FTE	£15,085.95	1		£0.00		
		ECC 4	NT4	No. of employees (FTE) taken on who are not in employment, education, or training (NEETs)	no. people FTE	£12,776.32	3		£0.00		
		ECC 5	NT5	No. of employees (FTE) taken on who are rehabilitating young offenders (18-24 y.o.)	no. people FTE	£15,856.88	1		£0.00		
		ECC 6	NT6	No. of jobs (FTE) created for people with disabilities (physical disability, learning disability and/or mental health issues)	no. people FTE	£13,234.70	3		£0.00	The full time annual equivalent (FTE) number of employees taken on that are disabled. A	
		ECC 7	-	No. of employees taken on who are care leavers	no. people FTE	£12,776.32	3		£0.00	NEETs proxy value	
		ECC 8	NT7	No. of hours dedicated to supporting unemployed people into work by providing career mentoring, including mock interviews, CV advice, and careers guidance - Aged Over 24	no. hrs*no. attendees	£100.33	3		£0.00		
	Increase the skills of people within Essex	ECC 9	NT9	No. of training opportunities on contract (BTEC, City & Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+	no.weeks	£246.39	3		£0.00		
		ECC 10	NT10	No. of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+	no.weeks	£176.80	3		£0.00		
	Support the growth of local business	ECC 11	NT18	Total amount (£) spent in LOCAL supply chain through the contract.	£	£0.72	1		£0.00	Localised to Heart of Essex. Ensure there is no double counting between NT18 and NT19	
		ECC 12	NT19	Total amount (£) spent through contract with LOCAL SMEs	£	£0.72	1		£0.00	Localised to Heart of Essex. Ensure there is no double counting between NT18 and NT19	

Themes	Outcomes	ECC Ref	NT ref	Measures	Units	Proxy value	Prioritisation (1-3)	Units offered	Total value	Help text	Comments
Help people get the best start and age well	Improving the health of people in Essex.	ECC 13	NT25	Initiatives to be taken to tackle homelessness (supporting temporary housing schemes, etc)	£ invested including staff time	£1.00	1		£0.00		
		ECC 14	NT26	Initiatives taken or supported to engage people in health interventions - excluding mental health	£ invested including staff time	£1.00	1		£0.00		
		ECC 15	-	Initiatives taken or supported to engage people in health interventions focus on mental health	£ invested including staff time	£1.00	1		£0.00		
	Improve opportunities for young people in Essex	ECC 16	NT11	No. of hours dedicated to support young people into work (e.g. CV advice, mock interviews, careers guidance) - (under 24 y.o.)	no. hrs*no. attendees	£100.33	3		£0.00		
		ECC 17	NT12	No. of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid)	no.weeks	£148.95	3		£0.00		
		ECC 18	NT13	Meaningful work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)	no.weeks	£148.95	3		£0.00		
		ECC 19	NT8	Local school and college visits e.g. delivering careers talks, curriculum support, literacy support, safety talks (No. hours, includes preparation time)	no. staff hours	£14.80	3		£0.00		
	Supporting vulnerable people to live independently	ECC 20	NT27	Initiatives to be taken to support older, disabled and vulnerable people to build stronger community networks (e.g. befriending schemes, digital inclusion clubs)	£ invested including staff time	£1.00	1		£0.00		

Themes	Outcomes	ECC Ref	NT ref	Measures	Units	Proxy value	Prioritisation (1-3)	Units offered	Total value	Help text	Comments
Help create great places to live and work	Improve the environment in Essex	ECC 21	NT31	Savings in CO2e emissions on contract not from transport (specify how these are to be achieved).	tonnes CO2e	£67.01	3		£0.00		
		ECC 22	RE 41	Savings from renewable energy measures in CO2e emissions	tonnes CO2e	£67.01	3		£0.00		
		ECC 23	NT32	Car miles saved on the project (e.g. cycle to work programmes, public transport or car pooling programmes, etc.)	hundreds of miles saved	£1.66	3		£0.00		
		ECC 24	NT33	Number of low or no emission staff vehicles included on project (miles driven)	hundreds of miles driven	£0.76	3		£0.00		
		ECC 25	NT34	Voluntary time dedicated to the creation or management of green infrastructure, to increase biodiversity, or to keep green spaces clean	no. staff volunteering hours	£14.80	3		£0.00		
		ECC 26	-	Initiatives undertaken to support the reduction of single use plastics	text	£0.00	3		£0.00	Record only	
	Create supported workforces	ECC 27	NT20	Demonstrate commitment to work practices in Essex that improve staff wellbeing, recognise mental health as an issue and reduce absenteeism due to ill health. Identify time dedicated for wellbeing courses	no. hrs*no. attendees	£97.75	1		£0.00		
		ECC 28	NT21	Diversity training provided for contractors and subcontractors	no. hrs*no. attendees	£0.00	1		£0.00	Record only	
	Reduce crime	ECC 29	NT24	Initiatives aimed at reducing crime (e.g. support for local youth groups, lighting for public spaces, private security, etc.)	£ invested including staff time	£1.00	1		£0.00		

Themes	Outcomes	ECC Ref	NT ref	Measures	Units	Proxy value	Prioritisation (1-3)	Units offered	Total value	Help text	Comments
Transform the Council to achieve more with less	Promote volunteering through our supply chains	ECC 30	NT17	Number of voluntary hours donated to support VCSEs (excludes expert business advice)	no. staff volunteering hours	£14.80	1		£0.00		
	Support communities projects and reduce demand for public services	ECC 31	-	Promote digital awareness with priority groups (e.g. workshops)	hours*attendees	£97.75	1		£0.00		
		ECC 32	NT28	Donations or in-kind contributions to local community projects (£ & materials)	£ value	£1.00	1		£0.00		
		ECC 33	NT29	No hours volunteering time provided to support local community projects	no. staff volunteering hours	£14.80	1		£0.00		
		ECC 34	NT30	Support provided to help local community draw up their own Community Charter or Stakeholder Plan	£ invested including staff time	£1.00	1		£0.00		
	Promote Social Value and Ethical procurement through supply chains	ECC 35	NT23	Percentage of contracts with the supply chain on which Social Value commitments, measurement and monitoring are required	% of contracts	£0.00	1		£0.00	Record only	
		ECC 36	NT22	Percentage of procurement contracts that includes commitments to ethical procurement, including to verify anti-slavery and other relevant requirements.	% of contracts	£0.00	1		£0.00	Record only	
		ECC 37	NT35	Percentage of procurement contracts that includes sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste, and keep resources in circulation longer.)	% of contracts	£0.00	1		£0.00	Record only	
	Collaborate with local voluntary organisations to build capacity	ECC 38	NT14	Total amount (£) spent with VCSEs within your supply chain	£	£0.12	1		£0.00		
		ECC 39	NT15	Provision of expert business advice to VCSEs and SMEs (e.g. financial advice / legal advice / HR advice/HSE)	no. staff expert hours	£85.57	1		£0.00		
		ECC 40	NT16	Equipment or resources donated to VCSEs (£ equivalent value)	£	£1.00	1		£0.00		

£0.00

## ECC Social Value Priority Measures

ECC Ref	NT Ref (2019)	Measures	Units	Proxy value	Prioritisation (1-3)
ECC 1	NT1	No. of local people (FTE) hired or retained on contract for one year or the whole duration of the contract, whichever is shorter.	no. people FTE	£28,460.00	3
ECC 4	NT4	No. of employees (FTE) taken on who are not in employment, education, or training (NEETs)	no. people FTE	£12,776.32	3
ECC 6	NT6	No. of jobs (FTE) created for people with disabilities (physical disability, learning disability and/or mental health issues)	no. people FTE	£13,234.70	3
ECC 7	-	No. of employees taken on who are care leavers	no. people FTE	£12,776.32	3
ECC 8	NT7	No. of hours dedicated to supporting unemployed people into work by providing career mentoring, including mock interviews, CV advice, and careers guidance - Aged Over 24	no. hrs*no. attendees	£100.33	3
ECC 9	NT9	No. of training opportunities on contract (BTEC, City & Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+	no.weeks	£246.39	3
ECC 10	NT10	No. of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+	no.weeks	£176.80	3
ECC 16	NT11	No. of hours dedicated to support young people into work (e.g. CV advice, mock interviews, careers guidance) - (under 24 y.o.)	no. hrs*no. attendees	£100.33	3
ECC 17	NT12	No. of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid)	no.weeks	£148.95	3

## ECC Social Value Priority Measures

ECC Ref	NT Ref (2019)	Measures	Units	Proxy value	Prioritisation (1-3)
ECC 18	NT13	Meaningful work placements that pay Minimum or National Living wage according to eligibility - 6 weeks or more (internships)	no.weeks	£148.95	3
ECC 19	NT8	Local school and college visits e.g. delivering careers talks, curriculum support, literacy support, safety talks (No. hours, includes preparation time)	no. staff hours	£14.80	3
ECC 21	NT31	Savings in CO2e emissions on contract not from transport (specify how these are to be achieved).	tonnes CO2e	£67.01	3
ECC 22	RE 41	Savings from renewable energy measures in CO2e emissions	tonnes CO2e	£67.01	3
ECC 23	NT32	Car miles saved on the project (e.g. cycle to work programmes, public transport or car pooling programmes, etc.)	hundreds of miles saved	£1.66	3
ECC 24	NT33	Number of low or no emission staff vehicles included on project (miles driven)	hundreds of miles driven	£0.76	3
ECC 25	NT34	Voluntary time dedicated to the creation or management of green infrastructure, to increase biodiversity, or to keep green spaces clean	no. staff volunteering hours	£14.80	3
ECC 26	-	Initiatives undertaken to support the reduction of single use plastics	text	£0.00	3

Forward Plan reference number: FP/204/11/21

<b>Report title: Beaulieu Park Railway Station – Commissioning of Network Rail GRIP Stage 5</b>	
<b>Report to:</b> Cabinet	
<b>Report author:</b> Councillor Lesley Wagland, Cabinet Member for Economic Renewal, Infrastructure and Planning.	
<b>Date:</b> 21 December 2022	<b>For:</b> Decision
<b>Enquiries to:</b> Andrew Cook – Director, Highways and Transportation – email: Andrew.Cook@essex.gov.uk or Kris Corbett, Project Sponsor – email: Kris.Corbett@essex.gov.uk	
<b>County Divisions affected:</b> Chelmer	

## 1. Everyone's Essex

- 1.1 Essex County Council (ECC) is in the process of working with Network Rail (NR) on the design and feasibility of the Beaulieu Park Railway Station in accordance with a Memorandum of Understanding entered into in 2015. This report asks for the authority to enter into an agreement with Network Rail to undertake the detailed design stage for the proceeding option. This next phase of work is known as 'GRIP (Governance in Rail Investment Projects) stage 5'.
- 1.2 This proposal fits with a number of the strategic aims in Everyone's Essex. A new station at Beaulieu Park will support a strong, inclusive and sustainable economy; it will support a high-quality environment by encouraging people to use public transport; and it will support health, wellbeing and independence for all by improving connectivity.

## 2 Recommendations

- 2.1 Authorise the Director, Highways and Transportation, in consultation with the section 151 officer to enter into the Development Services Agreement (DSA) with Network Rail for GRIP stage 5 to enable the Beaulieu Park Railway Station Project to progress through GRIP Stage 5 for the sum of £9,407,267 if the final total project cost estimate issued at the conclusion of GRIP Stage 4 is less than £157.07m.

## 3 Background and Proposal

- 3.1 Beaulieu Park Railway Station is a proposed new railway station located to the north east of Chelmsford serving the new mixed-use development of Beaulieu Park and other developments to the north and east of Chelmsford and developments in the south of Braintree District. The new station includes proposals for approximately 700 car parking spaces, cycle storage for 500

cycles and provides the provisions for a bus interchange to service north Chelmsford and the wider Essex area. The latest programme gives a completion and operational date of 2025. ECC, Chelmsford City Council (CCC), Network Rail and Countryside Zest (CZ) (the Partnership) are working together to secure the delivery of the station. The project will follow the Network Rail processes and procedures, with Network Rail project managing the scheme and their consultant/contractor tendered frameworks providing the resources to deliver the overall project.

- 3.2 The station will form a key part of the wider offer of the Beaulieu Park development, making it attractive to both residential and business occupiers. Construction of the station has been identified as a priority within the East Anglian Rail Prospectus prepared by local MPs and Essex, Suffolk, Norfolk and Cambridgeshire County Councils.
- 3.3 Planning permission for the Beaulieu Park development in north east Chelmsford was granted in 2013. A key element of the section 106 agreement was the delivery of a new station on the Great Eastern Main Line (GEML). The triggers for the Section 106 payments for the Station are based around Network Rail's Project Management Methodology (known as GRIP stages) based on fixed payment dates and are not dependent on housing completions or other conditions.
- 3.4 The early stages of the project were funded from contributions secured under Section 106 agreements with developers. Going forward, the project will be completed through grant funding awarded to ECC from the Housing Investment Fund (HIF) administered by Homes England, Local Growth Fund (LGF) administered by the South East Local Enterprise Partnership (SELEP) and the remaining S106 contributions from developers. ECC has agreed to provide the interface between Project Delivery and the various project partners. A Memorandum of Understanding (MOU) was signed by all parties on 7 December 2015 to provide a framework within which the Partnership will work together to deliver the Station.
- 3.5 The Project Steering Group was established by the MOU. This group provides overall strategic oversight and guidance to the Project and consists of representatives of each of the parties (ECC, Network Rail, CCC, SELEP, Homes England and Countryside Zest). The Project Team are responsible for the delivery of the Project and report into the Project Steering Group.
- 3.6 Under the memorandum, ECC has the responsibility of entering into Development Services Agreements (DSA) with Network Rail to progress each GRIP Stage and develop designs for the Station and is responsible for paying NR once they invoice us. Each DSA will set out the agreement between ECC and Network Rail under which Network Rail will work with ECC in relation to the Beaulieu Station project and under which Essex will pay for such services.
- 3.7 For the project to progress any further, ECC will have to enter into a DSA to progress the project to GRIP Stage 5 'Detailed Design'. Entering into this DSA will allow Network Rail to carry out development of the developed single option from stage 4 and to create the detailed design element.



- 3.8 The Key Objectives for DSA GRIP Stage 5 of the project is to complete the detailed design element of the station. This will allow progression onto GRIP stages 6 – 8 whereby the station is constructed, commissioned and handed back to the Train Operating Company (TOC) and closed out.
- 3.9 The Network Rail GRIP Stage process is broken down into eight stages. Once DSA GRIP Stage 5 has been successfully completed then the project will move on to the next stage. Stage 6-8 will be covered by an Implementation Agreement. Further appropriate ECC governance will be prepared for these future stages as necessary to give appropriate authority before the project proceeds. The table below provides the current expected programme of delivery:

<b>Milestone Description</b>	<b>Target Completion Date</b>
GRIP Stage 5 – Detailed Design	2023
GRIP Stage 6 – Construction and Commission	2025
GRIP Stage 7 – Scheme Hand back	2025
GRIP Stage 8 – Project Closeout	2025

- 3.10 Essex County Council has reflected the themes - Renewal, Equality, Ambition – through Everyone’s Essex – Our plan for levelling up the county. There are four main focus areas as part of this, they are:
- The economy
  - The environment
  - Children and families
  - Promoting health, care and wellbeing for all parts of the population who need support
- 3.11 The proposed new station at Beaulieu Park contributes to all of these outcomes and it is particularly strongly aligned with the Transport and Built Environment commitment within the Environment focus area. The commitment is that ECC will deliver a step change in sustainable travel across the county, by growing passenger transport and active travel, and will ensure we support the move towards net zero, climate resilient developments, including our new garden communities, by delivering sustainable, healthy neighbourhoods for the future. Delivery of the shared outcomes to develop our county sustainably, connect us to each other and the world and share prosperity with everyone.
- 3.12 An effective transport system is integral to peoples’ daily lives; it underpins business and commerce; provides access to work, education and training, essential services and leisure activities; and enables people to make the most of opportunities as they arise.
- 3.13 The proposal supports the delivery of the Essex Local Transport Plan vision for a transport system that supports sustainable economic growth and helps deliver the best quality of life for the residents of Essex by providing connectivity for Essex communities and international gateways to support sustainable economic growth and regeneration.

- 3.14 Beaulieu Park's new station will be the first new station on the Great Eastern main line (GEML) for over 100 years. Beaulieu Station will be more than a train station, it will be a transport hub including bus interchange, taxi rank and cycle storage. Ensuring Beaulieu station is accessible to all has been a central tenet, there will be step free access from street level to each of the three platforms, there will be a bus interchange and drop off points which will be accessible. There will be approximately 700 car parking spaces with an ongoing review of how many Electric Vehicle (EV) charging points to install. There will be storage facilities for a total of 500 bikes. In the first year of opening, it is expected to welcome more than two million passengers.
- 3.15 The wider development to the northeast of Chelmsford has been identified as a key driver of economic growth in the Chelmsford area and the delivery of the Local Development Framework and the Chelmsford's Local Plan which was adopted in May 2020. This shows 3,600 new homes, a 40,000m<sup>2</sup> business park area and in excess of 4,100 jobs, more than 900 of which are anticipated to be a direct response to the construction of the station. The new station will also accelerate the pace of development and job creation. The station will increase capital investment by £129.9m resulting in a higher level of construction employment (estimated at 1,285 person-years of work), increase construction GVA by £29.6m per annum, increase permanent direct job growth by 435 and indirectly by 125 (due to the increase pace of development), provide a higher level of economic output totalling £50.4m per annum, increase business rates (£30.6m pa) and overall increase in the pace of the number of dwellings constructed (Source: Nathaniel Lichfield and Partners Beaulieu Station Economic Impact Assessment Report (2017)). The figures quoted above were included in the bid for HIF funding.
- 3.16 Construction of the Station will drive economic growth in Essex, widening access to employment and improving the competitiveness of the Essex economy, driving sustainable economic growth for Essex communities and businesses.
- 3.17 Encouraging mode shift to rail will ensure that the people in Essex experience a high quality and sustainable environment, and improved access to rail travel will ensure that the people in Essex can live independently and exercise control over their lives.
- 3.18 ECC will work with local partners and the rail industry to ensure that the preferred option delivers value for money and benefits the people of Essex. The creation of passing loops at the station will mean that trains will be able to pass each other at the station to improve reliability of the whole GEML. This project is the only GEML project that has identified funding and as such is being strongly promoted by local MP's.
- 3.19 The Station has been a long-standing feature of planning policy for the expansion of northeast Chelmsford. Chelmsford City Council's northeast Chelmsford Area Action Plan gives clear policy support.

### **3.20 GRIP 4 Outcomes**

- 3.20.1 The Network Rail Anticipated Final Cost (AFC) at the end of GRIP Stage 3 was £171m. This represented £13.93m over the available budget. An independent review of the GRIP Stage 3 report, by Jacobs, indicated that there was a very high level of confidence that through the application of more applicable bench marking figures and reduction in scope of auxiliary areas (such as the multi-storey car park), would be successful in bringing the cost within the funding envelope available.
- 3.20.2 The first task undertaken within GRIP Stage 4 was the value engineering review of the scheme. This has given a current estimated Network Rail AFC of £155.4m. This will be formally issued in late 2021/early 2022.
- 3.20.3 GRIP Stage 4 has also removed the need to undertake a Transport and Works Act Order (TWAo). CCC and CZ, who are the current landowners/interested parties have agreed in principle heads of terms and this is currently being progressed via the legal process. The removal of the TWAo will provide significant programme benefits, which in turn will reduce scheme costs and mitigate and remove the majority of key risks.
- 3.20.4 We are awaiting the final cost estimate at the conclusion of GRIP stage 4 and we will not proceed to GRIP stage 5 unless the cost is less than the total funding allocation of £157.07m.

### **3.21 Current Cost Estimates**

- 3.21.1 The project budget of £157.070m is being funded from three separate sources:
- S106 from Countryside Zest, the developer of Beaulieu Park - £20.569m. There is a maximum total of £22m available if required. This funding source has been secured through a S106 agreement and is not subject to clawback by CCC or developers if the project is aborted.
  - Housing Infrastructure Funding (HIF) from Homes England of £124.501m. Spend from this source is available as ECC have entered into contract with Homes England. The terms include a contractual end date by when this funding can be claimed (confirmed as March 2025) and the project team will be looking to prioritise spend of this grant over other sources which do not have the same restrictions on spend dates.
  - LGF from SELEP - £12M. This money will be spent after all HIF money has been claimed and expended as agreed with SELEP at their Accountability Board in February 2019. This funding source has been secured and agreement is in place to spend the allocation beyond the Growth Deal period, which expires in March 2021.
- 3.21.2 The current project budget is £157.070m with a current project cost estimate from Network Rail through the GRIP Stage 4 value engineering exercise of £155.4m. This includes a contingency allocation of £22m which equates to around 14% of the cost estimate.

3.21.3 The Station has also been identified as a priority for the South East Local Enterprise Partnership (SELEP) within the SELEP Strategic Economic Plan, and, as such, secured £12m funding contribution from the SELEP Growth Deal via the Local Growth Fund in July 2014, reaffirming an earlier allocation of funding to the Project by the South East Local Transport Board in October 2013.

### 3.22 Risk Exposure and Position

3.22.1 As part of a report taken to Cabinet in March 2021 (attached as a background paper), there was an extensive breakdown of all risks associated with the joint Beaulieu Park Railway Station and Chelmsford North East Bypass HIF Contract. For the purposes of this report, only the Beaulieu Park Railway Station will be focussed upon. The following points will clarify the position of each key risk, *Italics* will be the risk and standard text will be the latest status.

3.22.2 Risks that remain and have not materially changed from the approved March 2021 Cabinet report

- *A right for Homes England to stop paying funding and recover all payments made. This would be a £217m risk but it only arises in very limited circumstances, for example if there is corruption or Homes England is brought into disrepute by ECC.* – Risk still remains, but the chance of ECC and/or Homes England being brought into disrepute or corruption allegations occurring is low
- *Where a default occurs the GDA sets out various remedial action which can be taken, but should this remedial action fail, the GDA will terminate, and Homes England may withhold and/or cancel any HIF funding.* – Risk still remains, but chance of a default occurring from an organisation as large and as well managed as ECC is low.

3.22.3 Risks that remain but have improved since the approved March 2021 Cabinet report

- *Homes England could stop providing further funding if certain things happen* – So far, we have been claiming back cost in arrears from Homes England for the past 8 months with no issues.
- *There are certain costs that ECC is obliged to underwrite. These relate to underwriting any operating deficit incurred with respect to the station.* – This risk is now considered lower as anecdotally patronage numbers for public transport across the board have begun to recover as people are returning to places of work, especially London. At worst case, according to the modelling displayed within the HIF Cabinet Report March 2021, with a 60% passenger reduction due to Covid-19, the value for the station deficit would be for approx. £500k in the first year of opening only. It appears that passenger numbers have already improved beyond this point
- *ECC and DfT are to enter into a side agreement about how operational costs are measured to assess deficits etc.* – This side agreement is still being negotiated, but a small number of aspects have been agreed in principle between both parties.

3.22.4 Risks that have significantly improved since the approved March 2021 Cabinet report:

- *If there is slippage in planning or delivery of housing, Homes England can reduce or withhold further funding* – This risk has significantly reduced as CZ has made good on their delivery promises as well as involving other development partners to accelerate and exceed delivery targets.
- *ECC must comply with a number of conditions before it draws down further tranches of funding, especially with respect to land matters* – The risk with respect to the station has almost been mitigated as land matters are nearly complete with all parties in agreement and legal representatives progressing the final documents and agreements although this risk continues with respect to the land assembly for the bypass.
- *The Scheme budget is £157.070m, but the latest estimates indicated £171m* – This risk can now be reduced in severity as the GRIP Stage 4 value engineering exercise decreased the scheme estimate to £155.4m, although we are awaiting a final cost estimate at the conclusion of GRIP stage 4.

3.22.5 Risks that can now be removed and have been fully mitigated since the approved March 2021 Cabinet report:

- *The Government's project speed initiative applies to this scheme. It could introduce additional financial risk* – Project speed has removed the need for a TWAO and a change of processes will allow completion of the station construction works much earlier than anticipated. These two coupled together will significantly reduce costs by the nature of not being on site for longer than required as well as removing expensive processes
- *Terms of agreements have not been signed by CCC with regards to the GDA and how this affects their local plan* – At the time of the March 2021 Cabinet report, the agreement was not complete. But ECC and CCC have now signed an agreement, thereby removing issues arising from there not being an agreement have been resolved. The agreement is not a panacea though..

## 4 Links to our Strategic Ambitions

4.1 This report links to the following aims in the Essex Vision

- Develop our County sustainably
- Connect us to each other and the world
- Share prosperity with everyone

4.2 Approving the recommendations in this report will have the following impact on the Council's ambition to be net carbon neutral by 2030:

- It will reduce overall emissions for private vehicles by promoting the use of train travel.
- It will remove unnecessary journeys into Chelmsford City Centre, thereby reducing emissions.
- The new station will have a large bus interchange, taxi stop area and a large number of cycle racks to promote the use of sustainable modes to travel to the train station.
- There will be a large number of EV charging points which will promote cleaner vehicles if other sustainable modes are not an option.

4.3 This report links to the following strategic priorities in the emerging Organisational Strategy ‘Everyone’s Essex’:

- A strong, inclusive and sustainable economy
- A high-quality environment
- Health wellbeing and independence for all ages
- A good place for children and families to grow

## **5 Options**

- 5.1 The location for the station has been confirmed through the Chelmsford CC Local Plan and planning for the Beaulieu Park development. It will provide significant benefits as identified through this report to Chelmsford and the surrounding area. GRIP Stage 2 reviewed the feasibility of a new station on the GEML; the findings support the station at this location. GRIP Stage 3 reviewed the options and layouts identified under GRIP Stage 2 and selected the preferred option. GRIP Stage 4 fully designed this option. GRIP 5 will go on to design the station to full construction details in preparation of GRIP Stage 6, Construction.
- 5.2 As described previously the development of the scheme is broken down into distinct stages. No stage can proceed without successful completion of the preceding stage. This process means that no stage can commence without a clear understanding of what commitment is required in that stage of the Project. This will give early warning of any possible increase in costs and means that ECC will not be committing to the delivery of the Project before costs have been established. There is no obligation for ECC (and the partners) to proceed with the next stage until the DSA has been signed.

## **6 Issues for consideration**

### **6.1 Financial implications**

- 6.1.1 The latest forecast for Beaulieu Park Railway Station is £157.07m and alongside Chelmsford North East Bypass of £99.001m forms part of the Chelmsford HIF scheme which totals £256.071m. The cost profile and funding are set out below and adjustments to the capital programme are being made as part of 2022/23 budget setting to reflect this.

	Prior year actuals	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000	£000	£000	£000
Beaulieu Park Station	5,201	3,018	9,000	49,851	60,000	30,000	157,070
Chelmsford North East Bypass	4,031	4,118	4,479	13,763	47,474	25,137	99,001
<b>Total Expenditure</b>	<b>9,232</b>	<b>7,136</b>	<b>13,479</b>	<b>63,614</b>	<b>107,474</b>	<b>55,137</b>	<b>256,071</b>
HIF Grant	2,937	7,136	13,479	63,614	107,474	23,222	217,861
Chelmsford City Council						1,500	1,500
SELEP LGF	51	-	-	-	-	11,949	12,000
S106	4,327	-	-	-	-	18,466	22,793
ECC resources	1,917	-	-	-	-	-	1,917
<b>Total Funding</b>	<b>9,232</b>	<b>7,136</b>	<b>13,479</b>	<b>63,614</b>	<b>107,474</b>	<b>55,137</b>	<b>256,071</b>

## 6.1.2 Financial Risks

- The indicative cost estimate of £9.408m for GRIP Stage 5 increases following Network Rail's internal governance processes resulting in potential cost escalation and the requirement to value engineer to ensure the budget remains within the current capital programme allocation and MTRS.
- Costs will be managed through the DSA stage process. However, there is a risk that there is unfunded cost escalation and as ECC is liable for all cost escalation, ECC will need to bear the financial liability associated with funding that increase in cost. Following the value engineering exercise, this risk has been mitigated significantly, but it would be prudent to still consider this a risk, no matter how unlikely.

6.1.3 As of 16 November 2021, £7.177m has been spent on the Beaulieu Park Station and £2.057m of the HIF grant has been drawn down.

6.1.4 The indicative GRIP stage 5 cost estimate of £9.408m, includes a contingency allowance of £0.528m (6% of pre-fee costs), which is considered by the project team and the project teams rail technical adviser (Jacobs) to be sufficient at this stage in the project.

6.1.5 Entering into GRIP stage 5 is subject to a finalised revised cost estimate, due at the end of GRIP stage 4, being within the existing funding allocation.

## 6.2 Legal implications

6.2.1 The DSA is a Network Rail standard draft agreement which sets out the obligations of both ECC and NR as to the GRIP Stage 5 services. The document is standard form and Network Rail have said that they will not entertain any amendments to the standard wording which involves ECC carrying the risk for a number of issues. That said, the agreement will include a number of detailed specific provisions which must meet ECC requirements to minimise risks to the Council.

6.2.2 Under the terms of the DSA, Network Rail and ECC must work together.

6.2.3 Network Rail are a contracting authority for the purposes of the Public Contracts Regulations 2015 and they are bound to procure any services required for the design using the Public Contracts Regulations.

- 6.2.4 The amount of money involved in this scheme and the complexity of the agreements means that the Council is likely to have to bear a number of risks relating to the loss of funding or cost overruns and potentially risks relating to the operating costs of the station. This decision does not commit the Council to the construction of the station and before that happens the Council will need to undertake a risk appraisal so that the risks can be reported accurately to the Cabinet.
- 6.2.5 The risks relating to the HIF grant are significant and are set out elsewhere in this report.

## **7 Equality and Diversity Considerations**

- 7.1 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.
- 7.2 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).
- 7.3 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.

## **8 List of Appendices**

- 8.1 Equality Impact Assessment

## **9 List of Background papers**

- 9.1 Memorandum of Understanding 7 December 2015
- 9.2 Draft DSA GRIP Stage 5 Agreement
- 9.3 Beaulieu Park Station and Chelmsford NE Bypass HIF Cabinet Report – March 2021



**Forward Plan reference number: FP/206/11/21**

<b>Report title:</b> Transfer of land at former Essex County Hospital, Colchester to Essex Housing Development LLP	
<b>Report to:</b> Cabinet	
<b>Report author:</b> Councillor Lesley Wagland, Cabinet Member for Economic Renewal, Infrastructure and Planning	
<b>Date:</b> 21 December 2021	<b>For:</b> Decision
<b>Enquiries to:</b> Chris Bandy – Senior Estates Manager <a href="mailto:chris.bandy@essex.gov.uk">chris.bandy@essex.gov.uk</a> / Gwyn Owen – Head of Essex Housing <a href="mailto:gwyn.owen@essex.gov.uk">gwyn.owen@essex.gov.uk</a>	
<b>County Divisions affected:</b> Drury	

**Confidential Appendix**

This report has a confidential appendix which is not for publication as it includes exempt information falling within paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

**1. Everyone's Essex**

- 1.1 The development of land at the site of Colchester's former Essex County Hospital strongly supports the delivery of the Council's plan, 'Everyone's Essex', which has the aim of providing a high-quality environment, strong, inclusive and sustainable economy, promoting health, wellbeing and independence for all ages.
- 1.2 This scheme would see the delivery of 120 new homes through the restoration of the Grade II listed main hospital building and other heritage assets to create 70 dwellings, plus a further 50 new build homes would be constructed on the site.
- 1.3 Our ambitious plans to hit our net zero targets and accelerate the progress towards sustainable housing are embodied in this development. As standard, dwellings are equipped with high levels of thermal efficiency, photovoltaic panels on the roof to generate sustainable energy and reduce grid consumption and electric vehicle charging points, creating a green community of new residents who are empowered to make the transition to a zero-emissions vehicle to reduce air pollution. Homes are provided with an exterior bin store, receptacles, and literature to encourage positive behaviours.
- 1.4 This development also supports our commitment to renew the economy through the creation of jobs in construction which will support levelling-up and provide a range of new jobs in Colchester.

## **2. Recommendations**

- 2.1 Agree to enter into a contract for the transfer of the freehold ownership of land shown edged red on the Plan from the Council to Essex Housing Development LLP for the value shown in the Confidential Appendix in three phases.
- 2.2 Agree to provide Essex Housing Development LLP with a development loan for the value shown in the Confidential Appendix as part of a development loan facility made by Essex County Council (the Council) to Essex Housing Development LLP ('The LLP').
- 2.3 Agree revenue expenditure value as shown in the Confidential Appendix to be drawn down from the Working Capital facility provided by the Council.
- 2.4 Note that the Section 151 Officer has delegated authority to amend the period of the loan agreement and the repayment amounts and dates.
- 2.5 Agree in its role as Member of Essex Housing Development LLP that:
  - 2.5.1 Essex Housing Development LLP enters into an agreement with Essex County Council to take out a development loan for the value shown in the Confidential Appendix.
  - 2.5.2 Essex Housing Development LLP enters into an agreement with Essex County Council to purchase the Site.
  - 2.5.2 Essex Housing Development LLP enters into a design and build contract for the building of 63 units on the site for Phase 1.

## **3. Background and Proposal**

- 3.1 Essex Housing was established in 2016. Its aim is to provide much-needed homes, shape great places for our residents to live and provide a return to the taxpayer. By developing with a social conscience, Essex Housing, as delivered by Essex Housing Development LLP, is able to deliver great quality, sustainable homes and create fantastic places to live, while reinvesting returns into important public services and improved outcomes for the residents of Essex.
- 3.2 The development of land at Essex County Hospital strongly supports the delivery of the Council's plan, 'Everyone's Essex', providing a high-quality environment, strong, inclusive and sustainable economy, promoting health, wellbeing and independence for all ages.
- 3.3 The development of the former Essex County Hospital is proposed to be delivered by Essex Housing Development LLP, which became operational in February 2021 to deliver its ambitious development programme. The LLP was created to bring forward surplus land and assets to build private, affordable

and specialist homes to address housing need throughout the County. The land is to be developed in 3 phases (Phases 1, 2 and 3).

- 3.4 The freehold of Phase 1 is currently owned by ECC and following the transfer of the land for Phase 1 from ECC to the LLP, the 63 homes will be developed by the LLP and constructed and then sold at market rates with income provided to ECC from both the sale of the land to the LLP and through the surplus made by the LLP on completion of unit sales.
- 3.5 ECC previously agreed to procure the design and build contract for Phase 1 as the land was owned by ECC. However, as it is proposed that the land is now transferred to the LLP for the LLP to develop the site, the LLP is to undertake the procurement for a design and build contractor for the construction of 63 units in Phase 1. The design and build contract is to be awarded by the LLP following the transfer of the land from the Council to the LLP. Income will come to the Council from both the sale of the land to the LLP and any surplus made by the LLP on completing of unit sales.
- 3.6 Phases 2 and 3 consist of land for the construction of 38 homes and 19 homes (120 homes in total for all 3 phases). Both phases will transfer from ECC to the LLP as indicated in the table below. As it is proposed that the land for phases 2 and 3 will be owned by the LLP, the design and build contracts for these 2 phases are to be procured by the LLP. These phases will be sold at market rates with income to ECC from both the sale of the land to the LLP and through the surplus made by the LLP on completion of unit sales.
- 3.7 Below is an indicative timeline for the project:

<b>Milestone Description</b>	<b>Target Date</b>
Transfer of Phase 1 to the LLP	January 2022
Phase 1 Construction Start	April 2022
Transfer of Phase 2 to the LLP	December 2022
Phase 2 Construction Start	January 2023
Transfer of Phase 3 to the LLP	February 2023
Phase 3 Construction Start	November 2023
Sales Start	May 2023
Sales completes	May 2025

- 3.8 As set out in this report, there are a number of decisions required in order for the Council to dispose of the site to the LLP. Some of these decisions are taken by the Council as the landowner and others are taken in its capacity of 99% owner of the LLP.

### **Deed of Covenant**

- 3.9 Under the sale contract between ECC and East Suffolk and North Essex NHS Foundation Trust (the NHS Trust), if ECC transfers the site (either as a whole or in parts) ECC is required to first procure from their buyer a Deed of Covenant. In the Deed of Covenant, ECC's buyer, the LLP, will agree

covenants directly with the NHS Trust to comply with the overage provisions contained in the sale contract including the obligations to make any future, additional payments due to the NHS Trust linked to the profitability of the site relating to the development or if the site is sold (other than a plot sale) which will reduce ECC's liability to the NHS Trust with regard to such future obligations. The LLP is required to sign such a Deed of Covenant with the NHS Trust before the transfer of Phase 1 and similarly for Phase 2 and Phase 3.

## **Disposal**

- 3.10 The site is 1.76 Ha (4.34 acres) and is the former Essex County Hospital, which closed its doors in 2018. It is located in Colchester. The former Essex County Hospital site is proposed to be developed in 3 phases (Phases 1, 2 and 3). Phase 1 is 0.88 HA (2.17 acres), Phase 2 is 0.52 HA (1.27 acres) and Phase 3 is 0.36 HA (0.9 acres). ECC is under contract to acquire all three phases of the site by 23 February 2023. The Council purchased Phase 1 on 24 February 2021 and will purchase Phases 2 and 3 before 23 February 2023. The Phases will be purchased by ECC in order to transfer them to the LLP to develop further housing across the wider site. ECC will enter into a contract with the LLP to agree to transfer the land to the LLP following purchase by ECC of each phase.
- 3.11 It is proposed that all Phases of the Essex County Hospital site will be transferred to the LLP in three tranches for the price shown in the confidential appendix. The LLP will progress the construction of the scheme through to completion, including marketing and sales. Section 123 of the Local Government Act 1972 requires the Council to secure the "best consideration that can reasonably be obtained" or otherwise seek formal consent from the Secretary of State for the disposal unless the undervalue is permitted by Circular 06/03: Local Government Act 1972 general disposal consent (England) 2003. In accordance with Section 123 of the Local Government Act 1972 a valuation has been undertaken and is set out in the Confidential Appendix to inform the decision to dispose of all Phases to the LLP. The value will form part of the development loan and be repaid to the Council through the proceeds of sale of units built on the site. The creation of the LLP and transfer of all Phases to the LLP means that disposal of dwellings and other interests to buyers must be from the LLP.
- 3.12 The sale of the units is in accordance with the LLP's Annual Delivery Plan and the sale of 120 general needs units should be undertaken through the traditional approach of open market sale to individual purchasers.

## **Project Financing**

- 3.13 There will be a development loan provided by the Council to the LLP to cover any capital costs involved in the development of all Phases of Essex County Hospital. These costs are detailed in the confidential appendix and include design and construction fees. The development loan will include the value of any land transferred from the Council to the LLP.

## **ECC as Member of the LLP**

- 3.14 Essex Housing Development LLP is a company owned by Essex County Council 99% and Seax Trading Limited 1%. The LLP is constituted and governed by an LLP Agreement entered into between Essex County Council, Seax Trading Limited and the LLP dated 29 January 2021. This provides that the LLP shall have a Management Board which shall carry on and conduct the LLP's day-to-day business and that a range of reserved matters are reserved solely to the Council. Where the LLP seeks to enter into arrangements over £2,000,000, the LLP requires the Council's approval. It is therefore proposed in this report that the Council approves the LLP entering into an agreement for funding for Essex County Hospital as set out in the Confidential Appendix, is authorised to enter into a design and build contract following a successful procurement carried out by the LLP and is authorised to enter into an agreement to transfer the Essex County Hospital site to the LLP once purchased by the Council.

## **4. Links to our Strategic Ambitions**

- 4.1 This report links to the following aims in the Essex Vision:

Develop our County sustainably.

- 4.2 Approving the recommendations in this report will have the following impact on the Council's ambition to be net carbon neutral by 2030:

As standard, dwellings are equipped with high levels of thermal efficiency, photovoltaic panels on the roof to generate sustainable energy and reduce grid consumption and electric vehicle charging points, creating a green community of new residents who are empowered to make the transition to a zero-emissions vehicle to reduce air pollution. Homes are provided with an exterior bin store, receptacles, and literature to encourage positive behaviours.

- 4.3 This report links to the following strategic priorities in 'Everyone's Essex':

### **A strong, inclusive and sustainable economy:**

**Infrastructure:** we will deliver and maintain high quality infrastructure to improve opportunities for people living in Essex as well as supporting a growing economy and the delivery of new homes and communities by investing in the region of £1bn by the end of this Council.

**Future growth and investment:** we will help grow existing businesses and the economic sectors of the future in Essex, including the arts, and secure high levels of new investment by working with partners to promote the County, by creating the conditions for growth and by maximising the /impact of public sector spend within the county.

## **A high-quality environment:**

**Net zero:** we will work across the Council and the County to hit our net zero targets, by ensuring that the Council significantly reduces its carbon footprint whilst also supporting an acceleration in the progress towards sustainable housing and energy, and active and alternative forms of travel across the county.

**Transport and built environment:** we will deliver a step change in sustainable travel across the county, by growing passenger transport and active travel and will ensure we support the move towards net zero, climate resilient developments including our new garden communities, by delivering sustainable and healthy neighbourhoods for the future.

## **5. Options**

### **Disposal**

- 5.1 To transfer the freehold ownership of the land (in three phases) to the LLP in order to secure the development of the site (**recommended option**). The benefits of this option are that it enables greater flexibility and financial benefits to support the delivery of housing.
- 5.2 Retain ownership of the land (all three phases) by the Council. The Council will then be responsible for completion of the development. Retaining ownership of the site by the Council will forego benefits highlighted above. Contracts that have previously been novated to the LLP by ECC will be required to be novated back to the Council. The Council would also need to cover total costs spent to date which would be considered abortive costs as outlined in the Confidential Appendix.

### **Project Financing**

- 5.3 The Council providing development loan subject to land transfer and ongoing capital costs. This will allow LLP to fund land transfer and pay for ongoing project related capital costs. The LLP can take forward the development of housing on the Site (**recommended option**).
- 5.4 The Council not providing funding. This would require the LLP to go back to the Council as a reserved matter if the land is transferred to obtain funding from a third party. This will take additional time in sourcing new funding and purchasing the site, which is likely to cause delays to the construction of units and sales completing.
- 5.5 Do nothing. The Council would need to cover total costs spent to date which would be considered abortive costs as outlined in the Confidential Appendix.
- 5.6 It is therefore recommended that the Site transfer to the LLP and that the Council provides a loan facility to the LLP. This will permit the Site to be

developed by the LLP as set out in this report. This is the recommended option, delivers the greatest benefits to local residents and is financially viable. A breakdown of the financial benefits of developing the scheme are set out in the confidential appendix.

## **6. Issues for consideration**

### **6.1 Financial implications**

- 6.1.1 The land is assessed to have the value shown in the Confidential Appendix. This value is part of the development loan that will be provided by the Council to the LLP for this project.

### **6.2 Legal implications**

- 6.2.1 The Council is obliged to obtain the best consideration reasonably obtainable on the disposal of its own property unless the Secretary of State consents to the disposal or the disposal falls within the terms of the disposal consents issued under the Local Government Act 1972.
- 6.2.2 The confidential appendix confirms that the recommended proposal meets best value.
- 6.2.3 Essex Legal Services and Essex Legal Services Ltd will be commissioned to carry out the conveyancing work associated with the disposal.
- 6.2.4 In accordance with the LLP Agreement between the Council, Seax Trading Limited and Essex Housing Development LLP dated 29 January 2021, the decision to enter into agreements over £2,000,000 is reserved to the Council. The decision by the Council recorded by this report is as effective as the decision of the Member of the LLP.
- 6.2.5 Commercial legal issues relating to development are set out in the confidential appendix.

## **7. Equality and Diversity implications**

- 7.1 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.
- a. 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).
- b. 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.

**8. List of appendices**

Confidential Appendix.  
Title Plan  
EQIA

**10. List of Background papers**

None



**These are the notes referred to on the following official copy**

The electronic official copy of the title plan follows this message.

Please note that this is the only official copy we will issue. We will not issue a paper official copy.

This official copy was delivered electronically and when printed will not be to scale. You can obtain a paper official copy by ordering one from HM Land Registry.

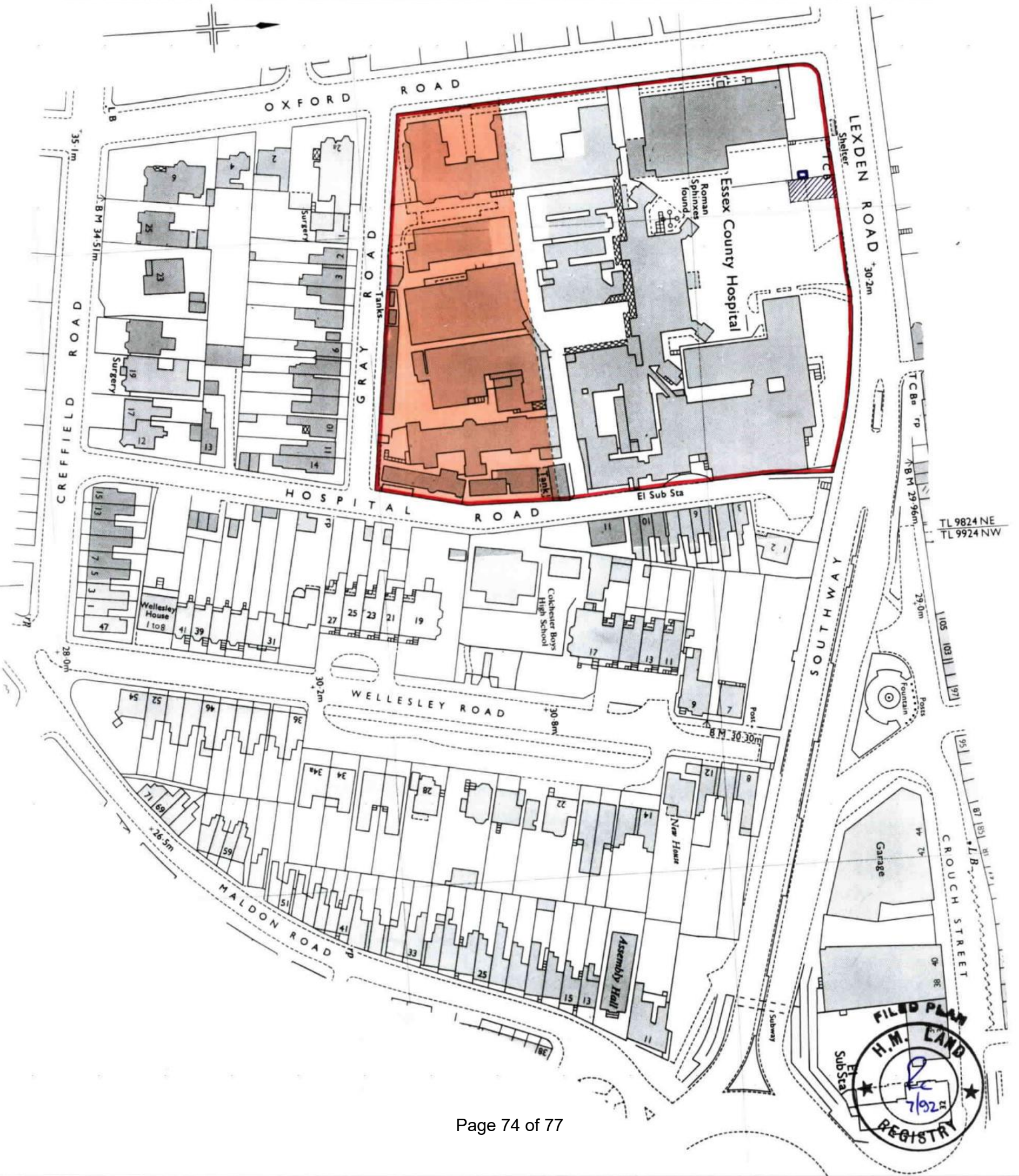
There is an/are application(s) pending in HM Land Registry and if we have only completed the mapping work for a pending application affecting the title concerned, such as a transfer of part:

- additional colour or other references, for example 'numbered 1', may appear on the title plan (or be referred to in the certificate of inspection in form CI), but may not yet be mentioned in the register
- colour or other references may also have been amended or removed from the title plan (or not be referred to in form CI), but this may not be reflected in the register at this stage.

This official copy is issued on 18 May 2021 shows the state of this title plan on 04 March 2021 at 11:59:50. It is admissible in evidence to the same extent as the original (s.67 Land Registration Act 2002). This title plan shows the general position, not the exact line, of the boundaries. It may be subject to distortions in scale. Measurements scaled from this plan may not match measurements between the same points on the ground. This title is dealt with by the HM Land Registry, Peterborough Office .

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H.M. LAND REGISTRY		TITLE NUMBER	
		<b>EX464554</b>	
ORDNANCE SURVEY PLAN REFERENCE	TL 9824	SECTION N	Scale 1/1250
COUNTY ESSEX	DISTRICT COLCHESTER		© Crown copyright 1989



<b>Report title:</b> Decisions taken by or in consultation with Cabinet Members	
<b>Report author:</b> Secretary to the Cabinet	
<b>Date:</b> 21 December 2021	<b>For:</b> Information
<b>Enquiries to:</b> Emma Tombs, Democratic Services Manager, 03330 322709	
<b>County Divisions affected:</b> All Essex	

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

### **Leader of the Council**

- \*FP/174/10/21** Allocation of Government Funding – Adult Social Care Infection Control and Testing Fund, Round 3
- FP/240/12/21** Essex Legal Services Limited – Appointment of Director
- FP/241/12/21** Temporary support to Live at Home providers
- FP/253/12/21** Community Renewal Fund 2021/22
- \*FP/203/10/21** Decision to enter into a Memorandum of Understanding relating to the Rolling Infrastructure Fund for the Harlow and Gilston Garden Town

### **Deputy Leader & Cabinet Member for Community, Equality, Partnerships and Performance**

- \*FP/212/11/21** Household Support Fund: Funding to Support Families and Vulnerable Adults

### **Cabinet Member for Children's Services and Early Years**

- \*FP/188/10/21** Use of Lavender House, Colchester, for a temporary period for regulated provision for under 16s with disabilities in addition to overnight short breaks
- FP/249/12/21** Amendment to Cabinet decision approved on 29<sup>th</sup> July 2021 regarding the intensive coaching service for children in care.
- \*FP/198/10/21** Decision to award a contract for Housing Related Support for Young People aged 16+
- FP/251/12/21** Retender of the Commissioning of Specialist Adoption and Special Guardianship Order Support Services

## **Cabinet Member for Devolution, the Arts, Heritage and Culture**

### **In consultation with Cabinet Member for Finance, Resources and Corporate Affairs**

**FP/250/12/21**      Arts and Cultural Fund

## **Cabinet Member for Education Excellence, Life Long Learning and Employability**

**FP/227/11/21**      Appointment and Re-Appointment of School Governors by Essex LA - Schedule 387

**FP/234/11/21**      Appointment and Re-Appointment of School Governors by Essex LA - Schedule 388

**FP/248/12/21**      Appointment and Re-Appointment of School Governors by Essex LA - Schedule 389

**\*FP/113/07/21**      Expansion of Ormiston Rivers Academy, Burnham-on-Crouch

## **Cabinet Member for Finance, Resources and Corporate Affairs**

**FP/222/11/21**      Funding for Flu Vaccination Programme

**FP/223/11/21**      People and Transformation Role Investment – Inclusion Commitments and Business Partner Support

**FP/224/11/21**      Drawdown from Technology Solutions Reserve: Network & Voice procurement discovery phase

**FP/246/12/21**      Addition to the Capital Programme for the Local Authority Treescape Fund scheme

### **In partnership with Cabinet Member for Waste Reduction and Recycling**

**FP/254/12/21**      Integrated Waste Handling Contract Service Delivery – Purchase of Specialist Plant

## **Cabinet Member for Health and Adult Social Care**

**\*FP/171/09/21**      Extension of Mental Health Supported Housing Contracts - Intensive Enablement and Supported to Independence

### **Cabinet Member for Highways Maintenance and Sustainable Transport**

**FP/231/11/21**      Proposed No Waiting at Any Time restrictions on School Avenue, High Road, Masters Crescent, Warwick Crescent and Tonbridge Drive, Basildon

**FP/236/11/21**      Proposed changes to Basildon Town Centre as part of the Highway Improvement scheme and Bus Gate restrictions on Southernhay, Basildon

**FP/239/12/21**      Proposed 20mph Speed Limit, Rowhedge Village, East Donyland

### **Cabinet Member for Waste Reduction and Recycling**

**FP/243/12/21**      Integrated Waste Handling Contract Service Delivery - Mobile Plant Contract Award

**\* Key Decisions 7**

**Exempt from 28-day period and call in: 2**