



Mike Rowan
*Head of Legal and
Democratic Services*

MEETING : EXECUTIVE
VENUE : COUNCIL CHAMBER, WALLFIELDS, HERTFORD
DATE : TUESDAY 19 JULY 2016
TIME : 7.00 PM

MEMBERS OF THE EXECUTIVE

Councillor Linda Haysey	- Leader
Councillor Eric Buckmaster	- Executive Member for Health and Wellbeing
Councillor Tony Jackson	- Ambassador and Executive Member for Shared Services
Councillor Gary Jones	- Deputy Leader and Executive Member for Economic Development
Councillor Graham McAndrew	- Executive Member for Environment and the Public Space
Councillor Suzanne Rutland-Barsby	- Executive Member for Development Management and Council Support
Councillor Geoffrey Williamson	- Executive Member for Finance and Support Services

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DISCLOSABLE PECUNIARY INTERESTS

1. A Member, present at a meeting of the Authority, or any committee, sub-committee, joint committee or joint sub-committee of the Authority, with a Disclosable Pecuniary Interest (DPI) in any matter to be considered or being considered at a meeting:
 - must not participate in any discussion of the matter at the meeting;
 - must not participate in any vote taken on the matter at the meeting;
 - must disclose the interest to the meeting, whether registered or not, subject to the provisions of section 32 of the Localism Act 2011;
 - if the interest is not registered and is not the subject of a pending notification, must notify the Monitoring Officer of the interest within 28 days;
 - must leave the room while any discussion or voting takes place.
2. A DPI is an interest of a Member or their partner (which means spouse or civil partner, a person with whom they are living as husband or wife, or a person with whom they are living as if they were civil partners) within the descriptions as defined in the Localism Act 2011.
3. The Authority may grant a Member dispensation, but only in limited circumstances, to enable him/her to participate and vote on a matter in which they have a DPI.

4. It is a criminal offence to:

- fail to disclose a disclosable pecuniary interest at a meeting if it is not on the register;
- fail to notify the Monitoring Officer, within 28 days, of a DPI that is not on the register that a Member disclosed to a meeting;
- participate in any discussion or vote on a matter in which a Member has a DPI;
- knowingly or recklessly provide information that is false or misleading in notifying the Monitoring Officer of a DPI or in disclosing such interest to a meeting.

(Note: The criminal penalties available to a court are to impose a fine not exceeding level 5 on the standard scale and disqualification from being a councillor for up to 5 years.)

Audio/Visual Recording of meetings

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AGENDA

1. Apologies

To receive apologies for absence.

2. Leader's Announcements

3. Minutes (Pages 5 - 26)

To approve the Minutes of the meeting held on 7 June 2016.

4. Declarations of Interest

To receive any Member(s) declaration(s) of interest.

5. Waste and Street Cleansing Contract - Future Service Design Considerations (Pages 27 - 50)

6. Shared Waste Service Arrangements with North Herts (Pages 51 - 140)

7. Leisure Facilities Strategy (Pages 141 - 170)

8. Delivery Plan for Active East Herts (Pages 171 - 200)

9. Rural Isolation in East Herts (Pages 201 - 234)

10. Community Lettings Policy (Pages 235 - 246)

11. Funding for Apprentices (Pages 247 - 252)

12. Urgent Business

To consider such other business as, in the opinion of the Chairman of the meeting, is of sufficient urgency to warrant consideration and is not likely to involve the disclosure of exempt information.

MINUTES OF A MEETING OF THE
EXECUTIVE HELD IN THE COUNCIL
CHAMBER, WALLFIELDS, HERTFORD ON
TUESDAY 7 JUNE 2016, AT 7.00 PM

PRESENT: Councillor G Jones (Chairman/Deputy
Leader).
Councillors E Buckmaster, A Jackson,
G McAndrew, S Rutland-Barsby and
G Williamson.

ALSO PRESENT:

Councillors A Alder, M Allen, D Andrews,
P Ballam, R Brunton, M Freeman,
J Goodeve, J Jones, P Moore, T Page,
M Pope, R Standley and N Symonds.

OFFICERS IN ATTENDANCE:

Philip Gregory	- Head of Strategic Finance and Property
Martin Ibrahim	- Democratic Services Team Leader
Henry Lewis	- Head of Business and Technology Services
Mike Rowan	- Head of Legal and Democratic Services
Kevin Steptoe	- Head of Planning and Building Control Services
Su Tarran	- Head of Revenues and Benefits Shared Service
Adele Taylor	- Director
Liz Watts	- Chief Executive

52 BUNTINGFORD CONSERVATION AREA APPRAISAL AND MANAGEMENT PLAN

The Executive Member for Development Management and Council Support submitted a report on the Buntingford Conservation Area Appraisal following public consultation. She detailed the outcome of the public consultation in the report now submitted.

The Appraisal identified the special character of the Conservation Area together with the elements that should be retained or enhanced and those which detracted from the identified character. Once adopted by the Council, the Appraisal would become a 'material consideration' in the process of determining planning applications. It would also link into the development of neighbourhood planning.

Members welcomed the report and thanked Officers for its detail.

The Executive supported the recommendations as now detailed.

RECOMMENDED – that (A) the Buntingford Conservation Area Appraisal and Management Plan be adopted;

(B) authority be delegated to the Head of Planning and Building Control, in consultation with the Executive Member for Development Management and Council Support, to make any further minor and consequential changes to the document which may be necessary; and

(C) the responses to the public consultation be noted and the Officer responses and proposed changes to the Buntingford Conservation Area Appraisal and Management Plan be supported.

53 WARE CONSERVATION AREA APPRAISAL AND MANAGEMENT PLAN

The Executive Member for Development Management and Council Support submitted a report on the Ware Conservation Area Appraisal following public consultation. She detailed the outcome of the public consultation in the report now submitted.

The Appraisal identified the special character of the Conservation Area together with the elements that should be retained or enhanced and those which detracted from the identified character. Once adopted by the Council, the Appraisal would become a 'material consideration' in the process of determining planning applications. It would also link into the development of neighbourhood planning.

Members welcomed the report and thanked Officers for its detail.

In response to a Member's comment on a recent planning appeal decision, the Head of Planning and Building Control stated that, once approved, an Appeal Inspector could give significant weight to a Conservation Area Appraisal and Management Plan.

The Executive supported the recommendations as now detailed.

RECOMMENDED – that (A) the Ware Conservation Area Appraisal and Management Plan be adopted;

(B) authority be delegated to the Head of Planning and Building Control, in consultation with the Executive Member for Development Management and Council Support, to make any further minor and consequential changes to the document which may be necessary; and

(C) the responses to the public consultation be

noted and the Officer responses and proposed changes to the Buntingford Conservation Area Appraisal and Management Plan be supported.

54 COUNCIL TAX DISCOUNTS

The Executive considered a report that considered changes to the level of Council Tax discount granted on empty homes. It was noted that Corporate Business Scrutiny Committee had recommended that proposals be made which discouraged empty properties, with a phased approach to reducing discounts.

The Executive considered the options detailed in the report now submitted and supported their introduction from 1 April 2017.

RECOMMENDED – that (A) the recommendations of the Corporate Business Scrutiny Committee be received;

(B) the addition of a 50% Council Tax premium on properties which have been empty for 2 or more years, be approved;

(C) changing the period or percentage of relief granted to properties which are classified as empty and uninhabitable from 50% for up to 12 months to a period not exceeding 6 months at 50%, be approved; and

(D) changing the period or percentage of relief granted to properties which are classified as empty and substantially unfurnished from a period of up to 6 months at 50% to a period not exceeding 2 months at 50%, be approved.

(Note – Councillors G McAndrew, M Pope and G Williamson left the chamber whilst this matter was considered – see Minute 71)

55 COUNCIL TAX SUPPORT SCHEME 2017/18

The Executive considered the latest available information around the current local Council Tax Support (CTS) scheme and whether any changes should be considered for 2017/18.

The Corporate Business Scrutiny Committee of 22 March 2016 had considered a report on the current position and potential changes that could be made. Attention had been drawn to the ongoing welfare reforms and the uncertain potential impact on residents. As such, the Committee had supported the status quo for 2017/18.

The Executive supported this view and recommended that no changes to the CTS be made.

RECOMMENDED - that (A) the recommendations of the Corporate Business Scrutiny Committee be received; and

(B) the current Council Tax Support Scheme be supported for 2017/18.

**56 DEVELOPMENT MANAGEMENT PRE-APPLICATION
ADVICE SERVICE – REVISION OF CHARGES**

The Executive considered a report proposing revisions to Development Management pre-application charges. A review had been undertaken, which had concluded that the service to customers should be improved with regard to both quality and timescale. The review had also concluded that the cost of providing the service was not met by the fees currently charged.

The Executive supported the revisions as detailed in the report submitted.

RECOMMENDED - that the 'in-year' revision to charges for the Development Management pre-application advice service, as set out in the report

submitted, be approved.

**57 EAST HERTS GYPSIES AND TRAVELLERS AND
TRAVELLING SHOWPEOPLE ACCOMMODATION NEEDS
ASSESSMENT UPDATE FEBRUARY 2016**

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the East Herts Gypsies and Travellers and Travelling Showpeople Accommodation Needs Assessment Update Summary, April 2016.

The Executive received and supported the final May 2016 version as now submitted at Essential Reference Paper 'A' of the Minutes of the meeting.

RECOMMENDED – that (A) East Herts Gypsies and Travellers and Travelling Showpeople Accommodation Needs Assessment Update Summary, April 2016, be noted;

(B) amendments to the Update Summary necessitated by the Housing and Planning Act for consideration by the Executive be delegated to the Head of Planning and Building Control in conjunction with the Panel Chairman; and

(C) the final version of the East Herts Gypsies and Travellers and Travelling Showpeople Accommodation Needs Assessment Update Summary, May 2016, as now submitted at Essential Reference Paper 'A' of the Minutes submitted, be approved as part of the evidence base to inform and support the East Herts District Plan and to inform Development Management decisions.

(see also Minute 75)

**58 THE GILSTON AREA AND THE GOVERNMENT'S
'LOCALLY LED GARDEN VILLAGES, TOWNS AND
CITIES' PROSPECTUS**

The Executive considered the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the Gilston Area and the Government's "Locally Led Garden Villages, Towns and Cities" Prospectus.

The Head of Planning and Building Control updated the Executive on the outcome of a recent meeting with Epping Forest and Harlow Councils, which had supported an expression of interest for a garden town. He emphasised that this would not prejudice the Council's forthcoming decisions on site allocations within the District Plan.

The Executive supported this approach.

RECOMMENDED - that (A) the content of the Government's prospectus on "Locally Led Garden Villages, Towns and Cities" be noted; and

(B) preparation and submission of an expression of interest for Government support in relation to the Gilston Area as a Garden Town, be supported.

(see also Minute 75)

59 LOCAL DEVELOPMENT SCHEME (LDS) MAY 2016

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the Local Development Scheme (LDS) May 2016.

RECOMMENDED – that the Local Development Scheme (LDS) May 2016 as now detailed, be agreed with effect from May 2016.

(see also Minute 75)

**60 EAST HERTS DRAFT DISTRICT PLAN – CHAPTER 15 –
RETAIL AND TOWN CENTRES: RESPONSE TO ISSUES
RAISED DURING PREFERRED OPTIONS
CONSULTATION, FURTHER AMENDMENTS AND DRAFT
REVISED CHAPTER**

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the issues raised in Chapter 15 (Retail and Town Centres) of the draft District Plan Preferred Options.

RECOMMENDED – that (A) the issues raised in Chapter 15 (Retail and Town Centres) of the draft District Plan Preferred Options, as now detailed at Essential Reference Paper ‘B’ to the report be received and considered;

(B) Officers’ responses to the issues referred to in (A) above, as now detailed in Essential Reference Paper ‘B’ to the report be agreed;

(C) the further amendments in respect of Chapter 15 (Retail and Town Centres) of the draft District Plan Preferred Options, as detailed in Essential Reference Paper ‘B’ to the report, be received and considered; and

(D) the draft revised Chapter 15 (Retail and Town Centres), as detailed in Essential Reference Paper ‘C’ to the report be agreed as a basis for inclusion in the final draft District Plan, with the content being finalised when the consolidated plan is presented in September 2016.

(see also Minute 75)

61 EAST HERTS DRAFT DISTRICT PLAN – CHAPTER’S 16 AND 20 – DESIGN AND LANDSCAPE: RESPONSE TO ISSUES RAISED DURING PREFERRED OPTIONS CONSULTATION, FURTHER AMENDMENTS AND DRAFT REVISED CHAPTER (RENUMBERED CHAPTER 16)

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the issues raised in respect of Chapter 16 (Design) and Chapter 20 (Landscape) of the draft District Plan Preferred Options.

RECOMMENDED – that (A) the issues raised in respect of Chapter 16 (Design) and Chapter 20 (Landscape) of the draft District Plan Preferred Options, as now detailed in Essential Reference Paper ‘B’ to the report, be received and considered;

(B) Officers’ responses to the issues referred to in (A) above, as now detailed in Essential Reference Paper ‘B’ to the report be agreed;

(C) the further amendments in respect of Chapter 16 (Design) and Chapter 20 (Landscape) of the draft District Plan Preferred Options, as now detailed at Essential Reference Paper ‘B’ to this report be received and considered; and

(D) the draft revised Chapter 16 (Design and Landscape), as detailed in Essential Reference Paper ‘C’ to the report, be agreed, as a basis for inclusion in the final draft District Plan, with the content being finalised when the consolidated plan is presented in September 2016.

(see also Minute 75)

**62 EAST HERTS DRAFT DISTRICT PLAN – CHAPTER 17 –
TRANSPORT: RESPONSE TO ISSUES RAISED DURING
PREFERRED OPTIONS CONSULTATION, FURTHER
AMENDMENTS AND DRAFT REVISED CHAPTER**

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the issues raised in Chapter 17 (Transport) of the draft District Plan Preferred Options.

RECOMMENDED – that (A) the issues raised in respect of Chapter 17 (Transport) of the draft District Plan Preferred Options, as now detailed in Essential Reference Paper 'B' to the report, be received and considered;

(B) Officers' responses to the issues referred to in (A) above, as now detailed in Essential Reference Paper 'B' to the report be agreed;

(C) the further amendments in respect of Chapter 17 (Transport) of the draft District Plan Preferred Options, as detailed in Essential Reference Paper 'B' to the report be received and considered; and

(D) the draft revised Chapter 17 (Transport) as detailed in Essential Reference Paper 'C' to the report, be agreed as a basis for inclusion in the final draft District Plan, with the content being finalised when the consolidated plan is presented in September 2016.

(see also Minute 75)

**63 EAST HERTS DRAFT DISTRICT PLAN – CHAPTER 19 –
NATURAL ENVIRONMENT: RESPONSE TO ISSUES
RAISED DURING PREFERRED OPTIONS
CONSULTATION, FURTHER AMENDMENTS AND DRAFT
REVISED CHAPTER**

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the issues raised in Chapter 19 (Natural Environment) of the draft District Plan Preferred Options.

RECOMMENDED – that (A) the issues raised in respect of Chapter 19 (Natural Environment) of the draft District Plan Preferred Options as now detailed in Essential Reference Paper ‘B’ to the report be received and considered;

(B) Officers’ responses to the issues referred to in (A) above, as detailed in Essential Reference Paper ‘B’ to the report be agreed;

(C) the further amendments in respect of Chapter 19 (Natural Environment) of the draft District Plan Preferred Options as detailed in Essential Reference Paper ‘B’ to the report be received and considered;

(D) the draft revised Chapter 19 (Natural Environment), as detailed in Essential Reference Paper ‘C’ to the report be agreed, as a basis for inclusion in the final draft District Plan, with the content being finalised when the consolidated plan is presented in September 2016.

(see also Minute 75)

**64 EAST HERTS DRAFT DISTRICT PLAN – CHAPTER 21 –
HERITAGE ASSETS: RESPONSE TO ISSUES RAISED
DURING PREFERRED OPTIONS CONSULTATION,
FURTHER AMENDMENTS AND DRAFT REVISED
CHAPTER (RENUMBERED CHAPTER 20)**

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the issues raised in Chapter 21 (Heritage Assets) of the draft District Plan Preferred Options.

RECOMMENDED – that (A) the issues raised in respect of Chapter 21 (Heritage Assets) of the draft District Plan Preferred Options as now detailed in Essential Reference Paper ‘B’ to the report be received and considered;

(B) Officers’ responses to the issues referred to in (A) above, as detailed in Essential Reference Paper ‘B’ to the report be agreed;

(C) the further amendments in respect of Chapter 21 (Heritage Assets) of the draft District Plan Preferred Options as detailed in Essential Reference Paper ‘B’ to the report be received and considered; and

(D) the draft revised (and renumbered) Chapter 20 (Heritage Assets) as detailed in Essential Reference Paper ‘C’ to the report be agreed, as a basis for inclusion in the final draft District Plan, with the content being finalised when the consolidated plan is presented in September 2016.

(see also Minute 75)

**65 EAST HERTS DRAFT DISTRICT PLAN – CHAPTER 22 –
CLIMATE CHANGE: RESPONSE TO ISSUES RAISED
DURING PREFERRED OPTIONS CONSULTATION,
FURTHER AMENDMENTS AND DRAFT REVISED
CHAPTER (RENUMBERED CHAPTER 21)**

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the issues raised in Chapter 22 (Climate Change) of the draft District Plan Preferred Options.

RECOMMENDED – that (A) the issues raised in respect of Chapter 22 (Climate Change) of the draft District Plan Preferred Options as now detailed in Essential Reference Paper ‘B’ to the report be received and considered;

(B) Officers’ responses to the issues referred to in (A) above, as detailed in Essential Reference Paper ‘B’ to the report be agreed;

(C) the further amendments in respect of Chapter 22 (Climate Change) of the draft District Plan Preferred Options as detailed in Essential Reference Paper ‘B’ to the report be received and considered; and

(D) the draft revised (and renumbered) Chapter 21 (Climate Change) as detailed in Essential Reference Paper ‘C’ to the report be agreed, as a basis for inclusion in the final draft District Plan, with the content being finalised when the consolidated plan is presented in September 2016.

(see also Minute 75)

**66 EAST HERTS DRAFT DISTRICT PLAN – CHAPTER 23 –
WATER: RESPONSE TO ISSUES RAISED DURING
PREFERRED OPTIONS CONSULTATION, FURTHER
AMENDMENTS AND DRAFT REVISED CHAPTER
(RENUMBERED CHAPTER 2)**

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the issues raised in Chapter 23 (Water) of the draft District Plan Preferred Options.

RECOMMENDED – that (A) the issues raised in respect of Chapter 23 (Water) of the draft District Plan Preferred Options as now detailed in Essential Reference Paper ‘B’ to the report be received and considered;

(B) Officers’ responses to the issues referred to in (A) above, as detailed in Essential Reference Paper ‘B’ to the report be agreed;

(C) the further amendments in respect of Chapter 23 (Water) of the draft District Plan Preferred Options as detailed in Essential Reference Paper ‘B’ to the report be received and considered;

(D) the draft revised (and renumbered) Chapter 22 (Water) as detailed in Essential Reference Paper ‘C’ to the report be agreed, as a basis for inclusion in the final draft District Plan, with the content being finalised when the consolidated plan is presented in September 2016; and

(E) the issue of slurry storage be incorporated into the Chapter.

(see also Minute 75)

67 EAST HERTS DRAFT DISTRICT PLAN – CHAPTER 24 – ENVIRONMENTAL QUALITY: RESPONSE TO ISSUES RAISED DURING PREFERRED OPTIONS CONSULTATION, FURTHER AMENDMENTS AND DRAFT REVISED CHAPTER (RENUMBERED CHAPTER 23)

The Executive considered and supported the recommendations of the District Planning Executive Panel meeting held on 24 May 2016, on the issues raised in Chapter 24 (Environmental Quality) of the draft District Plan Preferred Options.

RECOMMENDED – that (A) the issues raised in respect of Chapter 24 (Environmental Quality) of the draft District Plan Preferred Options as now detailed in Essential Reference Paper ‘B’ to the report be received and considered;

(B) Officers’ responses to the issues referred to in (A) above, as detailed in Essential Reference Paper ‘B’ to the report be agreed;

(C) the further amendments in respect of Chapter 24 (Environmental Quality) of the draft District Plan Preferred Options as detailed in Essential Reference Paper ‘B’ to the report be received and considered; and

(D) the draft revised (and renumbered) Chapter 23 (Environmental Quality) as detailed in Essential Reference Paper ‘C’ to the report be agreed, as a basis for inclusion in the final draft District Plan, with the content being finalised when the consolidated plan is presented in September 2016.

(see also Minute 75)

68 APOLOGIES

An apology for absence was submitted on behalf of Councillor L Haysey.

69 LEADER'S ANNOUNCEMENTS

The Deputy Leader welcomed Members, Officers and the public to the meeting and reminded everyone that the meeting was being webcast.

70 MINUTES

RESOLVED – that the Minutes of the Executive meeting held on 5 April 2016, be approved as correct record and signed by the Deputy Leader.

71 DECLARATIONS OF INTEREST

In respect of Minute 54 – Council Tax Discounts, Councillors G McAndrew, M Pope and G Williamson declared disclosable pecuniary interests in that they owned second properties. They all left the chamber whilst this matter was considered.

72 NO. 1 THE CAUSEWAY, BISHOP'S STORTFORD REDEVELOPMENT

The Executive Member for Finance and Support Services submitted a report setting out proposals for the interim development of the site at No 1, The Causeway, Bishop's Stortford, prior to full redevelopment of the Old River Lane site.

He reminded Members that a planning framework had been commissioned for Bishop's Stortford town centre, which would inform the mix of uses for the future development of the whole town centre including the Old River Lane site. Following the publication of the planning framework, a detailed plan would be developed for the Old River Lane site. It was anticipated that this piece of work, obtaining the subsequent planning permission and procuring contractors would take a number of years.

In the meantime, there was a need to consider options for the redevelopment of No 1, The Causeway. He detailed four

options:

- Leave “as-is”.
- Full refurbishment and re-letting.
- Rebuild on existing foundations.
- Repurpose site.

The Executive Member set out the main issues, risks and costs for each of these options and recommended that option four, involving demolition of the building and repurposing for car parking be agreed.

Councillor T Page thanked the Executive Member and Officers for the clarity of the report, but disagreed with the conclusion reached. He favoured the “leave as-is” option on the basis that it did not require £0.5m expenditure. He spoke of the need for a proactive approach towards the redevelopment of the town centre and suggested that a car park would delay this for six and half years, the payback period for the option being recommended. He also questioned the democratic process and suggested a lack of scrutiny.

In response, the Executive Member referred to the risks and liabilities of doing nothing, given the deteriorating fabric of the building and the costs that would be incurred. The Head of Strategic Finance and Property Services provided details of the remedial works and costs that would be needed. The Executive Member also commented that plans for the redevelopment of the site would come forward in due course and would not be delayed by the short-term use of the site as a car park. This option would also provide an income stream in the short term.

In respect of the democratic process, the Head of Legal and Democratic Services advised that any decision taken would be subject to the call-in process, which required four Members to call in the decision. If this happened, the decision would be referred to the Corporate Business Scrutiny Committee, which had responsibility for scrutinising asset management matters.

The Executive approved option four as detailed in the report submitted.

RESOLVED - that in relation to No 1, The Causeway, Bishop's Stortford (A) the request to demolish the existing structure and repurpose for short term use, as detailed throughout the report now submitted and recommended by the Old River Lane Steering Group, be approved, and

(B) the funding for the cost of demolition and resurfacing from the Commercial Property Fund, recommended by the Old River Lane Steering Group, be approved.

73 FOOTWAY AND GRASSED VERGE PARKING ENFORCEMENT POLICY

The Executive Member for Economic Development submitted a report seeking the introduction of footway and grassed verge parking enforcement on an initial, trial basis. He detailed the background to the issue and its consideration by the Environment Scrutiny Committee on 23 February 2016. The Committee had examined a number of different options and had supported the approach for footway and grassed verge parking controls as now recommended.

Councillor D Andrews referred to his comments made at the Environment Scrutiny Committee and suggested a different approach whereby the Council should designate areas where parking on the verge was permitted and not prohibited. The Executive Member commented that this approach had been considered and rejected by the Environment Scrutiny Committee.

In response to other Members' comments, the Executive Member outlined the additional enforcement that would form part of the pilot scheme. He reminded Members that the public could report problems to the Parking service. He also reiterated that this would be a pilot and lessons would be learnt.

The Executive approved the proposals now detailed.

RESOLVED - that (A) the recommendations of the Environment Scrutiny Committee of 23 February 2016, be noted;

(B) the introduction of footway and grassed verge parking enforcement in East Herts be approved; and

(C) the mechanism for the introduction and operation of this enforcement, as now detailed, be approved.

74 PLANNING ENFORCEMENT PROACTIVE SERVICE

The Executive Member for Development Management and Council Support submitted a report seeking approval for the introduction of a pro-active element to the planning enforcement service. She referred to the work on this matter by the task and finish group established by the Environment Scrutiny Committee. Its recommendations were considered at the last Executive meeting, at which it was requested that a business case be formulated and reported back to it.

The Executive considered the proposals as now detailed and approved them.

RESOLVED - that the introduction of a pro-active element to the planning enforcement service, to the extent and on the basis of the costs set out in the report submitted, be endorsed.

75 DISTRICT PLANNING EXECUTIVE PANEL: MINUTES – 24 MAY 2016

RESOLVED – that the Minutes of the District Planning Executive Panel held on 24 May 2016 be received.

(see also Minutes 57 – 67)

76 NET COST OF SERVICES – REVENUE AND CAPITAL
OUTTURN 2015/16

The Executive Member for Finance and Support Services submitted a report advising on the Net Cost of Services Revenue Outturn for 2015/16 and providing explanations for significant variances against the approved Budget. He also advised on the financing arrangements for the 2015/16 Capital Outturn and the planned financing of the updated 2016/17 Capital budget allowing for the approved slippage from 2015/16.

The Executive approved the proposals as now detailed.

RESOLVED - that (A) the Net Cost of Services Revenue Outturn as detailed in paragraph 2.2 of the report submitted for 2015/16 be noted;

(B) the transfer of the underspend in Contingency budget for 2015/16 to the Transformation Reserve as detailed in paragraph 2.6 of the report submitted, be agreed;

(C) the transfer of funds to reserves as detailed in paragraph 2.4 of the report submitted, be agreed;

(D) the level of General Reserve Balances at 31 March 2016 as detailed within the report be noted;

(E) the carry forward requests from 2015/16 to 2016/17 budgets as detailed in paragraph 3.7 of the report submitted, be agreed;

(F) the Capital outturn for 2015/16 as detailed in paragraph 4.2 of the report submitted, be noted;

(G) Capital slippage as set out in paragraph 4.3 of the report submitted, be approved; and

(H) the Capital Programme for 2016/17 to 2019/20 as detailed in paragraph 4.5 of the report submitted, be

noted.

77 QUARTERLY HEALTHCHECK – QUARTER 4 MARCH 2016

The Executive considered and noted a report on performance monitoring for 2015/16 as at March 2016/Quarter 4.

RESOLVED - that in respect of EHPI 153 – Number of applicants that presented to the Council as homeless, the current explanation for long term trends as detailed in paragraph 2.3 of the report submitted and the impact it is estimated to have on the final outturn, be noted.

78 STRATEGIC RISK MONITORING – JAN-MAR 2016

The Executive considered a report relating to action taken to mitigate and control strategic risks in the period January to March 2016.

The Executive approved the report as now detailed.

RESOLVED - that the risk management controls implemented be approved.

The meeting closed at 8.14 pm

Chairman

Date

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EAST HERTS COUNCIL

EXECUTIVE - 19 JULY 2016

REPORT BY THE EXECUTIVE MEMBER FOR THE ENVIRONMENT AND PUBLIC SPACE

WASTE AND STREET CLEANSING CONTRACT – FUTURE SERVICE DESIGN CONSIDERATIONS

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To report the results of the Environment Scrutiny Committee Task and Finish Group's review of waste and street cleansing services and recommendations for the future design of services for incorporation into the next service contract.

RECOMMENDATION FOR THE EXECUTIVE

That:

(A)	the comments of the Environment Scrutiny Committee be received; and
(B)	the design considerations as detailed in the report (and summarised in paragraph 2.51) be approved for incorporation into the next Waste and Street Cleansing Contract.

1.0 Background

1.1 On 23 February the Environment Scrutiny Committee agreed to set up a Task and Finish Group to review the Council's Waste and Street Cleansing service with the objective of informing the design of the next contract, due to commence in May 2018.

1.2 The Group, supported by officers, comprised the following:

Cllr Michael Freeman (chairman)
Cllr Jeff Jones
Cllr Mark Pope

Cllr Mari Stevenson
Cllr John Wyllie

- 1.3 The Task and Finish Group presented its findings, contained within this report, to the Environment Scrutiny Committee on 21 June 2016 and these were recommended for approval to the Executive.
- 1.4 The combined Refuse, Recycling and Street Cleansing contract was awarded to Veolia Environmental Services for a period of seven years, with a possible extension of up to seven years, in November 2010 and commenced on the 9th May 2011. The contract value is approximately £4m per annum.
- 1.5 The contract delivers the following functions:
- Domestic refuse, recycling and organic waste kerbside collection, totalling 4.7 million collections and 54,000 tonnes of waste per annum.
 - Commercial waste collection services to over 700 customers generating over £600,000 gross income per annum.
 - Clinical (healthcare) waste collections (domestic and commercial)
 - Street cleansing of around 9,000 km roads and 5000 km channels per annum.
 - Public convenience cleaning (3 sites)
 - Minor services e.g. graffiti removal; smaller fly tips; market stall erection; pavement washing; management of recyclable materials; bulky waste collections.
- 1.6 It should be noted that there are a number of other waste related in-house and external functions and contracts performed outside the main waste services contract, including customer services; contract and environmental inspection; environmental crime enforcement; promotion and media; recyclable material re-processing; bring site banks collection; abandoned vehicles removal; specialist fly tips and graffiti removal. These are performed by in-house staff; through specialist or local contractors; or through Hertfordshire consortium contracts.
- 1.7 The initial seven year period of the contract comes to an end on 8th May 2018. It is usual for the Council to conduct a review of the service at the 5 year point in order to determine whether to extend

or tender the contract and if the current objectives for the service should be retained or modified.

- 1.8 Waste management is a highly regulated activity and an important public service. It costs local government more than £50m per annum in Hertfordshire as a whole. Statutory duties for household waste management are divided between the district councils, as 'collection authorities' and the County Council as the 'disposal authority'. The 11 authorities in Hertfordshire make up the 'Herts Waste Partnership', a formal body made up of Executive Councillors and senior managers. Partners work together to develop strategy, co-ordinate operations, share intelligence and let consortium contracts. The councils, including East Herts have signed up to the 'Herts Waste Partnership Agreement', a contract which governs how we work together in the best interests of council tax payers and to deliver environmental objectives. As noted at the February Environment Scrutiny meeting this review is complicated by the fact that the Council has been developing a business case for a Shared Service with North Herts District Council. A high level 'strategic' case was agreed last July and a full 'Outline Business Case' has now been completed and is presented for consideration as a separate item on the agenda.
- 1.9 Whether or not the two authorities agree to a shared service, there is still a requirement for East Herts Council to consider and set strategic objectives for the new contract which will inform the design of contract documentation and the procurement process.
- 1.10 North Herts District Council has also carried out a similar process of workshops with their Members and will be considering these at its 14 June Cabinet meeting. Both authorities have similar services at the moment. Should a shared service be agreed there will be further joint discussion on service design, however, there is no reason for services provided to each authority to be exactly the same and contractors can accommodate reasonable differences. This issue is discussed further in the report on the Shared Service Business Case.

2.0 Report

- 2.1 The Task and Finish Group has had five meetings and has now completed its review. The terms of reference and approach taken are summarised at **Essential Reference Paper B**. The objective was to understand the current services, consider the legislative and policy requirements on waste services and then consider the

options available to the Council to provide services in a different way.

2.2 Reference was made to the experiences of other local authorities in the UK and Hertfordshire and how their service design impacted upon performance and cost.

2.3 These services support all three of the Council's Corporate Priorities, but particularly to '*Enhance the quality of people's lives – Attractive Places*'. The specific strategic objectives of the service are to:

- Encourage the minimisation of waste and improve recycling
- Work in partnership with other local authorities and the Herts Waste Partnership to deliver high quality and cost effective services for our communities.
- Maintain a clean and attractive environment through effective street cleansing services that meet statutory requirements.
- Design and operate services and contracts efficiently and contribute to corporate financial targets and objectives.

In evaluating the options available to the Council the Group considered the following criteria:

- Impact upon residents / public satisfaction
- Cost of change and operating costs
- Impact on recycling rates (and therefore waste reduction)

2.4 The Task and Finish Group was at all times conscious that the Council is facing significant financial pressures and a potential ongoing budget shortfalls over the next four years. This has to be balanced against the desire to improve the quality and environmental benefits.

2.5 It was noted that the Council is current achieving a recycling rate of around 49% which is not unreasonable. Some authorities are achieving higher recycling rates by providing extra or more frequent collections of recycling but at a higher cost.

2.6 It is difficult to directly compare costs between local authorities for these services as geography, demography and the location of depots and disposal sites are the primary drivers of the resources required. More compact urban areas need significantly less

waste collection resources to achieve the same result, whilst rural areas generate less waste but require involve more travel. In Hertfordshire there is a good understanding of the performance, services provided and resources employed as this data is shared through the Herts Waste Partnership.

Domestic Waste Collection Services

2.7 The core collection service provided to residents is as follows:

Fortnightly collection of:

- Refuse (also known as residual waste) in 240 litre bins
- Organic (mixed garden and food waste) in 240 litre bins
- Dry recycling (consisting of mixed cans, plastics, glass and card) in a 240 litre wheeled bin and separate paper in a 55 litre box. When the service was implemented residents had the choice to retain a separate paper box or opt for an 'inner paper box' which slots into the top of the wheeled bin.

2.8 In the interests of waste minimisation and keeping costs down each household is limited to one wheeled bin although there are special arrangements for larger families and people with special needs.

2.9 Most of the flats in the district have a different collection system using communal bins for refuse and recycling. The Council does not currently provide organic waste collection for flats.

2.10 The Task and Finish Group considered the following options for future domestic waste collection services.

- No change
- Three weekly refuse collection
- Return to separate collection of recyclables in kerbside boxes
- Reduce refuse bin size to 180 litres
- Weekly recycling collection
- Increase organic (garden and food) collection to weekly
- Separate food waste collection
- Separate weekly food waste collection (new container) chargeable fortnightly garden waste collection (existing brown bin).
- Additional (chargeable) Brown Bin provided upon request

- Fully co-mingled collection (all recyclables in a single bin)
- Textiles collection at the kerbside
- Batteries/small electrical items collection at the kerbside
- Contractor 4 day working
- Food collection from flats

The Task and Finish Group considered each of these at an initial stage and agreed to recommend ruling out the following options:

No Change

- 2.11 The Council currently delivers good services and the Group found that there were no fundamental or failing areas that needed to be addressed. Residents are generally happy with the services they receive and this is reflected in public satisfaction survey results and falling complaints. It would be reasonable to procure a new contract along current lines. However, it was felt that there were potential opportunities to generate financial efficiencies, increase recycling rates or provide additional services subject to cost. These are explored below and summarised in section 2.52.

Three weekly collections of the refuse bin

- 2.12 A few local authorities in the UK are considering implementing this. It has the advantage of reducing the number of vehicles and crews used for refuse collection, resulting in a cost saving and increasing the amount that residents would recycle (due to shortage of bin capacity). While some residents are not currently filling the black bin on a fortnightly basis and would be able to cope with this change, the Task and Finish Group felt that it would cause a serious capacity problem for many residents and would be highly unpopular. In addition, leaving food waste in the black bin for three weeks would be likely to cause concern.

Return to collecting recyclables separately at the kerbside

- 2.13 The Council operated a 'source separated' service, using different vehicles prior to 2013, but was compelled to change to allow cardboard to be collected as this could no longer be put in the Brown Bin due to changes in composting regulations. It was noted that changing to 'co-mingled' collections using a wheeled bin and box had resulting in a significant increase in recycling and residents preferred the new service. It had also delivered service efficiencies and savings to the Council. East Herts is producing

good quality mixed recyclables. Accordingly, there were no benefits in returning to this option.

Kerbside collection of batteries/small electrical items

- 2.14 The Group considered whether to provide a kerbside collection service for batteries and small waste electrical appliances. Legislation prevents these items from being put in the black bin and they cannot be successfully processed if added to the recycling bin. It is possible to provide separate collections for these items but this would require an extra compartment on vehicles or separate collection round at additional costs.
- 2.15 Members felt that there would be some confusion over what met the criteria for collection and that something designed for hairdryers, radios, irons etc would lead to TVs, fridges and washing machines being left outside. They also saw problems in the presentation of items with no separate designated container to keep them in – and this applied particularly to small batteries.
- 2.16 Members felt that there were enough shops offering readily available battery recycling containers and the difficulty of implementing and offering this at the kerbside could easily lead to contamination of the co-mingled collection as people just threw batteries into the (blue lidded) bin or left large electrical items on the pavement. Accordingly this option is not recommended.

Options considered in more detail

- 2.17 The Task and Finish Group carried out a more detailed appraisal of the following options to consider potential costs, income and impact on recycling rates. **Details can be found at Essential Reference Paper C:**

Change black refuse bin to a smaller 180 litre size

- 2.18 The Group noted that a number of councils including North Herts had replaced 240 litre refuse bins with smaller 180 litre bins, collecting them fortnightly. This option results in an increase in recycling by residents due to a lower black bin capacity. It would be acceptable to many residents, who are not currently filling their bins in the 2 weekly collection cycle. However, some residents would find it more difficult and would be compelled to recycle more. After initial implementation ongoing costs would be neutral or slightly positive due to the additional recycling credits received

from the County Council. However, the change requires a one off Capital investment of c.£925,000 and the 'payback' in terms of the additional income from extra recyclables would be minimal. It would, however, be a step in the right direction in terms of increasing recycling and would bring East Herts into line with neighbouring North Herts.

2.19 The Group considered whether the investment could be avoided by providing the smaller bins upon request or supplying only 180 's in future as broken bins were replaced and to new build properties. The former would result in additional costs of delivery as some residents would simply make the change to get a smaller bin and not recycle any more. There will be some chopping and changing of bins as residents moved home. The latter option would result in additional complaints as some residents would be issued with a smaller bin while neighbours retained their older, larger bin, which could be seen as unfair. It could also result in disputes between residents as bins were 'swapped' with their neighbours.

2.20 On balance the Group felt that, if the Council wished to move to 180 litre refuse bins, the 'big bang' approach was best and a strong and extensive media campaign would be required to explain the environmental benefits of the change to residents. However, the benefits were outweighed by the initial capital cost and therefore this option is not recommended.

Increase recycling collections to 'weekly'

2.21 A number of the higher performing local authorities have achieved better recycling rates by introducing a weekly recycling collection. The convenience of such a service tends to deliver higher recycling rates, particularly for authorities still using kerbside boxes. While there are environmental benefits from recycling more, in a rural area like East Herts the additional collection rounds required would result in a high additional operating cost estimated at c. £289,000 per annum. Also, the extra trucks generate more emissions, partially offsetting the environmental gain. The Task and Finish Group felt that this was unaffordable.

Separate weekly food collections / chargeable garden waste options

2.22 A key challenge for local authorities in reducing the amount of waste going to landfill is the amount of food waste in the refuse

bin. The European Union and members states have all enacted laws to minimise organic waste in landfill due to the significant contribution this makes to greenhouse gas emissions and other negative environmental impacts. A number of local authorities in the UK have introduced separate *weekly* food waste collections, seeking to reduce environmental impacts and the high cost of landfilling waste. The Group considered how this could be done in a rural district like East Herts.

- 2.23 Such a service requires either separate collection vehicles and rounds or new vehicles that incorporate a separate compartment (food pod) on the vehicles. Either option would result in a significant increase in operating costs of c.£375,000 per annum. The Group felt that implementing this option in isolation would be unaffordable for the Council.
- 2.24 Legislation requires that local authorities cannot make a separate charge for collection of domestic waste that it has a statutory duty to collect. This includes food waste. Accordingly many local authorities have, or are considering, collecting food separately on a weekly basis and charging for separate fortnightly garden waste collection.
- 2.25 While this results in an increase in collection costs for food waste; garden waste collection attracts an income and reduced costs which can pay for or more than offset the additional food collection service.
- 2.26 The charges for garden waste collections in the UK, where applied, range from £25 to £96 per annum, with an average of £41. While this income may initially seem attractive, the administrative costs of operating a chargeable scheme including processing payments, monitoring and enforcement are likely to eat up most of the income at the average charge.
- 2.27 The real saving from such a scheme comes from the fact that many residents would give up their Brown Bin if a charge were introduced. Based on national trends, we could expect to see a take up of between a quarter and a third of residents in East Herts. The separate garden waste service could also be suspended in the peak winter months. This would result in a reduction in the number of vehicles and crews needed to operate the service. It has been estimated that this could generate a net saving to the Council of c. £107,000 per annum.

- 2.28 In theory, separate processing arrangement could also result in a saving to the County Council. However, both parties are tied into a contract with the reprocessing facility until 2025. This contract includes a 'guaranteed minimum tonnage' to protect the re-processor from a fall in income which is necessary to sustain their capital investment. A chargeable garden waste service would result in less material being delivered but at a higher cost and this would be passed on to the Council, effectively wiping out or exceeding savings in the collection service.
- 2.29 Having considered the issues, the Task and Finish Group recommend that this option is not incorporated into the next contract but is reviewed in 2023 in preparation for the following contract and the County Council be advised accordingly.

Increasing Organic (Brown Bin) collections to weekly

- 2.30 There are many residents in East Herts that have larger gardens and would like to be able to dispose of more garden waste at the kerbside. Currently these residents have to home compost their additional garden waste or take it to a Household Waste Recycling Centre. While this option would be popular and increase recycling rates, it would result in additional collection rounds and crews and a significantly greater cost and much higher processing costs. The Group felt that this was unaffordable.

Additional (chargeable) Brown Bin provided upon request

- 2.31 Some local authorities chose to offer residents an additional brown bin but at a charge. This is not uncommon and Neighbouring Dacorum Borough Council is about to introduce an additional brown bin that accepts green waste only and will charge £25 delivery with an annual cost of £50 for 20 alternate week collections.
- 2.32 However, in order for such a service to cover its costs it is necessary to factor in both the additional collection costs and the treatment cost for the extra organic waste. The outline calculations shown in ESS REF C indicate a small saving to the Council if a change of £70 per annum, were introduced for a second bin, assuming the service were taken up by 5,000 residents. The 'break even' point would be an annual charge of £63 per annum with an up front charge to cover delivery costs.

- 2.33 This option is potentially attractive from a public satisfaction perspective but has some negative environmental implications as some waste that would otherwise be home composted would be transported. There are also potentially significant admin costs, if a second bin is optional, from frequent changes as people move in/out of homes or residents change their mind.
- 2.34 A fundamental principle of the Herts Waste Partnership Agreement is that local authorities do not take unilateral actions that increase the amount of waste collected or result in additional costs to partners and if the Council were to take up this option it would be against that principle. There is as yet no indication of the attractiveness of such a proposal to residents at a charge that would fully cover costs. It was noted that this additional service could be implemented at any time (and did not need to tie in with the start of the next contract). The Task and Finish Group therefore felt that the Council should wait and see the results of Dacorum Council's imminent scheme before deciding whether to implement this at East Herts.

Fully co-mingled collection (all recyclables in a single bin)

- 2.35 When the new co-mingled collection service was introduced in 2013, the market price of paper for recycling into newsprint was very high and it made sense to collect this material separately to maximise income from material sales. This type of collection system is known as 'part co-mingled'. Since that time the value of both the co-mingled material (cans, plastics, glass, card) has fallen substantially to the extent that many authorities are having to pay for its removal rather than receive an income. Paper prices remain high due to a Hertfordshire consortium fixed price contract, but these are expected fall when this ends later this year.
- 2.36 Research evidence shows that having all material in the same bin (i.e. fully co-mingled) increases recycling as residents find this more convenient. In introducing such a system it is necessary to calculate the potentially lower collection cost with the likely increase in recycling against a lower paper price from mixing it with other materials. A fully co-mingled system can also result in a higher level of contamination, which must be managed carefully to ensure legislative standards are met.
- 2.37 As collection costs are not known until tender bids are received and market prices for materials vary considerably, it is proposed that this be included as an option at contract procurement so that

a decision on its financial viability can be taken at contract award in Spring 2017.

- 2.38 UK legislation requires local authorities that choose to operate a co-mingled recycling collection to demonstrate that the results are no worse than separate material collection from a 'technical, environmental, economic and practicability' perspective. This is usually referred to as the 'TEEP' principle. A risk of fully co-mingled collection is that materials, especially paper, can become more contaminated and if this resulted in an increase in waste sent to landfill could be non-compliant with legislation. However, many local authorities are operating a fully co-mingled system without issue. In order to mitigate this risk, bidders would need to demonstrate that their proposed collection arrangements would be compliant.

Textiles collection at the kerbside

- 2.39 The Task and Finish Group noted that North Herts Council currently operate a separate kerbside collection service for textiles (clothing) and have dispensed with bring banks. Investigation of this option showed that this material is collected in cages under the vehicles and quality can be affected by bad weather. There is also a risk of residents placing textiles in the recycling bin where they are not wanted and this can cause increased contamination and a lower material price.
- 2.40 However, the cost of this extra service is not currently available and it was felt that this should be included as an option at contract procurement so that a decision on its viability can be taken at award.

Contractor 4 day working

- 2.41 It was noted that some local authorities had achieved efficiencies through 4 day shift systems for collection staff. This improves vehicle utilisation through extending the length of the operating day. However, it is dependent to some extent on the licenced opening hours of disposal sites.
- 2.42 It is recommended that tenderers be asked to evaluate whether this option will deliver operational and financial efficiencies as part of the procurement process.

Food waste collection from flats

- 2.43 In East Herts there is no organic waste collection from communal properties and generally they do not have separate gardens. Communal gardens are usually the responsibility of the managing agent and the waste arising is classified as commercial, to be removed by their grounds contractors.
- 2.44 The Group noted that North Herts Council currently operates a food waste collection from 6,000 flats with a grant received from the Department of Communities and Local Government. This is currently being reviewed, but it is likely that NHDC will wish to include this as an option in tender documents. EHC can also obtain a price for a food waste service to its flats and then determine whether it wishes to take this option up at contract award. Evidence from North Herts suggests that this service is valued by some residents but take up is relatively low and the cost per collection is likely to be high.

Commercial Waste Collection

- 2.45 This service competes directly with the private sector, is discretionary, but must meet the statutory requirement to be the 'provider of last resort'. The service currently operates a refuse collection service only and does not provide organic or recycling services to businesses. Unlike domestic collections which are solely the responsibility of the local authority commercial waste collection is also provided by the private sector and therefore business can procure a recycling service from whoever they wish. The Council must take care not to enter into services that will operate at a loss as this would effectively result in businesses being subsidised by Council Tax payers, which is not appropriate. The Task and Finish Group noted that a recent feasibility study had been conducted that proposed further investigation into commercial waste recycling and this will be considered over the next few months. If it is financially viable, prices for collection would be asked for as part of the tender process.

Clinical Waste Collection

- 2.46 This service is provided to both businesses (e.g. dentists, doctors' surgeries) and domestic residents with specific infectious healthcare needs, usually funded by the health service. It is highly regulated and there are very few opportunities to vary the service.

Street Cleansing

- 2.47 Street cleansing mainly involves litter picking, channel (gutter) sweeping and litter bin emptying. The Task and Finish Group considered how the service is provided to ensure the legislative standards within the Environmental Protection Act (1990) are met. These involve continuous cleansing in town centres 7 days a week and scheduled cleansing in all other areas. East Herts has a particularly detailed schedule that specifies the frequency of cleansing down to the individual street level. This can be varied to meet changing needs and has a direct correlation with cost. The Group considered alternative options including 'output based' approaches, where the contractor is required to keep the streets cleaned to the required standard at all times. There are pros and cons with both options and the conclusion was that both approaches can deliver good standards. North Hertfordshire District Council currently has a more output based specification. Work will continue to determine the most cost effective service design whilst maintaining service standards.
- 2.48 A key challenge is keeping high speed A roads and dual carriage ways clean. However, this relates less to contract design and more to the ability to work in partnership with the Highways Authority (HCC) to share and obtain authorisation to use traffic management allowing works to be completed in a safe and timely manner.
- 2.49 It was noted that East Herts has a high standard of measured street cleansing and complaints have been steadily falling for some years. Accordingly the Task and Finish Group are not recommending any major design changes to the contract specification but recognised the need to ensure that contract management is effective in ensuring contractors deliver the specified results.

Contract Length

- 2.50 The Group considered the factors influencing contract length and noted that for waste contracts this was driven by the operating life of vehicles which is nominally 7 years. Shorter contracts result in vehicles being depreciated over a shorter period resulting in a higher annual cost and vehicles having a residual life but low value at the end of the contract. Longer contracts result in the risk of vehicles being unreliable if operated beyond their working life resulting in an increased risk of breakdowns or service disruption.

Accordingly it is recommended that the next contract length be for 7 years with an extension period of 7 years. This also ties in with the timescales to review organic waste processing contracts with the County Council.

Summary

- 2.51 The options considered by the Task and Finish Group and associated recommendations are summarised as follows:

	<u>Option under consideration</u>	<u>Recommendation by T&F group</u>
1	Change black refuse bin to a smaller 180 litre size	Not recommended due to Capital cost
2	Increase recycling collection to weekly	Not recommended due to cost
3	Separate weekly food collections / chargeable fortnightly garden waste	Separate weekly food collection alone not recommended due to cost. Weekly food + chargeable garden to be reviewed in 2023 in line with new contract for organic waste treatment.
4	Increasing brown bin collection to weekly	Not recommended due to cost.
5	Additional chargeable brown bin provided on request	Hold to observe results and take up of other councils (review Autumn 2016)
6	Fully co-mingled collection (all recycling mixed in a single bin)	Obtain prices at procurement and evaluate alongside market prices for materials

7	Textiles collected at the kerbside	Obtain prices at procurement
8	Contractor 4 day working	Option for contractor to demonstrate added value at procurement
9	Food waste collection from flats	Obtain prices at procurement
10	Commercial waste recycling	Progress feasibility study to the next stage to assess the market for these services and obtain prices at procurement to confirm financial viability of offering this service.
11	Clinical waste collection	No changes to current approach proposed.
12	Street cleansing approach	No changes to current approach proposed
13	Contract Length	Proposed for 7 years with an extension of up to 7 years.

Next Steps

2.52 The Executive is asked to consider and approve the proposals for contract design. Should the Council also approve proceeding with a Shared Service with North Herts, Officers of both authorities will use these proposals, together with those of NHDC Members to develop a specification for a joint contract.

2.53 In accordance with the Council's rules and procedures, a report will be brought to the Executive in the Autumn advising of progress and recommending the award criteria for the procurement. A further report advising of the successful bidder

for the contract and the tender prices for the options detailed in the table at 2.51 will come forward in Spring 2017.

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives:	Priority 2 – Enhance the quality of people's lives
Consultation:	<p>There has been no external public consultation as part of this review. Public satisfaction for waste collection services is captured as part of the biannual resident's survey and is generally high. Officers have consulted with the Herts Waste Partnership and the County Council on options that have implications for them and other Hertfordshire authorities on specific initiatives for comparative purposes.</p> <p>The County Council has asked that it be noted that under the Herts Waste Partnership Agreement all partners have agreed to the joint objective not taking actions that result in an increase in the amount of waste collected. Introducing resident's capacity for organic waste, for example, by offering additional bins at a charge could be incompatible with this objective if it generated significant levels of additional waste that were not already in the waste stream.</p>
Legal:	<p>There are no specific legal implications from this report. Waste services is a highly regulated area and local authorities must ensure that the collection of waste meets EU and UK legislative requirements for the materials collected, quality of recyclables and procurement regulations. These matters will be addressed as part of the procurement process and included as a requirement of the successful contractor.</p>
Financial:	<p>There are no specific financial implications for this report. However, Ess Ref C indicates the range of revenue and capital implications from the options considered.</p>
Human Resource:	<p>There are none for this report</p>

<p>Risk Management:</p>	<p>There are no specific risks associated with this report. Material prices for recyclables are highly volatile and have been falling in recent years. Accordingly, in calculating costs and income it has been assumed that there are no financial benefits from sales when recycling levels change. Indicative changes in income from Recycling Credits (a statutory payment received from the County Council) have been included. Implications on income from the Herts Waste Partnership 'Alternative Financial Model' (non-statutory payments from the County Council) have not been included due to their volatility and future uncertainty.</p> <p>Costs of options are indicative only and actual costs are subject to tender prices and the extent to which residents take up chargeable services.</p>
<p>Health and wellbeing – issues and impacts:</p>	<p>There are none for this report.</p>

Essential Reference Paper B

Draft Terms of Reference

The terms of reference for the Task and Finish Group were as follows:

- a) Review the current objectives for waste and street cleansing operations. Consider and recommend whether these meet the long term objectives of the Council.
- b) Review the performance of the current services and contract.
- c) Consider changing trends; legislative ; service and financial pressures; partnership objectives and constraints and how this will affect service design and the need for flexibility to meet future needs.
- d) Take evidence and examples of best practice in waste management.
- e) Consider service design options for the Council and how these can be used to deliver objectives
- f) Inform the development and design of the specification and tender options for the next contract.

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Options on Future Waste Services

ESSENTIAL REFERENCE PAPER 'C'

27.5.2016

Option	Option Title	Element	Cost (£)	Income (£)	Net (£)	Capital (£)	Recycling	Implication
0	No change	Contract					48.69%	Recycling rate remains the same.
1	Introduce 180 containers	Start up cost customer contact	80,000				50.87%	Extra contact staff advertising and publications.
		Income for bins		-60,000				Income for old 240 bins.
		Transport for disposal	?					To transport bins to disposal site.
		Container purchase				925,000		Substantial capital cost.
		Additional recycling income		-10,750				Co-mingled material diversion 250 tonnes
		Net cost first year			9,250			
		Net cost ongoing			-10,750			
2	Weekly co-mingled	Additional collection cost	375,000				52.30%	Positive resident response.
		Start up cost customer contact	40,000					
		Additional recycling income		-86,000				Recycling Credits - assumes no additional income from sales.
		Net cost first year			329,000			
		Net cost ongoing			289,000			
3a	Weekly garden and food (in existing Brown Bin)	Additional collection cost	375,000				53.47%	
		Start up cost customer contact	40,000					Media, advertising and publications.
		Net cost first year			415,000			
		Net cost ongoing			375,000			
3b	Fortnightly paid green and weekly food	Additional collection cost	0				46.61%	Neutral due to less green vehicles, but weekly food vehicles.
		Start up cost customer contact	80,000					Extra contact staff advertising and publications.
		Administration @ £30 per trans	510,000					Admin for service, invoice order and payment chasing.
		Inspection of service	80,000					Cost of inspection service.
		Income		-697,000				£41.00 FOR 17,000 Residents.
		Container purchase and delivery				200,000		Food caddy and kitchen caddy.
		Remove 33,000 bins	100,000					
		Income for bins		-40,000				
		Net cost first year			-33,000			
		Net cost ongoing			-107,000			
4	Weekly food waste	Additional collection cost	375,000				53.41%	Vehicles, staff, fuel.
		Start up cost customer contact	40,000					Media, advertising and publications.
		Net cost first year						
		Net cost ongoing						
		Container purchase and delivery				200,000		
		Net cost first year			415,000			
		Net cost ongoing			375,000			
5	Additional green waste container	Additional collection cost	61,000					5,000 residents receive 20 weeks collections.
		Administration @ £30 per trans	150,000					Admin for service, invoice order and payment chasing.
		Delivery additional container	88,500					Provide and deliver container @ £15.50 + £2.20.
		Income at £70.00		-350,000				Assumes pricing second bin @ £70.00.
		HCC disposal cost	100,550					HCC cost passed back through AFM.
		Net cost first year			50,050			
		Net cost ongoing			-38,450			
6	Fully co-mingled	Contract cost	-125,000				51.69%	Positive resident response TEEP implications.
		Start up cost customer contact	40,000					Media, advertising and publications.
		Additional recycling income		-65,000				Recycling Credits - assumes no add. income from sales.
		Net cost first year			-150,000			
		Net cost ongoing			-190,000			

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EAST HERTS COUNCIL

EXECUTIVE – 19 JULY 2016

REPORT BY AMBASSADOR AND EXECUTIVE MEMBER FOR SHARED SERVICES

SHARED SERVICE FOR WASTE AND STREET CLEANSING

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- For members to consider and agree proposals for a Shared Waste and Street Cleansing Service with North Herts District Council detailed in the Outline Business Case, presented at **Essential Reference Paper B**.

<u>RECOMMENDATIONS FOR EXECUTIVE:</u> That:	
(A)	a Shared Waste and Street Cleansing Service with North Herts District Council (NHDC) be implemented and a joint contract for these services be procured;
(B)	a report be brought forward in the Autumn 2016 advising of progress and recommending award criteria for the joint contract; and
(C)	the Ambassador and Executive Member for Shared Services be given delegated authority to make minor changes to the scope of the shared service in consultation with North Herts District Council.

1.0 Background

- 1.1 In December 2014 NHDC and EHC's decision making bodies (Cabinet and Executive respectively) agreed that both authorities jointly undertake a project to consider whether there were benefits in developing a joint contract and shared service for waste collection and street cleansing services.

- 1.2 In July 2015, the Environment Scrutiny Committee and Executive considered a high level business case (the Strategic Outline Case). This initial appraisal showed that there were clear benefits from a shared service and it was agreed to develop a more detailed business case to confirm the approach and take a final decision to proceed. This work has now been completed and **Essential Reference Paper B** provides the results of that detailed work. The business case has been conducted in accordance with the UK Government's best practice guidance for preparing business cases (Treasury Green Book: A Guide to Investment Appraisal in the Public Sector). Accordingly, this stage is known as the 'Outline Business Case'. However, this is a detailed assessment and the point at which a final decision must be taken on whether to proceed with a Shared Service and procure a joint contract, as described below. Detailed budget implications will be available at contract award and are subject to tendered prices.
- 1.3 The contracts for both Councils terminate on the same day in May 2018 and, if agreed, the formal procurement process will commence at the end of September 2016, with a joint contract being awarded in Spring 2017.
- 1.4 The strategic driver for the project is that both Councils will have increasing financial pressures on their budgets in future years. The Medium Term Financial Plan for East Herts indicates the need to make significant savings over the next 4 years. New ways of working therefore need to be explored to determine what improvements and efficiencies can be achieved.
- 1.5 Continued environmental and legislative requirements and significant changes to our domestic waste stream over the past decade have led to more harmonisation of services provided by local authorities. East and North Herts have similar policies and operational approaches to providing these services and deliver successful results and high levels of public satisfaction.
- 1.6 At commencement a Project Board was set up to represent both authorities, made up of Senior Officers and Executive Councillors and this has met regularly to oversee and give direction.
- 1.7 The Project Board supports the proposals contained within the report.

2.0 Report

2.1 The 'Strategic Outline Case' (SOC), considered by the Committee last year provided a high level assessment of likely risks, costs, savings and outcomes and short-listed options for further evaluation. This showed that there were potentially significant savings to be made from a shared service totalling £404,000 per annum for both authorities, of which £143,000 would accrue to East Herts Council. There were no policy or operational reasons identified that would be an impediment to a joint contract. It showed that efficiency savings could be achieved without a reduction in the quality of service arising from:

- Contractor economies of scale
- Client efficiencies and resilience
- Depot rationalisation and efficiencies

2.2 However, further work was required to firm up on some elements of the business case and confirm costs and savings in more detail. This included:

- Advice from specialist waste management consultants on benchmark costs, savings and opportunities for efficiencies from shared services; and the attractiveness of a East and North Herts joint contract to potential bidders.
- Modelling of both authorities collection rounds for domestic houses to identify whether there are potential efficiencies from a joint contract. This has been carried out with the support of the Herts Waste Partnership using specialist 'round optimisation' software.
- An assessment of the logistical implications of operating from different sites (i.e. how vehicle travel time and costs compare with depot operating costs).
- Quantification of existing depot costs and options for site sharing.
- Costs and benefits of bringing staff together from the two existing contracts into a new combined contract, including differences in contractor staff terms and conditions and the potential impact on future contract costs.
- Review of service policies and operations to confirm similarities and differences of the approaches to service delivery taken by the two authorities and whether these would impact on the viability of a shared service.
- Legal and governance issues and design of future management arrangements.

- 2.3 The findings from the results of this work have been included in the Business Case. The Business Case has been developed on an 'As-Is' basis. Current costs for separate services are compared with those same services if provided jointly. This was to ensure that the savings calculated were solely those from a shared service and not affected by other operational changes that the authorities may wish to make in a future contract.
- 2.4 As a separate exercise, both authorities have carried out reviews to consider how services should be delivered in the future and whether the current service policies should be modified so that these can be incorporated into the next contract. This is the subject of item another item on this agenda.

Outline Business Case (OBC)

- 2.5 The 'Outline Business Case' indicates that with the 'Preferred Option' revenue savings of £707,000 per annum can be achieved from a shared service and contract with £213,000 per annum to East Herts Council. The table below shows a greater saving to North Herts District Council is due to there being more opportunities to rationalise collection rounds than at East Herts and this benefit accrues solely to NHDC.

NHDC Annual Revenue Savings	EHC Annual Revenue Savings	Total Annual Revenue Savings
£494,000	£213,000	£707,000

- 2.6 The OBC also contains an alternative, less ambitious option that excludes integration of depot infrastructure, but delivers lower savings.
- 2.7 Savings from the shared service result from:
- Estimated contractor efficiencies expected from the next contract resulting from a reduction in collection rounds and spare vehicles, contractor management and support staff. Officers have worked with the current contractor, Veolia, to quantify these.

- A reduction in the number of depot sites. NHDC currently operates from two sites at Works Road, Letchworth, with the bulking of recyclable material at its site at Radwell. The proposal is that bulking for both authorities would be at Buntingford Depot, which is located on the East Herts/North Herts boarder. This generates efficiencies in rent and operational costs.
- Client staff reductions due to efficiency gains from managing a single rather than two separate contracts. These include savings in management; contractor performance monitoring / meetings; promotion and media. There are also opportunities for efficiencies in customer contact and IT systems and data processing.

2.8 It is proposed to move to a single client team covering both authorities' waste and cleansing services. The aggregate number of staff employed by both councils in managing the current contracts is approximately 16 Full Time Equivalents (FTE). The business case assumes an approximate reduction of up to 25% in total client staff. The precise nature of the staffing structure however needs further consideration and this will be developed if a shared service is approved. Timing needs careful consideration to minimise risks associated with the transition to and implementation of a new contract.

Governance and management arrangements

2.9 A key issue for the Project Board was how to ensure that both authorities could be assured that they would retain full influence and control over the strategic direction and operational performance of a shared service. The recommended approach is that there are joint governance and management arrangements where both authorities have equal involvement in the direction of the service, but with one partner taking the role of 'Administrative Authority'. This is necessary as for legal reasons as one authority must act as the employer, procuring body, and hold funds to pay staff and contractors.

2.10 As previously reported, under a shared service and joint contract there is no need for both authorities to have exactly the same services provided in their authority area and each has discretion over delivery. Greater benefits, in terms of economies of scale are achieved through closer co-ordination. Where one partner

decided to have enhanced/reduced services it would be liable for the additional costs/savings incurred by the partnership.

Administrative Authority

- 2.11 The Project Board considered whether EHC or NHDC should act as the Administrative Authority for the Shared Service. It concluded that, in the context of both partners having joint control, there was no particular reason why one or other authority would be better placed to take this role. Both councils have a strong track record in delivering waste and street cleansing services; have a high level of political commitment to managing the environment and street scene; and wish to deliver high quality, value for money services. It was therefore agreed to recommend that NHDC takes the Administrative Authority role for this service. EHC has experience of both being the Administrative Authority and having it delivered by a partner for its Revenue and Benefits Service and IT Service and has not found there to be a difference in control or outcomes.

Member Governance Arrangements

- 2.12 Executive responsibility for the service would be shared and delivered through a Joint Member Board (see **Essential Reference Paper C**). This would meet regularly as required to oversee the strategic management of the service, consider change management requests and options for future service design and delivery. The Board would consist (as a minimum) of the Portfolio Holder and senior client officers from both authorities. A jointly appointed post of Shared Waste and Street Cleansing Services Manager would report performance to this body. Additional partnership meetings would also be held with the main contractor's senior representative in attendance. This is to ensure that there is high level oversight and Member contact with the main contractor's senior representative.
- 2.13 Decisions about the allocation of resources would be made by the Joint Member Board or referred to the authorities' executive bodies as required by respective constitutions.
- 2.14 For operational requests Ward Councillors would access the Shared Service 'Commissioning Team' through agreed contact protocols as at present. Both authorities' Members would receive the same level of support that they currently get from separate services. Formal complaints about service delivery or policy

issues would be dealt with by the Shared Services Manager in the first instance, with escalation to the Senior Client Officer of the respective Council.

Service Structure and Reporting

- 2.15 The Service will be managed by a Shared Waste and Street Cleansing Manager (“the Service Manager”). This person will work with the Senior Client Officers from the two authorities to agree the structure and recruit to the new joint service. Posts will initially be ring fenced to existing staff from both authorities in line with best HR practice and employment law. Cost of recruitment shall be borne equally by both authorities.
- 2.16 NHDC as the Administrative Authority will be the employer of the Shared Service Manager and Client Commissioning Team.
- 2.17 The Shared Waste Services Manager will report to both Authorities’ Senior Client Officers, the Head of Leisure and Environment (NHDC) and the Head of Operations (EHC), representing the interests of both authorities fairly and equally. An Inter-Authority Agreement (IAA) between the authorities will set out how the Shared Service will operate, roles and responsibilities, sharing of costs and how any disagreements will be dealt with.
- 2.18 The Shared Service Manager will provide regular performance information and service updates to the Executive / Cabinet bodies and Scrutiny Committees of both authorities as required by their constitutions and internal reporting processes.
- 2.19 The Shared Service Manager shall be responsible for the financial management and budgetary control of the Shared Service with financial advice from NHDC (as the Administrative Authority and holder of the Service budgets). Financial accounts for the Service will be open and transparent and reported to each authority on a monthly basis and as required. Service budgets will be agreed annually by the Senior Client Officers of the authorities. Monthly payment for the services would be based on the services provided to each authority area on a fair and equitable basis. For contracts this will be on a unit basis (e.g. per bin collected, per household, per linear metre cleansed). For staff and facilities this will be on an equal basis. Where tendered prices are different between the two authority areas these will be the basis for the charge. The

Shared Service accounts would be subject to annual audit and results reported to both authorities appropriate oversight bodies.

Front and Back Office Support

- 2.20 Front line customer contact, back office support and administration would be provided to the Shared Service through a service level agreement by whichever authority is best placed to provide them, as agreed by the authorities. It is expected that support services such as finance, HR and legal will be provided by NHDC as the Administrative authority and the 'banker', employer, and legal entity for contracting purposes.
- 2.21 A common IT system will be implemented to an agreed specification to be detailed in the IAA.
- 2.22 Customer correspondence handling will be managed in an 'authority neutral' manner in order that each authority's customers feel that they are receiving a response from their own council. This is common practice in the private sector and EHC has experience of this approach with it's shared service for Parking Services with Stevenage and Welwyn and Hatfield councils.

Client and Contractor Location

- 2.23 It is proposed that the location of the Shared Service (Client Commissioning Team) will be Buntingford Service Centre (depot) utilising existing unused office space at marginal cost. This being an existing central location on the border of East and North Herts from which to undertake contract inspections and site visits within both authority areas and close to contractor operations for bulking materials.
- 2.24 Contractor operations are envisaged to be based at both Buntingford and another location in North Herts to minimise collection vehicle travel and provide local bases for street cleansing operations. However, as part of the procurement process, potential contractors will have the opportunity to propose alternative locations provided these deliver better value for money for the shared service and both councils agree.

Branding and Livery

- 2.25 Vehicles and staff would be shared across authority areas and all livery will contain partnership branding (e.g. "North and East Herts

Waste Services”) with joint logos. Communications sent to residents on an individual (address) basis can be either joint or on behalf of the individual authority according to preference.

Inter-Authority Agreement (IAA)

- 2.26 As described in para 2.17 above the service standards, approach and financial and governance arrangement to be delivered by the Shared Service will be described in the Joint Contract (for the operational contracted services) and an Inter-Authority Agreement for the ‘in-house’ functions. This document will be for the life of the main service contract (7 years) and will be completed once the Shared Service has been approved.
- 2.27 An Interim Inter-Authority Agreement has been developed by the Project Board to protect both authorities from financial liabilities and risks in the event of one partner unilaterally ending the partnership prior to procurement.

Conclusion

- 2.28 Members are asked to approve the approach described in this report and on the basis of the Outline Business Case at **Essential Reference Paper B**. If approved, a further report will be submitted to the Executive in the Autumn, advising of progress and recommending award criteria for procurement of the next contract.
- 2.29 If the Council is minded to agree to a shared service it may be necessary to make minor adjustments to service scope as a result of further consultation with NHDC on service design in order to let a joint contract that is clear and unambiguous. It is therefore proposed that the Portfolio Holder be given delegated authority to make such changes as necessary as part of the contract preparation process.

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper ‘A’**.

Background Papers

None

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives :	Priority 2 – Enhance the quality of people's lives
Consultation:	<p>There has been close working between officers of the two authorities throughout the development of this report including technical advice and support from Senior Finance Officers.</p> <p>Project oversight and direction has been carried out by a Project Board, involving both authority's Portfolio Holders and Senior Managers</p> <p>Member Briefing Sessions were held at both authorities in 2015 to which all Councillors were invited.</p> <p>Initial discussions have been held with Unison and staff and this will continue as the shared service is developed, if approved.</p>
Legal:	<p>The legal implications are described within the report.</p> <p>It is proposed that North Herts District Council will be the 'Administrative Authority' for the Shared Service and be the legal entity leading the procurement. However, officers from both authorities will ensure that the procurement and services meet legislative requirements. Both authorities will be named partners in contracts for goods and services tendered on behalf of the partnership.</p> <p>The governance arrangements described in the report will ensure that East Herts continues to meet its statutory duties.</p> <p>Bidders submitting tenders will be required to confirm that their proposal meet the requirements of UK and EU legislation, including in particular the Waste Framework Directive (2008), which was transposed into law through the Waste (England and Wales) Regulations 2011. This relates to the requirement to comply with 'TEEP'</p>

	<p>regulations ensuring the quality of recyclable materials collected and re-processed. This will form part of an independent moderation of bids carried out by external advisors.</p>
Financial:	<p>Financial implications of this report and estimated future savings are contained within the 'Outline Business Case' (OBC) document attached as Essential Reference Paper B.</p> <p>This details the approach taken, the options considered and the 'Preferred Option' in terms of financial benefits expected to be delivered by a shared service.</p> <p>It indicates undiscounted savings to East Herts Council of 213k per annum, totalling 1.44m over the life of a 7 year contract</p> <p>Savings will be delivered from 2019 onwards.</p> <p>There are no additional Capital financing implications arising from specifically from a shared service. Options to consider whether the recycling fleet should be funded/provided by the contractor or the councils will form part of the procurement process and be determined on a value added basis.</p> <p>To date, East and North Herts councils have committed £30,000 each to the development of this project and this is being utilised to procure specialist external advice as described in the report and to fund project management. This is currently considered to be adequate for 2016/17. If there are any additional funds required to support the development of the shared service, these will be reported through the Council's usual financial management processes.</p>
Human Resource:	<p>The business case assumes a saving in client staff resources of between 2.25 and 4.25 FTE shared between the two authorities.</p> <p>This will be deliverable from 2019. Given the length of the project it is believed that any staff reductions can be achieved through natural wastage. Where necessary and appropriate, vacancies have and will continue to be filled through temporary contracts in order to avoid the risk of redundancy.</p>

	<p>Staff within the Operations service who are involved in waste related functions have been fully briefed on the project to date.</p> <p>Informal discussions have been undertaken with UNISON and this will continue should Members agree to proceed to the next stage.</p>
Risk Management:	<p>The key risks from a shared service arise from the following:</p> <p><u>Unsuccessful or abortive procurement</u></p> <p>This could result if there were insufficient bidders and therefore reduced competition for the contract resulting in higher prices. Soft market testing by specialist waste industry consultants indicates that there is significant interest in a joint contract for North and East Herts from the waste industry. The procurement will be designed to make the contract as attractive as possible by minimising risks and volatility to suppliers and adopting a shared approach to managing areas of uncertainty.</p> <p><u>Loss of key staff</u></p> <p>Transition to the new shared service will recognise the value and importance of staff skills and knowledge and will be managed in a way that retains key people during the implementation of the new contract. A key benefit of forming a single client team is the increase in resilience and ability to retain and develop people skills in a larger team.</p>
Health and wellbeing – issues and impacts:	<p>There are none for this report.</p>

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of the Local Government Act 1972.

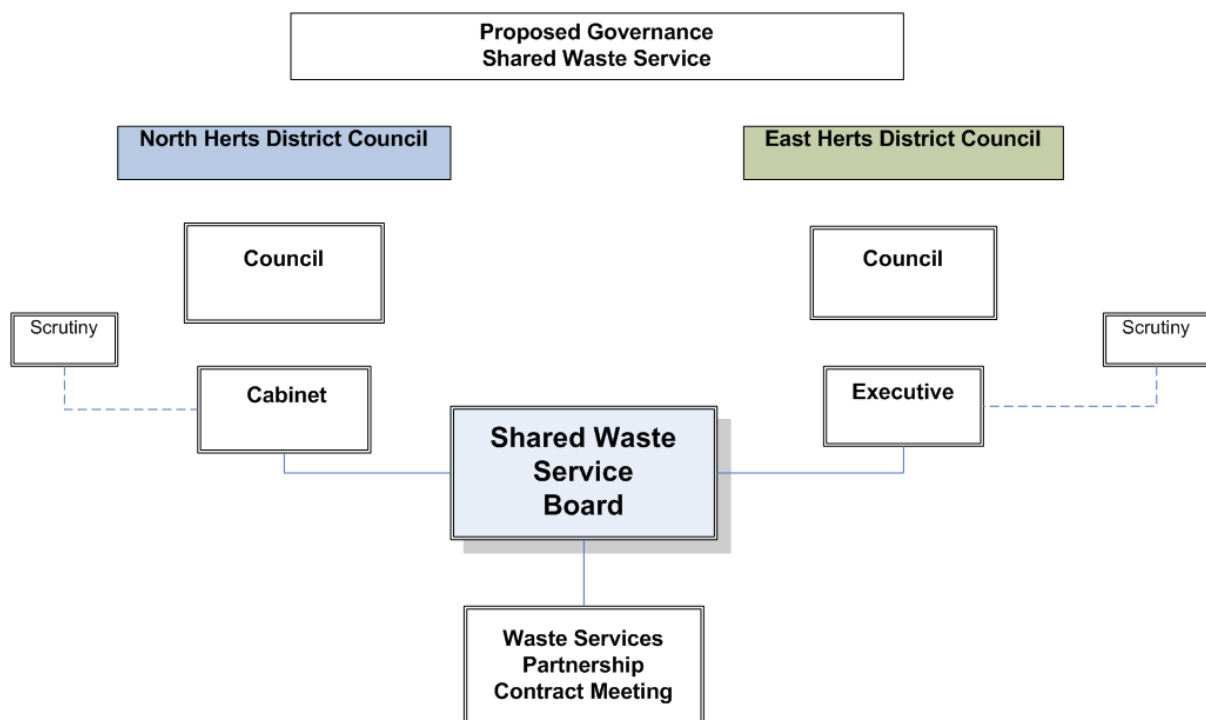
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ESSENTIAL REFERENCE PAPER C

WASTE AND STREET CLEANSING SHARED SERVICE – PROPOSED MEMBER AND OFFICER GOVERNANCE ARRANGEMENTS

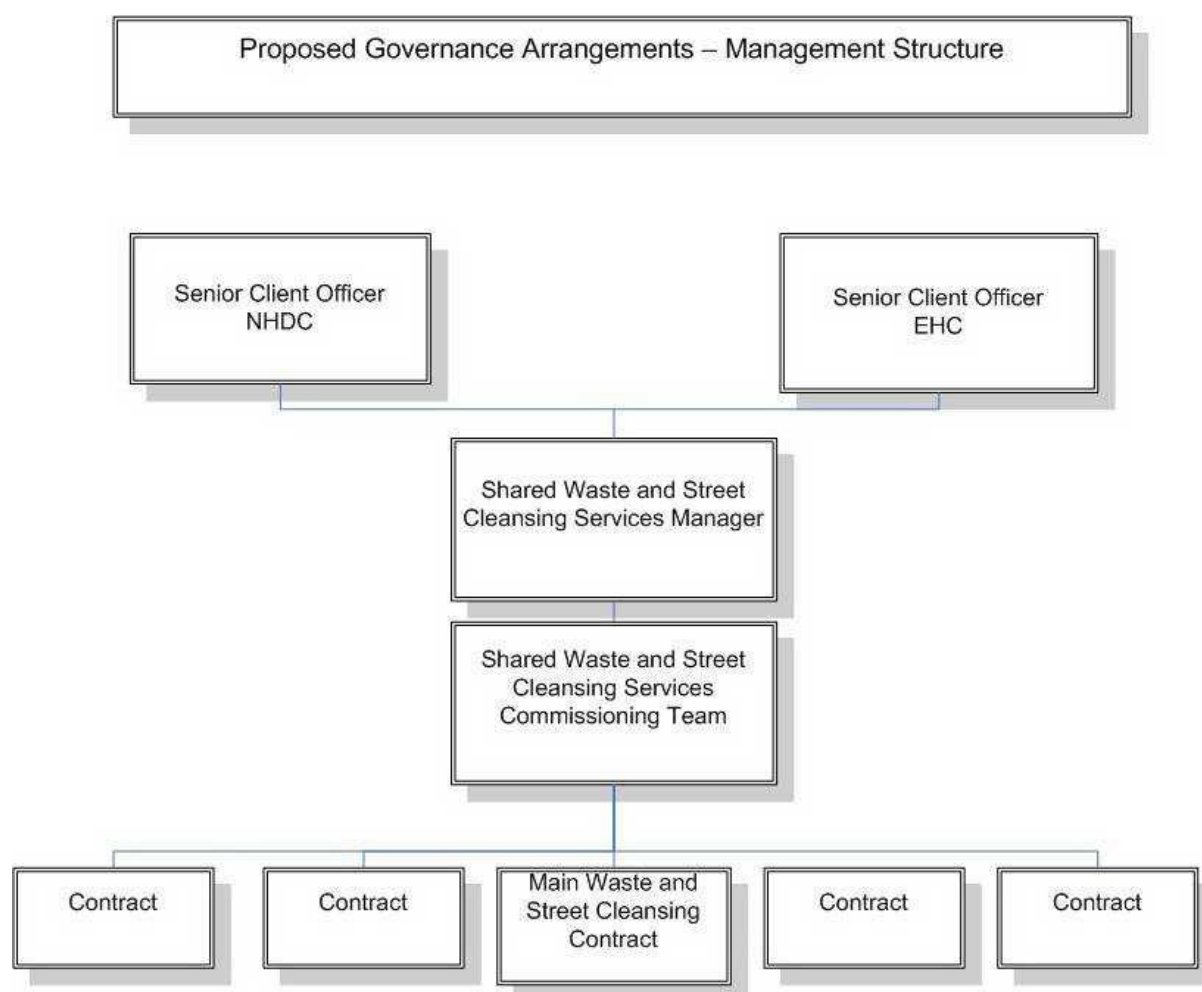
Proposed Member Governance Arrangements



ESSENTIAL REFERENCE PAPER C

WASTE AND STREET CLEANSING SHARED SERVICE – PROPOSED MEMBER AND OFFICER GOVERNANCE ARRANGEMENTS

Proposed Officer Governance Arrangements



EAST HERTS COUNCIL

EXECUTIVE – 19 JULY 2016

REPORT BY EXECUTIVE MEMBER FOR HEALTH AND WELLBEING

LEISURE FACILITIES STRATEGY

WARD(S) AFFECTED: All

Purpose/Summary of Report

- To outline the issues and options in respect of the management, and sustainability of three joint use leisure facilities and two wholly owned sites operated by East Herts Council.
- The report highlights significant risks in terms of capital and revenue funding for the joint use sites.

<u>RECOMMENDATIONS FOR EXECUTIVE:</u> That:	
(A)	the comments of Community Scrutiny Committee be received;
(B)	the proposed direction of travel outlined in paragraphs 2.70 to 2.72 and the programme of work outlined in paragraphs 2.73 – 2.76 be approved;
(C)	subject to recommendation (B) above, a progress report is provided to the Community Scrutiny Committee at its meeting on 22 November 2016; and
(D)	the work of the Task and Finish Group be extended to consider progress in developing the work streams over the next 6 month months as outlined in paragraph 3.2 of the report submitted.

1.0 Background

- 1.1 The purpose of this report is to identify the strategic framework for the future provision of leisure facilities and services provided by

East Herts Council. It takes account of the Council's priorities and the terms of reference provided by the Community Scrutiny Committee.

- 1.2 The Environmental and Leisure Services Plan for 2015/16 contains an action requested by the Executive to 'Develop a Strategy for the Council's Leisure Services'. This is needed in order to:
 - a) address the public health issues identified in the Health and Wellbeing Strategy through leisure and recreation;
 - b) develop a direction of travel and longer term strategic plan for the management and operation of indoor and outdoor recreation facilities;
 - c) improve the long term financial sustainability of the service in the context of increasing financial pressures on local government; and
 - d) optimise the opportunities to work with local communities and partners involved in sport, recreation and health.
- 1.3 At its meeting in November 2015 the Community Scrutiny Committee resolved that a Task and Finish Group (T&FG) be established to provide advice to Officers on the development of a leisure strategy aimed at determining the future of leisure facility provision and services over the next 10 years.
- 1.4 **Essential Reference Paper B** is a copy of the report presented in November 2015. This provides much of the essential background information and should be re-read conjunction with this paper.
- 2.0 Report
- 2.1 The report limits its scope to the provision of services provided by East Herts Council. This is deliberate because the issues concerning these facilities are pressing. However, the T&FG is aware that physical activity and sport is provided through an array of organisations. Work is currently taking place to develop a wider Open Space and Sports Facility Assessment and the outcomes of this study will inform any final decisions in respect of facility development proposals.

- 2.2 Physical activity is of vital importance to all sections of our communities. Regular physical activity leads to improved physical and mental health. It can reduce the risk of major illnesses, such as heart disease, stroke, type 2 diabetes and cancer by up to 50% and lower the risk of early death by up to 30%.
- 2.3 People participate in sport and physical activity for a number of reasons. Competitive sport is important for some people with the health benefits being a contributory factor. Many older people get involved in sport primarily for the social value and sense of community. Most parents are keen that their children swim well for safety reasons. Increasingly people take exercises to stay fit and healthy while others aim to reduce stress.
- 2.4 Providing good quality facilities is important. Many people have to motivate themselves to take part in physical activity and there are a range of barriers such as work, family commitments and confidence.
- 2.5 Maintaining public swimming across 5 facilities has been a significant achievement for East Herts Council. Very few authorities of similar size have achieved this. Their continued operation will in many respects be a greater challenge. This report highlights a number of significant risks which will compromise their future operation if nothing is done to address them. This is not a simple matter. There are significant complexities and buy-in will be needed from some key partners. The Task and Finish Group is firm in its view that these risks should be confronted with the objective of maintaining continued operation.
- 2.6 If the issues outlined in the report are not confronted then it is possible that some facilities will face eventual closure. However, if the council faces the challenges the probability of this outcome will be significantly reduced.
- 2.7 The report highlights significant opportunities to develop facilities at the Council's wholly owned sites at Grange Paddocks and Hartham. This work is important in order to reflect current leisure demand, demographic and societal changes. These opportunities need to be developed in tandem with work at the joint use sites to ensure a cohesive approach in terms of supply and demand.
- 2.8 The aim of the leisure strategy is to create a strategic framework and direction of travel so that leisure facility provision is sustainable, meets the needs of local communities and removes

barriers to participation. The Strategy will have implications in terms of:

- a) Direction of travel in respect of infrastructure
- b) Leisure Management delivery options
- c) The relationships with schools and Hertfordshire County Council.
- d) The specification of Council's leisure management contract with particular regard to the Council's Health and Wellbeing objectives.

2.9 The Vision

The vision for leisure facilities across East Herts is one of enabling everyone to have the opportunity to participate. The Council has a pivotal role in providing pay and play opportunities which cannot be provided through other sectors. In this context the suggested vision is as follows:

- 2.10 *The Council will provide attractive facilities available to the whole community which complements the wider provision of recreation opportunities in the community and voluntary sector. In addition, it will ensure that leisure facilities contribute fully to the health and wellbeing objectives of the Council.*

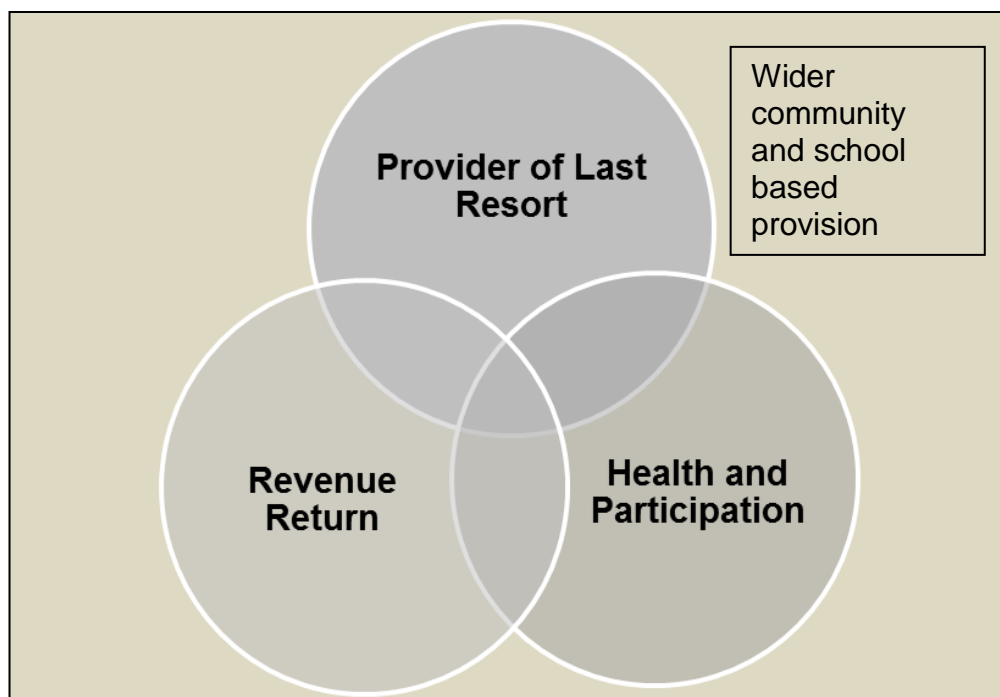
2.11 The aims of the Strategy are as follows:

- a) To achieve closer integration with the objectives and processes of the health sector through a range of commissioning links. This will include for example electronic patient referral and delivery of specific programs where there is an identified health need such as weight reduction and mental health.
- b) To achieve closer integration with the voluntary sector, town and parish councils. The aim would be to close the gap between contract delivery and the work being carried out by the voluntary and community sector.
- c) To provide outreach programs linking indoor leisure facilities to outdoor and community based activity, recognising the rural character of the district.
- d) To align leisure services delivery to the demographic trends and population growth recognising that the council

imports and exports leisure demand to adjoining authorities.

- e) To reduce barriers to participation and improve customer satisfaction.

2.12 The Task and Finish Group (T&FG) has been be mindful of the significant range of facilities provided by the community, voluntary and school sector. The strategy aims to complement rather than compete with this provision. In this context the T&FG considered why the Council provides leisure facilities particularly as local authorities are under increasing financial pressure. The diagram below outlines the principal rationale for facility provision.



Provider of Last Resort

- 2.13 The Council provides swimming pools because it is considered to be a priority for people of all ages to be able to swim on a 'pay and play' basis. If the Council did not support the provision of public pools there are no other organisations able to fill the gap. The private sector provides swimming pools but it is not commercially viable to do this on a 'pay and play' basis.
- 2.14 The Council supports the operation of 5 swimming pools built in the 1970's and this represents approximately 50% of total footfall into the leisure facilities provided by the council. However it is increasingly difficult to maintain their quality in the context of:

- a) Increasing financial pressure on EHC's revenue budget
- b) Consumer choice allied to car ownership which enables people to drive to more attractive facilities.
- c) Significant capital investment requirements
- d) Limitations in respect of school funding
- e) Growth in demand for Gyms and Group exercise
- f) There is a small but consistent decline in demand for swimming. This mirrors a national trend.

2.15 Revenue Return

The council has invested in the provision of leisure facilities over the last 10 years in conjunction with SLM principally through the provision of health and fitness and studio facilities. This now represents 40% of total footfall and has been successful in reducing operating costs. It also contributes significantly to the Council's health and wellbeing agenda however gyms operate in a competitive environment and require regular investment if their market position is to be maintained.

2.16 Health and Participation

A key concern for the Council is to enable people to live active and healthy lives which includes those who are most vulnerable. The Council cannot provide facilities for every activity but this does not mean it should not provide any. This issue can be reconciled through the provision of indoor and outdoor multi-sport spaces which can meet a range of demand and cover their initial capital costs over a period of 7 to 10 years.

2.17 Financial Overview

The financial issues and associated risks are a key consideration. These are outlined within Essential Reference Paper C. The Council's Medium Term Financial Plan (MTFP) indicates the need to find significant ongoing efficiency savings over the next three years. This is a significant challenge particularly in the context of non-statutory services such as leisure provision.

- 2.18 The Councils indoor leisure facilities fall into two categories. Joint use provision and facilities owned outright by the council. The owners of the joint use sites are listed below.

Facility	Owner
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Fanshawe Pool and Gym Ware	Chauncy School
Leventhorpe Pool and Gym Sawbridgeworth	Leventhorpe School
Ward Freman Pool Buntingford	Hertfordshire County Council (HCC)

- 2.19 Ward Freman Pool continues in the ownership of HCC. The schools adjudicator had determined that the school pool had been built by Hertfordshire County Council for use by all local schools not just for the use of Freman College. The adjudicator had therefore determined that it was a County Council asset which should not transfer to the ownership of the school.
- 2.20 EHC occupies the sites on the basis of a licence within the Joint Use Agreements which authorises it to manage and maintain the sites. Hartham Leisure Centre and Grange Paddocks, located in Hertford and Bishop's Stortford respectively, are owned by East Herts Council.
- 2.21 All the sites are managed through a Leisure Management Contract with Sports and Leisure Management (SLM) which expires on 31st December 2018.
- 2.22 The agreements with the schools and HCC were signed between 1975 and 1977 and are based on 60 years however the buildings have only a 30 - 40 year life expectancy. The current agreements do not come to an end until 2035 and 2037. Consequently the various parties to the agreements have currently unfunded capital liabilities for the next 20 years.
- 2.23 These concerns do not affect Grange Paddocks and Hartham Leisure Centres as these sites are not operated under a partnership agreement. Their ownership lies entirely with the East Herts Council. However, any proposed development would need to comply with planning regulations and include flood risk mitigations as both of these sites are located on flood plains.
- 2.24 The priorities of schools and Hertfordshire County Council have become increasingly focused on education and academic attainment. Consequently their commitment to invest in the joint use facilities, beyond basic maintenance, has become progressively more limited. The creation of Academies changed the financial dynamic with responsibility for the pools being

transferred to the Leventhorpe and Chauncy Schools. The County Council continues to fund its share of maintenance costs at Ward Freman. The Joint Use Agreements require that all costs are spilt between the schools/HCC and EHC on a 60/40% basis. This was based on the proportional allocation of time between use by pupils during the school day and the community at other times. When the facilities were owned by HCC the investment appraisals were aligned with the broader aims of the County Council. The objectives of the schools are more narrowly defined and this has an impact on their willingness and ability to invest capital in the sites. The effect of this has been to force EHC over the last 2 to 3 years to adopt a 'make do and repair' approach with little investment being made to improve the fabric of the buildings. There are items of plant which will have to be replaced soon if the sites are to remain operational.

- 2.25 The schools have indicated that their commitment to supporting the dual use facilities is conditional upon continuing government funding. Their perception is that this is at risk. It is difficult to quantify this but if school and HCC funding is withdrawn there would be an immediate shortfall of revenue funding in the order of £250k per year. The effect at each site is summarised below:

2014/15 Outturn

Pool	<u>(Surplus) / Deficit (£)</u>	(Surplus) / Subsidy per visit (£)
Fanshawe	(88,974)	(0.94p)
Leventhorpe	98,370	2.29p
Ward Freman	115,489	3.82p
Current Subsidy	£124,885	

- 2.26 The above table is a summary of the detailed analysis within **Essential Reference Paper C**. It shows that Fanshawe pool and gym is currently covering its costs, but there is a very significant deficit on the running costs at Leventhorpe and Ward Freman pool.
- 2.27 The net cost of running Leventhorpe Pool and Gym is currently just under £98,400 per year. The cost of running Ward Freman Pool is £115,500. These figures are the pure operating costs and

exclude EHC's corporate overheads and capital charges.

- 2.28 The subsidy per visit figure is derived by dividing the total net cost by the total number of customer visits. This excludes school use and is therefore the amount that Council Tax Payers are paying towards each individual visit.
- 2.29 If the revenue contribution from the schools / HCC were to cease it would result in the following worst case scenario position:

Projected Position based on 2014-15 outturn

Pool	<u>(Surplus) / Deficit (£)</u>	(Surplus) / Subsidy per visit (£)
Fanshawe	(8,690)	(0.09)
Leventhorpe	181,207	4.22
Ward Freman	207,478	6.87
Potential Subsidy	379,995	
<i>Potential additional Cost</i>	<u>£255,110*</u>	

* The above analysis is intended to show direct operating costs attributable to the operation of the facilities. It therefore does not include capital charges and support service costs.

- 2.30 If the Joint Use sites are to remain viable it will be very important that the Council maintains a good working relationship with the schools. The facilities remain in their ownership and they will be key stakeholders in developing solutions.
- 2.31 The same risks do not apply to Grange Paddocks and Hartham. The principal risk at these sites is a progressive divergence between growing customer demand and existing provision. In addition the Council needs to find a way to respond to the growth in population and demographic changes taking place locally.
- 2.32 The financial overview of the two sites owned by the council is as follows:

Pool	<u>(Surplus) / Deficit (£)</u>	(Surplus) / Subsidy per visit (£)

Grange Paddocks	(39,829)	(0.14)
Hartham	(20,109)	(0.07)

2.33 To address these risks it will be necessary to develop a sustainable business case for each site based on a sound legal framework.

2.34 **Strategic Options**

The Task and Finish Group (T&FG) has considered four strategic options based on the following criteria:

- a) Health and Wellbeing Objectives
- b) The Council's Medium Term Financial Plan
- c) Reputational and Financial Risk
- d) Customer demand and leisure trends
- e) Current and anticipated demographic changes

2.35 **Option 1 - No Change**

This option is presented primarily to outline the likely scenario if the Council takes no action. It represents a baseline against which other options may be considered.

2.36 The 'No Change' option does not address the difficulties associated with the lack of capital investment particularly at the Joint Use facilities. Furthermore the risk that school revenue funding may be cut or reduced at short notice cannot be addressed through this option.

2.37 The best case scenario is that there will be no change to government funding for school agreements. This would cover day to day management costs but would not address the fundamental problem of refurbishment and replacement of plant. EHC has been delaying plant replacement.

2.38 The worst case scenario is that government funding is withdrawn from the joint use pools leading to an immediate shortfall in the revenue funding outlined above. EHC would be faced with some difficult choices at short notice. Continued operation would result in a significant increase in costs to EHC at a time when the Council's budgets anticipate an overall reduction.

- 2.39 The best case scenario would lead to the same conclusion but it would be played out over a longer timeframe as the council progressively struggled to maintain the facilities without the necessary capital investment.

Option 2 - Limited Change

- 2.40 This option envisages that the Council would invest in the refurbishment of changing rooms, upgrading of the pools and investment in pool plant at Joint Use Sites. In addition the new leisure contract would permit incoming contractors to invest in gym facilities.
- 2.41 The assumption behind this option is that the Council would accept that capital funding will not be forthcoming from the schools and HCC and EHC determines that it will make up the difference.
- 2.42 This option would address a range of customer concerns. It would also enable the council to invest in renewing plant and other 'invest to save projects.' This could include energy management projects or the development of a business case for improved gym facilities.
- 2.43 This option would be conditional upon a lease being granted to replace the existing licence.
- 2.44 This option would be attractive from the Health and Wellbeing perspective. It would be popular with customers and the local community.
- 2.45 The major weakness with this approach is that If the schools subsequently withdrew or reduced their revenue funding for the reasons outlined above the council would find itself in a very difficult position. The decision matrix for EHC becomes problematic because the Council would need to take into consideration the capital investment that it had made previously in addition to the revenue implications.
- 2.46 In terms of financial and reputational risk this is probably the least favourable option.

2.47 **Option 3 - Joint Use Rationalisation**

This option is based on reducing financial exposure and risks outlined above. There are two sub options:

- a) Convert the swimming pools to gym or studio space.

b) Facility closure.

2.48 Conversion to Alternative Use

The Council could seek to negotiate converting the swimming pool of at least one site to an alternative leisure use. This could include a gym with an associated studio space. There would be other options such as a space for gymnastics, judo or other martial arts.

2.49 The advantage of this approach is that it is more likely to be financially sustainable and would support the Council's Health and Wellbeing objective. There are significant costs attached to the operation of swimming pools which are not present in health and fitness facilities.

2.50 There are disadvantages. The opportunity to participate in swimming is valued locally and this would be viewed negatively. There would be an immediate problem in terms of supply and demand with schools and clubs being forced to look for alternative places. Some casual swimmers would use other facilities but inevitably some would give up swimming. Swimming is more popular with older people so the impact on this group would be greater.

2.51 Facility Closure

The Task and Finish Group is very anxious to avoid this scenario if possible.

2.52 The advantages are that the council would reduce its financial exposure and risk. It would also improve the viability of other nearby sites as some people would relocate. However, it may also lead to exported demand to neighbouring districts.

2.53 The financial performance of Fanshawe Pool and Gym is good so there is no threat to this site. However, the same is not true of Leventhorpe or Ward Freman which make significant losses.

2.54 Inevitably there would be a loss of opportunity for people to participate locally. There would be reputational risk as this action would be contrary to the Council's stated objectives and the council's key partners in delivering health programmes would be concerned. For example the Council was recently successful in

obtaining funding from Sport England to improve access to sporting opportunities, including swimming.

2.55 The mechanism for closure would be for the Council to give notice that it intended to withdraw from a Joint Use Agreement. Theoretically the schools could continue to operate the facilities without EHC support but this is highly unlikely. It would be necessary to work with schools to ensure that the facilities were closed in a manner which left them safe.

2.56 The supply and demand issues would be the same as those indicated above with difficulties encountered in accommodating schools and clubs at alternative sites. Casual swimming could probably be absorbed.

2.57 **Option 4 - Supply and Demand Management**

2.58 This option is based on maintaining a balance between supply and demand. It envisages that the Council makes key strategic investments in capacity at the sites not subject to joint use agreements while at the same time developing alternative management options at the Joint Use sites. This is the preferred option of the Task and Finish Group.

2.59 The Council would arrive at a point where significant investments had been made at the Bishop's Stortford and Hertford leisure facilities while the options for the Joint Use Sites had been fully explored.

2.60 The options at each Joint Use site are likely to differ significantly but could include:

- a) Transfer of management to a community based organisation with or without some form of financial support from EHC. The Council would seek to obtain the continued funding from local schools. However in all circumstances a key requirement would be a long term lease to replace the current licence.
- b) Combined management of Council and school leisure facilities as one operation, delivering benefits to both parties in terms of economies of scale. This would be subject to agreement with schools.
- c) EHC retaining management control of the sites and the development of a business case to improve the financial

performance at each site. The scope for this may be limited owing to the physical constraints at some of the sites and the demand for services from the local community

- 2.61 Option 4 would enable the Council to address issues to do with anticipated population growth together with demographic changes and leisure trends. It would also allow time for the Council to develop alternative solutions at the Joint Use Sites. The arrangements are likely to vary according to local circumstances however the business model would need to be sustainable and carry less risk than the current model. It would require buy in from a range of key partners and stakeholders.
- 2.62 The option of developing and improving the two wholly owned sites would complement other emerging plans particularly in Bishops Stortford in respect of population growth, town centre redevelopment opportunities and parks and open spaces initiatives.
- 2.63 In addition to developing the sites the Council would aim to let a new leisure management contract which would require contractors to deliver on the objectives outlined above.
- 2.64 A key objective in the new contract would be to ensure greater flexibility to deliver the Council's Health and Wellbeing objectives so that it can respond to new challenges as they emerge during the period of the contract. In addition the contractor will be required to engage fully with a range of partners including Clinical Commissioning Groups and the voluntary sector.
- 2.65 While the above approach will place greater demands upon contractors this would be offset by the opportunity to operate and manage updated or replaced sites with greater income potential.
- 2.66 A key part of the business case for leisure facilities would be based on a capital investment programme by the Council which would result in a lower revenue subsidy being required to support the facilities. Discussions with the incumbent contractor suggest that this is deliverable. Further work needs to be undertaken to establish the best use of capital in terms financial objectives and the achievement of other Health and Wellbeing objectives.
- 2.67 A primary objective of the Leisure Facility Strategy is to align the operation of the leisure facilities with the Health and Wellbeing

Strategy. In practical terms this means supporting partnership objectives such as:

- a) Reducing the number of people attending for hospital visits
- b) Tackling mental health problems particularly loneliness among older people.
- c) Enabling people to connect with weight loss programmes
- d) Enabling GP's and other health professionals to refer people to various programmes operating within facilities through streamlined processes.
- e) Reaching out to people in rural communities
- f) Encouraging exercise in parks and open spaces through a wider range of activities.

- 2.68 A link is provided here to the Council's Health and Wellbeing Strategy.

<http://www.eastherts.gov.uk/media/24244/East-Herts-Health-and-Wellbeing-Strategy-2013-2018/PDF/3648 - Health and Well Being Strategy 2013-2018 for web.pdf>

- 2.69 The above list is not comprehensive however committing to these outcomes requires firstly that the basic infrastructure is secured from a financial and legal perspective. The next step is to ensure that the Council's new Leisure Management Contract builds on this foundation by fully articulating what contractors will be required to do and be held accountable for achieving.

Proposed Direction of Travel

- 2.70 The Task and Finish Group concluded that Options 3 and 4 presented the only viable way forward. However, the group wish to emphasise that Option 4 was the preferred approach as they firmly believe this option is the one most likely to achieve the Council's objectives and desired outcomes. It provides the best opportunity to maintain and develop the current service and creates the opportunity conditions necessary to deliver the Council's Health and Wellbeing objectives. The group was mindful of the Council's Medium Term Plan financial objectives which require significant financial savings to be achieved. However, they wish to emphasise that Option 3 should be retained as a reserve position in the event that all other options have been fully explored and proved to be not viable alternatives.

- 2.71 In order to develop an outline business case based on option 4 further information is required. It is proposed that this will be obtained through the work programme outlined below.
- 2.72 The programme of work based on Option 4 would include the following key elements. While these have been listed in sequence much of the work will take place in parallel.

Work Programme

Stream 1 - Joint Use Sites

- 2.73 The development of outline business cases for the management and operation of the Joint Use Facilities.
- a) To negotiate with schools and HCC to replace the joint use agreements with a more secure legal framework. The outcome of these negotiations will depend upon the circumstances prevailing at each site. However, any capital investment by EHC would need to be coupled by security of tenure.
 - b) To explore a range of management delivery options with schools, HCC and other key stakeholders.
 - c) To develop proposals which support the Council's Health and Wellbeing objectives.
 - d) To undertake a review of the current infrastructure to identify ways in which the buildings can be improved from a customer, business case and environmental perspective.
 - e) To bring forward a business case for the continued operation of swimming pools or if this is not feasible, alternatives based on Option 3.
- 2.74 Subject to members agreeing this proposal a detailed project plan including financial implications will be developed to map the direction of travel and key milestones.

Stream 2 - Hartham and Grange Paddocks Leisure Centres

- 2.75 The development of an outline business case for the management and operation of the above sites would include;

- a) A programme of work including a study is undertaken in order to consider options for the upgrading or replacement of the above sites, so that they can address the challenges referred to in this report and in ERP B. This would include the provision of detailed and costed infrastructure plans.
- b) The above work would include consultation with key stakeholders such as the CCG, Customers, Management Contractors and organisations involved in the planning process.
- c) An appraisal of the infrastructure options based on:
 - I. Capital costs
 - II. Revenue impact
 - III. Contract management arrangements
 - IV. Contribution to Health and Wellbeing Objectives
 - V. Risk assessment

2.76 The above options appraisal will take into account the Open Space and Sports Facility Assessment currently being undertaken and other plans such as the current work in respect of Bishop's Stortford Town Centre.

Stream 3 - Health and Wellbeing

- 2.77 The development of initiatives through the new leisure management contract which enable the operation of leisure facilities to address key issues identified within the Council Health and Wellbeing Strategy.
- a) Further work to identify models of existing best practice which can be utilised effectively within East Herts.
 - b) Further engagement with health professionals to streamline processes and develop initiatives which address health inequalities.
 - c) Obtaining leisure and legal advice on ways in which to include health and wellbeing initiatives within a contract to secure performance and outcomes.
 - d) Engagement with partners to develop effective measures which encourage cycling, walking and extensive use of open spaces to promote healthy activity.

- e) Engagement with the leisure industry to identify ways in which outreach programmes can be developed in rural areas.

3.0 Implications/Consultations

- 3.1 The implications and consultations are covered within the report and within **Essential Reference Paper A**.
- 3.2 The Task and Finish Group felt that a further report should be provided to the Community Scrutiny Committee at its meeting in November. In addition they felt that there would be benefit in the group being retained on an ongoing basis to act as a sounding board and to monitor progress over the next 6 months. The group has developed a significant understanding of the subject matter over the last 6 months.
- 3.3 **Conclusion**
The Task and Finish Group wished to emphasise that the work programmes represent a major step forward. They are ambitious. They wish to create the opportunity conditions which encourage people to take part in physical activity regularly. However capturing imagination, commitment and enthusiasm of people requires facilities and services which are relevant to their lives. This report is about developing the foundations which enable this to happen. Maintaining momentum is now the key challenge and the Task and Finish Group is keen to see that this is maintained.

Background Papers

None

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives:	Priority 1 – Improve the health and wellbeing of our communities
Consultation:	<p>The following organisations have been consulted through the work of the task and Finish Group:</p> <ul style="list-style-type: none">a) Clinical Commissioning Groupb) Active East Herts <p>In addition the Task and Finish Group has visited sites at St Albans, Witham and Braintree</p>
Legal:	<p>None at present however the work programme as indicated in the report will require legal support.</p> <p>In undertaking negotiations with the schools the Council must take care to ensure that it is not funding educational use as this would be outside its authority.</p>
Financial:	<p>The report aims to address:</p> <ul style="list-style-type: none">a) Revenue risks arising from the existing Joint Use Agreements.b) The risks associated with the existing Joint Use Facilities if capital investment is not made.c) The development of options for capital investment in the context of reducing the revenue subsidy for the Leisure Management Contract due to be let in January 2019. <p>A financial appraisal of each leisure facility is included within ERP C together with an assessment of the financial risks to the Council if 'school' funding of Joint Use Facilities is withdrawn.</p>
Human Resource:	There are none for this report
Risk Management:	The key financial and reputational risks are assessed within the report however project risks associated with the programme of work will be brought forward in future

	reports should Members agree to proceed.
Health and wellbeing – issues and impacts:	The key health and Wellbeing issues and opportunities are outlined within the report.

Essential Reference Paper B

COMMUNITY SCRUTINY COMMITTEE – 17 NOVEMBER 2015

REPORT BY HEAD OF ENVIRONMENTAL SERVICES

EAST HERTS LEISURE STRATEGY

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- This report is concerned with the development of a proposed Leisure Strategy. It recommends that the committee establishes a Task and Finish Group to assist officers in the development of the Leisure Strategy. A suggested draft terms of reference is outlined in Essential Reference Paper A.
- This report outlines a number of risks and identifies a series of key issues which need to be taken into account in planning for the future of leisure provision in East Herts.

<u>RECOMMENDATIONS FOR COMMUNITY SCRUTINY COMMITTEE</u>	
That:	
(A)	A Task and Finish group be established to advise Officers in the development of a leisure strategy which will determine the future of leisure facility provision and services over the next 10 years.

1.0 Background

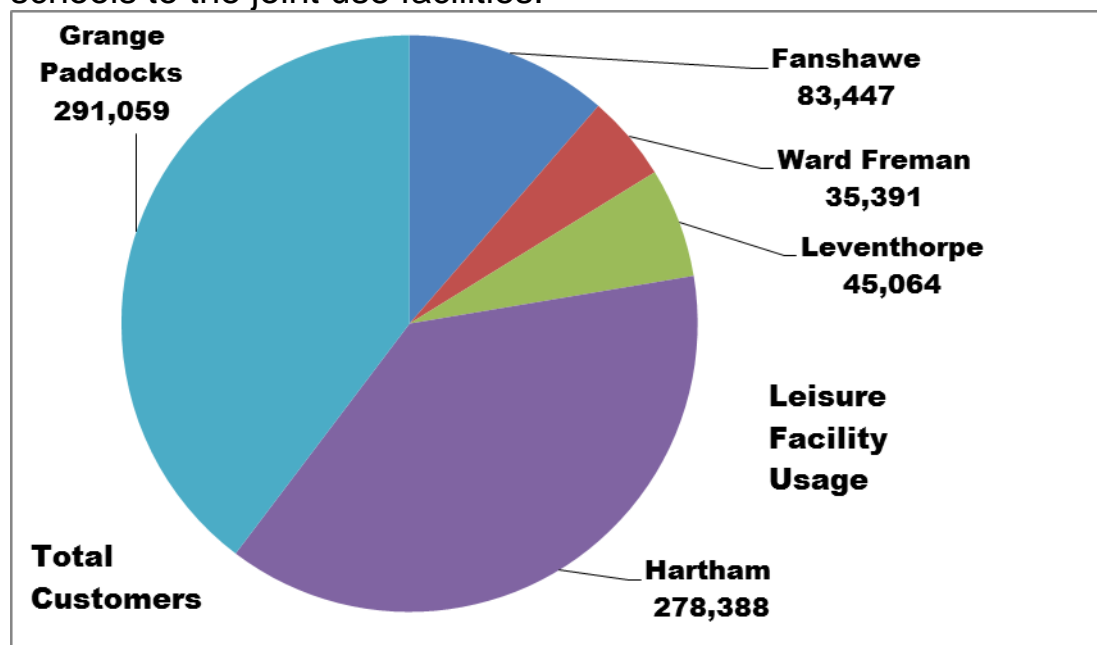
1.1 The Environmental and Leisure Services Plan for 2015/16 contains an action requested by the Executive to 'Develop a Strategy for the Council's Leisure Services'. This is needed in order to:

- a) address the public health issues identified in the Health and Wellbeing Strategy through leisure and recreation;

- b) develop a direction of travel and longer term strategic plan for the management and operation of indoor and outdoor recreation facilities;
- c) improve the long term financial sustainability of the service in the context of increasing financial pressures on local government; and
- d) optimise the opportunities to work with local communities and partners involved in sport, recreation and health.

1.2 The Council provides 5 leisure centres, one in each of the main towns. These are operated under a fully outsourced contract. The contract was let in January 2008 for a period of 10 years to Sports and Leisure Management Ltd (SLM) trading as 'Everyone Active'. The financial turnover of the contract is £4.1 million. The Council retains responsibility for the replacement of major plant and significant building works. SLM is responsible for all aspects of the day to day running of the facilities including promotion of services and customer contact. All income is retained by the contractor, which is equally responsible for all running costs. The Council pays a management fee of circa £230,000 per annum. This varies from year to year and represents the Council's subsidy to bring the contract into a breakeven position. Three of the five facilities are provided in partnership with local schools through joint use arrangements. The leisure centres attracted 733,350 customer visits in 2014/15 as shown in the chart below.

1.3 The overall net cost of leisure services to the council is £849,200 including all service costs, football provision and contributions from schools to the joint use facilities.



2.0 Report

2.1 Strengths, Weakness, Opportunities and Threats (SWOT)

The situation analysis is outlined below and identifies where Leisure Services in East Herts stands on four key strategic areas. Its purpose is to better inform decision making.

SWOT ANALYSIS

Strengths	Weaknesses
<ul style="list-style-type: none">• Leisure Management Contract Payments Declining• Overall Customer satisfaction good• Good data about customers (Mosaic)• Maintaining participation (bucking national trend)• Excellent' independent assessment scores at Grange Paddocks and Hartham• British Standard ISO 14001 and 18001 attained.• 45% of income from Leisure Memberships	<ul style="list-style-type: none">• Facilities built in 1970's – ageing• Short term planning history• Changing leisure trends• Energy Management• Health and Wellbeing Strategy and Leisure Contract not aligned• Little information about Non-users• Long term financing of joint use sites.• Car parking at 'peak' times• Limited facility mix• Specific customer concerns e.g. changing rooms
Opportunities	Threats
<ul style="list-style-type: none">• Population growth (Particularly Bishops Stortford)• Partnership Arrangements• Energy management investments• Development of the facility mix to increase participation.• Development of health improvement interventions.• Combined indoor/outdoor health promotions.• Income generation to make self-financing contract.	<ul style="list-style-type: none">• Grange Paddocks LC demand pressures from increased population• Changes to safeguarding regulations and best practice.• All facilities due for major refit in medium term.• Potential loss of members as facilities dilapidate• Competition from rival providers• School funding risk• Pressure on public expenditure

Risks

2.2 The above analysis enables a number of key risks to be identified. These are considered to be as follows:

- 2.3 Most of the facilities were constructed in the 1970's. There is currently no long term plan for their strategic management, development or replacement. The Leisure Strategy would address this issue through the work of the Task and Finish Group. However the group would need to consider carefully the quantity, quality and business case for the present mix of facilities compared with other options.
- 2.4 Leisure trends have changed significantly since facilities were built 40 years ago. There are a range of opportunities to develop services which meet current demand. However, if the opportunities are not grasped there is a risk of managing a widening gap created through evolving participation trends and facilities which have limited capacity to meet additional demand.
- 2.5 Increasing car ownership has changed the catchment population for facilities since the 1970's. This has the impact of increasing the potential catchment population for attractive facilities but it also means that people will exercise consumer choice in some instances by-pass older facilities. There is also a consequential impact on car parking provision.
- 2.6 A key risk for the Council lies in the loss of people paying a direct debit for membership of the facilities. 45% of income is now derived from this source and is primarily associated with gym usage. Membership income is significant because it is more reliable than that associated with casual use which is variable and primarily associated with swimming. However, this means that the facilities compete directly with private sector operations. If the standard of facilities declines, members can migrate swiftly to alternative facilities with a consequential impact on the business model. Increasing costs and declining income could pose a serious threat to the Council and its ability to let a financially sustainable contract.
- 2.7 It is important that long term objectives are determined well in advance of a new leisure management contract being let. Inserting new clauses into a contract once it has been let is expensive because the Council will be in a poor negotiating position. To mitigate this risk the Council needs to have considered carefully what it wishes to achieve and how this might be developed through a new contract and in the context of a facility review.
- 2.8 There are a range of management models available to local authorities for the operation of leisure facilities and the council has a duty to consider alternatives. If the Council chooses to develop

an alternative management model then the failure of that model to sustain a successful business can become a major risk in terms of financial loss and reputational damage. The Council will therefore need to evaluate options carefully.

2.7 From a health perspective those people who take no exercise are of greatest concern. The Health and Wellbeing Strategy identified that:

- 41% of adults in East Herts are physically inactive.
- 11.3% of children in their first years at secondary school are obese.
- 21.4% of adults are obese

2.8 If the council develops health/leisure initiatives without good data and information it is unlikely to be able to make the best use of resources or target these in the most effective ways.

2.9 Leisure Centres and swimming pools are particularly heavy consumers of power in the form of gas and electricity. The East Herts facilities use 6.6 Million Kilowatt Hours (Kwh) of gas and 1.4 Million Kwh of electricity at a total cost of £337,500 in 2013. This is paid by the contractor but is a key element in the contract management fee paid by the Council. The above energy costs represent a high level of expenditure and are significantly higher than comparable modern facilities.

2.10 There are a range of interventions which have been employed to reduce the carbon footprint of leisure sites however there is a significant gap in terms of current and optimal performance. Interventions such as Combined Heat and Power (CHP), Solar Panels and Ground Source Heating together with improvements to buildings and the mechanical and electrical equipment could generate significant savings however this requires a long term commitment and a shared approach to investment and risk.

2.11 The Council has commissioned energy management consultants to advice on possible interventions. The information from the consultants will feed into the deliberations of the Task and Finish Group.

3.0 Key Issues

3.1 The overriding issue for the facilities is one of age. All were constructed in the 1970's with the exception of Hartham which started as an outdoor pool 10 years earlier. The effect of 'no

change' will be that costs increase incrementally over time accompanied by occasional sharp rises as the facilities become more exposed to competitive pressures, utility costs, plant failure and maintenance costs.

- 3.2 There are some significant problems particularly in relation to Grange Paddocks. The swimming pool was constructed as a community facility when the population of Bishops Stortford was approaching 20,000. In a few years the catchment population will be in the order of 60,000. This does not include significant developments planned in the Stansted Mountfitchet area which are likely to increase demand for swimming at Grange Paddocks Leisure Centre owing to proximity, drive times and lack of swimming facilities in that town.
- 3.3 Although the overall customer satisfaction at Grange Paddocks is good a more detailed analysis shows that a range of users are less satisfied with changing accommodation. The changing rooms form part of the original building and have been refurbished but struggle to meet demand particularly at peak times owing to its size layout and design in the context of school, club and gym usage.
- 3.4 The growth of competitive swimming since the 1970's is an example of gap between current provision and leisure demand. For most public pools, swimming club usage is a major income generator however at Grange Paddocks it is marginal. This occurs because the swimming club has outgrown the existing facilities and now uses a range of pools for training and competitions.
- 3.5 A strength of East Herts is the availability of swimming facilities. Maintaining 5 pools has been a significant achievement which few other authorities of the same size can equal. However the pools are traditional in their design. Parents and children are more attracted to facilities which are a visitor destination in themselves where swimming is learned not just through lessons but also through play activity.
- 3.6 Grange Paddocks Leisure Centre is built on a flood plain and as a consequence, significant changes to the leisure facilities are problematic in terms of environmental and planning constraints. Hartham Leisure Centre has similar constraints but does not have the same growth in catchment population. These two facilities account for 80% of customers.

- 3.7 The mix of facilities provided by the authority does not make the best use of fixed costs. Most authorities manage sports halls, all weather areas and a mix of other facilities alongside swimming pools because the fixed costs associated with pool operations can also be used to run additional services and these facilities appeal to a broader section of the local community. For example a single receptionist can process badminton bookings as well as swimming booking particularly as gym access is highly automated.
- 3.8 The age of the facilities is becoming more challenging. For example the Council is currently replacing the Air handling Unit at Hartham Leisure Centre this will cost in the order of £130,000 and will require a closure of the pool for 1 month. As the facilities age there is an increased probability of closure to accommodate the replacement of plant or structural repairs.
- 3.9 The water quality at Grange Paddocks and Hartham swimming pools while acceptable in terms of customer safety is not optimal by current design standards. Water clarity is lower than in modern designs and chemical smells are more prevalent. This occurs because the design of the pool tank is dated and the latest plant equipment cannot perform optimally owing to the basic design of the pool tanks. The pools do not incorporate the latest technology in terms of disinfection systems.
- 3.10 The pool halls at Hartham and Fanshawe are in need of refurbishment and improvements to insulation would assist with running costs.
- 3.11 There are a number of partnership opportunities which should be explored in order to determine whether there is potential to develop long term management and funding arrangements to support initiatives aimed at improving health and increasing participation.

Task and Finish Group

- 3.12 It is suggested that the route forward is as follows:
- a) The Task and Finish Group meets monthly from January to June to consider key aspects including direction of travel, key challenges and the options available to address these.

- b) A progress report or draft Leisure Strategy is presented to the Community Scrutiny Committee in June 2016 subject to the views of the Task and Finish Group.
- c) A report is subsequently submitted to the Executive based on the draft Leisure Strategy.

4.0 Implications/Consultations

There are no specific consultations in relation to this report. The service is currently conducting a Non User Survey and an Exit Survey has recently been undertaken to establish the views of customers. This information will be considered by the Task and Finish Group.

Background Papers

None

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Essential Reference Paper C

Current Position (2014/15)

	Fanshawe	Leventhorpe	Ward Freman	Hartham	GP	All
	£	£	£	£	£	£
SLM Total Expenditure	506,056	369,265	349,217	1,377,729	1,336,636	3,938,903
SLM Total Income (inc. contribution from EHC)	- 563,641	- 263,094	- 202,540	- 1,573,240	- 1,534,058	- 4,136,573
Net Expenditure	- 57,585	106,171	146,677	- 195,511	- 197,422	- 197,670
EHC Total Expenditure (inc. contribution to SLM) *	48,895	75,036	60,800	175,402	157,593	517,726
Contributions from Schools *	- 80,284	- 82,837	- 91,992	-	-	- 255,112
EHC Net Expenditure	- 31,389	- 7,800	- 31,192	175,402	157,593	262,614
Total Net Expenditure	- 88,974	98,370	115,486	- 20,109	- 39,829	64,944
Casual users	94,482	42,977	30,220	295,716	281,832	745,226
Total subsidy per user	-£ 0.94	£ 2.29	£ 3.82	-£ 0.07	-£ 0.14	£ 0.69
Not included						
Support Services	19,079	19,079	19,079	66,775	66,775	190,785
Capital Financing Costs	30,366	19,380	21,300	181,889	98,345	351,280

* includes notional values for utilities payments made by schools and therefore will not appear in EHC's I&E account.

Effect of School Funding Being Withdrawn

	Fanshawe	Leventhorpe	Ward Freman	Hartham	GP	All
	£	£	£	£	£	£
SLM Total Expenditure	506,056	369,265	349,217	1,377,729	1,336,636	3,938,903
SLM Total Income (inc. contribution from EHC)	- 563,641	- 263,094	- 202,540	- 1,573,240	- 1,534,058	- 4,136,573
Net Expenditure	- 57,585	106,171	146,677	- 195,511	- 197,422	- 197,670
EHC Total Expenditure (inc. contribution to SLM)	48,895	75,036	60,800	175,402	157,593	517,726
Contributions from Schools	-	-	-	-	-	-
EHC Net Expenditure	48,895	75,036	60,800	175,402	157,593	517,726
Total Net Expenditure	- 8,690	181,207	207,478	- 20,109	- 39,829	320,056
<i>Impact</i>	<i>80,284</i>	<i>82,837</i>	<i>91,992</i>	<i>-</i>	<i>-</i>	<i>255,112</i>
Casual users	94,482	42,977	30,220	295,716	281,832	745,226
Total subsidy per user	-£ 0.09	£ 4.22	£ 6.87	-£ 0.07	-£ 0.14	£ 0.69
Not included						
Support Services	19,079	19,079	19,079	66,775	66,775	190,785
Capital Financing Costs	30,366	19,380	21,300	181,889	98,345	351,280

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EAST HERTS COUNCIL

EXECUTIVE – 19 JULY 2016

REPORT BY EXECUTIVE MEMBER FOR HEALTH AND WELLBEING

DELIVERY PLAN FOR ACTIVE EAST HERTS

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To present the services delivered by Active East Herts (AEH) and to propose an annual Service Level Agreement (SLA) for approval by the Executive.

<u>RECOMMENDATIONS FOR EXECUTIVE:</u> That:	
(A)	the comments of Community Scrutiny Committee be received; and
(A)	the action plan and Service Level Agreement as detailed at Essential Reference Papers 'C' and 'D' of the report submitted, be approved.

1.0 Background

1.1 This is a covering report to the presentation and the report prepared by Jan Stock – Chair of AEH for Community Scrutiny Committee.

1.2 Active East Herts is the Community Sports Network (CSN) for the District. The role of the CSN is described in more detail in **Essential Reference Paper B**. East Herts Council has worked closely with AEH for a number of years through partnership arrangements and recently through an SLA to deliver sporting opportunities for East Herts residents.

1.3 As the council has started the delivery on the Sport England funded project Forever Active East Herts (FAEH), AEH has

become one of the key partner as well as delivering specific projects commissioned through Sport England funding.

- 1.4 To ensure that the work that AEH do in relation to Community Sport provision fits in well with the council's new Corporate Strategic Plan, they have been invited to report on and present to Community Scrutiny their approach to achieving improved outcomes for our residents.

- 1.5 More information on AEH can be found in **Essential Reference Paper B** and on their website: www.activeeastherts.org

2.0 Report

- 2.1 Since 2012 East Herts Council has provided £5,000 (annually) initially through one of funding and then through an SLA as part funding to deliver elements of the action plan **Essential Reference Paper C**. The £5,000 is used in the following way:

- 2% of the grant is used for website hosting
- the majority of the funding provided by EHC is used as pump-priming to attract external grants such as Awards for All and support from Sport England national governing bodies.

- 2.2 In addition to the above AEH is working in close partnership with the council in delivering the council's multi agency Sport England funded project FAEH (<http://www.foreveractiveeh.org.uk/>).

- 2.3 Members are asked to consider the action plan and the SLA in the context of the district's demographics (including in respect of an ageing population) and whether the approach outlined in the AEH delivery plan will engage with the inactive/sedentary 50-75 year target age group for FAEH.

Members are also asked to consider highlighting potential gaps in the plan in the context of the council's Sport England funded FAEH project and its alignment to the Council's Corporate Strategic Plan. Any gaps identified by the Committee can then be explored by officers and AEH.

It is proposed that, in relation to the delivery plan, the SLA presented at **Essential Reference Paper D** is approved.

- 2.4 AEH made a presentation on their work to the Scrutiny Committee on 28 June 2016 followed by questions from the committee and

discussion.

- 2.5 Following the Scrutiny meeting on 28th June AEH audited account has been added as **Essential Reference Paper E** for information for the Executive.

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives:	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	N/A
Legal:	None at this Stage
Financial:	Covered in the report
Human Resource:	None
Risk Management:	None
Health and wellbeing – issues and impacts:	Embedded in the Forever active programme

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Active East Herts

Report to East Herts Council Community Scrutiny Committee

28 June 2016

Introduction

Physical activity and sport plays an important role in people's wellbeing and provides a good foundation for a healthy lifestyle. Providing a coordinated and effective response to the health related problems caused by inactivity is a key priority for every community. But physical activity is not just a public health issue; it also promotes the well-being of communities and benefits society by increasing social interaction and community engagement.

Active East Herts (AEH) is the Community Sport Network (CSN) for the District. It plays a key role in supporting East Herts Council to develop and deliver a cross sector approach to physical activity, helping to increase participation, reduce health inequalities and improve the quality of life for its residents. The Health and Wellbeing strategy acknowledges the need for the council to work in partnership to achieve its public health objectives and there is clear alignment between EHC Corporate strategic priority 1 – improving the health and wellbeing of our community - and Active East Herts strategic programme.

The Role of Active East Herts

East Herts has a wide and diverse range of sporting opportunities available to residents and visitors to the area. Providers include the District, Town and Parish Councils, private and educational sectors and community and voluntary organisations.

Active East Herts brings together local deliverers from a range of organisations and agencies committed to working together to increase participation in sport and physical activity. Its purpose is to:

- raise the profile of physical activity opportunities and promote and support events which foster participation in sport and related health education to all sections of the community;
- advise, support and assist local voluntary sports clubs and organisations in their development and provision of community activities
- liaise with and support all stakeholders concerned with the provision of sport and physical activity
- inform and influence the development of interventions to increase physical activity;
- support and promote the delivery of activities that serve as positive diversions to young people.
- maximise the development and use of sports facilities and advise where future investment should be channelled;
- support those agencies which aim to achieve the highest possible standards in sport.
- enable children and young people to migrate seamlessly from the school environment to participation in community sport.

Unlike the CSN's in the rest of Hertfordshire Active East Herts is staffed entirely by volunteers. The network is led by a voluntary representative Executive Committee and reflects the wide range of sport and physical activity available across the district. East Herts Council provides financial support for the Community Sports Network and makes an annual payment of £5000 (subject to the Councils budget setting process) to enable delivery of the action plan. This relationship is managed via a Service Level Agreement.

Our Vision

“To create opportunities for the people of East Herts to participate in sport and physical activity regardless of their age, ability or gender”.

Performance indicators and objectives

For the past 3 years AEH has worked towards delivering a 3 year strategic programme, augmented by detailed delivery plans for each year of the strategy. The overarching objective was to encourage people to see physical activity as a cost effective vehicle for positive change in key areas such as health, social inclusion, community cohesion, educational attainment and crime and disorder reduction.

The success of the strategic programme was judged against the following measures:

- A wider range of opportunities for residents to become physically active;
- More people supporting their community through helping and volunteering in sport and physical activity.
- A greater number of clubs registered with Active East Herts;

The strategic programme for 2013- 2015 was reviewed in December 2015 and a new 3 year strategic programme developed for the period 2016- 2019. A copy of the Strategic Objectives we are currently working towards is attached at Appendix A

Communication

For each key objective there is a clear communications plan which defines what we need to communicate, who we need to communicate with, how this will be done, by whom and when.

For example, regular updates are provided to sports clubs via email and social media. Individual projects have their own publicity campaigns, while activities such as the consultation on the Leisure Service contract required a number of face-to-face meetings and telephone conversations.

The Active East Herts website receives an average of 200 hits per week and the most recent on-line feedback survey had a 72% return rate. The Executive Committee works closely with EHC Communications team to publicise the work of CSN and has had several articles in LINK magazine.

Executive meetings are open to all members of AEH. Minutes are circulated after every meeting and copies placed on the website. To encourage attendance at the AGM stakeholders are invited to suggest topics they would like to include on the agenda and we seek to find relevant keynote speakers.

Monitoring and Review

Active East Herts meets quarterly to review progress against the annual delivery plan and strategic objectives. A written progress report is provided from the meeting, in accordance with the Service Level Agreement with East Herts Council. Each year a detail summary of achievements against the agreed outcomes is prepared and shared with all stakeholders. A copy of the outcomes for the year April 2015 - March 2016 is attached at Appendix B.

Regular meetings hosted by Herts Sports Partnership (HSP) provide the opportunity for AEH volunteers to benchmark our activities and deliverables with other community sports networks in Hertfordshire. The environment of cooperation, joint learning and sharing of resource has proved particularly valuable for the Forever Active programme. It has enabled the programme to access coaching resource and specialist equipment such as adapted bicycles.

Finance and Sustainability

AEH has minimal overheads; less than 2% of the grant is used for items such as website hosting. The majority of the funding provided by EHC is used as pump-priming to attract additional grants such as the Awards for All and support from sport national governing bodies. In the past 3 years AEH has applied and successfully obtained over £35,000 in additional grants to promote and encourage physical activity in East Herts.

The new strategy, Sporting Future: A New Strategy for an Active Nation, sees Sport England's remit changed from investing in sport for those aged 14 and over to supporting people from five years old right through to pensioners, in a bid to create a more active nation. It provides some exciting challenges and opportunities for more local informal physical activity, including non-traditional sports and outdoor recreation.

AEH is determined to ensure that we are at the forefront of applications for funding to enable the residents of East Herts to benefit from the changes. We are currently focussing on improving our data systems to demonstrate that we have an excellent track record in delivery.

Jan Stock

Chair, Active East Herts

May 2016

Active East Herts Strategic Objectives 2016-2019

Active East Herts has identified five key objectives that will form the focus for its work over the next three years. The objectives are based on local need and underpin the aspirations of EHC to increase the level of participation in physical activity and encourage active and health lifestyles.

Objective 1

To liaise and support all stakeholders concerned with the provision of sport and physical activity in East Herts.

Active East Herts has a vital role to play in helping to address the recent decline in the number of people that regularly take part in sport and deliver a long-term sustainable increase in participation within our local community. It brings together key deliverers and aims to role model partnership working by providing a voice for sport and a catalyst for action. Priority issues are:

- Increasing awareness of sports participation opportunities;
- Working in partnership to help ensure sports facilities are fit for purpose;
- Building capacity to enable increased participation and empowering sports clubs to develop and grow;
- Maximising utilisation of open spaces, school and other facilities to encourage sport and physical activity;
- Work closely with Herts Sports Partnership (HSP) to exploit any opportunities presented by changes in Sport England funding policy, including development of methodologies to meet the Sport England's requirement to map local demand, assess the market, measure increased participation and evaluate effectiveness;
- Work in partnership with HCC Public Health and Clinical Commissioning Groups (CCG's). Identify links with key District and County wide strategies, such as the Health and Wellbeing, and Ageing Well.

Deliverables to include:

- Exploiting the expertise provided by Community Voluntary Services (CVS) to improve networking, source funding streams (including core funding to deliver the action plan) and prepare grant applications;
- Capitalise on the investment in the website; use analytics to target key audiences and maximise use of social media;
- Working closely with HSP to ensure the needs of the East Herts sports clubs and organisations are represented and we are able to access any funding streams or opportunities that may arise from policy reviews;
- Working in partnership with HSP, ensure sufficient financial resource is allocated to develop robust monitoring and evaluation methodologies;
- Recruit a champion from the CCG's to improve partnership working and promote the opportunities offered by AEH.

Objective 2

To promote and support activities which foster participation in sport, physical activity and related health education

The challenge is to create an environment which encourages participation in sport and physical activity to become a lifelong habit, and specifically target the different health outcomes that physical activity can deliver, including how they can contribute to preventing or treating diabetes, obesity, dementia and mental health problems. Priority issues are:

- Promoting the health benefits of an active lifestyle - use the power of sport to achieve broader positive social outcomes;
- Promoting and engaging children and young people on the benefits of participation in sport in order to motivate them to adopt an active and healthy lifestyle into adulthood;
- Increasing the awareness of opportunities for adults and seniors to engage in a variety of sport and physical activity;
- Promoting activities to encourage inclusivity, reducing barriers to participation and ensuring equality in sport.

Deliverables to include:

- Review the activities delivered during MOVE week and refocus on a couple of mass participation events across the district to maximise publicity;
- Work closely with Pro-Action & ChildUK and maximise their ability to reach out to young people. Explore the opportunity to deliver and sustain physical activities in the most deprived wards across the district;
- Deliver the Moving Mums project. Ensure the project achieves the stated outcomes;
- Explore opportunities to develop a project in conjunction with Public Health aimed at encouraging people who are classified as “high risk” to take part in physical activity. Seek to use innovative approaches to tackle hard to reach groups including the BME community and those with disabilities;
- Lobby on behalf of the School Games Organisers to ensure young peoples’ sport receives the support and funding it requires. Actively promote the Herts School Games, primary school sports and other youth related projects. Continue to drive schools/club links and community sports. Identify opportunities for joint programmes to encourage participation;
- Work in partnership with EHC Forever Active project to deliver activities for those aged 50+ with a sedentary lifestyle. Ensure the project achieves the stated outcomes.

Objective 3

To support clubs, talented individuals and other agencies with their applications for funding

Accessing funding to enable new and existing sports clubs to develop and thrive is becoming increasingly difficult. Active East Herts has a pivotal role to play in helping clubs understand where funding opportunities exist and how to access them. Priority issues are:

- Assisting clubs and other groups to identify suitable funding opportunities and supporting them through the application process;
- Providing support to athletes with potential and those performing at a higher level to help them obtain funding;
- Celebrating success across the District and helping to raise aspirations within communities.

Deliverables to include:

- Use the lessons learnt from the relationship developed with England Athletics to approach other National Governing Bodies;

- Work in partnership with EHC and HSP to identify, promote and encourage community groups to access funding streams available to them.

Objective 4

To maximise the development and use of sports facilities

Research has shown that “neighbourhood issues” relating to access, quality and safety are key determinants of physical activity levels in communities. The development of quality spaces and places to play sport and be physically active is essential to increasing participation and the creation of healthier lifestyles and safer, more attractive neighbourhoods.

Active East Herts has a key role to play in advising on opportunities presented by New Homes Bonus revenues and planning contributions from developers. The provision of good quality places and spaces in the District is vital to encourage and sustain activity. The priority issues are:

- Ensuring full advantage is taken of all opportunities to increase our stock of sports facilities through Section 106 agreements;
- Working with EHC’s Leisure Services Development Manager to shape the development of a leisure strategy which will determine the future of leisure facility provision and services over the next 10 years;
- Acting as the voice of local sports clubs and ensure that any investment arising from the proposed development at Bishops Stortford North improves sports facilities and addresses the needs of the community

Deliverables to include:

- Play an active role in the Bishop Stortford North sounding board group;
- Maintain a database of the district’s Sports Clubs containing up to date knowledge of facility requirements, as well as development, training and future aspirations;
- Work in partnership with Leisure Services to help inform the future provision of leisure facilities in the District.

Objective 5

To offer promotion and support the training and education of coaches, volunteers and all who assist in sport and physical activity

For sport to be further developed and sustained across East Herts the support and development of coaches and volunteers is critical. A number of key areas require to be addressed in order that clubs can continue to grow. Priority issues are:

- Recruitment, support and nurturing of coaches, officials and volunteers to encourage more volunteers and improve retention;
- Enabling and empowering clubs and groups; support the improvement in skills and knowledge of those running the clubs;
- Raising the awareness of the importance of volunteering in sport.

Deliverables to include:

- Organise and run de-fib training courses;
- Provide volunteers with financial support towards coaching and officiating qualifications through the AEH Sports Club Grant Scheme;
- Link in the HSP's Coach Education Week to provide member clubs with training and continued professional development opportunities at subsidised rates.

Objective 6

To obtain the financial resources necessary to achieve the key objectives and deliver the activities described in the plan

Sporting Future: A New Strategy for an Active Nation has major implications for community sport and will impact on funding. AEH needs to be very proactive and at the forefront of developments in community sport. Investing in data management and having the financial resources to pump-prime new and innovative projects is essential to attract additional grants

Deliverables to include:

- A signed Service Level Agreement with EHC;
- Support from HSP and other partners to identify new funding streams

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Active East Herts Action Plan 2015/16 - Summary of Achievements - Appendix B

<p>1. Advocacy and Partnership – Objective: To become a recognised and high profile “voice for sport”; to liaise and support all stakeholders concerned with the provision of sport and physical activity in East Herts.</p>		
Desired Outcome	Action and Deliverables	Achievement and Improvement Opportunities
1.1 Improve the visibility and perception of AEH within the community.	<p>Exploit the expertise provided by CVS to improve networking, source funding streams (including core funding to deliver the action plan) and prepare grant applications.</p> <p>Capitalise on the investment in the website; use analytics to target key audiences and maximise use of social media.</p>	<p>Achieved: During the financial year 2015/16 AEH successfully applied for and obtained £20,290 in grant funding to encourage residents of East Herts to participate in physical activity. Grants included £1,310 from England Athletics, £9,980 from Awards for All, £2,000 from HCC Public Health and £500 from Street Games.</p> <p>Ongoing activity: Analytics has enabled more targeted use of social media to alert members to new funding streams, training opportunities for volunteers and events.</p>
1.2 Enable and empower sports clubs in East Herts to develop and grow	<p>Review and refresh the training and development offering to AEH members.</p> <p>Trial a defib training course, complete evaluation and assess ongoing demand.</p> <p>Continue to exploit opportunities to promote AEH to East Herts residents; work with EHC communications team to maximise the channels and media available to AEH.</p>	<p>We continue to offer training and development opportunities such as Safeguarding workshops and subsidised courses. Feedback from Clubs indicates that they value AEH support in this area. Ongoing activity</p> <p>Ongoing activity: Forged excellent working relationship with EHC comms team. Several articles in Link Magazine, established a process to coordinate activities on social media (re-tweeting etc).</p>
1.3 Identify links with other key District and County strategies	<p>Ensure AEH is represented in other strategic partners plans, including but not limited to:</p> <ul style="list-style-type: none"> Hertfordshire’s Health and Wellbeing Priorities East Herts Public Health Strategy 	<p>AEH is represented at a number of strategic forums, including East Herts Health and Wellbeing Partnership Group, Ageing Well Group, HCC Lifestyle and Legacy Partnership.</p>

	<ul style="list-style-type: none"> • Equalities • Education • Parks and Open Spaces 	We have a scheduled 6 monthly review with HCC Director of Public Health to ensure there is alignment between our plans
Desired Outcome	Action and Deliverables	Achievement and Improvement Opportunities
1.4 Increase usage of open spaces, schools and other facilities	<p>Work with EHC Leisure Services Development Manager to ensure AEH vision for the future is represented in the new leisure strategy.</p> <p>Work with the Countryside Management Service to promote Health Walks</p> <p>Lobby schools, Parish and Town Councils and others to increase community access to sports facilities</p>	<p>AEH has presented to the Leisure Strategy Task and Finish Group and been involved in the BS North development group.</p> <p>We continue to work closely with Countryside Management to promote Health Walks. Following on from the success of MOVE Week 2015 we are looking to hold a mass participation event in the summer of 2016</p>
1.5 Engage key stakeholders and partners in planning for the future	<p>Organise a series of locational workshops in conjunction with EHC Leisure Services Development Manager to gather data from sports clubs on their future state requirements.</p> <p>Review and evaluate the AEH 2013-2016 Strategic Plan. Develop the future vision for AEH and prepare the Strategic document for 2016- 2019.</p> <p>Carry out stakeholder analysis to identify and engage other key strategic partners</p>	<p>Achieved: Workshops held and data collated on behalf of the Leisure Services Development Manager.</p> <p>Achieved: The 2013 – 2016 Strategic Plan has been evaluated and the Vision for AEH reviewed and refined. The Strategic Plan 2016 – 2019 incorporates the learning from the last 3 years and reflects the importance of physical activity in improving health and wellbeing.</p> <p>Ongoing: Initiated discussions with Tarmac, Friends of Pangshanger Park and Herts and Middlesex Wildlife Trust.</p>
2. Increase Participation - Objective: To promote and support activities which foster participation in sport and related health education		
Desired Outcome	Action and Deliverables	Achievement and Improvement Opportunities
2.1 Actively promote and support European MOVE Week	<p>Deliver MOVE week 2015</p> <p>Deliverables include:</p> <ul style="list-style-type: none"> • A District wide programme of events and activities. 	Achieved: Delivered 32 activities across the District and engaged with 704 people. Highlights - The family football festival was attended by 123 people, and included a session aimed at children with learning disabilities. Health walks attracted 60 new attendees of which 66%

	<ul style="list-style-type: none"> Marketing and promotion plan - ensuring EH achieves maximum publicity from MOVE week A robust evaluation of the effectiveness of MOVE to encourage participation and data to help underpin future funding bids <p>Plan MOVE week 2016</p>	<p>were female.</p> <p>Michal Siewniak, Deputy Chair of AEH, won a Hertfordshire Excellence in Public Health Award 2015 for his work on MOVE week</p> <p>Evaluation of MOVE week 2015 clearly identified that large scale events were the most effective vehicle to engage people. We are currently developing plans for a mass participation event over the summer.</p>
2.2 Promote activities to encourage inclusivity	<p>Work with East Herts Special Olympics to identify and develop opportunities for new activities and clubs</p> <p>Support the new East Herts Special Olympics club being established in Bishops Stortford</p>	<p>SOEH continues to thrive and develop. It has a membership of 274 people aged between 8 and 56 years who have a wide range of physical and learning difficulties and over 100 coaches and volunteers. Many of the athletes are preparing for the National Summer Games which will be held in Sheffield in 2017. The new club in Bishops Stortford has been established and offers regular Cricket, Swimming and Fitness classes.</p>
2.3 Increase participation for young people	<p>Continue to lead the sub group of AEH which coordinates young peoples' sport in the District.</p> <p>Accountable for the delivery and monitoring of:</p> <ul style="list-style-type: none"> school games, primary school sports and Youth Games schools/club links and community sports 	<p>We continue to work closely with the School Sports Development Officers to maintain and develop links between sports clubs and schools.</p> <p>The cancellation of the 2016 Herts Youth Games was disappointing but the EH team performed extremely well in the County School Sports competitions.</p>
Desired Outcome	Action and Deliverables	Achievement and Improvement Opportunities
2.4 Increase participation for young people	<p>Work closely with Pro-Action & CHILD UK and maximise their ability to reach out to young people. Identify opportunities for joint programmes to encourage participation.</p>	<p>Street Games recognised the work AEH and its partners has delivered in Sele Farm to broaden young people's horizons, and raise ambitions. The grant from Street Games is a huge achievement - this is the first time the national charity has provided funding for projects in East Herts.</p> <p>Building on the success of the work in Sele Farm we are working with Cllr Norma Symonds to commission a new programme from CHILD</p>

		UK for the Haver Estate in BS.
2.5 Increase participation for 14-25 yr olds	Continue to develop opportunities arising from the Satellite Clubs and Sportivate initiatives	The sports clubs/school links has enabled 23 satellite clubs to be established and extended the range of opportunities for Youth Sport Leaders to gain qualifications and experience.
2.6 Increase participation for 25-50 yr olds	Deliver the Moving Mums project. Ensure the project achieves the stated outcomes.	<p>Achieved: The Moving Mums project aimed to provide physical activity at a convenient time, place and price for mums. Its secondary objective was to build confidence in those mums who felt isolated and enable them to meet new people, improve their health and get back into the community. By focussing on small village schools we offered mums in rural areas the opportunity to get active and for those who wanted it the opportunity to gain a nationally recognised qualification and expert mentoring.</p> <p>259 mums have taken part in the project and 17 schools now have regular Moving Mums sessions. 21 Mum's have become Leaders enabling the project to become self-sustaining. Qualitative feedback shows that 71% of participants said that have regained their confidence and self-esteem. 53% said they enjoy more time outside and 66% said it encouraged them to be more active with their family.</p>
Desired Outcome	Action and Deliverables	Achievement and Improvement Opportunities
2.6 Increase participation for 25-50 yr olds	Encourage participation in the Workplace Challenge initiative in East Herts. Work with local employers such as GSK and large retailers to exploit in-house sports facilities.	The take-up for Workplace Challenge initiative has been disappointing. We are currently working with Herts Sports Partnership to understand why employers in EH are so reluctant to participate
2.7 Increase participation for 50+ yr olds	Support the EH Forever Active programme. Recruit project leader and coordinate volunteers. Work with EHC to deliver the Come & Try It event.	The Come & Try It Day was a great success with over 200 older people attending the various activities on offer. The event provided a lot of useful feedback which is being factored into Forever Active plans for 2016/17. The project leader, Nigel Farren, was appointed in Dec 2015 and AEH has been working closely with Nigel to establish activities around the District.

	<p>Work with the Health and Wellbeing Board to identify further opportunities to increase participation.</p> <p>Support Age UK Hertfordshire with two pilot sessions in East Herts by promoting through AEH and wider network. Support continuation of programme with letters of support etc to funders.</p>	<p>Working with the Health and Wellbeing Board, AEH is currently piloting a project called “10 minutes to change your life”. Focussing on parents of children dropped off at their sporting activities the project promotes healthy eating and encourages the use of alternatives to sugary drinks and high fat foods.</p> <p>AEH worked with Age UK Hertfordshire Healthwise to run two 10 week courses in Hertford and Bishops Stortford. The aim was to engage with older adults living in isolation, early dementia or depression. Where appropriate participants were signposted to the Forever Active project</p>
3. Grant Aid - Objective: To support clubs, talented individuals and other agencies with their applications for funding; to support and promote the delivery of activities that serve as possible diversions to young people.		
Desired Outcome	Action and Deliverables	Achievement and Improvement Opportunities
3.1 Support EHC's bid for funding from Community Sport Activation Fund (CSAF)	Work in partnership with EHC to ensure the Forever Active project delivers the agreed objectives and outcomes.	Ongoing: Currently working with the Forever Active Team to plan some mass participation events and another Come & Try It day.
3.2 Raise Club awareness of potential funding opportunities	<p>Use the website and other media to promote funding streams open to sports clubs.</p> <p>Maximise the publicity for Performance Excellence awards (PEX) and increase exposure for EH Sports Awards</p> <p>Work with running groups to maximise the England Athletics funding to increase participation. Support at least 20 individuals to train as a leader or coach</p>	<p>Ongoing: We continue to work closely with EH Communications team to promote the various awards and funding streams offered by EHC to sports clubs and talented athletes.</p> <p>AEH provided the opportunity for 41 people to train as Leaders or Coaches in Running Fitness last year and enabled 273 people to take part in beginners running sessions organised by the various running clubs around the District.</p> <p>Panshanger Parkrun is staffed entirely by volunteers and attracts an</p>

		average 170 runners every Saturday morning.
3.3 Early identification of other sources of funding	<p>Continue to work partnership with HSP to identify other potential funding opportunities.</p> <p>Use data provided by CVSBEH to identify potential core funding to enable the development of AEH</p>	<p>Majority of funding streams for sport related activities were suspended in the autumn while waiting for publication of the new Sport England strategy (expected summer 2016).</p> <p>Opportunity: The Government Strategy has a strong focus on more local informal physical activity and sport such as dance, cycling and walking. It also recognises the value of outdoor recreation, 'non-traditional' sport/physical activity, and importance of natural facilities.</p> <p>Funding will go to organisations who can best deliver key outcomes. AEH has a good track record in delivery.</p>
4. East Herts Sports Facilities – Objective: To maximise the development and use of sports facilities		
Desired Outcome	Action and Deliverables	Achievement and Improvement Opportunities
4.1 Lobby for adequate sports facilities that are suitable for the needs of EH residents	<p>Take an active role in the consultation for Bishops Stortford North s106 sports investment strategy. Work with the appointed consultant to ensure the views of all sports clubs in BS are represented.</p> <p>Continue to work with EHC to understand their vision and aspirations for community sport and the role of the AEH in the future.</p> <p>Ensure that the future demand for sports facilities is being factored into the Town and District Plans.</p>	<p>AEH continues to work closely with the Leisure Services Development Manager and colleagues in the Planning Dept.</p> <p>AEH has been involved in Bishops Stortford North s106 Sports investment strategy and provided input and data to the Leisure Strategy Task and Finish Group and the Open Space and Sports Facilities Assessment.</p> <p>Opportunity: continue to work closely with Leisure Services and play an active role in helping to inform and shape the future provision of leisure facilities in the District.</p>
5. Developing Volunteers – Objective: To offer promotion and support the training and education of coaches, volunteers and all who assist in sport		
Desired Outcome	Action and Deliverables	Achievement and Improvement Opportunities

5.1 Increase the profile of volunteers across the district and encourage more people to volunteer	Maximise the publicity for the 2015/16 East Herts awards	<p>Achieved: record number of nominations were received</p> <p>Opportunity: New volunteering strategy for sport and physical activity due to be published in 2016</p>
5.2 Support education and training for volunteers	<p>Monitor the process for reviewing funding applications.</p> <p>Ensure it remains robust, fit for purpose and timely.</p>	Process reviewed and enhanced. All applications for funding dealt with within 1 calendar month.

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Essential Reference Paper D

Funding Service Level Agreement

Active East Herts - Community Sports Network Funding

.....

Between EAST HERTS COUNCIL (the “Client”)

**And ACTIVE EAST HERTS (the “Contractor”)
c/o Herts Sports Partnership, Sports Performance
and Development Centre, Hertfordshire Sports
Village, De Havilland Campus, Hatfield, Herts, AL10
9EY**

1.0 Preamble

- 1.1 This Service Level Agreement (SLA) is the formal recognition of the funding awarded by EHC and the responsibilities hereafter on behalf of the service provider to ensure the efficient delivery of the service, as detailed in AEH-CSN Action Plan 2015/2016.

2.0 Duration of the Agreement

- 2.1 This Service Level Agreement shall commence on 1st September 2015 and end on 31st August 2016 unless otherwise agreed.

3.0 Purpose of the Agreement

- 3.1 To recognise the support given by East Herts Council to the service provider to carry out the service as detailed in AEH-CSN Action Plan 2015/2016. (Appendix 1)
- 3.2 To develop and maintain a positive working relationship between East Herts Council and the service provider.

4.0 Accountability

- 4.1 East Herts Council, and/or its representatives, is the administrative body and therefore has the right to request any additional financial and performance information if deemed necessary for audit purposes.
- 4.2 The contact for the purpose of this agreement is Will O'Neill Head of Communications, Engagement & Cultural Services (East Herts Council) and/or his representatives who will liaise with the service provider and/or his/her representatives to ensure the agreement is maintained by both parties, to monitor milestones, outcomes and finances throughout the project and complete a review upon completion of the agreement to identify any issues in the relationship between the parties.

5.0 Purpose of the Funding

- 5.1 To support services which deliver outcomes as mentioned in AEH-CSN Action Plan 2015/2016.

6.0 East Herts Council's Commitments

- 6.1 East Herts Council will make payment of £5000 subject to the Council's budget setting process and satisfactory delivery of the action plan.
- 6.2 Payment shall be made in one lump instalment on agreement of the action plan between contractor and client subject to compliance with the monitoring requirements.

7.0 Service Providers Commitments

- 7.1 To provide the service described in AEH-CSN Action Plan 2015/2016.
- 7.2 To provide progress updates on objectives and actions in AEH-CSN Action Plan 2015/2016 to East Herts Council and/or its representatives every three months.
- 7.3 To provide a report at the end of the twelve month period highlighting performance against targets and agreed outcomes.

- 7.4 To provide a regular stream of updates and 'good news' stories, (including pictures) to be reported on through East Herts Council's regular communication channels.
- 7.5 To acknowledge the financial contribution made by East Herts Council in any promotional material associated with the AEH-CSN 2015/2016.

8.0 Use of the Funding

- 8.1 The funding will be spent solely on the provision of services, projects or items outlined in the AEH-CSN Action Plan 2015/2016.
- 8.3 East Herts Council shall be under no obligation to make any or all of the payments and may require part or all of the funding to be repaid if:
 - a) Progress towards meeting service objectives and outputs is in East Herts Council's opinion, unsatisfactory.
 - b) Before completion if there is a change in the nature or scale of the project which is, in East Herts Council's opinion, substantial.
 - c) The service provider fails to provide the service.

9.0 Monitoring and Evaluation

- 9.1 Monitoring of the service is essential to ensure East Herts Council's contribution is utilised in a proper and effective manner and in accordance with the agreed criteria.
- 9.2 The service provider will update the action plan for the period of the agreement, which will include milestones/targets and outputs where available. The action plan will make up part of this agreement and will be agreed between the service provider and East Herts Council and/or its representatives.
- 9.3 Monitoring will be completed every three months by the stated dates.
- 9.4 Unless otherwise stated, the volumes described in the action plan are estimates of the anticipated service workload. Any

substantial change to those volumes will necessitate written notification within the monitoring form.

- 9.5 All invoices, receipts, estimates and account balances should be retained by project leads and in the event of any ad hoc external audit will be provided to East Herts Council upon request.

10.0 Assets

- 10.1 Any assets acquired by the contractor for the purpose of carrying out this action plan should be reported through monitoring.

11.0 Termination/Variation

- 11.1 Any reduction in or changes to service will be notified to East Herts Council in writing as soon as possible.
- 11.2 East Herts Council and the service provider may jointly agree to omit any part of the action plan, or provide additional services or vary temporarily or permanently any part of the action plan. Any such agreement must be in writing and agreed by both parties.
- 11.3 The agreement may also be terminated if, after consultation, either party has reason to believe that the objectives of the agreement cannot be achieved within the time or finances available.
- 11.4 Such consultation shall begin with a written request by one party for a meeting with the other. The request will set out fully the reasons for the wish to terminate.
- 11.5 The parties shall meet within two weeks of the receipt of such a written request and endeavour to overcome the problems identified.
- 11.6 If there is no satisfactory outcome after the meeting referred to in 11.5 above has been held, either party may terminate this agreement by giving three months notice in writing to the other (or such other period as may have been agreed in the course of consultation). Such notice however shall not be

given unless the meeting referred to in 11.5 above has taken place.

- 11.7 If this agreement is terminated before the end of the twelve month period East Herts Council may make any financial adjustments necessary.

Signed by:

on behalf of EAST HERTFORDSHIRE COUNCIL

Date:

Signed by:

on behalf of the Management Committee of the service provider

Date:

1.0 Reporting Dates

- 1.1 The following information (2.0 – 4.0) is required for each of the periods detailed below and will be reported to East Herts Council.
- 1.2 East Herts Council may request further details where it feels insufficient information has been provided.

Period		Deadline for completing Monitoring	Meeting Date
1	1 Sep – 30 Nov '15	15 Dec '15	By 31/12/15
2	1 Dec – 28 Feb '16	15 Mar '16	By 31/3/16
3	1 Mar – 31 May '16	15 June '16	By 30/6/16
4	1 June– 31 Aug '16	15 Sept '16	By 30/9/16

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Active East Herts

INCOME & EXPENDITURE ACCOUNT
AS AT 31st MARCH 2016

	2015-16	2014-15
	£	£
INCOME	25,704.55	19,370.00
EXPENDITURE		
Restricted 1.0 Moving Mums	29,870.00	0.00
Restricted 2.0 England Athletics	1,945.00	194.00
Restricted 3.0 PSP Project	0.00	0.00
Restricted 4.0 Cllr Andrews Locality Budget	192.00	810.00
Restricted 5.0 Move Week	1,381.00	2,618.39
6.0 BEHCVS	2,000.00	
7.0 Unrestricted	0.00	0.00
8.0 Meetings	0.00	222.50
9.0 Website	274.87	245.88
10.0 Marketing	0.00	0.00
11.0 Seminars	95.00	630.90
12.0 Databases	0.00	0.00
13.0 Workshops	1,371.79	316.15
14.0 Small Grants	459.02	400.00
15.0 Admin	330.88	0.00
	37,919.56	5,437.82
GROSS PROFIT	-12,215.01	13,932.18
LESS ADMINISTRATIVE EXPENSES		
Staff Wages / Salaries	0.00	0.00
Staff Tax	0.00	0.00
Travel	0.00	0.00
	0.00	0.00
PROFIT ON ACTIVITIES BEFORE TAXATION	-12,215.01	13,932.18
TAX ON PROFIT	0.00	0.00
SURPLUS/DEFICIT FOR THE FINANCIAL YEAR	-12,215.01	13,932.18

Signed

Davinia Thakkar

Date

03/06/2016

Active East Herts
BALANCE SHEET
AS AT 31st MARCH 2016

	2015-16	2014-15
	£	£
FIXED ASSETS	0.00	0.00
CURRENT ASSETS		
Debtors	0.00	0.00
Cash at Bank	12,306.92	24,521.93
	<u>12,306.92</u>	<u>24,521.93</u>
LESS CURRENT LIABILITIES		
Creditors	<u>175.00</u>	<u>19.40</u>
 TOTAL ASSETS LESS LIABILITIES	 <u><u>12,131.92</u></u>	 <u><u>24,521.93</u></u>
 ACCUMULATED FUNDS		
Income & Expenditure Surplus/Deficit	-12,215.01	13,932.18
General Funds b/f 1st April	24,521.93	10,589.75
TOTAL RESERVES	<u><u>12,306.92</u></u>	<u><u>24,521.93</u></u>

Signed *Davinia Jhakkat*
Date 03/06/2016

EAST HERTS COUNCIL

EXECUTIVE - 19 JULY 2016

REPORT BY EXECUTIVE MEMBER FOR HEALTH AND WELLBEING

RURAL ISOLATION IN EAST HERTS

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To obtain approval for a direction of travel to further explore and address issues of rural isolation

<u>RECOMMENDATIONS FOR EXECUTIVE: That:</u>	
(A)	the comments of Health and Wellbeing Scrutiny Committee be received; and
(A)	the direction of travel as now detailed in the report submitted, be approved.

1.0 Background

- 1.1 In December 2015, Health and Wellbeing Scrutiny Committee agreed it would like officers to conduct a review of rural isolation and determine whether it is an issue in East Herts. This decision had the support of the Leader of the Council and portfolio holder for health and wellbeing.
- 1.2 Rural isolation and its implications on peoples' health has been a concern nationally for many years and there is increasing research being carried out to explore the impact of isolation and loneliness on the health and wellbeing of individuals.
- 1.3 According to Public Health England (PHE), anyone can experience social isolation and loneliness but some individuals or groups may be more vulnerable than others, depending on factors like physical and mental health, level of education, employment status, wealth, income, ethnicity, gender and age or life-stage. It goes on to state that there are links between health and social inequality and social isolation; many factors associated with social

isolation are unequally distributed in society. (*“Reducing social isolation across the lifecourse”*, Sept 2015). Reducing isolation is a priority for social care and public health. In July 2014, local authorities were charged with tackling social isolation in their communities (PHE, Adult and Social Care Outcomes Framework 2014)

- 1.4 The East Herts Health and Wellbeing Strategy (2013-2018) lists “increasing opportunities for social interaction and reducing isolation” as one of its actions under the priority of Empowering children, young people and adults to achieve their life potential.
 - 1.5 Officers used the Department of Farming and Rural Affairs’ definition of rural isolation: “the feelings of powerlessness and disconnection experienced by individuals or groups as a consequence of living in a rural area.” **Essential Reference Paper B** contains the Project Initiation Document.
 - 1.6 A Project Steering group involving external agencies to work together to kick start the work has been set up by EHC officers in January 2016. The group regularly updated the multi-agency Ageing Well Steering group on this issue. Names of the representatives involved in the group can be found in the project Initiation Document (PID) in **Essential Reference Paper B**.
- 2.0 Report
- 2.1 The PID is outlined in **Essential Reference Paper B**. The initial investigation set out to test the following hypotheses:
 - **Hypothesis 1:** There’s a link between people living in rural areas in East Herts and being economically disadvantaged.
 - **Hypothesis 2:** There’s a link between people living in rural areas in East Herts and having poor mental health.
 - **Hypothesis 3:** There’s a link between people living in rural areas in East Herts and having poor physical health.
 - **Hypothesis 4:** People living in rural areas in East Herts have difficulty accessing services compared with those in towns.
 - **Hypothesis 5:** Rural communities have less social contact than urban areas.
 - **Hypothesis 6:** People who suffer from loneliness experience enhanced feelings of loneliness whilst living in rural areas

2.2 Methodology of data collection (Appendix 2)

The data used to test these hypotheses has been collated from a number of sources. The principal data source has been the Mosaic Demographic Profile of the East Herts population households. Mosaic allocates a group/type categorisation to households, which can then be cross referenced with over 900 characterised behaviours. The index rating for the group/type against the behaviour indicates how likely it is that the particular behaviour or characteristic will be displayed.

- A rating of 0 indicates Highly Unlikely to display a behaviour/characteristic
- A rating of 100 indicates an Average Inclination, measured against the national population (i.e no more or less likely than the national average).
- A rating of more than 100 indicates a growing inclination above average, with ratings over 200 being categorised as Extremely Likely

For the indices chosen to test the hypotheses, we selected those groups/types who were considered to be more likely than average (i.e. and index rating of higher than 100) to display the behaviour/characteristic. We then identified (using the Mosaic Profile of all East Herts households) where in the districts households who had been assigned those groups/types were located, and produced maps showing their geographic distribution.

As well as the Experian behaviour inclinations/likelihood data, we also used specific data on Revenues and Benefits customers (anonymised and mapped at the postcode level rather than household), Census data on Car Ownership, and data from both Ofcom and Herts County Council showing broadband internet services and bus route services respectively.

2.3 Hypothesis 1: There's a link between people living in rural areas in East Herts and being economically disadvantaged.
There is no significant evidence to suggest that this hypothesis is true. Figure 1 shows pockets of likely-to-be deprived families are generally focused around major towns and larger villages with good transport to towns.

2.4 Hypothesis 2: There's a link between people living in rural areas in East Herts and having poor mental health.
There is no significant evidence to suggest that this hypothesis is

true. Figure 2 shows that people anywhere in the district are likely to exhibit some symptoms of mental health.

Figure 2a shows that those residents who exhibit a greater number of symptoms of mental health live in pockets where population is greater. To summarise, pockets of mental health are likely to be observed in areas of greater population. The observation of likely conditions appears reflective of the spread of population – no clear link can be observed between rural living and poor mental health nor urban living and poor mental health.

2.5 Hypothesis 3: There's a link between people living in rural areas in East Herts and having poor physical health.

There is no significant evidence to suggest that this hypothesis is true. Figure 3 shows that pockets of poor physical health are likely to be observed in areas of greater population. The observation of likely conditions appears reflective of the spread of population – no clear link can be observed between rural living and poor mental health nor urban living and poor mental health.

2.5 Hypothesis 4: People living in rural areas in East Herts have difficulty accessing services compared with those in towns.

There is insignificant evidence to suggest that this hypothesis is true. Figures 4a and 5a show there are a small number of households that are not within one miles walking distance of social and health amenities. Generally, these households are expected to own a car according to their Mosaic profile. There is likely to be few people who have no means of getting to health and social amenities privately.

2.6 Hypothesis 5: Rural communities have less social contact than urban areas.

There is no significant evidence to suggest that this hypothesis is true. The information described under hypothesis 4 suggests most people in the district have access to services that provide social contact. There are no other relevant metrics to describe the level of social interactions a resident has. What is known by looking at Local Health Profiles data is that in Bishop's Stortford Central 43% of pensioners live alone, compared to Aston and Datchworth where 21% live alone. This is also the ward with the second highest number of households with no cars or vans.

2.7 Hypothesis 6: People who suffer from loneliness experience enhanced feelings of loneliness whilst living in rural areas

There is no significant evidence to suggest that this hypothesis is true. None of the metrics established can describe this to be true.

We know that high-performing broadband, public transport and the number of services in rural areas is less well provided in rural areas compared to urban areas but we cannot know, with the data we have, what impact this has on people's feelings of loneliness.

- 2.8 Whilst there is insufficient evidence at this stage from the data gathered through Mosaic to suggest any of the hypotheses outlined are an issue, this is not to say that rural isolation is not a problem in East Herts. This is confirmed at the consultation meeting with Village Halls in April 2016 (Please see 2:10 below). From a broad perspective, looking at the average population, they are healthy, able-bodied and have access to a car. The most vulnerable members of our community may be in poor health, disabled with no access to a car.
- 2.9 For those vulnerable members of the community, poor public transport, a lack of relevant social facilities and distant health facilities are likely to become a greater problem. The Council should not lose sight of this. Members may want to consider a multi-faceted approach going forward and a framework has been developed by the Campaign to End Loneliness and Age UK (Appendix 1 and Background Paper). The council's role is at the neighbourhood level, supporting volunteers and enabling local initiatives. This could be linked to the Council's current work on Time Banking /Volunteering.
- 2.10 A new public health representative on the project team will be vital to support some of the difficulties the Council have around the health data for mental and physical health – a lot of the key indicators the Council can use (e.g. length of life in good health, Indices of health deprivation) don't separate out mental and physical health. It would be great if the Council could get involvement from the Health Intelligence team at Hertfordshire County Council (HCC).

Additionally, moving forward, CCG support on this project will be vital. It will be useful to get some data around GP visits and as we have drawn nearer the end of the hypothesis testing it would be useful to investigate whether we could use GP surgeries to get patients to do a self-assessment on care provision and a comparison between care requirements for those in rural and urban areas.

It is recommended that the Executive Member for Health and Well Being and the Chairman of the HWS committee liaises with East and North Herts Clinical Commissioning Group (CCG) to explore

how the Council could work with CCG in addressing rural isolation

2.11 Officers attended a Village Hall network meeting in April 2016 where a lengthy discussion took place following a presentation from an EHC officer on the topic. It was clear that most villages were concerned about rural loneliness especially amongst their older and vulnerable residents. The Village network provided volunteer support in supporting people in need such as providing transport for medical appointments, shopping or getting to places. Also the villages provided their own activities to interact socially. In some cases there were good examples of cross village initiatives. It was stated that there were a lot of hidden isolation in the villages where volunteers were not pro-active. Having no shops or GP surgeries and very limited public transport in some villages have been cited as concerns. The recommendations from the discussion were:

- i. More involvement of Parish Councils and Ward councillors
- ii. Financial support for local initiatives such as good neighbour schemes
- iii. Provision of better transport through community transport and volunteer supported schemes. HWS felt that transport, although an issue in some rural areas, was generally a Hertfordshire County Council matter and not for consideration by the committee.
- iv. Kick start funding to recruit, support and retain volunteers to create a legacy and sustain these initiatives beyond funding.

Recommendations ii – iv can be addressed through targeting the Council's Discretionary grant funding at areas that are less well served in terms of community facilities and services that help bring people together.

2.12 A separate review on Community Transport had been carried out by officers in line with priority 3 of the Corporate Strategic Plan (CSP) 2016/17 – 2019/20. The purpose of this review was to inform Members of the current funding allocations towards community transport which should enable members to investigate alternative funding models and whether EHC funding is appropriately targeted.

2.13 The Economic Development Team are currently working on a project to collaborate with district councillors and parish councillors to deliver rural broadband solutions in their communities. There is a 'Connected Counties Programme' that

Hertfordshire County Council are responsible for. The programme is focused on delivering broadband infrastructure through BT under two contracts. Under these contracts, there are some communities that are not timetabled in to receive BT infrastructure. There are other options available to residents, however, such as working with alternative providers such as Gigaclear (as Much Hadham have done), deploying satellite broadband or taking advantage of 4G options. Where Members want to take action within their communities they should work with the Economic Development team to identify best options.

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

LGiU Policy Briefing “Loneliness and social isolation in older people”, 22 February 2016:

<http://www.lgiu.org.uk/briefing/loneliness-and-social-isolation-in-older-people/>

Campaign to End Loneliness:

<http://www.campaigntoendloneliness.org/>

Contact Member: Councillor Eric Buckmaster, Executive Member for Health and Wellbeing
eric.buckmaster@eastherts.gov.uk

Contact Officer: Adele Taylor – Director, ext 1401
adele.taylor@eastherts.gov.uk

Report Author: Mekhola Ray Engagement & Partnership Team Leader
mekhola.ray@eastherts.gov.uk
Ext. 1613

With contributions from:

Ryan Brock	National Graduate Trainee
Claire Pullen	Engagement & Partnerships Officer
Noel Wallis	Information Analyst
Alasdair McWilliams	Digital media and Information Manager

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ESSENTIAL REFERENCE PAPER 'A'

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	Priority 1 – Improve the health and wellbeing of our communities Priority 2 – Enhance the quality of people's lives Priority 3 – Enable a flourishing local economy
Consultation:	Please see paragraphs 1.6 & 2.9 -2.12
Legal:	None at this Stage
Financial:	None at this stage
Human Resource:	None at this stage
Risk Management:	In depth further work cannot be undertaken to establish whether rural isolation is an issue if recommendation C is not approved
Health and wellbeing – issues and impacts:	Addressed throughout the report

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ESSENTIAL REFERENCE PAPER B

Rural Isolation PID

Version: 23 February 2016

Project Aim:

To propose actions to East Hertfordshire District Council and partner agencies to reduce the effects of rural isolation on access to key services and loneliness.

Project Objectives:

- To identify the size, scale and implication of rural isolation across East Hertfordshire in regards to access to council services across all tiers.
- To identify projects and actions that can be delivered to reduce the impact of rural isolation.
- To share outcomes with Heads of Services to inform service delivery.

Project Outcomes:

Through the first stage of the project, we will have produced a piece of research on rural isolation which identifies the size and nature of the problem in East Herts and the communities affected.

It is unclear at this stage what actions will come out of this project. As a district council, it is likely that our internal actions will be around:

- Community initiatives (e.g. Timebanking, sports projects e.t.c.)
- Lobbying and funding community transport.
- Targeted communication material informing residents and local organisations of services available and raising awareness of issues.
- Support volunteer and community groups.

Definitions:

Rural: Settlements with less than 10,000 residents. This will encompass the whole of East Herts excluding Hertford, Ware and Bishop's Stortford as defined by DEFRA and in the Eastern Plateau for RDPE.

Rural Isolation: The feelings of powerless and disconnection experienced by individuals or groups as a consequence of living in a rural area as defined by DEFRA.

Loneliness: Subjective negative feeling that can encompass emotional loneliness – the absence of a significant others (for example a partner or a close friend) and social loneliness – the absence of a social network (for example a wider group of friends, neighbours) as defined by Public Health England.

Social isolation: Objective state referring to a complete or near lack of contact with people and society as defined by Public Health England.

Project Team:

Ryan Brock (East Herts District Council)

Mekhola Ray (East Herts District Council)

Claire Pullen (East Herts District Council)

Alasdair McWilliams (East Herts District Council)

Noel Wallis (East Herts District Council)

Simon Barfoot & Christine Gillham (has now left the council) (Public Health)

Kate Belinis (Community Development Agency)

Daisy Sanghera Adult Care Commissioning

Action Plan:

Stage 1: Hypotheses Testing

- The first step shall be to gather data metrics to test the following hypotheses. Where relevant, all data metrics should be filtered down by age and disability, with reference to Lower Super Output Areas.
- Hypotheses 1 – 3 are people-based hypotheses. Using mosaic data we should plot households where people are likely to be economically disadvantaged, have poor physical health or have poor mental health.
- Hypotheses 4 – 5 are more place-based hypotheses. We can (crudely) assess how ‘vulnerable’ an area is in contributing to rural isolation by assessing the number of shops, post offices, churches, faith groups and buses, for example.
- Hypothesis 6 is difficult to prove. We can get an indication by plotting the people data over the place data and look at households where disadvantaged people are living in vulnerable places.

Stage 2: Identify services in place

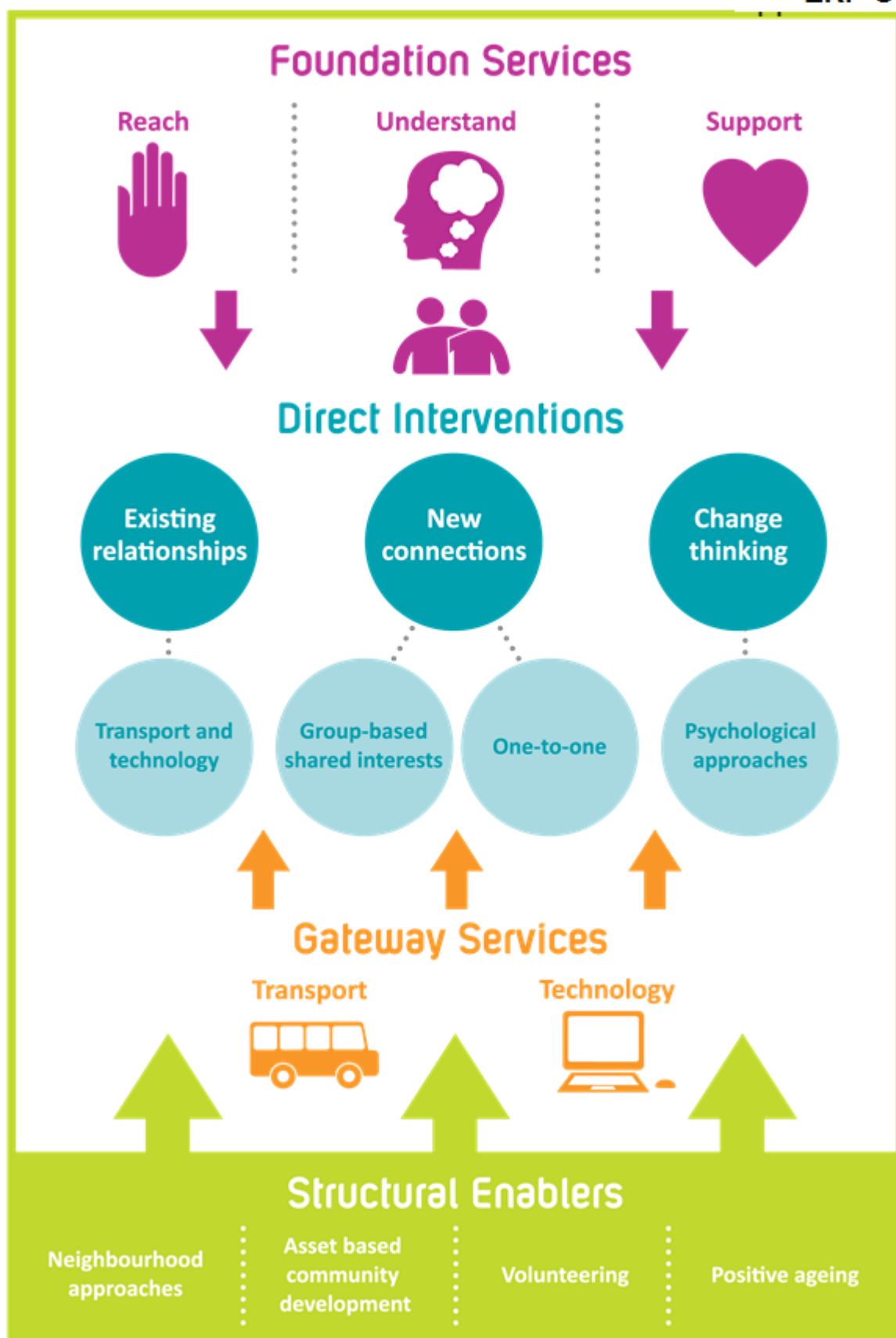
- Understand what public and voluntary services currently do to address any of the above issues.
- Identify gaps in services provided to residents and provide recommendations on projects and actions to reduce the impact of rural isolation.
- Once we've completed this first stage of work, we will be able to identify:
 - Areas in the district that are vulnerable to rural isolation.
 - Gaps in services available to residents that address the issues in rural isolation.
- We can then cross reference the two so we can identify actual services and projects that we can start up to close some of these gaps.
- Write up of business case(s).

Stage 1 Plan:

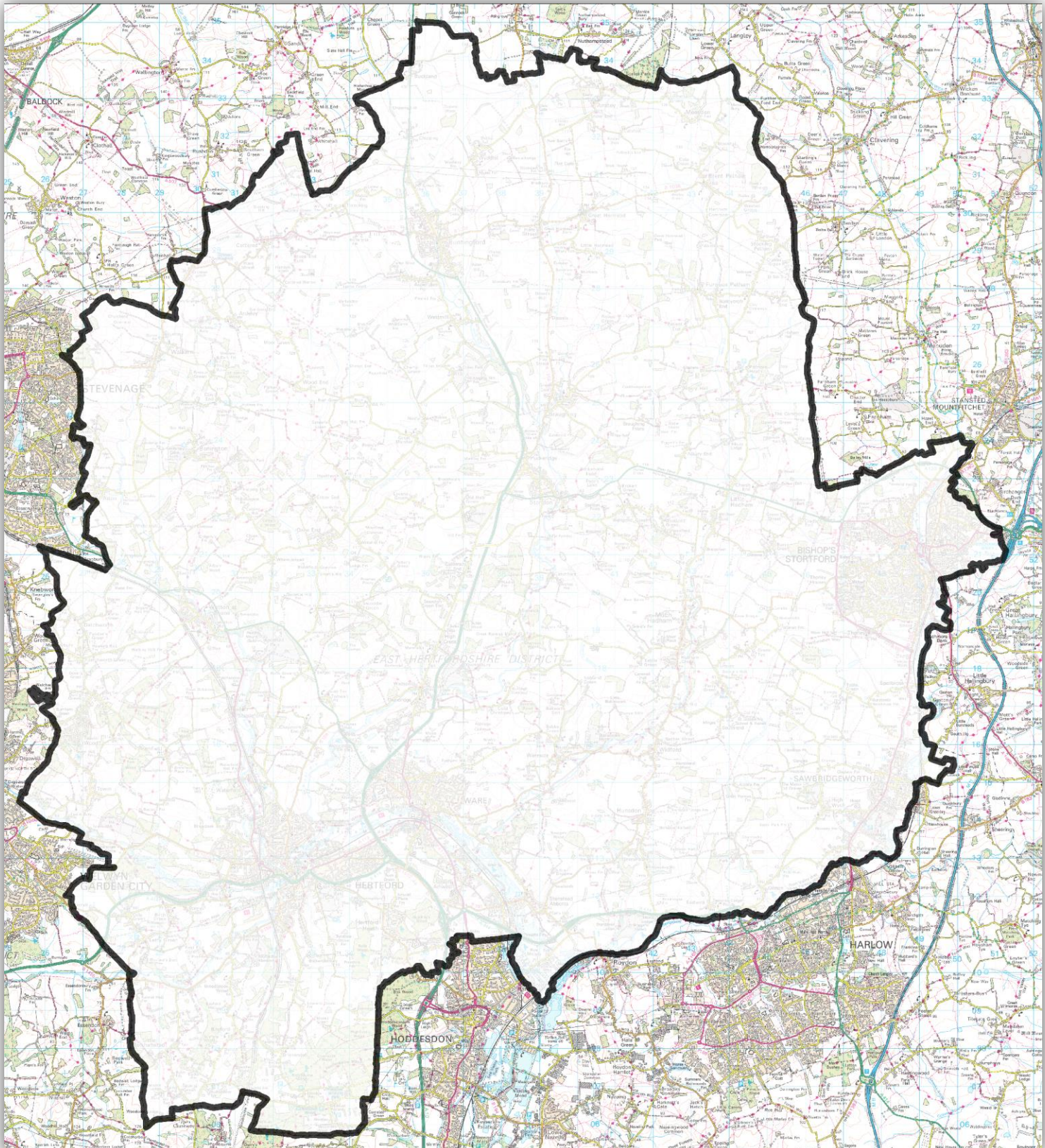
Hypothesis Number	Hypothesis	Inputs
1	There's a link between people living in rural areas in East Herts and being economically disadvantaged.	<ul style="list-style-type: none"> • Indices of Deprivation <ul style="list-style-type: none"> ○ Income ○ Employment ○ Education Skills and Training • Benefit Claimant figures • Employment figures • Earnings • Skills
2	There's a link between people living in rural areas in East Herts and having poor mental health.	<ul style="list-style-type: none"> • Indices of Deprivation <ul style="list-style-type: none"> ○ Health deprivation and Disability ○ Crime • GP Visits for mental health • Loneliness • Public Health Data

3	There's a link between people living in rural areas in East Herts and having poor physical health.	<ul style="list-style-type: none"> • Indices of Deprivation <ul style="list-style-type: none"> ○ Health deprivation and Disability • GP Visits for physical health • Public Health Data <ul style="list-style-type: none"> ○ Length of life ○ Length of life in good health ○ Physical disability
4	People living in rural areas in East Herts have difficulty accessing services compared with those in towns.	<ul style="list-style-type: none"> • Indices of Deprivation <ul style="list-style-type: none"> ○ Living Environment ○ Barriers to Housing and Services ○ Crime • Broadband connectivity • Rural businesses count <ul style="list-style-type: none"> ○ Shops ○ Gyms ○ Pubs ○ Post Offices

		<ul style="list-style-type: none"> • Community groups/ initiatives count • Bus routes/ Train connectivity • Car ownership • Community transport accessibility
5	Rural communities have less social contact than urban areas	<ul style="list-style-type: none"> • Number of people per household (Dwellings under single occupancy) • Rural businesses count <ul style="list-style-type: none"> ○ Shops ○ Gyms ○ Pubs ○ Post Offices • Community groups/ initiatives count
6	People who suffer from loneliness experience enhanced feelings of loneliness whilst living in rural areas	<ul style="list-style-type: none"> • Provision of extra care required • Disadvantaged people plotted over vulnerable areas



Analysis into Rural Isolation



Across East Hertfordshire

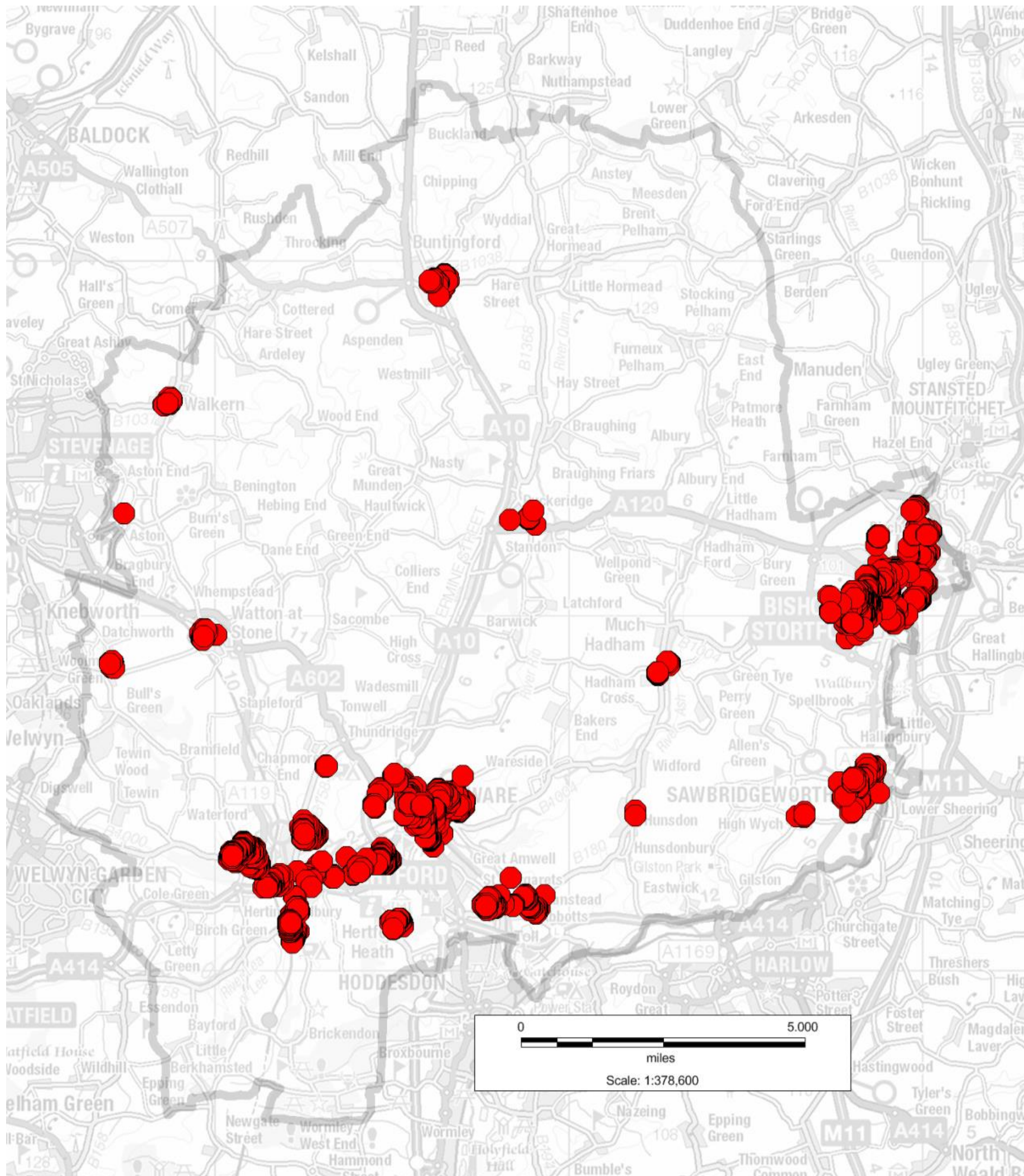


Figure 1: Households across East Hertfordshire where Experian Mosaic suggests a likelihood for Indices of Multiple Deprivation (IMD) score in 2 or more of:- ‘Income’, ‘Employment’ and ‘Skills,’ to be above the National Average.

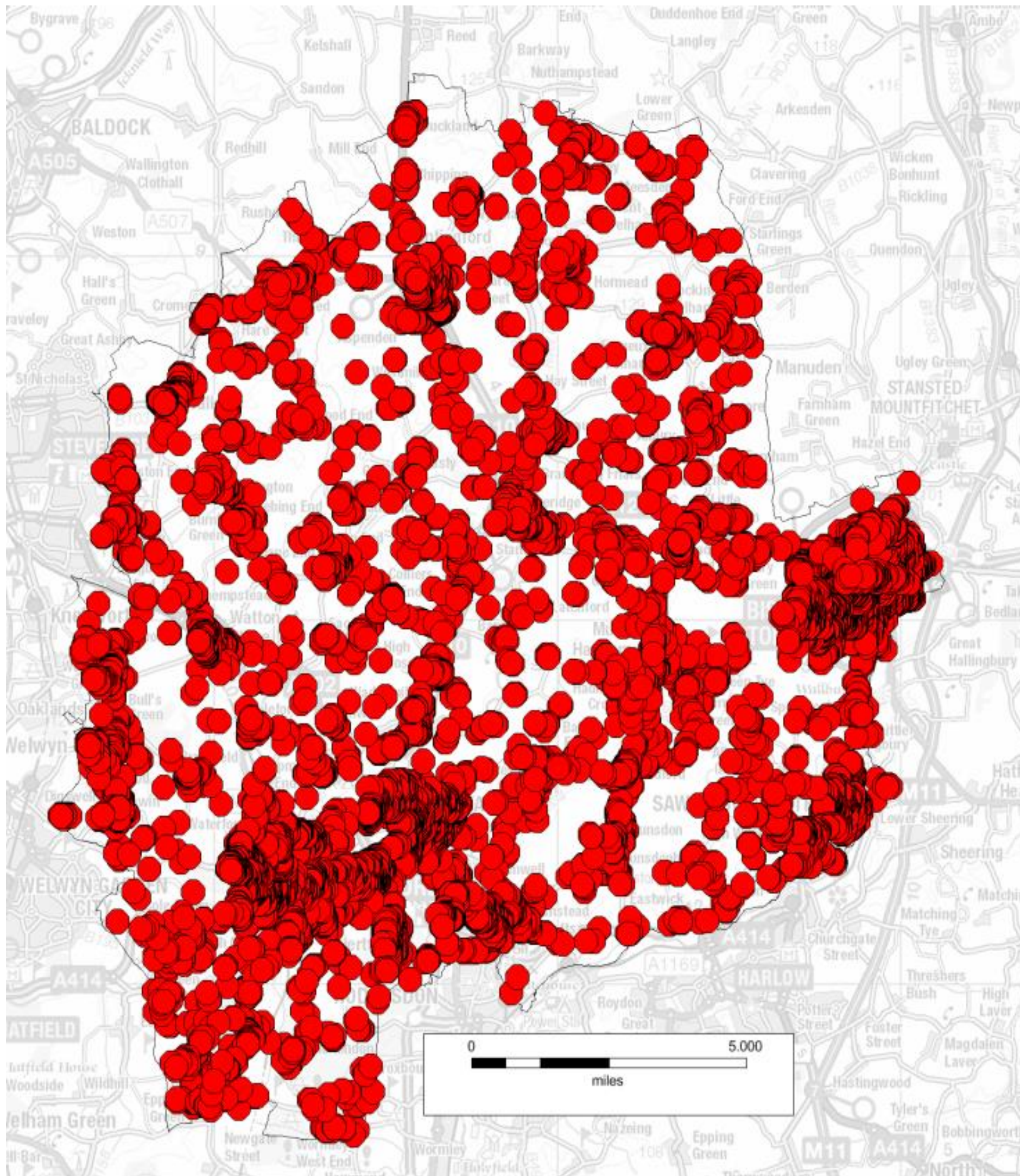


Figure 2: Households where a Mosaic index over the National Average for 2 or more of the following 6 were exhibited:- ‘Taken Remedy for Insomnia’, ‘Self-Reported Stress’, ‘Taken Remedy for stress’, ‘Self-Reported Depression’, ‘Self-reported anxiety’ and ‘Taken remedy for anxiety’



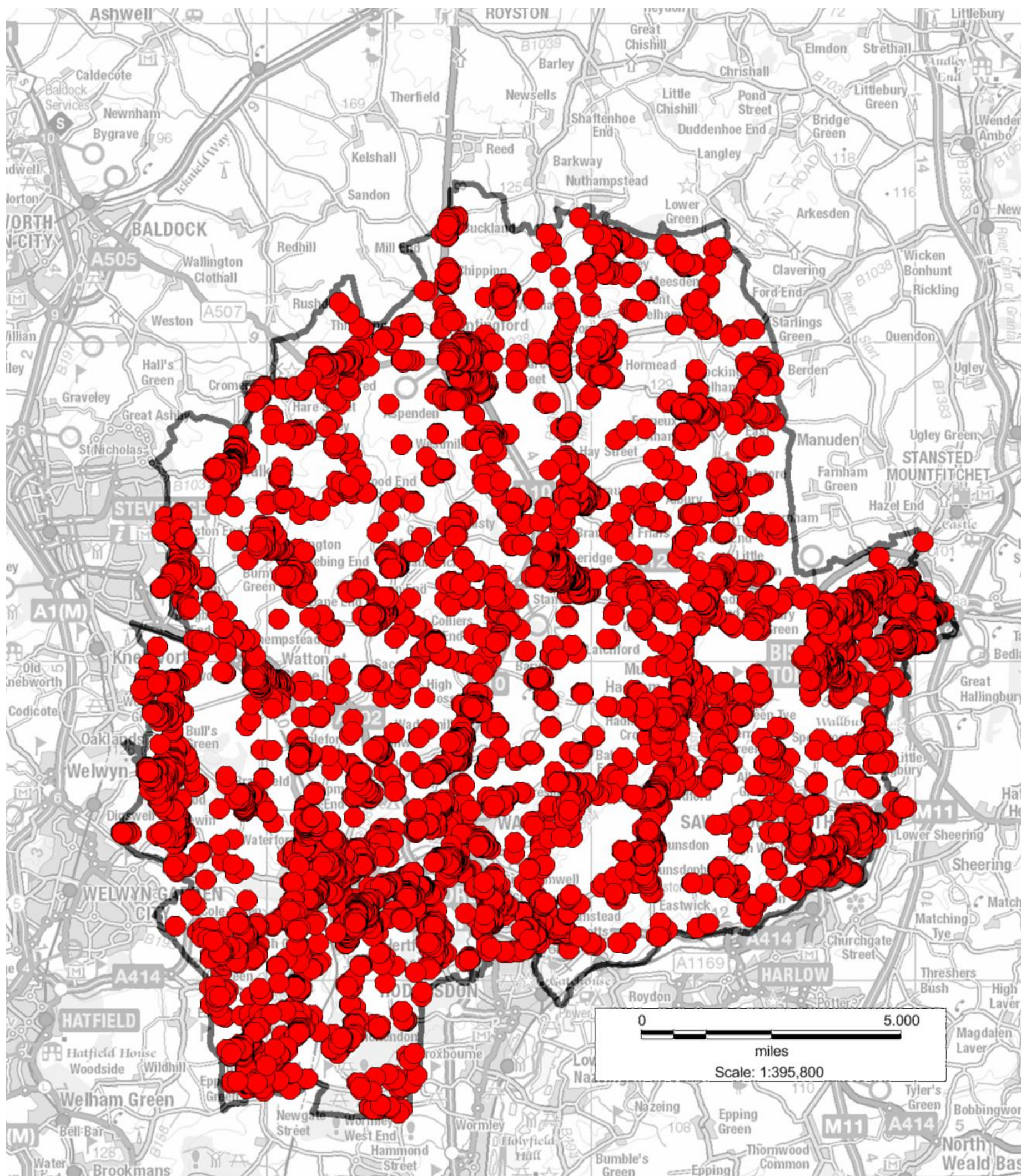


Figure 4: Households across East Hertfordshire where Experian Mosaic suggests a likelihood for Indices of Multiple Deprivation (IMD) score in both 'Housing Barriers' & 'Living Environment' to be above the National Average.

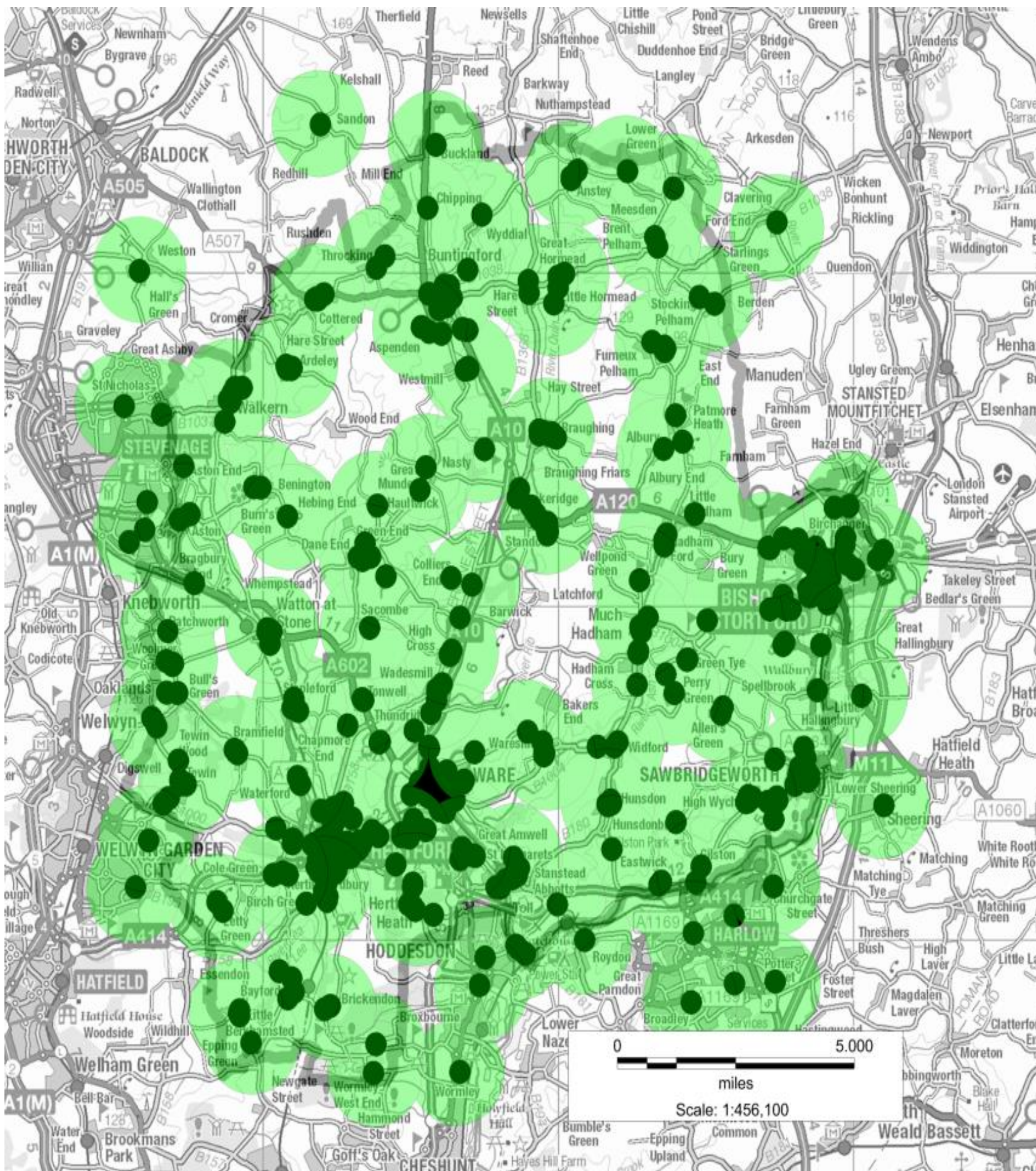


Figure 5a: Locations of different social amenities within EH. This includes Pubs & other On-Licences locations, Off-licences, Churches, Libraries and Village Halls.

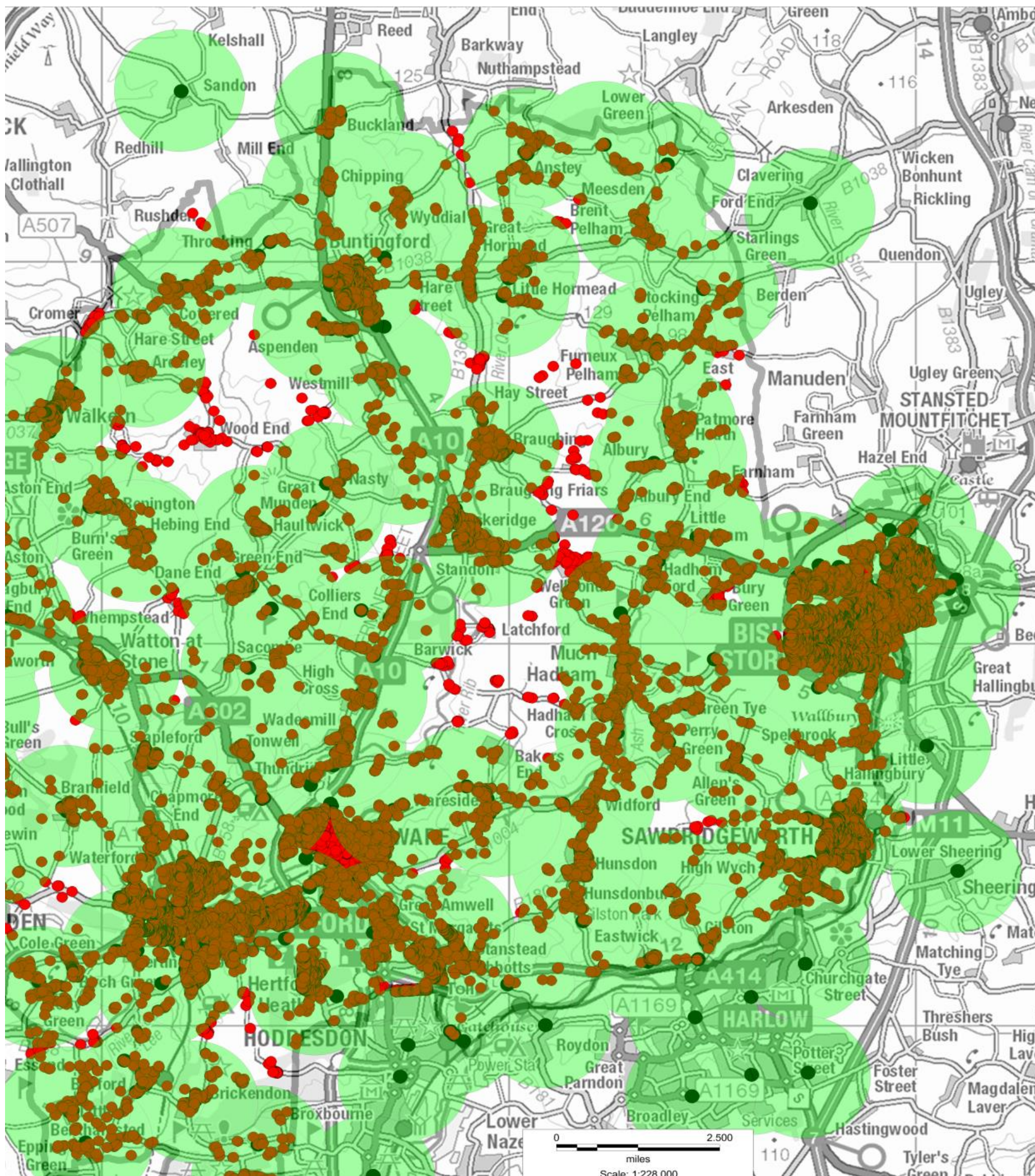


Figure 5a1: Households within East Hertfordshire that sit over a mile away from any social amenity

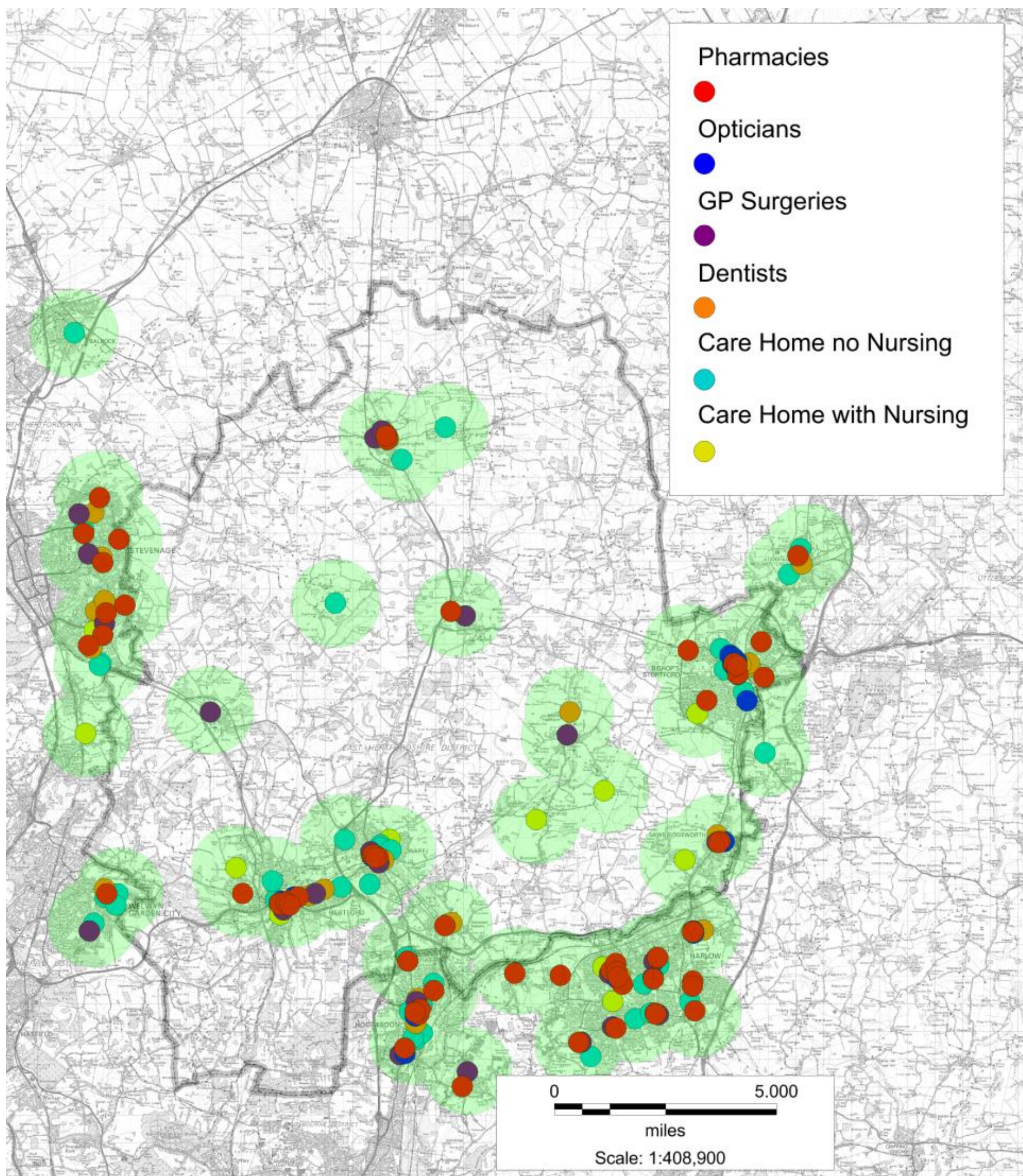


Figure 5b - Locations of all the Health related amenities throughout the District. This includes Care Homes, Opticians, GP's, Pharmacies and Dentists throughout the District

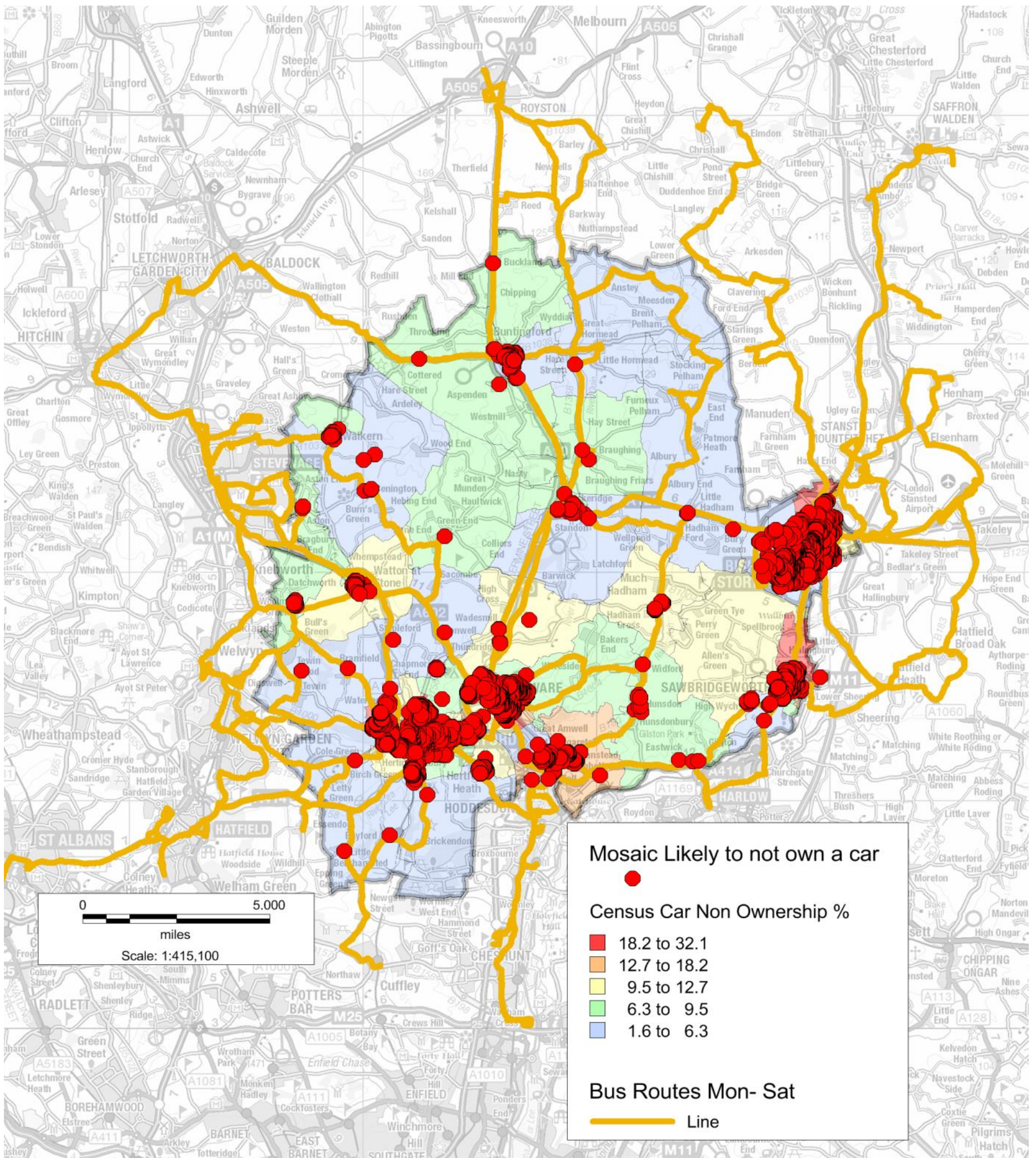


Figure 4c: % Non Car Ownership at LSOA level as declared in Census 2011 with the likely locations according to Mosaic where no car ownership is likely to occur. The entire bus network shown in the background excluding school bus routes

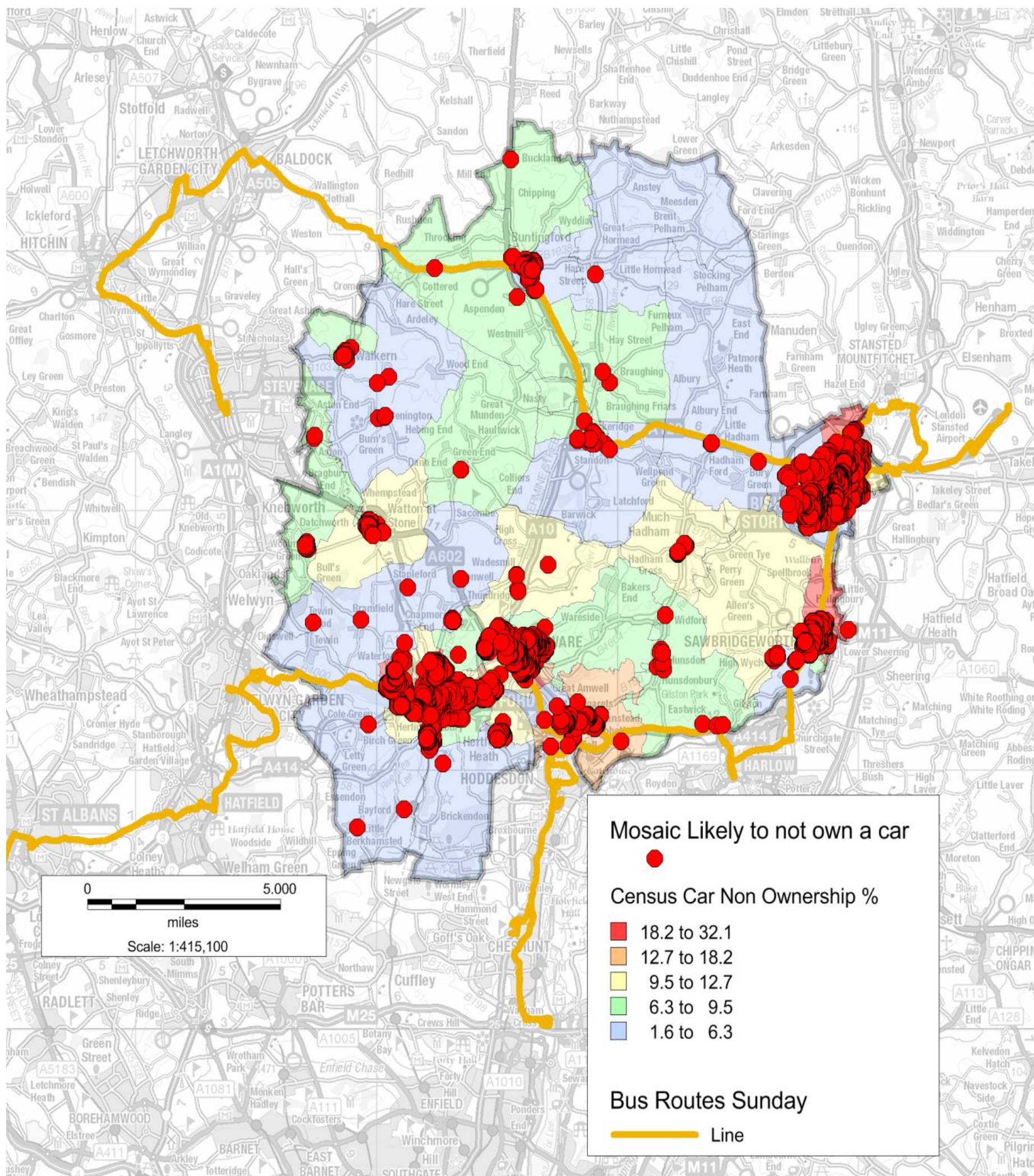


Figure 4c1: This shows the same as the previous slide but shows the available bus routes on Sundays, highlighting reliance on cars.

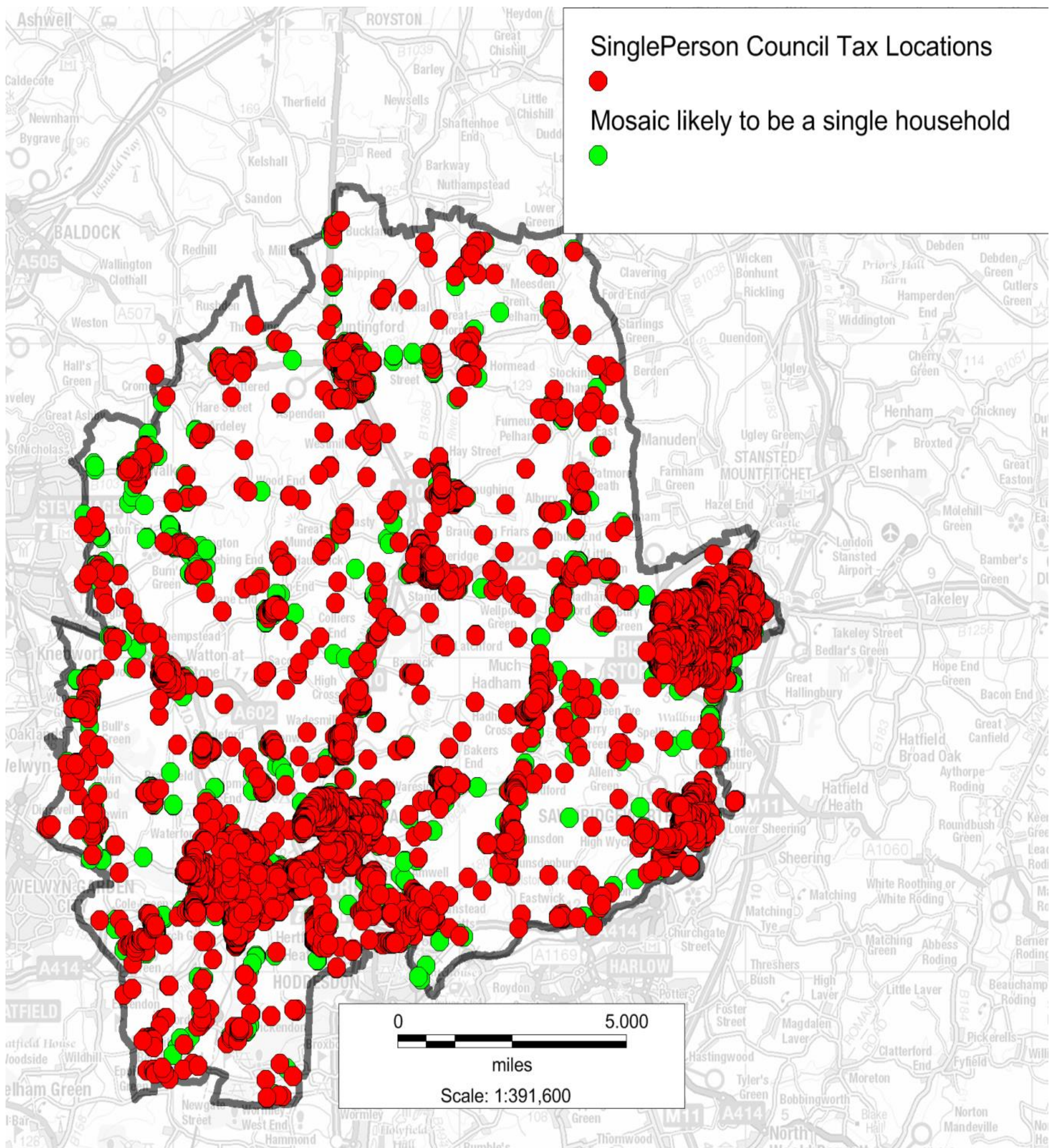


Figure 5a: Households that qualify for the Single Persons Discount & Households, according to Mosaic who are likely to be a single person household.

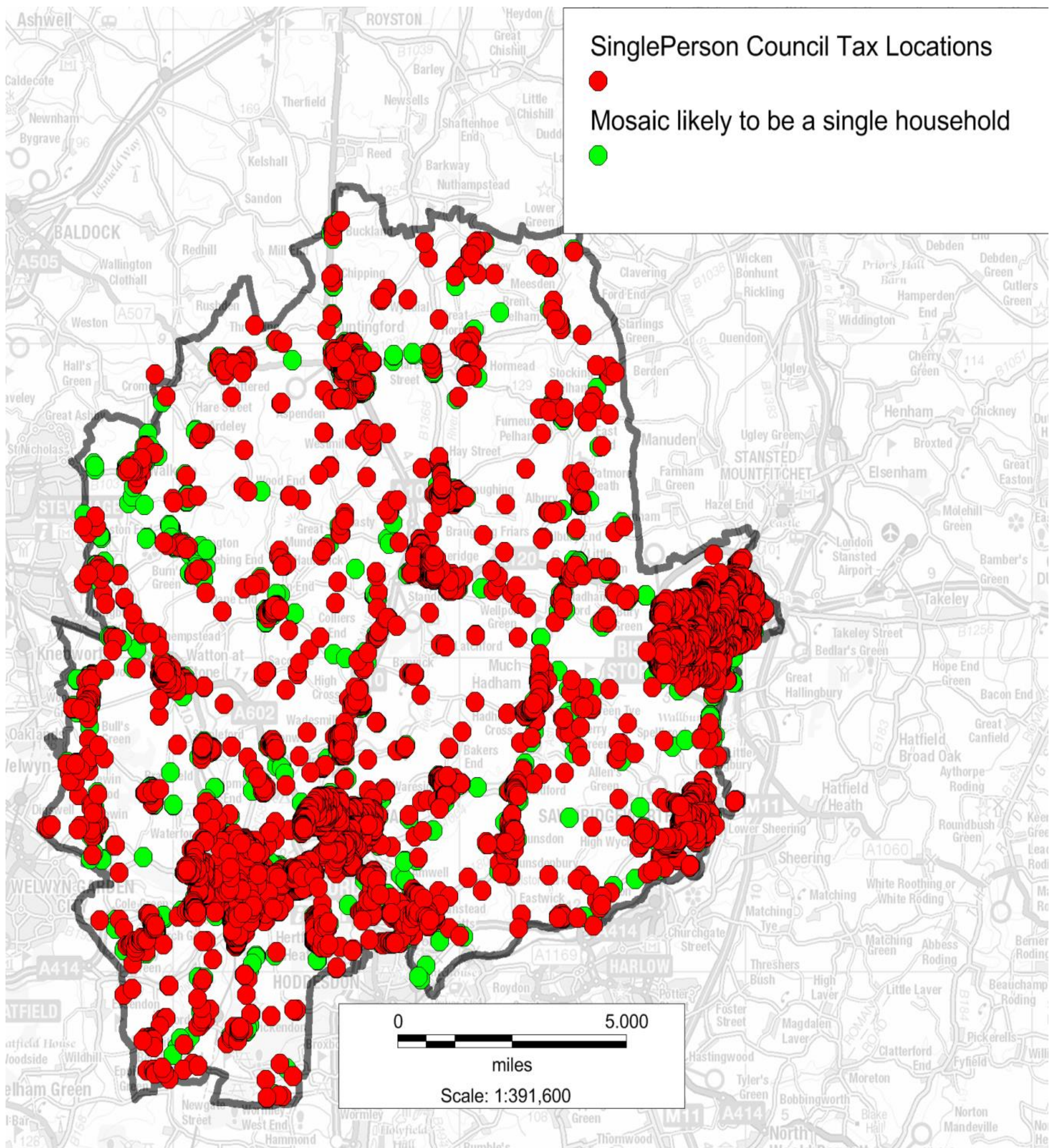


Figure 5a: Households that qualify for the Single Persons Discount & Households, according to Mosaic who are likely to be a single person household.

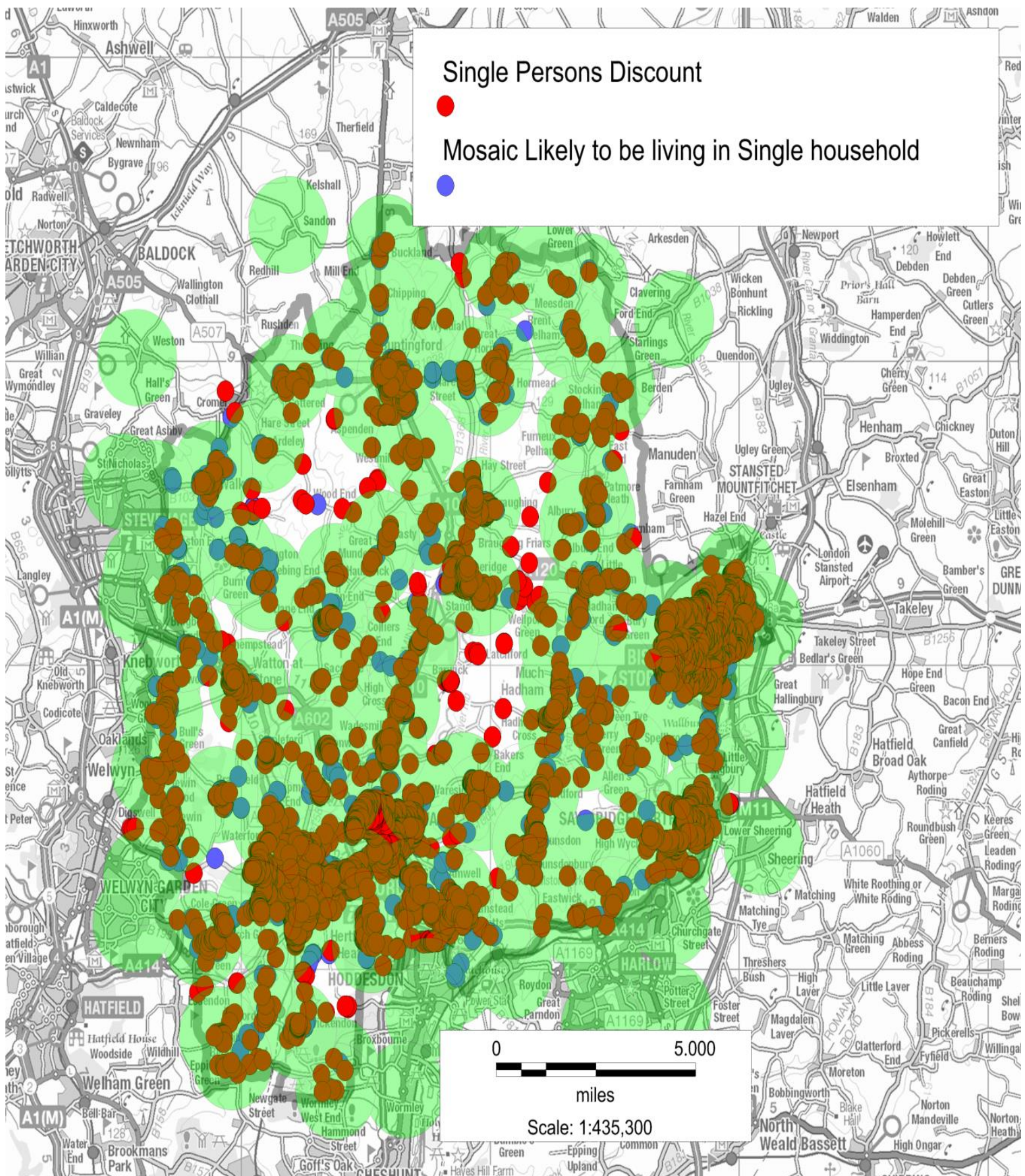


Figure 5a: Households that qualify for the Single Persons Discount & Households, according to Mosaic who are likely to be a single person household that sit both within and outside of a 1 mile radius from a social amenity

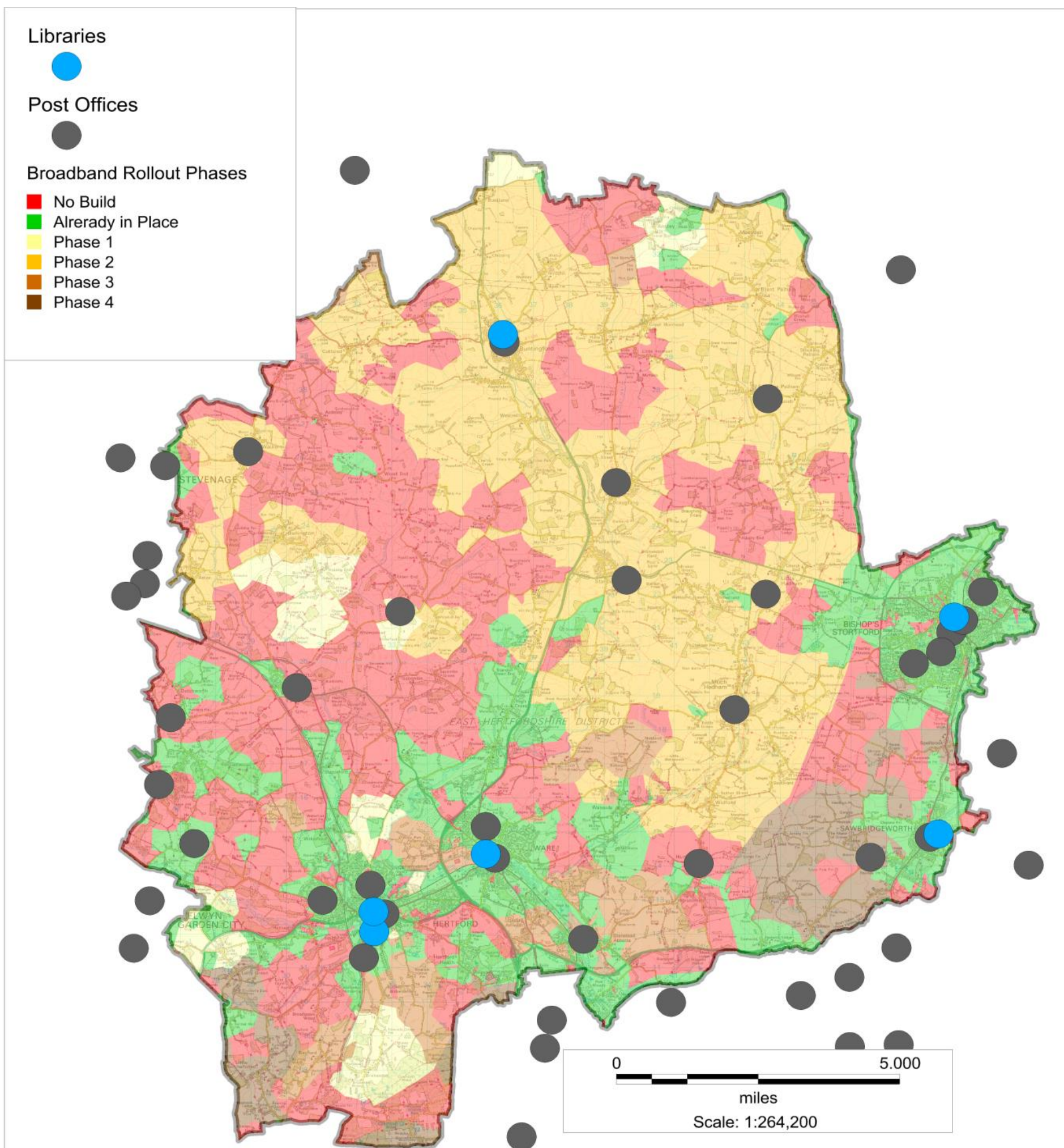


Figure 5a: Broadband availability with Library & Post Office Locations. The different roll out phases are described as; Phase 1: By 3/2017, Phase 2: By 09/2017, Phase 3: By 03/2018, Phase 4: 06/2018

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EAST HERTS COUNCIL

EXECUTIVE – 19 JULY 2016

COMMUNITY LETTINGS POLICY

REPORT BY THE EXECUTIVE MEMBER FOR FINANCE AND SUPPORT SERVICES

WARD (S) AFFECTED: All

Purpose/Summary of Report:

- To set out the options for consideration in formulating a community lettings policy.
- To demonstrate transparency in documenting the subsidies provided to community groups who lease land and buildings from the council.

<u>RECOMMENDATIONS FOR EXECUTIVE:</u> that:	
(A)	community lettings leases are recognised, as set out in paragraph 2.6 of the report submitted, in order to comply with the Local Government Transparency Code 2015; and
(B)	the community lettings policy, as set out in paragraph 2.11 of the report submitted, be approved.

1 BACKGROUND

1.1 This policy has been developed as part of the review of the Asset Management Plan with the aim of documenting community lettings in a way which demonstrates transparency and complies with best practice.

1.2 The Asset Management Plan includes the following description of community lettings:

“These assets utilise council land and buildings to deliver benefits to

the community through Voluntary and Community Services (VCS) organisations. These assets are subject to leases which are subsidised by the council in order to realise the benefits for the community provided by VCS organisations.”

- 1.3 The Local Government Transparency Code 2015 requires the council to “ensure local people can now see and access data covering use of assets”, in particular “ensuring that local people are able to scrutinise how well their local authority manages its assets”.
- 1.4 The Local Government Transparency Code 2015 requires the council to publish details annually of all grants to voluntary, community and social enterprise organisations. For each identified grant, the following information must be published as a minimum:
- date the grant was awarded
 - time period for which the grant has been given
 - local authority department which awarded the grant
 - beneficiary
 - beneficiary’s registration number (e.g. charity or company registration number)
 - summary of the purpose of the grant
 - amount

2 REPORT

- 2.1 The current community lettings leases are documented in **Essential Reference Paper B** and are also included as an appendix to the Asset Management Plan.
- 2.2 A number of the council’s properties are leased to VCS groups who are charged a low rent on a historic basis. It is recognised that VCS groups perform a valuable function within the community and contribute to the corporate priorities of the council.
- 2.3 The leases granted to VCS groups are leases to which the Landlord and Tenant Act 1954 (the Act) apply. The lease terms have a range of expiry dates from within the current year to 40 years. The lease terms include provision for periodic rent reviews to take place.
- 2.4 The council must also comply with the requirements of the Act which prescribes the grounds on which the Council can terminate the lease should it wish to do so.
- 2.5 The prescribed grounds set out in section 30 of the Act are:

- a) Breach of repairing obligations
- b) Persistent delay in paying rent
- c) Other substantial breaches
- d) Suitable alternative accommodation
- e) Possession required for letting or disposing of the property as a whole
- f) Landlord intends to demolish or reconstruct the premises or a substantial part of the premises
- g) Landlord's intention to occupy the premises

The Act provides that the tenant is entitled to compensation if the tenancy is terminated on grounds e, f or g.

- 2.6 In order to comply with the Local Government Transparency Code, the Council should as minimum recognise each community lettings lease as a grant to the lessor, subject to the disclosure requirements of grants set out in paragraph 1.4, equivalent to the difference between market rent and the rent amount in the lease.
- 2.7 The Executive may also wish to consider the basis on which these leases continue and an annual review of this policy will take place from 2016/17 onwards to facilitate this.
- 2.8 The council has a number of options to consider in the future development of this policy. Four options are set out below:
 - 2.8..1 Establish the current market rent for each of the community lettings and recognise the difference between market rent and the rent amount in the lease as a grant to the lessor.
 - 2.8..2 Introduce a market rent policy which moves each lease to a market rent as the lease comes up for renewal.
 - 2.8..3 Introduce a market rent policy as each lease comes up for renewal with a temporary, phased grant relief scheme, e.g. 80% grant in year 1 reducing by 25% each subsequent year over a four year period.
 - 2.8..4 Introduce a market rent policy as each lease comes up for renewal alongside establishing a grant application process, subject to a maximum rent discount of, for example, 80%.
- 2.9 As the rents currently charged to VCS groups as community lettings are historically low a move towards charging full market rent would result in substantial increases in rent for these organisations. A period of consultation would be required as this is a new policy proposal, including consultation through Corporate Business Scrutiny.

- 2.10 Such an increase could be mitigated through the development of a relief grant scheme as described above. An illustration of how such a scheme could operate is shown in **Essential Reference Paper C**.
- 2.11 The recommendation from officers is the fourth option described above; introduce a market rent policy as each lease comes up for renewal alongside establishing a grant application process, subject to a maximum rent discount of, for example, 80%. This will ensure that the council complies with its legal obligations.
- 2.12 Similar schemes are already in operation in neighbouring districts. Broxbourne Borough Council offer up to 50% rent relief on council owned properties for sports clubs, voluntary bodies, and charities which must be applied for on annual basis. Welwyn Hatfield Borough Council introduced a scheme which provides voluntary and community groups a phased rent relief period if their rent increased by either a multiple of 5 or more than £10k on renewal of a lease. The rent relief offered is 80% in year 1, reducing by 25% each year so that no relief is offered by the fifth year.
- 2.13 The proposed criteria for the policy to be implemented in East Herts will be based on a tiered approach. Once a VCS group have demonstrated that they meet the criteria to qualify for stage one of the rent relief grant they may then apply for either or both tiers of relief grant at stage two if applicable.
- 2.14 The tiered stages of rent relief grant are outlined below:
- Stage One: Contribution to East Herts Council Corporate Priorities (50% rent relief).
 - The VCS Group will be asked to provide evidence of how their activities contribute to the achievement of our Corporate Priorities.
 - There will be an assessment of the income of the VCS group, taking into account any other grants received, supported by submission of annual accounts.
 - The VCS Group will be asked to provide evidence of the number of members living in East Herts who benefit from their activities and any restrictions they place on membership of their group (e.g. specific age).
 - Stage Two (Part A): Demonstrates “added value” of their activities (15% rent relief).

- The VCS Group will be asked to demonstrate how the grant would generate benefits beyond the monetary value of the grant. For example, where a VCS Group provides a service that reduces costs or improves outcomes for the public sector or where the VCS Group can demonstrate long term benefits of their provision.
 - Stage Two (Part B): Status of VCS Group (15% relief).
 - The VCS Group will be asked to provide evidence that they are a registered charity, Community Interest Company or an affiliated sports club or voluntary group.
- 2.15 Following approval of the Community Lettings Policy an application process and form will be developed and implemented to facilitate the award of rent relief grants within the policy.
- 2.16 The timetable for considering the Community Lettings Policy is detailed below.
- Corporate Management Team consideration: 15 Dec 2015
 - Asset Management member/officer group: 18 Dec 2015
 - Asset Management member/officer group: 20 April 2016
 - Pre-Executive: 30 June 2016
 - Corporate Business Scrutiny: 12 July 2016
 - Executive: 19 July 2016
- 2.17 There is a risk associated with increasing rents to VCS groups that some VCS groups would struggle to survive financially which may result in them closing. This risk has not been quantified although the market rate for each site would be assessed on an individual basis. Some sites will have limited market value whilst others offer scope for alternative uses with a corresponding market rent.

3 IMPLICATIONS/CONSULTATIONS

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper A.**

Background papers

None

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Report author: Philip Gregory – Head of Strategic Finance &
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ESSENTIAL REFERENCE PAPER A

IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives:	<p>Priority 1 – Improve the health and wellbeing of our communities</p> <p>Priority 2 – Enhance the quality of people's lives</p> <p>Priority 3 – Enable a flourishing local economy</p> <p>This report sets out how a Community Lettings Policy will demonstrate transparency in the discounts awarded to Voluntary and Community Services organisations.</p>
Consultation:	Discussions have taken place with the Director, the Asset Management Working Group and the Portfolio Holder for Finance and Support Services.
Legal:	No specific implications arise from this report.
Financial:	Financial implications are included in the body of the report.
Human Resource:	No specific implications arise from this report.
Risk Management:	There are reputational risks to the Council if the Local Government Transparency Code 2015 is not implemented. This policy seeks to ensure Community Lettings are compliant.
Health and wellbeing – issues and impacts:	No specific implications arise from this report.

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ASSET NO	ASSET	CORPORATE PRIORITY	REASON FOR HOLDING	CONDITION OF ANY BUILDINGS	SITE AREA	GROSS INTERNAL AREA	DESCRIPTION AND COMMENT
585	Land for Scout Hut, Heathrow, Bishop's Stortford	1 & 2	Residue of ownership provides community facility	N/A	0.3 acres	N/A	Community facility on ground lease
21	Scout building, Thorley Lane, Bishop's Stortford	1 & 2	Currently providing community facility due for review at end of lease in 2015	Satisfactory	0.25 acres	N/A	Community facility to be reviewed towards end of lease (2016) to fulfil potential
568	ATC Hut, Waytemore Road, Bishop's Stortford	1 & 2	Residue of ownership provides community facility	N/A	0.11 acres	N/A	Community facility on ground lease
40	Parsonage Community Hall Parsonage Lane, Bishop's Stortford	1 & 2	Community facility within open space	N/A	0.31 acres	N/A	Community facility on long ground lease on open space
572	Thorley Manor Residents Ass, Friedberg Avenue, Bishop's Stortford	1 & 2	Community facility adj open space	N/A	0.90 acres	N/A	Community facility on long ground lease adj to open space
570	Bishop's Stortford Community Football Club, Friedberg Avenue, Thorley	1 & 2	Community facility within open space	Satisfactory	5.4 acres (clubhouse and open space)	140 sqm	Football changing rooms with shared use of open space for pitches. Lease currently under review with Engagement and Partnership Team
182	Bowling Green & Pavilion, Pegs Lane, Hertford	1 & 2	Part of larger ownership providing community facility	Good	0.4 acres	120 sqm	Club facility with public use reserved adj to Wallfields Council offices - Lease extended until 2017
97	Bowling Club, Hartham Common, Hertford	1 & 2	Community facility within open space	Good	0.6 acres (clubhouse and green)	50 sqm	Small club building on public open space - under review
97	Tennis Club, Hartham Common, Hertford	1 & 2	Community facility within open space	Satisfactory	0.9 acres	45 sqm	Club facility on public open space
97	Canoe Club, Hartham Common Hertford	1 & 2	Community facility within open space	Satisfactory	0.04 acres	100 sqm	Club facility on public open space
202	Land for Scout Hut, Watermill Lane, Hertford	1 & 2	Community facility adj to open space	N/A	0.25 acres	N/A	Community facility adj. to public open space - site under review
792	Scouts at Keynton Court, Hertford	1 & 2	Residue of ownership provides community facility	N/A	0.17 acres	N/A	Community facility in housing estate - asset to be reviewed
894	WRVS, Baker Street, Hertford	1 & 2	Residue of ownership provides community facility	N/A	0.4 acres	N/A	Long ground lease for community service
893	Red Cross, Baker Street, Hertford	1 & 2	Residue of ownership provides community facility	N/A	0.13 acres	N/A	Long ground lease for community service
208	Hertford Football Club, West Street, Hertford	1 & 2	Community facility adj public amenity area	N/A	7.5 acres	N/A	Long ground lease granted 2014 for football and ancillary use
349	Bowling Club, Brookfield, Aston	1 & 2	Residue of ownership provides community facility	N/A	0.32 acres	N/A	Community use on ground lease
504	Open space r/o High Street, Stanstead Abbots	1 & 2	Residue of ownership provides community facility	N/A	0.80 acres	N/A	Community facility in Green Belt
864	Scout and TA Huts, Broadmeads Ware	1 & 2	Residue of ownership provides community facility	N/A	0.7 acres	N/A	Community facilities under review to rationalise use of site
314	Scout hut Lower Bourne Gardens, Ware	1 & 2	Community facility adj to open space	N/A	0.3 acres	N/A	Community facility site adjacent to public open space
309	Bowling pavilion, The Priory, Ware	1 & 2	Community facility	Good	1.82 acres	100 sqm	Club facility with public use reserved
252	82 Park Road, Ware	1 & 2	Acquired after rationalising nearby ownerships to accommodate community facility	Good	0.14 acres	147 sqm	Community facility lease due to be reviewed

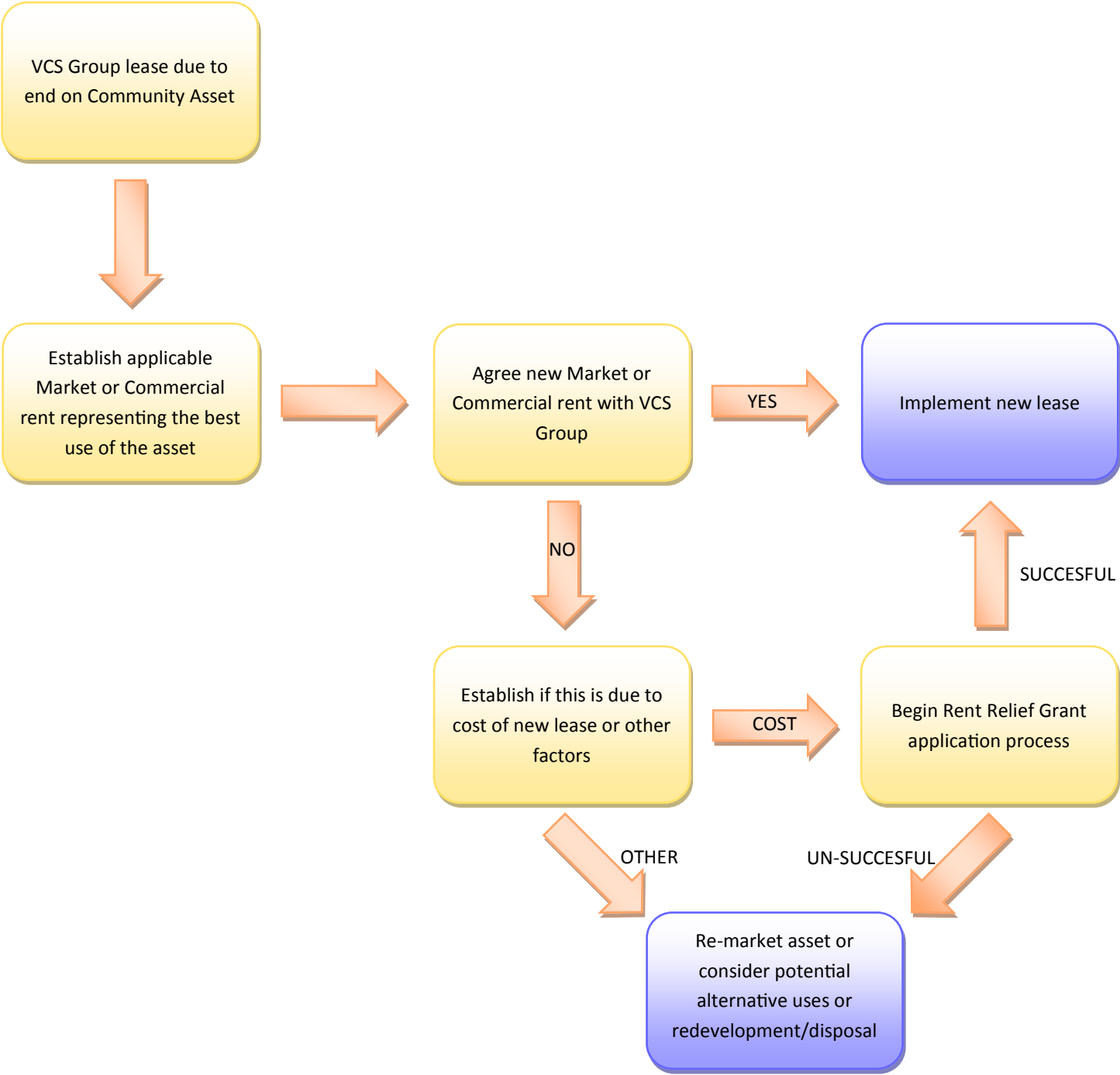
KEY:

Action is underway or imminent

Under review but not imminent maybe awaiting other actions.

No action planned during this period - asset fulfilling requirement

ASSET NO	ASSET	CORPORATE PRIORITY	REASON FOR HOLDING	CONDITION OF ANY BUILDINGS	SITE AREA	GROSS INTERNAL AREA	DESCRIPTION AND COMMENT
916	Land for Scout Building, Reedings Way, Sawbridgeworth	1 & 2	Residue of ownership provides community facility	N/A	0.45 acres	N/A	New ground lease for provision of scout building
541	Land at Kingham Road, Babbs Green	1 & 2	Residue of ownership provides community facility	N/A	9 acres	N/A	Due to be leased to Parish Council as Play area
439	Land at Tanners Way, Hunsdon	1 & 2	Residue of ownership provides community facility	N/A	2.2 acres	N/A	Leased to Parish council as play and recreation area
504	Land at rear of High Street, Stanstead Abbots	1 & 2	Residue of ownership provides community facility	N/A	0.52 acres	N/A	Leased to Parish council as play and recreation area
	Land for Scout Building, Mount Pleasant, Hertford Heath	1 & 2	Community facility adjacent to amenity woodland	N/A	0.46 acres	N/A	Lease to scout group



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EAST HERTS COUNCIL

EXECUTIVE – 19 JULY 2016

REPORT BY THE LEADER OF THE COUNCIL

APPRENTICES

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

- To request funding for the recruitment of up to 7 apprentices in 2016/17.

<u>RECOMMENDATIONS FOR THE EXECUTIVE:</u> That:	
(A)	the funding for apprentices is approved; and
(B)	the Council's apprenticeship rate is £4.00 per hour, increasing to £4.50 per hour in the second year.

1.0 Background

1.1 The key priority for the Government is to deliver three million apprenticeships by 2020. The public sector is to lead by example and employ a significant proportion to ensure a skilled workforce for the future.

1.2 The apprenticeship levy will be in place from April 2017 to help fund the growth and quality of apprenticeship training and staff development. The levy will be set at 0.5% of any employers pay bill which will be collected from HMRC monthly. Based on the council's 2014/15 pay bill, 12 million, East Herts estimated levy payment would be £60,000.

1.3 From April 2017 the council's target will be 7 apprentices per year based on the FTE. Apprenticeships are to be seen as employment and will not be ring-fenced for a particular group to ensure that employees are employed from a diverse range of backgrounds.

2.0 Report

- 2.1 The Leadership Team agreed in June 2016 to set up an apprenticeship programme in 2016. The apprenticeship levy comes into effect in April 2017; therefore for 2016 the current funded apprenticeships programmes would be relevant.
- 2.2 Until April 2017 young people aged 16 - 18 are funded for apprenticeships. Apprentices are funded for college fees only. As the council has over 50 employees the council would not be entitled to any additional funds or grants.
- 2.3 The average starting salary for apprentices advertised on the gov.uk website is estimated at £4.25 per hour. The £4 - £4.50 per hour was suggested at the EELGA conference as East Herts is outside of London.
- 2.4 The estimated salary costs for £4.00 and £4.50 per hour:

Year	Hourly Rate	Annual Salary	Pension/NI costs
One	£4.00	£7,800	£2,000*
Two	£3.50	£8,700	£2,280*

*If the young person decided to join the pension scheme

The National Insurance threshold is £8,112, the pension element could increase the cost.

- 2.5 If funding was approved, East Herts would aim to recruit 7 apprentices within the following services that have expressed an interest in taking an apprentice:

- Revenues and Benefits Shared Service
- HR & Organisational Development
- Communications, Strategy and Policy
- Planning and Building Control
- Strategic Finance and Property

The apprentices will be managed and supported centrally within the HR and Organisational Development Service.

2.6 The funding for 7 apprentices in year one would be £54,600 with a potential additional cost of £14,000 if they all joined the pension scheme. The posts would be funded from the reserves.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background Papers

None

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ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives:	Priority1: Improve the health and wellbeing of our communities Priority 2: Enhance the quality of people's lives Priority 3: Enable a flourishing economy HR contributes as an internal service to all three corporate priorities
Consultation:	Leadership Team, Strategic Finance, Unison
Legal:	None
Financial:	As noted in the report
Human Resource:	None
Risk Management:	None
Health and Wellbeing:	Development opportunities for young people

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