

CABINET MEETING
Monday 30th September 2013

PUBLIC APPENDICES


Report Number	Report	Pages
7a	Homelessness Strategy and Review 2013 to 2018 <ul style="list-style-type: none"> Homelessness Strategy and Review Delivery Plan 2013 to 2018 	1 to 20
9a	First Performance Management Report 2013/14 <ul style="list-style-type: none"> First Quarter Performance Management Report – 1st April to 30th June 2013 	21 to 44
9b	Medium Term Financial Strategy Update <ul style="list-style-type: none"> Appendix A - Pooling of Non-Domestic Rates Report to Essex Strategic Leaders Group Appendix B – Financial Profile Appendix C – Budget Planning 2015/16 – Approach and Framework 	45 to 48 49 50
11a	To receive the recommendations from the Task and Finish Group's review of Braintree, Halstead and Witham Citizens' Advice Bureau and Braintree District Voluntary Support Agency <ul style="list-style-type: none"> Report to Full Council – 29th July 2013 – Task and Finish Group Review of Braintree, Halstead and Witham Citizens' Advice Bureau and Braintree District Voluntary Support Agency 	51 to 99
11c	Governance Committee - 18th September 2013 – Treasury Management Annual Report 2012/13 and Mid-Year Report 2013/14 <ul style="list-style-type: none"> Report to Governance Committee – Treasury Management Review – Annual Report 2012/13 and Mid-Year Report 2013/14 	100 to 120
11d	Governance Committee - 18th September 2013 – Annual Governance Report 2012/13 <ul style="list-style-type: none"> Report to Governance Committee – Annual Governance Report 2012/13 BDO – Report to the Governance Committee – Audit for year ended 31 March 2013 	121 to 122 Page 123 to 152


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12a	Minutes of Cabinet Sub-Groups <ul style="list-style-type: none"> Minutes of the Local Development Framework Sub – Committee - 11th July 2013 Minutes of the Local Development Framework Sub-Committee - 24th July 2013 	153 to 168 169 to 173






Braintree District Council

Homelessness Strategy and Review Delivery Plan 2013 to 2018

Key Priority 1 (KP1): Prevention of Homelessness						
	Outcomes	Key actions	By whom	Resources required within existing budget	Outcome due date	Outcome current status
KP1	1.1 A corporate commitment to prevent homelessness is adopted. 	1. Continue to invite district and parish councillors and BDC staff as well as other agencies to the Housing Options and Choice Based Lettings Breakfast Briefings. (Currently running on a quarterly basis).	Housing Options and Housing Research & Development Teams	Yes	Quarterly	
KP1		2. Continue to resource to enable the Housing Service to meet needs. Action 13/14:- Appoint an additional Housing Options Officer for 2 years due to current pressures.	Housing Options	Yes	April 13	
KP1		3. Continue to provide: -a) monthly monitoring reports to BDC Cabinet Member and Deputy and Directors. b) Detailed Homelessness Update quarterly for Councillors and Partners.	Housing Options and Housing Research & Development Teams.	Yes	Monthly	

KP1	1.2 BDC offers a Housing Options Prevention Service including written advice to all clients. 	1. Develop clear workflow processes that are used by Housing Options Team to provide clear written bespoke advice to customers facilitated by standardised letter templates.	Housing Options	Yes	Oct 2013	
KP1		2. Develop Housing Options Packs to help customers make informed decisions about their housing options and make them available on BDC's website.	Housing Options and Housing Research & Development	Yes	Oct 2013	
KP1		3. Information on BDC's website can be provided to customers in hard copy.	Housing Options and Research & Development	Yes	Oct 2013	
KP1		4. Undertake Customer Satisfaction Surveys are quarterly.	Housing Research & Development	Yes	Quarterly	
KP1		5. Work with our sub regional Local Authority partners to identify how the Enhanced Housing Options Tool can help customers identify their housing, training and employment options.	Housing Options & Sub Regional Partners	Yes	March 2014	

KP1 1.3 Adopt a No Second Night Out model or an effective local alternative. 	<p>1. Working with our Greater Haven Gateway Sub Regional Housing Partners we have agreed to use the £362,000 of govt. funding to provide:-</p> <p>a) A specialist outreach service for rough sleepers to ensure they are supported into settled accommodation and help them engage with and benefit from appropriate support services.</p> <p>b) A scheme to increase access to private sector accommodation for single people that are harder to house as rent levels rise and supply tightens.</p> <p>2. Continue to work with BENS (Braintree Emergency Night Shelter) and the Salvation Army Housing Association to provide overnight shelter when the District Severe Weather Emergency Protocol is in operation during very cold weather and explore what role the shelter could play in developing a No Second Night Out model.</p>	Housing Service, Greater Haven Gateway Councils plus Uttlesford DC	Govt. funding £362,000	Starts April 2013	
KP1		Housing Options/BENS/ Salvation Army Housing Association	Yes	Ongoing	
KP1 1.4 We actively engage in preventing mortgage reposessions including through the Mortgage Rescue Scheme 	<p>1. Continue to administer the Mortgage Rescue Scheme (MRS) working with Greenfields and Moat (zone agent for Essex)</p>	Housing Options, Greenfields and Moat.	Yes	Ongoing	

KP1		2. Ensure Housing Options Officers have up to date training on legalities surrounding repossession matters.	Housing Options, & BDC Organisational Development and Learning	Yes	Ongoing	
KP1	1.5 Have a Homelessness Strategy which sets out a proactive approach to preventing homelessness and is reviewed annually so that it is responsive to emerging needs. 	1. Develop a new Homelessness Strategy and delivery plan for 2013 to 2018 and review annually.	Housing Service and the Housing Strategy Steering Group (HSSG)	Yes	Annually	
KP1		2. The Homelessness Strategy Steering Group (HSSG) to meet three times a year.	HSSG	Yes	Ongoing	
KP1		3. Upload Homelessness Strategy Delivery Plan onto BDC's web based project management system to provide monthly updates and monitor progress.	Housing Research & Development	Yes	Ongoing	
KP1		4. Update quarterly the Homelessness Strategy Delivery Plan as part of annual review of the Homelessness Strategy.	Housing Service	Yes	Ongoing	


KP1	1.6 Assist in the delivery of the Essex Family Solutions targets (the Essex approach to the 'Troubled Families' project)	1. Housing Options Staff to work with the Essex Family Solutions Team and make referrals of households who meet the qualifying criteria.	Housing Options and ECC Family Solutions Team	Yes	Ongoing	
KP1	1.7 Remodelling Mental Health Accommodation Pathways in Essex	1. ECC led, with Mental Health Trusts/District Councils to be involved in discussions with ECC with regard to implementation plans.	ECC/District Councils/Health Trusts.	Funding held by ECC	During 2013	



Key Priority 2 (KP2): Provision of Accommodation

	Outcomes	Key actions	By whom	Resources required within existing budget/ Staffing resources	Outcome due date	Outcome current status
KP2	2.1 There is adequate supply and type of Temporary Accommodation	1. Maintain existing working relationships with Greenfields to allow for further units of TA to be made available as required via the Housing Transfer Agreement.	Housing Options and Greenfields	There is a current budget but need for additional homes may mean existing budget exceeded.	Ongoing	
KP2		2. Transfer BDC's supported homeless housing scheme 'Craig House', to Family Mosaic Housing Association.	Housing Service and Family Mosaic	Note:- Family Mosaic will update and improve accommodation	2013	
KP2		3. Housing Research & Development Team to provide up to date Affordable Housing delivery schedules to contribute to the planning of TA requirements.	Housing Research & Development Housing Options	Yes	Ongoing	
KP2	2.2 Affordable housing stock increases across the district	1. Housing Research and Development Team to undertake a Strategic Housing Market Assessment (SHMA) 2013 to help identify local housing need requirements to inform future development of new affordable homes.	Housing Research & Development	Yes	Jan 2014	


KP2		2. Complete BDC's Councillor Led Affordable Housing Task and Finish Group report and plan implementation of recommendations agreed by Cabinet.	BDC's Task and Finish Group Overview and Scrutiny Committee, and Housing Research & Development	Unknown at this stage	Sept 2013 - to BDC's Overview and Scrutiny Committee	
KP2		3. Explore with Greenfields potential opportunities through the CHIP Fund to increase existing affordable housing stock base.	Greenfields/ Housing Research & Development/	Housing Research & Development Team and Greenfields	Ongoing	
KP2		4. Housing Research & Development Team and Greenfields to continue with the 5 Bed Homes project with a view to increasing the supply of larger family sized accommodation across the district.	Housing Research & Development Team and Greenfields	Yes	Ongoing	
KP2		5. Analysis provided through the 'Housing StatNav' is used to guide development of affordable housing by areas of greatest need.	Greenfields/Ho using Research & Development Team	Yes	Formal Project Launch March 2013	
KP2		6. Make sure that the existing CHIP funded research post is used fully to identify opportunities for making best use of existing stock and for research to help resolve housing need. Identify opportunities for continued research.	Housing Research & Development Team and Greenfields	Yes	Ongoing	


KP2		7. Work with Colne Housing Society to identify long term empty homes eligible to be returned to use through the Empty Homes Rescue Scheme to be made available under the Private Lease Scheme.	Housing Research & Development and Colne Housing Society	Within budget £100,000 of grant funding from both BDC and HCA	Ongoing	
KP2	2.3 There are adequate Supported Housing Schemes in the district or as part of cross boundary working with other Councils and providers that meet the needs of our customers.	1. Mental Health - Complete the relocation of the mental health supported housing scheme at Trinity House to Pavilion Court. 2. Domestic Abuse -Work with Essex County Council as part of the review of Domestic Abuse Services in the County, including seeking provision of new refuge accommodation provision in the district.	Housing Service, Colne Housing Society, NACRO, ECC and Community Mental Health Team	Yes	August 2013	
KP2		1. Promote the new BDC 'Landlord Select Scheme'.	Housing Options and the Marketing and Communications Team	Yes	Start date February 13	
KP2	2.4 We have established effective working relationships with local landlords and have access to an increased amount of private rented accommodation			Not known at this stage	Uncertain at this stage	

KP2		2. Monitor landlord satisfaction of the Landlord Select Scheme with a view to developing the scheme further.	Housing Options and Housing Research & Development	Yes	March 2014	
KP2		3. Support the establishment of the new county wide Private Landlord Accreditation Scheme and advertisement of private rent properties on the Gateway to Homechoice website.	ECC, Essex Councils, Inc. Housing Options and Environmental Services	Yes	To start 2013	
KP2		4. Identify opportunities to utilise Discretionary Housing Payments to create/maintain working relationships with private landlords and to meet housing needs.	Housing Service/ Housing Benefits	Yes	March 2014	
KP2		5. To monitor the impact of the Policy enabling the Council to discharge its homelessness duty into the private sector.	Housing Options	Yes	Policy in place from 1.11.12	
KP2	2.5 Having housing pathways agreed or in development with each key partner and client group that includes appropriate accommodation support. 	1. Continue to coordinate the Braintree District Joint Referral Panel (JRP) with partner organisations to ensure customers are referred to the most appropriate scheme to meet their support needs.	Partner organisations and Housing Options	Yes	Ongoing	

KP2		2. Ensure the Housing Allocations Policy allows for effective move on procedures from support schemes whilst also allowing for allocations to other housing register applicants. (Currently 12 nominations per year are via the JRP)	Housing Options and Housing Assessment	Yes	Ongoing	
KP2	2.6 Not place any young person aged 16 or 17 in Bed and Breakfast accommodation. 	1. Build on existing good working relationships with ECC Social Services Homelessness Response Team to help reduce homelessness amongst 16 and 17 year olds.	ECC/Housing Options	Yes	Ongoing	
		2. Participate in ECC review of the protocol in respect of 16 and 17 year olds.	Housing Options	Yes	2013	
KP2	2.7 Not place any families in Bed and Breakfast accommodation unless in an emergency and then for no longer than 6 weeks. 	1. Continue to provide Deposit Bond and Rent in Advance loans to help prevent families from becoming homeless and increase opportunities for working with private landlords.	Housing Options	Yes	Ongoing	
KP2		2. Increase opportunities to work with private landlords of family sized properties through the new Landlord Select Scheme.	Housing Options	£	Ongoing	

KP2		3. Continue to work with Colne Housing Society to provide family accommodation through the Private Lease Scheme.	Housing Research and Development	Yes	Ongoing	
KP2		4. Continue to incentivise the downsizing scheme through the Housing Needs Register to increase the supply of family sized accommodation.	Sub Regional Housing Allocations Policy	Yes	Ongoing	
KP2		5. Continue to monitor usage and length of occupation of temporary accommodation	Housing Options and Housing Research & Development	Yes	Ongoing	

Key Priority 3 (KP3): Managing the Impacts of Welfare Reform and the Localism Act						
	Outcomes	Key actions	By whom	Resources required within existing budget	Outcome due date	Outcome current status
KP3	3.1 Actively work in partnership with statutory and voluntary sector and other local partners to address support, education, employment and training needs. 	1. Consider what role the Enhanced Housing Options toolkit could have in helping customers identify their housing, training and employment opportunities.	Housing Options and Housing Assessment	Yes	April 14	
KP3		2. Essex County Council to provide information and advice about becoming homeless to secondary school pupils and staff across the county.	ECC/BDC	Yes	Ongoing	
KP3	3.2 Actively work in partnership with housing associations to respond to the needs of their tenants affected by welfare reform	1. Work with housing associations, where appropriate, to ensure that tenants are aware of the possible consequences of failing to make efforts to resolve their housing situation.	BDC/Housing associations	Yes	Ongoing	

KP3		2. Where necessary, provide tenants with information about their housing options and provide them with assistance to access other accommodation.	BDC/Housing associations	Yes	Ongoing	
KP3		3. Regularly review the effectiveness of Gateway to Homechoice to resolve the needs of tenants affected by welfare reform and consider whether bidding restrictions should be used to increase the opportunity for vacancies to be let to this group. This would have to be balanced against the needs of other priority groups.	BDC/Housing associations	Yes	Ongoing	
KP3	3.3 Develop a suitable private rented sector offer for all client groups including advice and support to both clients and landlords. 	1. Ensure resources are in place to deliver the new Landlord Select Scheme.	Housing Options	Yes, at this stage	Review in 2013	
KP3		2. Monitor client and landlord satisfaction of private rented accommodation	Housing Options and Research and Development	Yes	Ongoing	

KP3	3.4 BDC's Internal Welfare Reform Working Group has developed a plan for addressing the issues and anticipated impacts expected to arise in relation to welfare reform to welfare services.	1. Key dates regarding changes in relation to welfare reform are identified and mitigation around the potential affect is planned and coordinated across relevant services	Housing Options, Benefits and Council Tax	Yes	Ongoing	
KP3		2. Additional Council funding to the Braintree, Halstead and Witham CAB for 2 years to provide additional money and debt advice.	CAB, BDC - Housing Options, Benefits and Council Tax	£50,000	Start April 13	
KP3		3. Work with BDC's Marketing and Communication Team to raise publicity of forthcoming changes.	BDC Internal Welfare Reform Working Group and Marketing & Communications	Yes	Start April 13	

KP3		4. Training for Housing Options staff and staff from other relevant services around the introduction of Universal Credit is undertaken.	BDC Internal Welfare Reform Working Group	Yes	2013/14	
KP3	3.5 BDC is aware of the impact welfare reform and the Localism Act on customers and is able to develop service and business plans with this in mind.	1. Within existing monitoring capacity we seek to identify trends across customer groups that may be a result of welfare reform.	Housing Service	Yes	Ongoing	
KP3		2. Use data and information gathered through monthly monitoring to inform future Business and Service Plans and performance measures.	Head of Housing, Housing Research & Development	Yes	Ongoing	

KP3	3.6 BDC considers actions with partners how we help improve financial resilience of households on low incomes.	Working with Holdfast:- 1. Explore with Holdfast, the credit union in the district, the possibility of piloting a rent deposit scheme funded by the council.	Housing Options	Not at this stage	By March 14	
KP3		2. To explore further how we can support the work of Holdfast to help people save and when needed have access to loans.	Housing Options	Not at this stage	By March 14	
KP3		3. Explore the establishment of a furniture recycling project in the district.	Housing Options/Green fields	Not at this stage	Consider during 2013/14	

Glossary of some of the terms used in the Delivery Plan

Term	Definition
CAB	<i>The Braintree, Halstead and Witham Citizens Advice Bureau.</i>
The 'CHIP Fund' COMMUNITY HOUSING INVESTMENT PARTNERSHIP	<p><i>As part of the agreement resulting from the housing stock transfer of Braintree District Council's homes to Greenfields Community Housing in 2007, part of the capital receipt was used to create a jointly managed fund. This is known as the Community Housing Investment Partnership, and it has funds of over £10m. The fund's priorities were set out in the transfer agreement as:</i></p> <p><i>The development of new social housing</i></p> <p><i>The development of facilities for community benefit</i></p> <p><i>Environmental improvements</i></p> <p><i>Regeneration activities</i></p> <p><i>Priorities identified in the Annual Funding Review</i></p> <p><i>The CHIP Board is technically a sub-committee of the Greenfields' Board but acts autonomously within an agreed framework established by Braintree District Council and Greenfields.</i></p>
Greater Haven Gateway Housing Sub Region	<p><i>The following councils form part of the sub region:- Babergh District Council, Braintree District Council, Colchester Borough Council, Ipswich Borough Council, Maldon District Council, Mid Suffolk District Council, Suffolk Coastal District Council, Tendring District Council.</i></p> <p><i>With the exception of Tendring, all other councils plus Waveney District Council share the same Housing Allocations Policy and operate a sub-regional choice based lettings scheme called Gateway to Homechoice.</i></p>
Homes and Communities Agency or HCA	<i>The Homes and Communities Agency is the national housing and regeneration agency for England, with a capital investment budget of around £4bn for the period 2012-15. They provide investment for new affordable housing and are also regulator for social housing providers in England.</i>

The Braintree District	<p>HSSG Member organisations:</p> <ul style="list-style-type: none"> ➤ Social Services (Adult, Mental Health, Children and Families, Learning Disabilities, Physical Impairment Team) ➤ Braintree, Halstead and Witham Citizens' Advice Bureaux ➤ Mid Essex Primary Care Trust (PCT) ➤ Youth Offending Team ➤ Probation Service ➤ Children and Young Persons Strategic Partnership ➤ Essex County Council Supporting People ➤ Housing association partners (including Greenfields) ➤ Voluntary Sector representative
Housing StatNAV	<i>An innovative new partnership project between Braintree District Council and Greenfields Community Housing that provides detailed housing need data and analysis for specific location across the Braintree District.</i>
Landlord Select Scheme	<i>The council's new scheme available for landlords who house families referred to them by the Housing Options Team, which offers some new incentives to landlords.</i>
'No Second Night Out'	<p><i>Vision to end rough sleeping: No Second Night Out Nationwide - Department for Communities and Local Government July 2011</i></p> <p><i>Preventing single homelessness</i></p> <p><i>The Greater Haven Gateway (GHG) sub region and Uttlesford have received a one-off grant of £362k from the Department of Communities and Local Government (DCLG) to help address rough sleeping and prevent single homelessness in the eight local authority areas.</i></p>
SHMA	<i>Strategic Housing Market Assessment</i>
Temporary Accommodation	<i>The Council has a legal duty to secure temporary accommodation to some homeless households; this is normally where a household is unintentionally homeless, in priority need and has a local connection with the Braintree</i>

District, until we can help the household find permanent accommodation.

'Making every contact count' A joint approach to preventing homelessness – published August 2012

The star symbol refers to the ten local homelessness challenges set in the report which we aim to meet.



FIRST QUARTER PERFORMANCE MANAGEMENT REPORT

1ST APRIL TO
30TH JUNE 2013

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Section 1: Introduction and Summary






Purpose of the Report

The purpose of the report is to demonstrate the performance of the Council at the end of the first quarter in relation to the publication of 'Our plans for the District 2013/14'. This sets out the key activities and measures used to check our performance for the year and along with the Corporate Strategy 2012-16 sets out the priorities we are working towards. Further detail is given in relation to a set of business performance indicators covering finances, customer focus, our people and health and safety.






This report does not contain details of the numerous activities ongoing in each service area that also contribute to delivering what is important and will make a difference to all in the District. Full details of all projects and local and national indicators used to measure the outcomes are available upon request.

Summary of the Corporate Projects current position for the end of the first quarter

The following table provides updates for the end of the first quarter in relation to the key activities in 'Our plans for the District 2013/14'




Corporate Priorities	Status of projects and actions				
					
Place	1	7	0	0	0
People	0	9	1	0	0
Prosperity	0	12	0	0	0
Performance	0	4	1	0	0
Partnership <i>(to be reported on at the end of the year)</i>	-	-	-	-	-
TOTAL	1	32	2	0	0

KEY:




-  Project completed
-  Project on target
-  Project scope/target date requires attention
-  Project requires amendment
-  Project aborted/closed

Summary of the Performance Indicators position for the end of the first quarter

The following table shows the performance for the end of the first quarter in relation to the quarterly and annually reported Performance Indicators that have targets set as defined in 'Our plans for the District 2013/14'.

Corporate Priorities	Status of indicators			
				Data Only
Place	1	1	0	0
People	0	1	0	1
Prosperity	2	0	0	0
Performance	2	3	2	0
TOTAL	5	5	2	1

KEY:

-  Performance Indicator has achieved target
-  Performance Indicator is up to 5% below target
-  Performance Indicator is 5% or more off target

Summary Position

It has been a good start to the year in respect of the projects with the majority of them on track and progressing well.

Where we have been measuring our performance against a set of key performance indicators, there have been a number of factors that have affected the overall performance. The main reasons for not meeting performance are the adverse weather conditions at the start of the quarter and the changes to the benefit systems causing delays in processing times.


The Council faces some tough challenges ahead but remains as committed as ever to delivering high quality services which are responsive to customer needs, whilst supporting our communities and boosting our local economy.



Our Priorities

- Keep our district clean and tidy
- Protecting our environment
- Provide green space for everyone to enjoy








Project description and comments	Target Date	Status
Continue a seven day cleaning programme in the town centres, including the use of barrow beats to litter pick, street washing and mechanical sweeping		
Work is on-going in all town centres to maintain a high standard of cleanliness and reduce the levels of litter involving litter picks, street washing and mechanical sweeping.	March 2014	▶
Enforce non-compliant premises which fail to keep their frontage clean		
Following the success of the station campaign which saw a 45% reduction in dropped cigarette butts, the Council is now working with local businesses to tackle the problem of cigarette butts and other smoking related litter in the town centres. Campaign successfully delivered.	July 2013	✓
Continue to encourage the 'See-it, Report-it' initiative to take action against litter bugs		
In the first quarter there have been 909 see it report it calls. There are a number of campaigns to encourage residents to see it report it such as the current campaign to tackle dog poo and the 'pain in the butt' campaign which will go live in July to tackle the problem of cigarette butts and other smoking related litter in the town centres	March 2014	▶
Work with Essex Energy partnership and contractors to develop a Green Deal Scheme, supporting homeowners to reduce the energy they use		
The draft tender specification for procuring a Green Deal/ECO provider is in circulation with officers across Essex authorities. The provider will bring funding into the district for domestic energy efficiency measures to reduce the number of households in fuel poverty across the district.	March 2015	▶
Support our customers to increase recycling levels in the District to 60%, getting the best value out of our services		
A recycling door stepping campaign has been introduced to support customers to recycle more and will concentrate in areas of low participation. Recruitment of the door steppers is currently taking place and a training programme is being developed	March 2014	▶
Double the number of trade waste customers who receive a plastic, cardboard and paper recycling service		
A pilot is starting in Braintree Town Centre and letters have been sent out to all possible customers to take part in a trial of trade waste recycling collection. 39 customers have signed up and a further 41 are interested in the trial due to commence in July.	March 2014	▶
Plant more mature trees in our parks and open spaces to improve their appearance and attractiveness, provide shading around play areas and help to conserve and protect the environment within our District		
Sites are currently being identified with planting taking place in the Autumn and at the end of the year.	March 2014	▶

Complete works and establish Hoppit Mead as a local nature reserve		
The community consultation on the proposal to designate Hoppit Mead as a Local Nature Reserve has now been completed receiving a positive response.	August 2013	



Our Priorities

- Support vulnerable people in our community
- Promote safe and healthy living
- Encourage flourishing communities

Project description and comments	Target Date	Status
Design and build of Witham Leisure Centre		
Barr construction, the main contractor, arrived on site in May to start work on constructing the leisure centre. A soil cutting ceremony took place to officially mark the beginning of the build.	August 2014	
Working in partnership with Fusion Lifestyle provide investment to improve the facilities at Halstead Leisure Centre, Braintree Leisure Centre and Braintree Swimming Centre		
The renovations at Halstead Leisure Centre will start later in the year.	October 2013	
Work started in May to Braintree Leisure Centre to improve the health and fitness facilities	August 2013	
The legal documentation (agreement for lease) has delayed the progress with the Braintree Swimming Centre and the end date of the project will be revised accordingly.	October 2013	
Establish a Health and Wellbeing Panel working with others to identify priorities and take action to improve the health outcomes for all residents		
A Health and Wellbeing Panel is being established and the first meeting is due to take place in July.	December 2013	
Progress the Witham Neighbourhood Budget Pilot by working with partner agencies and the Witham community to raise young people's level of attainment and aspiration through new initiatives and improved ways of working		
A prospectus setting out the ethos of the Witham Neighbourhood Budget and specific projects is being drafted for circulation to the community alongside a Community Hub which will take place as a 'pop up' in the Newlands Shopping Centre in Witham in August.	March 2015	
Work with the Police and Crime Commissioner, Essex County Council and other partners to pilot new ways to tackle domestic abuse across the District.		
Staff have been recruited and will be in place in August for the pilot to tackle domestic abuse. Funding secured to run a 'cut it out' campaign in hairdressers across the district.	March 2014	





Build stronger communities through the implementation of the localism programme		
There have been 8 nominations to the list of assets of community value. No expressions of interest were made under the Community Right to Challenge during the period when nominations could be made. Discussions on the potential transfer of the Memorial Gardens and other land in Witham are still on-going with Witham Town Council. The Witham Neighbourhood Budget Steering Group is looking specifically at how the student work experience programme could be enhanced. Interviews are continuing with members and the outcomes will enhance the member development programme	March 2015	▶
Refurbish the play areas at Templars in Witham and Panners Bridge in Gt Notley		
Initial public consultations are complete with design briefs being drawn up for stage 2 of the consultations with residents.	February 2014	▶
Create a sustainable partnership with Braintree District Museum Trust Ltd to preserve, interpret and promote the unique archive and Museum collections and the Districts heritage for the public benefit		
Arts Council England strategic funding grant received for 2013/14 joint project between the Museum Trust and the Council to enable commercial development of the Museum service. Discussions are also underway between the Council and Museum Trust on the future developments and to develop the Trust's business plan.	March 2014	▶



Our Priorities

- Boost employment skills and support business
- Promote and improving our town centres
- Securing appropriate infrastructure and housing growth

Project description and comments	Target Date	Status
Reduce congestion and improve access to Braintree town centre through improvements to the South Street/Fairfield Road junction		
Meetings have taken place in June with Highways and the demolition contractors have been appointed to clear the site.	May 2014	▶
Support the Town Teams to improve our town centres in Braintree, Halstead and Witham		
The Town Teams continue to work on activities funded by the Portas Pilot by organising events such as the Easter egg hunt around local businesses, Easter food stalls and fairground rides. The longest day summer event in June organised by Braintree Town Team saw retailers open until late in the evening and the town centre came alive with various attractions and live entertainment taking place in and around the high street. Braintree District Council together with the town teams promoted their markets in May, with new traders taking up pop-up stalls in both markets at a reduced rate to widen the product offering and market shopping experience for the public.	March 2014	▶

The 'wake up and smell the coffee' retail group idea has been adopted by Halstead Town Team and the first two meetings have taken place with local retailers. Witham Town Team and partners are working on moving forward with the regeneration proposals and town centre initiatives	March 2014	
Start on the expansion of the IGNITE Enterprise Centre at Springwood Drive, Braintree to provide twelve new start up units		
The planning application for the construction of Springwood Drive Enterprise Centre extension is being completed and will be submitted in July 2013.	March 2014	
Encourage new businesses into the district and support our local businesses by reviewing our business rate discount scheme		
Working on a report which will be presented to Cabinet on 30 th September 2013 seeking approval to criteria for offering discretionary business rate relief	March 2014	
Work with IGNITE to create 50 new businesses and deliver new jobs into the District		
In the first quarter, IGNITE have provided advice and assistance to 72 potential new businesses resulting in 26 business start-ups. A business showcase will be held in July with key note speeches from high profile business people, seminars, networking opportunities and a chance for local businesses to exhibit and promote their business at low cost.	March 2014	
Generate opportunities for young people in the District not in education, employment or training through the creation and development of apprentice and pre-apprenticeship schemes		
A NEET training programme for 10 young people has been developed called Green Team. 25 people applied for five positions on the first cohort and five people have been successfully recruited. Groundwork has developed working partnerships with local organisations to develop a works programme which provides the opportunity to gain a nationally recognised qualification and improve employment prospects, by working on a number of landscape projects	January 2014	
Braintree District Council are supporting a scheme to employ two retail apprentices in Braintree. Meetings have been held with skills advisors to define the process and it has been agreed that the scheme should be part funded and not fully funded to secure commitment from the employer and enable more opportunities	March 2014	
Work in partnership with Housing Associations to begin construction on 58 new homes and work with homeowners to bring empty homes back into use across the District		
At the end of the first quarter, 55 affordable homes have been provided	July 2014	
30 empty homes have been returned to use and four properties are currently being considered by Colne Housing under the empty homes rescue scheme	March 2014	
Develop a long term strategy to support economic growth and prosperity across the District		
A Draft Economic Development Prospectus has been drawn up and will be presented to Cabinet in July as a basis for consultation with businesses and stakeholders.	October 2013	
Adopt District Site Allocations to enable future development which will meet district needs and support growth		
Representations and recommended changes to the draft plan have been presented to the LDF sub committee prior to being submitted to full Council for consideration for approval.	April 2014	









Our Priorities







- Provide value for money
- Deliver excellent customer service
- Improving our services through innovation

Project description and comments	Target Date	Status
Continue to review how we deliver and commission services, focussing our resources on what is important to us		
Business efficiency reviews are currently being undertaken in Building Control, Facilities Management, Town Hall and Legal Services.	March 2015	▶
Use a range of new technology to improve the way we deliver services and make our services easier to access for our customers		
A Channel Strategy has been developed looking at ways we deliver our services and an action plan is currently being developed to implement improvements. Improvements continue on the Councils website, especially around content being focused around the customer.	March 2015	▶
Achieve the Customer Service Excellence Standard for all front line services		
Services are currently working through the criteria required and providing evidence to support their application. Due to resource pressures, the project end date has been reviewed and will be put back to March 2014 to ensure all key service areas are able to achieve the standard.	September 2013	▲
Maintain high levels of customer satisfaction, seeking feedback from our customers to identify where we can improve		
A project is currently being scoped out to review the customer service standards	March 2014	▶
A simple mechanism to gather customer comments and feedback from our website has been investigated and will go live on the website in July	November 2013	▶

Section 3: Managing the Business

Our Performance Indicators in Detail

Performance Indicator	2013/14						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
Place							
Percentage of land that falls below cleanliness standards for litter	n/a				8%	n/a	Recorded 3 times a year – July, November and March
Percentage of household waste sent for reuse, recycling and composting	59.20%				60%		Outturn figures are currently being verified by Essex County Council. The outturn for April was 55% due to the adverse weather conditions and this has impacted on the overall recycling rate achieved for the quarter.
Percentage of fly tips cleared within 24 hours of being reported	100%				100%		A total of 303 fly-tips have been cleared within 24 hours of being reported
Public Satisfaction with parks and open spaces	Annually reported indicator				n/a	n/a	
People							
Number of visitors to our leisure facilities from under-represented groups	156,303				Establish Baseline	n/a	No target set as currently establishing baseline figures with Fusion.
Number of passenger journeys on the Community Transport Scheme	15,497				15,611		The adverse weather conditions in April caused a number of bookings to be cancelled.
Percentage of Mi Community projects successfully completed	Annually reported indicator				n/a	n/a	
Prosperity							
Number of empty homes in the district returned to use	30				13.75		
Number of affordable homes delivered	55				55		
Number of young people assisted into education, employment or training through council and partnership schemes	Annually reported indicator				n/a	n/a	
Percentage of empty shops in the district	Annually reported indicator				n/a	n/a	
Number of new business start-ups in the district	Annually reported Indicator				n/a	n/a	
Performance							
Percentage of enquiries resolved at first point of contact within the Customer Service Centre	87%				85%		Represents 13518 out of 15545 calls resolved at first point of contact

Performance Indicator	2013/14						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
Time taken to process housing benefit/council tax benefit new claims	19.19 days				18 days		Target not achieved in April and May as staff were dealing with a high volume of calls from claimants affected by the introduction of the local council tax support scheme. Performance for June was back on target at 16.52 days and this should continue.
Time taken to process housing benefit claim changes	7.23 days				6 days		Target not achieved in April and May as staff were dealing with a high volume of calls from claimants affected by the introduction of the local council tax support scheme. Performance for June was back on target at 5.97 days and this should continue.
Percentage of minor planning applications processed within 8 weeks	69.47%				72%		A management decision in consultation with the cabinet member to have officers focussing on completion of two major schemes (Maltings Lane and Premdor site) has resulted in a reduced number of minor applications being processed within the 8 week period.
Percentage of stage 1 complaints responded to within target	88.9%				90%		Represents 96 out of 108 stage 1 complaints dealt with in 7 working days. Additional time required to investigate a number of complex complaints received in this period with some requiring site visits.
Overall customer satisfaction with the way Braintree District Council runs things	n/a				89%	n/a	Reported half yearly
Percentage of residents who agree that Braintree District Council provides value for money	n/a				67%	n/a	Reported half yearly
Collection rate for Council Tax	30.60%				30.73%		The collection rate has been impacted by the number of council taxpayers opting to pay over 12 months rather than 10 months, an option which was introduced on 1st April 2013. Staff continue to contact those council taxpayers which have been affected by the various welfare reforms in an effort to find ways for them to be able to meet their council tax liability.
Collection rate for business rates	32.60%				31.14%		

Customer Services & Views

The following is a selection of our customer service performance measures:

Customer Service: Indicators of Performance					
	Q1	Q2	Q3	Q4	Target
Average telephone response time in the Customer Service Centre	9 seconds				15 Seconds
Number of transactions carried out via the Council website	27,178				21,250
Percentage of avoidable contacts (collected half yearly)	n/a		n/a		Data only

Customer satisfaction surveys – 2013/14

We continually seek to keep track of how our residents think about us and the services we provide. In the past, the Governments national surveys such as the 'Place Survey' and the 'BVPI Survey' were used to monitor residents' satisfaction with Councils. Although these surveys are no longer compulsory, for us this information is still a high priority. Therefore we have introduced our own on-going satisfaction survey to gather feedback and comments from our customers. This consultation is continuous and the results are reviewed and published every six months.

Complaints

The quarterly complaints analysis for the first quarter of 2013/14 is detailed below. This is compared with 2012/13 figures shown in brackets. The figures represent all three stages of the complaints process.

Complaint Category	Q1 2013/14	Q2 2013/14	Q3 2013/14	Q4 2013/14	TOTAL
Justified	45 (89)	(84)	(115)	(60)	(348)
Not Justified	58 (106)	(100)	(100)	(86)	(392)
Partially Justified	11 (13)	(27)	(10)	(7)	(57)
Not known	0 (0)	(0)	(0)	(0)	(0)
Total	114 (208)	(211)	(225)	(153)	(797)

Comments

The number of complaints received in the first quarter of 2013/14 is significantly lower than the number of complaints received in the same period in 2012/13.

In the first quarter of 2012/13, there were a high number of missed bin complaints received. Although this remains the top category of complaint for the first quarter of 2013/14, the number of overall complaints received has reduced. This is partially as a result of a more robust mechanism in place for monitoring missed bins introduced in our back office and the crews being more vigilant on their collection routes.

The number of complaints relating to planning has also reduced compared to the first quarter of 2012/13.

In the first quarter of 2013/14, of the 114 complaints received:

- 108 are stage one complaints
- 3 are stage two complaints
- 3 are stage three complaints

A summary of Local Government Ombudsman cases:

In the first quarter of 2013/14 the LGO have received five complaints and advised of one challenge to their decision in respect of an earlier matter. Of the six matters received:

- 3 are currently under investigation
- 1 complaint is outside the jurisdiction of the LGO
- 1 complaint has been fully investigated and the LGO are happy with the actions of the Authority
- No action has been taken on one complaint as the complainant has not been through the Councils complaint procedure

Our Organisation

The following is a selection of our people performance measures:

People: Indicators of Performance	Q1 12/13	Q2 12/13	Q3 12/13	Q4 12/13	Change on previous period	Yearly Target
Total headcount	470				+ 4	-
Total number of posts	479				+ 4	-
Number of temporary staff	47				+ 5	-
Total staff FTE	429.49				- 6.05	-
Level of employee turnover	3.4%				+ 1.04%	-
Number of vacant posts	20				+ 5	-
Number of leavers	16				+ 5	-
Number of starters	20				+ 15	-
Working days lost to sickness per employee	1.35 days				- 0.33 days	8.0 days
Percentage of staff with nil sickness	70%				New indicator	-
Number of learning days	844.50				+ 131.12	-
Average learning days per employee	1.97				+ 0.08	≥3.5 days
Number of apprentices	11				- 1	-

Year on Year Headcount Analysis	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
	586	567	541	503	485	466

Health & Safety

The following is a selection of our health and safety performance measures. The data is for information purposes only.

Health and safety is a crucial responsibility of everyone within the organisation. This information is used to improve the management of health and safety and making the workplace safer for staff and our customers.

Health & Safety: Indicators of Performance	Q1	Q2	Q3	Q4	
	(2011/12 figure in brackets)				
Total number of reported accidents/ incidents, calculated from:	14 (21)	(17)	(8)	(12)	The main reasons for accidents in Q1 are slips and trips
<i>a. Accidents/ incidents to employees</i>	9 (17)	(13)	(7)	(9)	
<i>b. Accidents/ incidents to contractors</i>	2 (2)	(1)	(0)	(3)	
<i>c. Accidents/ incidents to non-employees</i>	3 (2)	1 (3)	(1)	(0)	
Time lost in days due to employee accidents/ incidents	23 (39)	(7)	(4)	(6)	This represents two members of staff one of whom accounted for 22 of the lost days due to a back injury
Number of reported verbal/ physical incidents to employees	2 (1)	(3)	(0)	(0)	
Number of near miss incidents	2 (1)	(0)	(0)	(0)	
Number of Accidents/ incidents registered resulting in insurance/ compensation claim	0 (3)	(2)	(2)	(1)	
Number of claims settled	0 (0)	(0)	(0)	(0)	

Financial Performance

This part of the report provides the first review of the financial position for the financial year 2013/14. It examines the forecast spending on day-to-day service provision compared to the budget for the year. Also included is summary position for treasury management at the end of June; a projected movement on General Fund balances; and a summary of spending to date on capital investment projects.

First Quarter Financial Position Statement for 2013/14

Key Points:

- The Council is forecasting an overall overspend for the year of £197,000 (1%) against the budget of £15.841 million
- The budget variance comprises a projected under achievement of income of £198,000, offset by a net underspend against expenditure budgets of £1,000.
- Based on known staffing changes to date and their financial impact on the year, a shortfall against the efficiency target is currently projected of £284,000. Staffing changes effective in the latter part of the year and merit awards paid in August will however change the projected shortfall.

Financial Forecast of Revenue Spending by Services

The following table provides a breakdown by business plan area of the financial forecast of revenue spending:

Business Plan Service	Net Budget £'000	Forecast Spend for the year £'000	Adverse (positive) variance against budget				RAG Status
			Staffing	Other Service Expenditure	Gross Income	Total	
			£'000	£'000	£'000	£'000	
Asset Management	(1,071)	(1,198)	1	(100)	(28)	(127)	(12%)
Business Solutions	1,621	1,616	(2)	(3)	-	(5)	(<1%)
Community Services	523	499	-	(11)	(13)	(24)	(5%)
Corporate Management Plan	1,232	1,203	(10)	(20)	1	(29)	(2%)
Cultural Services	257	281	6	-	18	24	9%
Environment	981	976	(26)	(37)	58	(5)	(1%)
Finance	1,528	1,463	(56)	(6)	(3)	(65)	(4%)
Governance	1,345	1,322	(8)	(1)	(14)	(23)	(2%)
Housing Services	871	826	(3)	(31)	(11)	(45)	(5%)
Human Resources	290	290	(1)	1	-	-	-
Leisure Services	904	904	-	-	-	-	-
Operations	4,026	4,085	5	(103)	157	59	2%
Sustainable Development	1,358	1,442	(9)	21	72	84	6%
Service Total	13,865	13,709	(103)	(290)	237	(156)	(1%)
Corporate Financing	2,363	2,329	0	5	(39)	(34)	(1%)
Efficiency target	(387)	-	387	-	-	387	
Total	15,841	16,038	284	(285)	198	197	1%

RAG Status: G = favourable or nil variance, A = up to 5% adverse variance or <£50k, R = > 5%

Commentary

Staffing

Across service business plans there are projected salary underspends of £103,000. The corporate efficiency target was set at £387,000 for the year which includes £296,820 that would normally be met through staff turnover and a further £90,260 targeted at savings generated from service reviews. At this quarter's review there is a projected shortfall against meeting the target from salaries for the year of £284,000, based on known staffing changes to date.

Business Plan – Salary Budgets	Budget	Forecast Spend for the year	Adverse/ (positive) variance	RAG Status
	£'000	£'000	£'000	
Asset Management	290	291	1	<1%
Business Solutions	827	825	(2)	<1%
Community Services	452	452	-	<1%
Corporate Management Plan	1,107	1,097	(10)	(1%)
Cultural Services	248	254	6	2%
Environment	1,560	1,534	(26)	(2%)
Finance	2,295	2,239	(56)	(2%)
Governance	585	577	(8)	(1%)
Housing Services	639	636	(3)	<1%
Human Resources	254	253	(1)	<1%
Leisure Services	55	55	-	-
Operations	4,438	4,443	5	<1%
Sustainable Development	1,531	1,522	(9)	(1%)
Service Total	14,281	14,178	(103)	(1%)
Efficiency target	(387)		387	
Net Total	13,894	14,178	284	2%

RAG Status: G = favourable or nil variance, A = up to 5% adverse variance, R = > 5%

The main issues are:

- Savings on staff costs have occurred due to delaying filling vacant posts, appointments being made at lower salary grade points, and some reductions in working hours.
- Within Operations reduced staffing costs in horticultural services from vacancies are offset by higher costs incurred in waste management from employing agency staff to cover for long-term sickness. In street cleansing services work has been re-allocated to direct staff instead of using sub-contractors (this positive variance of £13,000 is shown against the budget for Other Service Expenditure).
- The forecast shortfall against the efficiency target was £147,000 at the same quarter last year, with a final year end outturn under achievement of £139,000 being reported.

Other Service Expenditure

Services are currently forecast to underspend against their non-staffing expenditure budgets by £285,000. The main issues are:

- **Waste Management** – The main reason for the projected underspend is from savings on external transport costs (£52,000) which is the result of green waste being delivered direct from collection routes to the material recycling facility.
- **Council Offices** – An appeal against the 2010 Rating List has resulted in a reduction in rateable value from 520,000 to 435,000 for Causeway House. The reduction is backdated to April 2010, generating a one-off refund in the year of £107,000 with annual an on-going saving of £27,000 (subject to future revaluations and inflation).
- **Planning Policy** – The budget provided for £100,000 (£40,000 funded from earmarked reserve) to be used to prepare a Community Infrastructure Levy enabling the Council to make a charge on proposed developments. Service management has indicated that this project is to be carried out over a two year period, with £25,000 projected spend in the current year and the remaining £75,000 to be carried over into 2014/15. As carry forward requested no variance is shown in statement.
- **Environment** – across the whole range of budgets for supplies and services there are projected underspends of £38,000, with the main variances arising in Building Control, Emergency Planning, and Public Health & Housing.

- **Corporate Overheads** – Recent years has seen a significant reduction in the level of fees set by the Audit Commission. For 2013/14 a further reduction of £17,000 is expected against the amount provided in budget to align with the scale fees confirmed recently by the Council's external auditor.
- **Housing service** – the Council operates a rent in advance scheme funded by a core budget allocation (£28,770) topped up with recycled loan repayments (£7,570) which helps those potentially at risk of homelessness to gain accommodation in the private sector. As the service is demand-led it is difficult to be precise about drawdown on financial resources, but at this quarter, take-up suggest that there could be a £21,000 underspend.

External Income

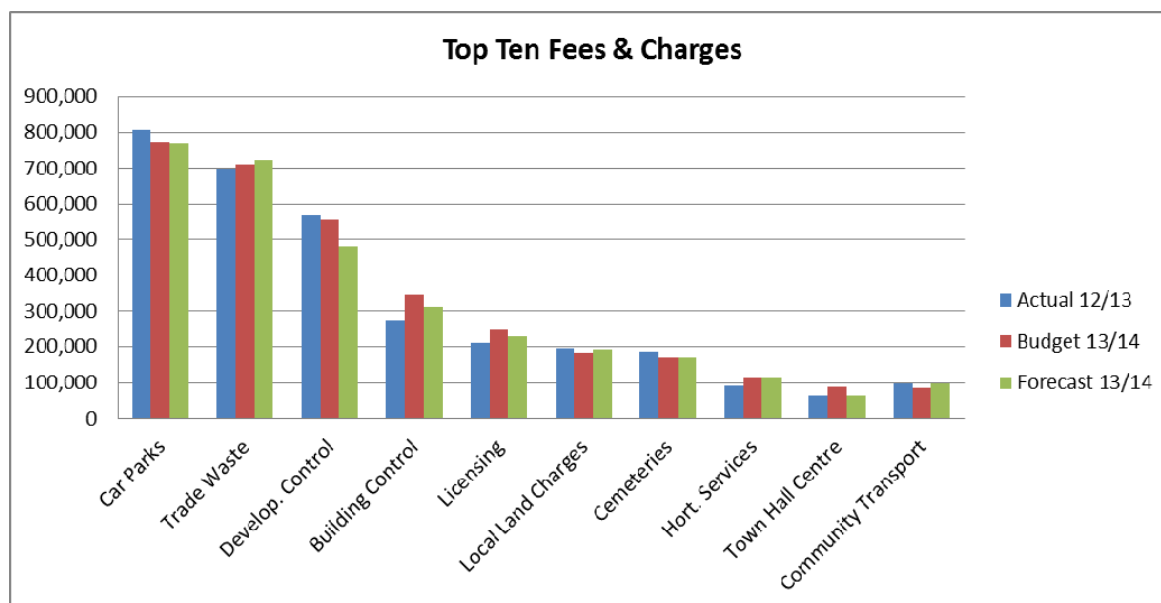
A significant proportion of the Council's budget is reliant on external income. Grants and subsidies from government are a major element, with a total of £52.339 million budgeted for 2013/14. The main elements of government support relate to: housing benefit of £41.959 million, which largely matches the actual cost of benefits paid, Revenue Support Grant (£3.433 million) and Business Rates Retained (£3.046 million). The amount of Business Rates retained will vary depending on the business rates collected, the amount of discounts and exemptions granted and the outcome of appeals, against rateable value, made by the Valuation Office. The remaining grants are fairly stable and are unlikely to fluctuate from budget. However, non-government grant income comes from a variety of sources that are subject to external demands and influences, meaning these income sources are more likely to experience variations against budget. It is currently forecast that services will underachieve against their income budgets by £213,000, as shown in the table below:

External Income excluding Government Grants	Budget £'000	Adverse (positive) variance against budget						RAG Status
		Fees & Charges £'000	Land & Property income £'000	ECC Joint Financing & contributions £000	Sale of Recycling Materials £'000	Other Income £'000	Total £000	
Asset Management	(2,092)	(17)	(11)	-	-	-	(28)	(1%)
Business Solutions	(11)	-	-	-	-	-	-	-
Community Services	(231)	(13)	-	-	-	-	(13)	(6%)
Corporate Management Plan	-	-	-	-	-	1	1	-
Cultural Services	(95)	24	-	-	-	(6)	18	19%
Environment	(778)	51	-	-	-	7	58	7%
Finance	(1,476)	-	-	-	-	(3)	(3)	(<1%)
Governance	(4)	(11)	-	-	-	(3)	(14)	(350%)
Housing Services	(93)	(1)	(10)	-	-	-	(11)	(12%)
Human Resources	-	-	-	-	-	-	-	-
Leisure Services	(267)	-	-	-	-	-	-	-
Operations	(5,213)	(13)	(2)	163	(26)	35	157	3%
Sustainable Development	(916)	65	-	-	-	22	87	9%
Service Total	(11,176)	85	(23)	163	(26)	53	252	2%
Corporate Financing	(206)	-	-	-	-	(39)	(39)	(19%)
Total	(11,382)	85	(23)	163	(26)	14	213	2%

RAG Status: G = favourable or nil variance, A = up to 5% adverse variance or <£50k, R = > 5% (or >£50k at Business Plan level)

Fees & charges

The budget for income from fees & charges is £3.815 million, and is projected to be under achieved by £85,000. The following chart shows the top-ten income streams by budgeted amount:

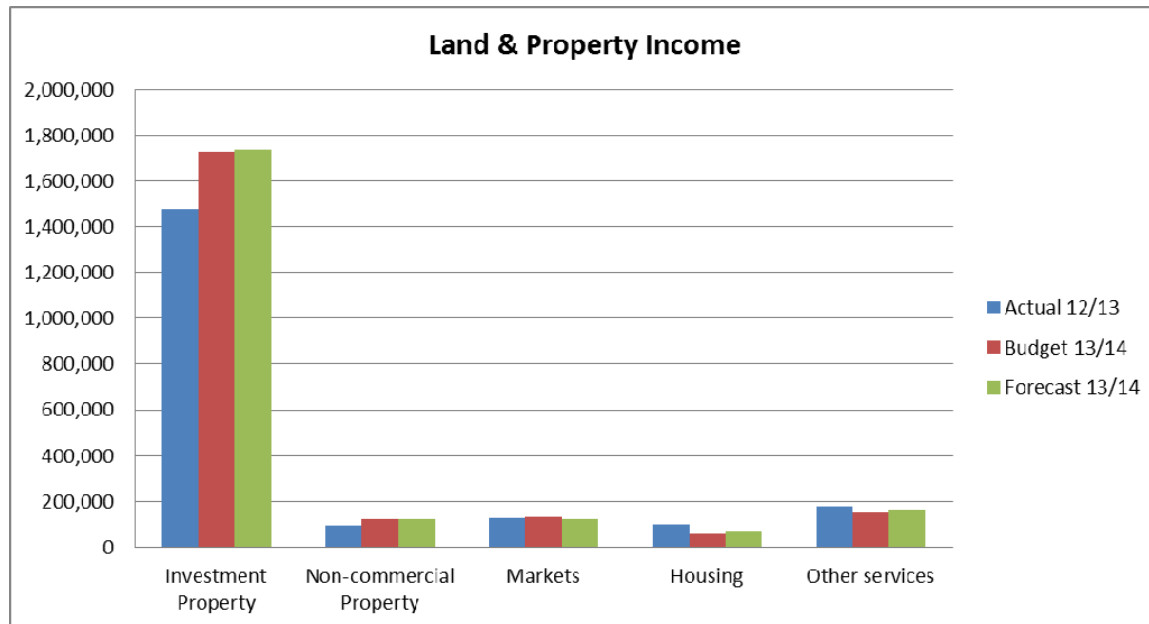


Forecast highlights:

- Overachievement of income of £34,000 is predicted across trade waste, local land charges and community transport
- Development Control shows a central case forecast shortfall of £75,000 for the year, within the range of -£117,000 and -£4,000, based on different scenarios around previous year trends. The downturn may be attributable to permitted development changes where there is no requirement at present for formal planning decisions on certain categories of development.
- Building Control has experienced an improvement in the first quarter's income, which is higher than any previous quarter over the last 2 ½ years. The predicted total for the year is now £312,000, which although lower than budget by £33,000, is an increase from the previous year outturn by £37,000.
- Town Hall Centre income is predicted in line with the previous year outturn which is lower than budget by £18,000.

Land & Property Income

The budget for income from land & property is £2.191 million – comprising the investment property portfolio, markets, housing properties, and other let properties. The forecast for the year is an overall overachievement of £23,000:

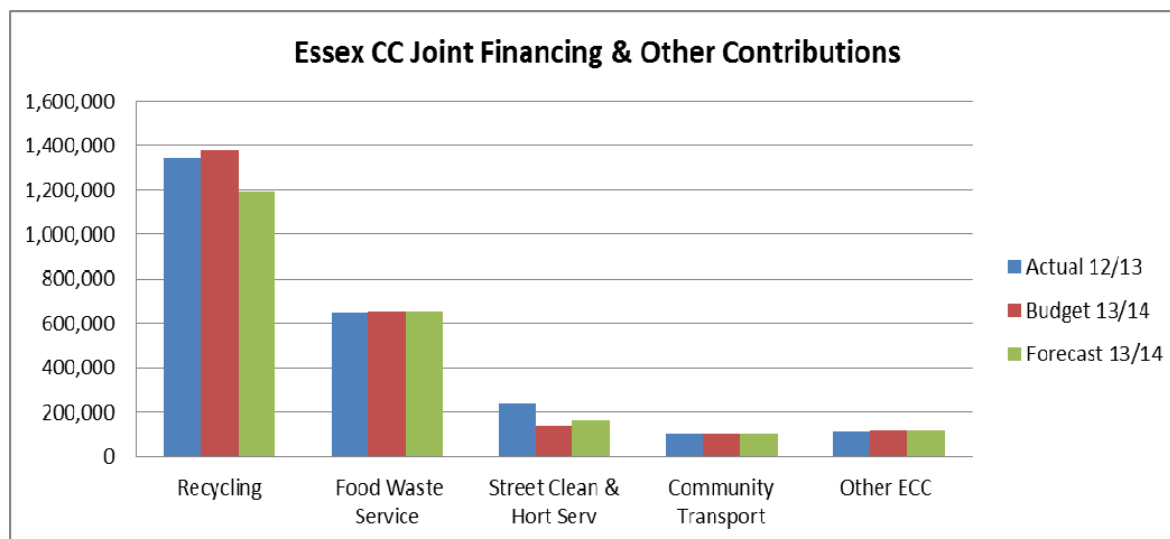


Forecast highlights:

- The planned increase in income from investment property relates mainly to the letting of Mayland House (the annual income budget for this property is £488,000). Overall income from investment properties is predicted to be £10,000 more than budget.
- Market rents are predicted to be under budget by £7,000.
- An overachievement of income on housing dwellings is predicted of £8,000.
- Other service rents are predicted to be higher than budget by £11,000.

ECC Joint Financing & Contributions

The Council receives a significant amount of income from service arrangements with Essex County Council. The total budget for the year is £2.401million. The current forecast for the year is an under-achievement of £163,000. The following chart shows the main areas of income:



Forecast highlights:

- Income under recycling activities is projected to be under budget by £186,000, of which £104,000 relates to an anticipated refund of previous year tipping away payments paid by ECC in error. This also means that £22,000 of budgeted tipping away income for the food waste service is no longer expected to be received. The remaining shortfall under recycling is due to lower material tonnages which attract recycling credits.
- Additional unbudgeted income of £26,000 is expected from rural highway verge cutting.

Sale of Recycling Materials

The budget for income from the sale of recycling materials is £617,000 and is projected to be over achieved by £26,000. The main reason for this variance is an increase in the price per tonne received for glass which was originally assumed for the budget at £23.20, but currently the Council is receiving an average of £32.

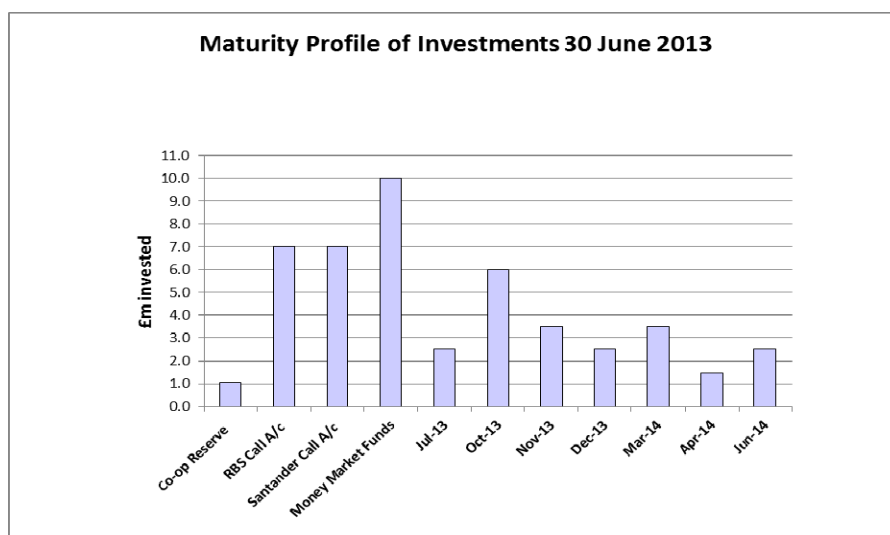
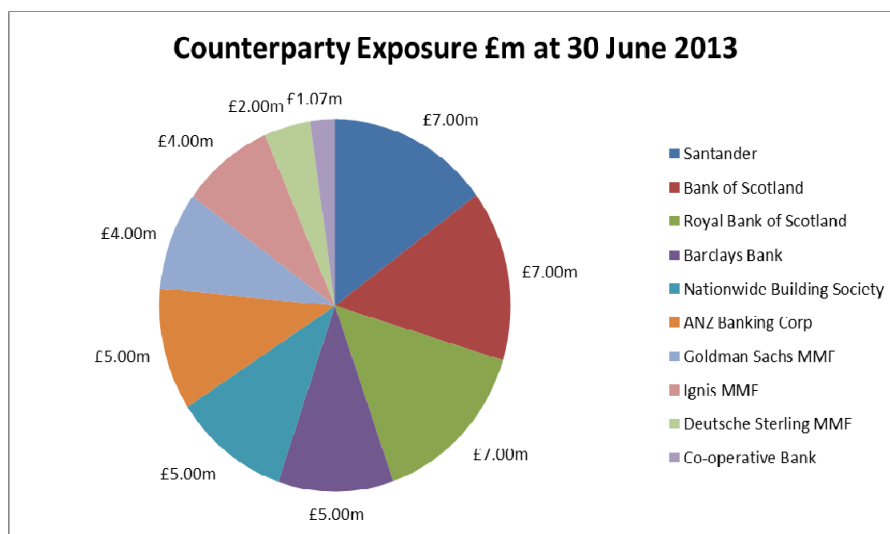
Other Service income

Total budgeted other service income is £2.358 million, with a current forecast of a net overall over achievement of £1,000. The main income streams within this category, includes: £663,000 of benefit and local tax recoveries and penalties, £426,000 relating to the Procurement Hub, £245,000 from precepting authorities under the agreement relating to changes in council tax discounts; and a further £157,000 from service level agreements with Greenfields Community Housing.

Treasury Management

The average cash balance invested in the three month period to the end of June amounted to £47 million, ranging between £33.65 million and £54.35 million. Interest secured to date amounts to £142,000, equating to a return of 0.67% compared to that assumed in the budget of 0.70%. The average 3-month London Interbank Bid Rate (LIBID) averaged 0.44% for the year to date, reflecting the prolonged period of low interest rates.

Counterparty exposure and maturity profile at end of June is shown in the following charts:



Co-operative Reserve, call accounts, and Money Market Funds (MMF) are immediate access accounts.

General Fund Balances

The General Fund balance is held for the following reasons:

- As a contingency against unforeseen events that may require funding above that originally provided for in the approved budget
- To meet short-term or non-recurrent one-off costs that are not provided in the base budget and/ or are incurred to achieve future savings and efficiencies.

Based on the forecast set out above, the movement on the General Fund balance is projected as follows:

Balance b/fwd at 1 April 2013	£'000 7,704
Less:	
Budgeted withdrawal	(353)
Projected variance at this quarter	(197)
Add:	
Estimated surplus on food waste service account	37
Est. Balance at the year-end	7,191

Movements shown on the General Fund balance are in respect of:

- The approved budget for 2013/14 included an anticipated drawdown from balances of £352,519.
- Projected full-year variance as per this quarter's review of £197,000
- Any surplus on the food waste service account is to be transferred to the General Fund balance to repay expenditure incurred in previous years above that of the level of ECC financial support. It was originally anticipated that the amount to be repaid in 2013/14 would be £59,000; however, this has been revised downwards due to the loss of tipping away income.

Risks and Assumptions to the Forecasts

The forecasts reflect the service managers' "best estimate" of the predicted outturn for the year. Previous year outturn and early trends in-year have been considered, however, as always, these are subject to changing circumstances and unforeseen events. Directors and service managers continue to scrutinise all expenditure commitments in light of the planned savings set out in the medium term financial strategy.

Non-government grant income is inherently difficult to predict as it is substantially demand led and impacted by external factors.

No variance has been predicted on the Leisure Service contract at present as the budget includes an allowance which is currently considered sufficient to meet any variation that might be anticipated at this stage.

Capital Investment

The total capital investment expected in the year is as follows:

Approved New Programme for 2013/14	£'000s 3,641
Add:	
Projects approved previously where spending is profiled into the current year	12,082
Programme for 2013/14	15,723

The capital investment programme is reported over two themes:

- General Fund Services – Spending on Council owned assets and services.
- Housing investment – mainly spent on partnership schemes with social landlords, and providing disabled facilities grants and home improvements grants.

The current spend against the programme for the year is shown below:

	Programme 2013/14	Actual spend	Grants approved but not yet claimed	Budget Remaining	Spend/ Grants approved at end of Quarter
	£'000	£'000	£'000	£'000	%
General Fund Services	12,850	910	-	11,940	7%
Housing Investment	2,446	329	122	1,995	18%
Capital Salaries	427	107	-	320	25%
Total	15,723	1,346	122	14,255	9%

General Fund Services programme includes the main construction phase for the new Witham Leisure Centre (£7.5 million out of a total project budget of £9 million), plus over £1 million of improvement works to other leisure facilities. A total of £358,000 is also planned for open space and play area improvements.

Planned housing investment includes £722,000 set aside for disabled facility grants (DFG) and over £1.5 million to assist social housing schemes. In the first quarter £133,000 has been paid in DFG and other home improvement grants to households. Payments towards housing association schemes amounted to £195,000 – these comprise two final instalments and a first stage payment, the schemes for which will result in a total of 21 new affordable homes. A further £825,000 is expected to be paid in the year in relation to the second phase of the Riverside development in Braintree, facilitating an additional 55 affordable homes.

Capital resources

The main source of new capital resources anticipated for the year are from preserved right-to-buy receipts (£400,000) and the Council's share of the VAT shelter operating in conjunction with Greenfields Community Housing (£702,000).

At the end of the first quarter Greenfields reported that there were 6 right-to-buy sales completed generating £360,000 for the Council, and provisional amounts for the VAT shelter total £308,000 at the end of June. Early indications are that the number of right-to-buy sales this year will exceed the number completed last year and the final receipt amount should exceed the budget provision.

A Government grant of £318,000 has been received towards funding for disabled facility grants, and £141,000 received from developers under Section 106 Agreements which will be used on future capital projects.

Report to Essex Strategic Leaders Finance Group

Date of meeting: 26 July 2013

Subject: Pooling of Non-Domestic Rates

Author: Bob Palmer – Epping Forest District Council

Recommendations/Decisions Required:

- (1) That ESLF should take forward and oversee the work necessary to consider and evaluate a non-domestic rates pool for Essex;**
- (2) That a scheme similar to that in existence in Suffolk be pursued, on the basis that no authority can be worse off in the pool than they would have been outside it;**
- (3) That each authority should seek agreement in principle to joining a pool for non-domestic rates; and**
- (4) That ESLF note the commissioning of LGFutures to assist with this project.**

Executive Summary:

The Local Government Finance Act 2012 changed how local authorities are financed by introducing local retention of non-domestic rates. In previous years any increase in non-domestic rates within an area has been paid into a central pool with no direct benefit to the local authority itself. The Government felt it important to incentivise authorities to pursue economic growth by allowing them to retain some of the benefit from growth in non-domestic rates.

By combining in a pool it is possible to retain more of the additional funds from growth in non-domestic rates within a county wide area. Pooling was considered in Essex for 2013/14 but was not pursued. However, Suffolk has implemented a pooling scheme and the modelling of this scheme currently indicates that £2.376 million of funding will be retained in that county which would otherwise have been lost to the central pool.

The Suffolk scheme has been constructed on the basis that no authority can be worse off as a result of joining the pool. It is proposed to develop a scheme for Essex that closely follows the Suffolk model and minimises the amount of growth in non-domestic rates that is paid to the central pool.

Report:

The Financial Benefits of Pooling

1. Under the new system of local business rate retention some authorities collect more rates than the Government has determined they need to fund their activities and these authorities are required to pay over the excess to the central pool. Because these authorities are paying in to the central pool they are known as tariff authorities and most district councils are in this position. Those

authorities with insufficient income in their own area get payments from the central pool and are known as top up authorities. The most common group of authorities receiving top ups is county councils.

2. Where an authority sees growth in its non-domestic rates it has to pay a proportion of that growth into the central pool as a levy. The levy rate is calculated using the following formula –

$$\text{Levy rate} = 1 - \frac{\text{baseline funding level}}{\text{business rates base line}}$$

Using Epping Forest's figures produces a levy figure of 77% -

$$£2,909,311 / £12,755,334 = 0.23$$

$$1 - 0.23 = 77\%$$

However, the levy is capped at 50% and so this is the effective amount of growth that districts will be able to retain if they do not pool.

3. The advantage that comes from pooling is the inclusion of a large top up authority in the levy calculation substantially boosts the baseline funding level relative to the business rates baseline. Using the Suffolk example, inclusion of Suffolk County Council increases the baseline funding level by £89.723 million and the rates baseline by only £23.322 million. For the Suffolk Pool the calculation becomes –

$$£107.387\text{m} / £116.611\text{m} = 0.92$$

$$1 - 0.92 = 8\%$$

This means that only 8% of the growth within the Suffolk Pool is now lost to the central pool, based on the current modelling this will mean an additional £2.376 million of growth will be retained in Suffolk in 2013/14. This can be illustrated using their modelling figures –

	Growth retained no pool £m	Growth retained with pool £m	Gain / (loss) £m
Suffolk County Council	1.482	1.557	0.075
Suffolk Districts	2.963	3.613	0.650
Suffolk Pool Reserve	0	1.651	1.651
Central Government	2.963	0.587	(2.376)
Total Growth	7.408	7.408	

4. The Suffolk Pool Reserve comprises of £1 million retained by the pool to cover any safety net payments that are subsequently required and £0.651 million that is to be spent on projects determined by the Suffolk Leaders and Chief Executives Group. If payments are not ultimately required to support any authority in the safety net the £1 million will also become available for distribution to the pool members.

5. Given the greater size of the Essex economy it may be appropriate to retain more than £1 million to cover potential safety net payments. There is a balance here between being sufficiently prudent to ensure the scheme is financially robust and not restricting the distribution of growth to the extent that it becomes a disincentive.

6. Much of the growth in Suffolk is due to the port of Felixstowe and Essex could benefit in a similar way through growth at Stansted. The new owners of the airport have already unveiled a significant improvement scheme for the existing facilities and further investment may follow.

Key Aspects of the Suffolk Scheme

7. There are a number of pools across the country and in moving forward part of the work required is to evaluate the aspects from particular schemes that we would want to copy. However, the Suffolk scheme provides a useful starting point for discussion and has much to recommend it. How the Suffolk scheme operates is set out below -

- a) Each council will receive and make the same payments as though they had not pooled. This includes the treatment of growth in enterprise zones and new renewable energy schemes.
- b) If a district experiences a fall in business rates they have to absorb that fall, up to the level of the Government's safety net (thus mirroring the Government scheme).
- c) The authority acting as banker receives the money from the other members and pays the net balance to the Government. The retained balance represents the net benefit of pooling.
- d) The banker will pay the equivalent of any safety net payments where needed during the year, to ensure that the Pool completely matches the position a member would have been in if they had not pooled. The payments are then offset against growth from other members when the year-end position is calculated.

8. The other crucial aspect, and one that may prove difficult to agree across Essex, is how the gain from pooling is shared. Whilst Suffolk has a County Council with an integrated Fire Authority and seven Districts (which include three aligned pairs working closely) Essex has separate County and Fire Authorities, two Unitary Authorities and twelve Districts. This means agreement will be necessary from sixteen partners instead of five, although it will still be possible to construct a pool if some of the Unitary or District Councils in Essex decide not to join in a county wide pool.

9. In Suffolk the financial gain from pooling is split on the following bases –

- a) In the initial year of operation only, the first £1m will be retained to establish a reserve to fund potential future safety net payments. Transfers in future years will only be to the extent necessary to maintain a reserve of £1m.
- b) The second £1m will be split 50% to district councils and 50% to the Leaders and Chief Executives Group.
- c) Any benefit exceeding a) & b) will be split 40% to districts, 40% to Leaders and Chief Executives and 20% to the County Council.
- d) The Chief Executives and Leaders Group will determine how the money allocated to them is to be spent.
- e) If agreement cannot be reached on spending priorities under d) any unspent money will be distributed 60% to districts and 40% to the County.
- f) Where money is distributed to districts under b), c) and e) this will be done on the basis of 50% of their spending baseline and 50% of their share of growth. This ensures that every district will be in a better position as a consequence of pooling.

10. Within Suffolk the Chief Executives and Leaders Group have agreed that their share of the funds will be used for infrastructure and business development, facilitating additional housing or to supplement resources for projects identified by the LEP to bring them to fruition more quickly. In Essex there is an Integrated County Strategy and the Chief Executives and Leaders may want to use their funds to support projects from that strategy.

Individual Authorities

11. A draft Cabinet report is attached which shares a lot of content with this report but can be used by individual authorities to take the pooling project forward through their own democratic processes. It is important that this is done as soon as is possible to raise awareness of this issue and provide confirmation of any authorities that do not want to participate. Later on when we are in the process of seeking approval from DCLG we do not want to be held up by one or more authorities who have failed to get agreement to this approach as that could jeopardise the pool for 2014/15.

Use of LGFutures

12. Taking forward the work on pooling requires a dedicated and expert resource that is not available in any of the Essex authorities. LGFutures are an established and respected consultancy who have worked with seven potential pooling groups, five of which became pools (Devon, Leicestershire, Lincolnshire, Nottinghamshire and Worcestershire). Chelmsford City Council has obtained a quote from LGFutures of £18,795 to provide 21 days work to take forward the pooling project. This work includes producing a report, modelling a number of different scenarios and the provision of an excel tool to allow the development of further options. A copy of the full proposal from LGFutures is attached as a background paper.

13. The quote was obtained by Chelmsford City Council on behalf of the Essex Finance Officers Association. The proposal has received wide support from across the county and most of the Chief Finance Officers have confirmed that they are happy with it and support the sharing of the fee equally amongst all participating authorities.

14. When LGF have completed their initial work it is likely that some further resource will be needed to take the pooling project through to completion. In Suffolk the County Council provided a senior officer who led on the project. The scale and source of resource needed in Essex can only be determined once there is a clearer idea of the number of participants and the complexity of the proposed arrangements.

General Fund Revenue Profile 2013/14 to 2017/18

Produced: 28th August 2013

	2013/14	2014/15	2015/16	2016/17	2017/18
	£	£	£	£	£
Base Budget brought forward from previous year	16,527,180	15,983,462	14,574,230	13,586,370	13,360,839
Inflation:					
Pay and Pension Fund Deficit	297,790	300,280	274,960	405,560	TBD
Other Expenditure Inflation	90,390	88,800	100,640	90,860	TBD
Income Inflation	(27,200)	(50,000)	(50,000)	(50,000)	TBD
New Demands:					
Investment and Provisions Bids 2013/14 and 2014/15	662,360	(528,090)	(104,360)	(29,910)	
Unavoidable Budget changes assessed for 2013/14	440,640	43,740			
Adjustment for Investment Bids and Unavoidable Budget Changes in 2011/12 & 2012/13	(281,650)	51,650	(40,000)	0	
Reductions:					
New Savings Proposals for 2013/14 onwards	(591,940)	(176,280)	(66,280)		
Updated Savings Proposals determined for 2012/13 onwards	(1,103,500)	(1,043,240)	(179,540)	(72,580)	
New Homes Bonus Set-aside Grant / Sparsely populated areas Grant 2013/14	(30,608)	30,608			
Anticipated Changes	0	(126,700)	(73,700)	83,700	78,700
Additional Savings Required	0	0	(849,580)	(653,161)	(240,005)
Updated Base Budget	15,983,462	14,574,230	13,586,370	13,360,839	13,199,534
(Use of) / Addition to Balances	255,841	100,847			
Contribution from Balances for one-off growth items / Investment Bids 2013/14 and 2014/15	(608,360)	(116,270)	(29,910)	0	
Contribution from Earmarked reserves	(54,000)	(18,000)			
Budget Requirement	15,576,943	14,540,807	13,556,460	13,360,839	13,199,534
Government Grant - Revenue Support Grant	(3,141,667)	(3,434,908)	(2,411,228)	(1,925,000)	(1,465,000)
Retained Business Rates	(3,046,139)	(3,145,449)	(3,233,704)	(3,325,000)	(3,418,000)
Government Grant - Local Council Tax Support scheme	(1,147,908)				
Government Grant - Council Tax Freeze Grants	(306,374)	(88,253)			
Government Grant - Homelessness Prevention Grant	(71,067)	0	0	0	0
Collection Fund Balance	(30,760)				
BDC Requirement from Council Taxpayers	7,833,028	7,872,197	7,911,528	8,110,839	8,316,534
Tax base (+0.5%p.a growth in properties 2013/14 onwards and collection rate reduced from 99.5% down to 98.5% wef 2013/14)	48,595	48,838	49,082	49,327	49,574
Council Tax (Band D)	£ 161.19	£ 161.19	£ 161.19	£ 164.43	£ 167.76
Council Tax per week	£ 3.10	£ 3.10	£ 3.10	£ 3.16	£ 3.23
Percentage Increase	-1.0%	0.0%	0.0%	2.0%	2.0%
Increase per week	-£ 0.03	£ -	£ -	£ 0.06	£ 0.07

Budget Planning 2015/16 – approach and framework

<p>New ways of working</p> <ul style="list-style-type: none"> ➤ Invest to Save projects ➤ Innovation ➤ Service changes ➤ Shared/joint services ➤ Mutuals 	<p>Income</p> <ul style="list-style-type: none"> ➤ Fees and charges ➤ New income streams – ideas? ➤ Property and leases
<p>Other savings ideas</p> <ul style="list-style-type: none"> ➤ 5% controllable budget ➤ Review previous ideas not taken forward ➤ Review staff and management structures ➤ Staff's ideas and suggestions 	<p>External Funds and Risks</p> <ul style="list-style-type: none"> ➤ Where do we rely on others for funding? ➤ What are the risks to BDC? e.g. Essex County Council making savings too
<p>Budget management (current budgets)</p> <ul style="list-style-type: none"> ➤ Underspends ➤ Realign budgets ➤ Manage vacancies ➤ Test current budget assumptions ➤ Regularly reassess the 2015/16 gap 	<p>Existing efficiency programme</p> <ul style="list-style-type: none"> ➤ What has not been implemented?

COUNCIL
29th July 2013



Referral from the Overview and Scrutiny Committee – 29 th May 2013		Agenda No: 9
Task and Finish Group Review of Braintree, Halstead and Witham Citizens Advice Bureau and Braintree District Voluntary Support Agency		
Presented by:	Councillor Wilson, Chairman of the Task and Finish Group	
Background Papers:	Public Report	

Minute Extract:	
OVERVIEW AND SCRUTINY – 29 TH MAY 2013	
4.	<p><u>TASK AND FINISH GROUP – REVIEW OF BRAINTREE, HALSTEAD AND WITHAM CITIZENS ADVICE BUREAU AND BRAINTREE DISTRICT VOLUNTARY SUPPORT AGENCY.</u></p> <p>INFORMATION: Members received the report from Councillor Wilson, Chairman of the Task and Finish Group, who thanked all those involved in the work of the group for their support.</p> <p>Councillor Wilson provided the following responses to questions from members:</p> <ul style="list-style-type: none"> • The Group had considered the provision of Braintree, Halstead and Witham Citizens Advice Bureau (CAB) services in rural areas. The Group was of the view that as the CAB does not have boundaries, people are able to visit any CAB centre including out of the district to receive advice. The CAB is also accessible through online and telephone services; • The Group recognised that the length of training of 12 to 18 months for volunteers to become a full CAB adviser is an issue. However, the Group also noted that the CAB's telephone "Gateway" process was resulting in people moving through the process quicker; • The Group recognised that the current Braintree District Voluntary Support Agency (BDVSA) premises are not adequate for BDVSA's needs and discussions have been held with a range of organisations with a view

to helping find new premises. The Group also recognised that funding any move to new premises would be an issue;

- The BDVSA Newsletter provides very useful information on related activities and developments in the district.

The Chairman invited Paul Hart, District Manager, and Don Smith, Chairman, Braintree, Halstead and Witham CAB, who were present at the meeting to add any comments to further inform members in respect of their questions. Mr Hart and Mr Smith provided the following:

- Whilst it can take 12 to 18 months to complete training certification programme for CAB Advisers, those undergoing training are advising members of the public after about 6 months. Completing the certification process is lengthy as advisers are required to build up a portfolio of evidence in order that they can advise in a range of topics. In some cases the opportunity to train on a topic is infrequent resulting in a lengthy process;
- The training to become a Gateway Assessor is shorter, at around 2 months, as Assessors are trained to gather information and not to provide advice;
- Whilst acknowledging that people wish to receive face to face advice, the Braintree, Halstead and Witham CAB does not have the resources to provide this service in rural areas. Funding is not provided through the Service Level Agreement with the Council for an outreach service. An outreach service was trialled in Sible Heddingham. However, there was insufficient demand for the service which therefore, could not be supported. An outreach service is provided in Coggeshall as the Parish Council there provides a donation.

Councillors Cadman and Shelton noted that the CAB acknowledged that it is not providing a face to face service in rural areas due to a lack of funding. Both were concerned that the Council is providing funding to the Braintree, Halstead and Witham CAB supported by council taxes from residents from the whole of the district but not providing a service to rural communities.

Members agreed that the issue of face to face CAB services not being provided in rural areas should be included in the report to Council and Cabinet.

DECISION: That the Task and Finish Group Review of Braintree, Halstead and Witham Citizens Advice Bureau and Braintree District Voluntary Support Agency be referred to Council and Cabinet.

REASON FOR DECISION: To consider the Task and Finish Group report.

The full report of the Task and Finish Group is enclosed separately with this agenda.

Overview and Scrutiny Committee
29th May 2013



Task & Finish Group Review of Braintree Halstead and Witham Citizens Advice Bureau and Braintree District Voluntary Support Agency		Agenda No:
Corporate Priority: Everyone can enjoy a healthy lifestyle Report presented by: Cllr. Sue Wilson, Chairman Task and Finish Group Report prepared by: Angela Verghese		
Background Papers:		Public Report
Options:		Key Decision: NO
Executive Summary: The purpose of the Report prepared by the Task & Finish Group is to: <ul style="list-style-type: none"> • Determine the issues that BDVSA and the CAB face: <ul style="list-style-type: none"> ○ Through their work in the community ○ Through their relationship with the council • Determine the options arising from 1 & 2 above • Recommendations arising from the options <p>The full Report is attached and the recommendations are as follows:</p> <p>BRAINTREE CITIZENS ADVICE BUREAU CITIZENS ADVICE BUREAU:</p> <p>Recommendations For Braintree District Council:</p> <ul style="list-style-type: none"> • Financial Support: To continue to provide its core funding contribution and to maintain close partnership working with the CAB. This funding and support is essential for the CAB to provide its services to benefit local residents, who are amongst some of the most vulnerable people in the District. • Non Financial Support: To identify ways to increase its non-financial support to the CAB including: <ul style="list-style-type: none"> ○ In addition to the Council's representative on the Trustee Board, a deputy should be available to make sure BDC is always represented by one/two people. Both of these Representatives to have voting rights. ○ In kind support eg PR advice, administrative assistance ○ To provide a Member representative on the Essexwide Group of Citizens Advice Bureaux 		

- **Partnership Working:** To continue to work in partnership with the CAB and to seek opportunities to develop joint solutions to meet emerging needs.
- **Awareness Raising:**
 - To increase Parish Councils' awareness of the scope and limitations of the CAB's services
 - To increase Members' awareness of the scope and limitations of the CAB's services through wider dissemination of its monitoring information and through the Members' Portal, Member Induction Training and Members' Evenings.

2. Recommendations For Braintree Halstead & Witham Citizens Advice Bureau:

- **Gateway Assessment Process:** To implement this process for handling enquiries as quickly as possible with the support of all staff and volunteers. This was strongly supported by the Task & Finish Group who felt that this new procedure should be able to be implemented as quickly as possible and would seem to be the way forward to progress the future increase in enquiries in a shorter amount of time.
- **Volunteers:** To investigate opportunities to recruit volunteers for appropriate tasks that do not require extensive, lengthy training as advisers, e.g. administrative tasks.
- **Fundraising:** They should develop a fundraising strategy to enable the CAB to identify potential sources of funding and achieve increased income from a wider range of sources.
- **Opening Hours:** To investigate whether it is feasible to extend opening hours for appointments at weekends, and/or evenings in order to increase access.
- **Premises:** To seek a satisfactory solution to the problems arising from the Braintree premises through further discussions with the Council's Estates Department

BRAINTREE DISTRICT VOLUNTARY SUPPORT AGENCY

Recommendations For Braintree District Council (to Cabinet)

- **Financial Support:** To continue to provide its core funding contribution and to maintain close partnership working that sustains and values both BDVSA and the local voluntary sector.
- **Non Financial Support:** To identify ways in which it could provide non-financial support to BDVSA including:
 - In addition to the Council's representative on the Executive Committee, a deputy should be available to make sure BDC is always represented by one/two people. Neither of these Representatives would have voting rights.
 - To make representations on BDVSA's behalf to support them in securing funding from Essex County Council and the NHS Clinical Commissioning Group.

<ul style="list-style-type: none"> • Awareness Raising: <ul style="list-style-type: none"> ○ To increase Members' awareness of the services BDVSA provides through wider dissemination of its Newsletter, Monitoring ○ Information and through Member Induction Training and Members' Evenings. ○ To provide more information and improved links to BDVSA on the Council's website. <p>2. Recommendations For BDVSA (through Cabinet)</p> <ul style="list-style-type: none"> • New Premises: To investigate alternative premises to provide a higher standard of accommodation and a more positive environment. This would greatly enhance BDVSA's image, presence and working conditions for its staff. It is the Task & Finish Group's opinion that this could help to re-energize the organisation and encourage it to be more proactive in promoting its services to the voluntary sector. It will enable staff to work more productively in less cramped conditions, with room for volunteers to be used to undertake work to support or expand the activities of BDVSA, e.g. volunteers working on publicity and promotion. Possible accommodation options to be investigated include: <ul style="list-style-type: none"> ○ The Council's property portfolio: an initial discussion has taken place between the Chair of the Task & Finish Group and Andrew Epsom, Asset Manager ○ Accommodation at Greenfields Community Housing offices: The Chair of the Task & Finish Group has met Greenfields' Community Empowerment Manager who will make further enquiries. ○ Empty shop premises in a town centre. ○ Creation of a community hub for a variety of voluntary organizations (including BDVSA) to operate from. <p>However, it is noted that BDVSA may struggle to secure adequate premises without incurring additional costs (rent, heat, etc) as they enjoy a peppercorn rent of £620 per annum, excluding electricity, at their current premises.</p> • Profile Raising/Publicity: To consider ways to ensure that more organizations that could benefit from their services are made aware of them e.g. use of in kind specialist advice and/or volunteer support for publicity campaigns.
<p>Decision:</p> <ol style="list-style-type: none"> 1. That the report, the work of the Task and Finish Group and the recommendations be noted. 2. That the report be referred to Council and Cabinet.
<p>Purpose of Decision: To consider the Task & Finish Group's Report and findings</p>

Corporate implications	
Financial:	none
Legal:	none
Equalities/Diversity	none
Customer Impact:	none
Environment and Climate Change:	n/a
Consultation/Community Engagement:	n/a
Officer Contact:	Angela Verghese
Designation:	Community Wellbeing Manager
Ext. No.	2329
E-mail:	angve@braintree.gov.uk



Task & Finish Group Report

Scrutiny Review of Braintree Halstead and Witham Citizens Advice Bureau and Braintree Halstead & Witham Citizens Advice Bureau

May 2013

Task & Finish Group Report – Braintree Halstead & Witham Citizens Advice Bureau and Braintree Halstead & Witham Citizens Advice Bureau

BACKGROUND

Braintree District Council has for some years provided funding for both Braintree Halstead & Witham Citizens Advice Bureau (CAB) and Braintree District Voluntary Support Agency (BDVSA) under Service Level Agreements (**Appendix 1: CAB Service Level Agreement, Appendix 2: BDVSA Service Level Agreement**). The current 3 year Service Level Agreements run from April 2012–March 2015. In both Agreements the Council's funding contributes towards the organisations' core costs or running expenses. Three year funding enables the organisations to lever in additional funding from other sources and provides stability and sustainability to facilitate forward planning.

Funding from Braintree District Council is provided as follows:

CAB:

Year	Grant	In Kind	Use
1 st April 2012-31 st March 2013	£147,830		Core services
	£ 24,000		Halstead &Witham Premises
		£5,448	Braintree Premises
1 st April 2013-31 st March 2014	£147,830		Core services
	£ 24,000		Halstead &Witham Premises
		£5,448	Braintree Premises
1 st April 2014-31 st March 2015	£147,830		Core services
	£ 24,000		Halstead &Witham Premises
		£5,448	Braintree Premises

The total income received by the CAB for the year 2011/12 was: £224,329 (excludes funding for Halstead & Witham premises)

BDVSA:

Year	Grant	In Kind	Use
1 st April 2012-31 st March 2013	£22,720	Nil	Core Services
1 st April 2013-31 st March 2014	£22,720	Nil	Core Services
1 st April 2014-31 st March 2015	£22,720	Nil	Core Services

The total income received by BDVSA for the year 2011/12 was: £140,410

The core services to which the Service Level Agreements relate are as follows:

CAB:

a) General Help:

- Diagnosing the client's problems
- Giving information and explaining options
- Identifying further action the client can take
- Giving basic assistance, eg filling in forms, helping The client draft letters and contacting third parties to seek information on the client's behalf

b) Assisted Information:

- Staff are available to help clients access information and to identify where a client needs further information or advice

BDVSA

a) Support

- Provide services and resources that are accessible and relevant to the needs of local voluntary and community sector (vcs)

b) Development

- Identify unmet needs and work with local vcs to build their capacity to meet these needs

c) Liaison

- Facilitate effective communication that reflects the diversity of local voluntary and community action

d) Representation

- Ensure that the consultative mechanisms and processes used enable representation that is appropriate to the whole of the vcs

e) Strategic Partnership Work

- Ensure the vcs play an active part in the development of strategic partnerships

HOW THE REVIEW WAS CARRIED OUT

The original brief from Overview & Scrutiny was as follows:

“As regards the Citizens Advice Bureau and the Braintree District Voluntary Support Agency, the scrutiny review should understand the work, pressures, issues and benefits to the community of both organizations. The review should also identify what sort of information and how members would like to receive that information.”

After further discussion the Task & Finish Group set the following Terms of Reference which were agreed by the Overview and Scrutiny Committee on 28th November 2012:

- “1. Determine the issues that BDVSA and the CAB face:
 - Through their work in the community
 - Through their relationship with the council
2. Determine the options arising from 1 & 2 above
3. Recommendations arising from the options”

The Task & Finish Group met 6 times between September 2012 and April 2013

The Task & Finish Group received the following information about both organizations:

- Service Level Agreements with BDC (2012-2015)
- Monitoring Reports April –September 2012 (required under Service Level Agreements)
- Annual Reports 2011/12
- Final Accounts 2011/12
- Councillor Representatives’ End of Year Reports to Council 2011/12
- Judy Cuddeford, Chief Officer, BDSA and Don Smith, Chair, Paul Hart, Manager and Richard Jones, Operations Manager of the CAB attended a meeting of the Task & Finish Group to give short presentations followed by question and answer sessions.

Members of the Task & Finish Group visited the offices of BDVSA and the CAB and met staff and volunteers.

A first draft Report was then produced on which BDVSA and the CAB were invited to comment. Where appropriate, the points they raised have been incorporated into this final Report.

This Report now comprises two further sections, the first relating to the CAB and the second relating to BDVSA.

SECTION 1:

BRAINTREE, HALSTEAD AND WITHAM CITIZENS ADVICE BUREAU

DETERMINE THE ISSUES THAT THE CAB FACES:

1. Through their work in the community

- Currently the CAB cannot meet demand for their services and, even if they received additional funding, they would not immediately be able to increase their services for the following reasons:
 - Additional volunteers would need to be recruited and trained, with training taking approximately 12-18 months

- Additional paid staff would need to be recruited to maintain the correct ratio of staff to volunteers (a condition of the CAB's accreditation under CitA, the umbrella body for Citizens Advice Bureaux)
 - Expansion of numbers of staff and volunteers is limited by size of premises, availability of additional equipment, computers, etc.
- They are endeavoring to realign resources to better meet increased demand. For example, by increasing use of a 'Telephone Gateway process' whereby clients problems, and their ability to manage these themselves, are assessed at the point of initial enquiry. Following this assessment clients can be referred for help as appropriate eg to advisers, other specialist agencies, CAB website. This enables the CAB to deal with a larger number of clients and to provide the most appropriate form of help relevant to individual need.
- Demand for their services is likely to increase in the future, including the cumulative effect due to the gradual impact of benefit changes being experienced and the likely consequence of the level of debt rising.
- Their name and services are well known by both the public and agencies who refer clients to them. They therefore have little need to promote themselves and their approach is reactive rather than proactive.
- They utilize approximately 60 volunteers to deliver their services and employ 12 part-time staff (6 full-time equivalents). This is beneficial regarding the value of volunteer time and the contribution these volunteers make to the service. However it can also be problematic due to less control being possible over volunteers than paid staff. There are no contractual obligations for volunteers, instead it requires reliance on goodwill and co-operation. There is also a cost in managing volunteers.
- They provide advice services by telephone, through the CitA website, and face to face from Braintree, Halstead and Witham with both appointment and drop in services. They also run rural outreach services fortnightly in Finchingfield and monthly in Coggeshall. However, these are not funded through their Service Level Agreement with the Council but rely on the CAB securing additional funding. The remaining rural areas do not have local access to face to face services, however they do have full access via the telephone and website. At present, they do not open at weekends or during evenings, making it more difficult for anyone in full-time employment to access face to face services. Opening times vary across the three sites. **(See Appendix 1: 2.3.1 for opening times)**
- Although the CAB always aim to help their clients to take as much responsibility as possible for solving their problems, inevitably there are some clients who return repeatedly without making progress in self-help.
- There are other advice providers in the District apart from the CAB, including the Council, Greenfields Community Housing, Age UK, Essex MIND. Up until now it does not appear that many attempts have been made to build a joined up approach to advice giving and eliminate any duplication. However a partnership bid has recently been made to The Big Lottery Fund's Advice Services Transition Fund 2013, led by the RCCE Village Agents project, in order to source funds to achieve a co-ordinated and streamlined advice service for the District. The outcome of this bid is awaited.

- The CAB are now part of an Essexwide group of Citizens Advice Bureaux whose purpose is to act as the main contract holders for bidding for services from Essex County Council.

2. Through their relationship with the Council

- The current 3 year Service Level Agreement, is subject to 6 monthly monitoring, in addition to which there is Member and officer representation on the CAB's Trustee Board. The Council is by far the main funder of the CAB who are therefore over reliant on this source of funding.
- In 2012 regular Liaison Meetings were set up to develop a closer working relationship between the Council and the CAB, to identify and discuss emerging trends and issues and generally matters of mutual concern. These meetings are attended by Cllr Jo Beavis, Cllr Jennie Sutton, Member representative on the CAB's Trustee Board, Andy Wright, Corporate Director, Angela Verghese, Officer representative on CAB's Trustee Board, Trevor Wilson, Head of Finance, Julie Rigby, Benefits Manager, Don Smith, CAB Chair, Paul Hart, CAB District Manager and Linda Steer, CAB Operations Manager.
- Of their three offices in Braintree, Halstead and Witham, the Braintree premises, provided under Licence from the Council, are not adequate for the needs of the organisation, with ongoing problems regarding access and security. In addition there are some pending issues regarding the future of the Lease which expires in 2015. The CAB are currently in discussion with the Council's Estates Department concerning these issues.
- The Council has recently agreed to fund a Money Advisor on a 30 hours per week basis for 2 years. This resource will provide support via an officer referral basis, to customers within the Braintree District, who have been affected by the Council Tax Benefit reforms, the under-occupancy and benefit cap reforms and also those cases referred directly by the Council's Housing Service in relation to issues with rent arrears or other financial hardship which affects their ability to remain in their homes.

RECOMMENDATIONS:

1. The full Report is attached and the recommendations are as follows:

For Braintree District Council:

- **Financial Support:** To continue to provide its core funding contribution and to maintain close partnership working with the CAB. This funding and support is essential for the CAB to provide its services to benefit local residents, who are amongst some of the most vulnerable people in the District.
- **Non Financial Support:** To identify ways to increase its non-financial support to the CAB including:

- In addition to the Council's representative on the Trustee Board a deputy should be available to make sure BDC is always represented by one/two people. Both of these Representatives to have voting rights.
- In kind support eg PR advice, administrative assistance
- To provide a Member representative on the Essexwide Group of Citizens Advice Bureaux
- **Partnership Working:** To continue to work in partnership with the CAB and to seek opportunities to develop joint solutions to meet emerging needs.
- **Awareness Raising:**
 - To increase Parish Councils awareness of the scope and limitations of the CAB's services
 - To increase Members' awareness of the scope and limitations of the CAB's services through wider dissemination of its Monitoring information and through the Members' Portal, Member Induction Training and Members' Evenings.

2. For Braintree Halstead & Witham Citizens Advice Bureau (through Cabinet):

- **Gateway Assessment Process:** To implement this process for handling enquiries as quickly as possible with the support of all staff and volunteers. This was strongly supported by the Task & Finish Group who felt that this new procedure should be able to be implemented as quickly as possible and would seem to be the way forward to progress the future increase in enquiries in a shorter amount of time.
- **Volunteers:** To investigate opportunities to recruit volunteers for appropriate tasks that do not require extensive, lengthy training as advisers, eg administrative tasks
- **Fundraising:** They should develop a fundraising strategy to enable the Bureau to identify potential sources of funding and achieve increased income from a wider range of sources.
- **Opening Hours:** To investigate whether it is feasible to extend opening hours for appointments at weekends, and/or evenings in order to increase access.
- **Premises:** To seek a satisfactory solution to the problems arising from the Braintree premises through further discussions with the Council's Estates Department

SECTION 2:

BRAINTREE DISTRICT VOLUNTARY SUPPORT AGENCY DETERMINE THE ISSUES THAT THE BDVSA FACE:

1. Through their work in the community

- Their premises are not situated in a prominent, visible location in the town. This does not encourage people to pass by and drop in to find out more

about BDVSA or to volunteer. Improved premises would create a pleasant, welcoming and positive environment for staff and the public

- The accommodation is of a very poor standard and the 6 part-time staff work in cramped conditions, with all but one of them working in one room.
- There are no private rooms to discuss confidential information, for one to one reviews or to interview volunteers.
- The current poor accommodation reflects adversely on the organisation in the image that it conveys ie a place (organisation) of little value.
- BDVSA publish a regular Newsletter, bulletins and mailshots via email for organisations that are signed up to receive these. They also have a promotional flyer about their services which is sent to public places to display/hand out, eg libraries. Recently the organisation has begun to use social media such as Twitter, as well as information provided on their website. However, they still find it difficult to ensure that enough people/organisations know of them and the help they can provide.
- For some years BDVSA have received funding towards their core services from the NHS. With the recent re-organisation and the transfer of public health responsibilities to Essex County Council, BDVSA face uncertainty regarding future funding arrangements beyond 2014/15. As primarily a second tier organisation (ie not delivering frontline services), there are limited alternative sources of funding available to them.
- In April 2012 BDVSA took over responsibility for Health Walks, formerly run by Braintree District Council. Despite all their efforts it is proving more difficult than anticipated to secure long term funding for this initiative. This is aggravated by the uncertainty over future funding as outlined in the point above.
- An increasing national focus on volunteering and the use of volunteers will see growing demands on this service which is provided uniquely in Braintree District by BDVSA's volunteer centre

2. Through their relationship with the Council

- The current 3 year Service Level Agreement, which is subject to 6 monthly monitoring, together with Member and officer representation on BDVSA's Executive Committee, supports a strong, productive partnership between the two organisations.
- BDVSA enjoys a positive working relationship with the Council, leading on both the LSP Voluntary and Community Partnership Board, of which BDC is a member, and Braintree District Local Compact with the voluntary sector, to which BDC is a signatory.
- Despite this financial and working relationship with the Council over a number of years, the majority of members of the Task & Finish Group had not heard of BDVSA or their services.

Recommendations

1. For Braintree District Council

- **Financial Support:** To continue to provide its core funding contribution and to maintain close partnership working that sustains and values both BDVSA and the local voluntary sector.

- **Non Financial Support:** To identify ways in which it could provide non-financial support to BDVSA including:
 - In addition to the Council's representative on the Executive Committee a deputy should be available to make sure BDC is always represented by one/two people. Neither of these Representatives would have voting rights.
 - To make representations on BDVSA's behalf to support them in securing funding from Essex County Council and the NHS Clinical Commissioning Group.
- **Awareness Raising:**
 - To increase Members' awareness of the services BDVSA provides through wider dissemination of its Newsletter, Monitoring Information and through Member Induction Training and Members' Evenings.
 - To provide more information and improved links to BDVSA on the Council's website.

2. For BDVSA (through Cabinet)

- **New Premises:** To investigate alternative premises to provide a higher standard of accommodation and a more positive environment. This would greatly enhance BDVSA's image, presence and working conditions for its staff. It is the Task & Finish Group's opinion that this could help to re-energize the organisation and encourage it to be more proactive in promoting its services to the voluntary sector. It will enable staff to work more productively in less cramped conditions, with room for volunteers to be used to undertake work to support or expand the activities of BDVSA, eg volunteers working on publicity and promotion. Possible accommodation options to be investigated include:
 - The Council's property portfolio: an initial discussion has taken place between the Chair of the Task & Finish Group and Andrew Epsom, Asset Manager
 - Accommodation at Greenfields Community Housing offices: The Chair of the Task & Finish Group has met Greenfields' Community Empowerment Manager who will make further enquiries.
 - Empty shop premises in a town centre
 - Creation of a community hub for a variety of voluntary organizations (including BDVSA) to operate from

However, it is noted that BDVSA may struggle to secure adequate premises without incurring additional costs (rent, heat, etc) as they enjoy a rent of £7,440 per annum, excluding electricity, at their current premises.

- **Profile Raising/Publicity:** To consider ways to ensure that more organizations that could benefit from their services are made aware of them eg use of in kind specialist advice and/or volunteer support for publicity campaigns.

**APPENDICES; Appendix 1: Service Level Agreement Braintree Halstead
& Witham Citizens Advice Bureau
Appendix 2: Service Level Agreement with Braintree District Voluntary
Support Agency**

SERVICE LEVEL AGREEMENT

BETWEEN

BRAINTREE DISTRICT COUNCIL

AND

BRAINTREE, HALSTEAD & WITHAM

CITIZENS ADVICE BUREAU

SERVICE LEVEL AGREEMENT

BETWEEN

BRAINTREE DISTRICT COUNCIL

AND

BRAINTREE, HALSTEAD & WITHAM CITIZENS ADVICE BUREAU

1ST APRIL 2012 – 31ST MARCH 2015

Braintree District Council agrees funding towards the provision of core advice and information services by Braintree, Halstead & Witham Citizens Advice Bureau as set out in this Agreement for the period 1st April 2012 and 31st March 2015. The Council also agrees, for the period of this Agreement, funding towards premises costs in respect of office accommodation in Halstead and Witham and to lease or license office accommodation to the Bureau in Braintree, at a concessionary rate.

In return the Bureau is to provide free, confidential, impartial and independent advice to residents of Braintree District on a wide range of issues and to an agreed standard as set out in Part 2 of this Agreement

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PART 1 – GENERAL CONDITIONS

1.1 Parties

This is an Agreement between Braintree District Council (The Council) and Braintree, Halstead & Witham Citizens Advice Bureau (The Bureau)

1.2 Object of The Agreement

The Council wishes to support the services of the Bureau for the purpose of providing an information and advice service operated within the aims, principles and policies of Citizens Advice subject to an agreed grant and defined level of service specified in Part 2 of this Agreement.

1.3 Period of the Agreement

The Agreement will take effect from 1st April 2012 for a period of 3 years up to 31st March 2015 unless it is terminated under Paragraph 1.11 of this Agreement.

1.4 The Parties' Obligations

The Bureau agrees to provide the services specified in Part 2 of this Agreement (Service Objectives and Specifications)

The Council agrees to make the grant payments and provide benefits specified in Part 3 of this Agreement (Financial and Resourcing Arrangements)

1.5 Status of Service Provider

In carrying out this Agreement, the Bureau is acting in its own right as an independent organisation and not as agent or representative of the Council.

1.6 Management

The Bureau is a registered charity (Registered Charity No 1099232) and company limited by guarantee and not having a Share Capital (Registered Company No 4740710)

The limited company is managed by a Board of Directors consisting of not fewer than 4 and not more than 12 Trustees/Directors being either:

- a) elected at annual general meeting, OR
- b) nominated by member organisations, OR
- c) co-opted by the Trustee Board

providing that the total number of co-opted and nominated Board Trustees/Directors does not exceed one-third of the total number of Trustees.

1.7 Parties' Representatives

The Cabinet of the Council will be entitled to appoint one co-opted member of the Board of Directors

The Council and the Bureau will each appoint a contact officer for this Agreement:

- a) The role of The Council's contact officer is to:
 - Attend the Bureau's Trustee Board meetings as an observer
 - Act as the initial point of contact within The Council for the Bureau
 - Inform the Bureau of any issues that may effect the implementation of the service provision in this Agreement
 - Provide information, advice and support to the Bureau as reasonably required
 - Implement monitoring process in accordance with Part 4 of this Agreement
- b) The role of the Bureau's contact officer is to:
 - provide the information required in Part 4 of this Agreement
 - Inform the Council's Contact Officer in writing if there is:
- i) A proposal by the Bureau to change or reduce the core services set out in Part 2 of this Agreement
 - ii) A significant actual or projected change to the Bureau's financial budget
 - iii) A change to the Bureau's Memorandum of Association

1.8 Dispute Resolution

If either party considers the other to be in breach of their duties under this Agreement or has a grievance about some aspect of the Agreement's operation they will follow the procedure set out in Braintree District Compact Resolution of Disagreements Code of Practice (Appendix 1) to which the Council is a signatory.

1.9 Review

- a) It is recognised that this Agreement may require amendments during its 3 year duration. Any such amendments will need to be negotiated and agreed in writing by both parties.
- b) A review of the level of services specified in Part 2 can be requested by either party and a meeting held as soon as practicable after this. It can take into account changes in community needs, feedback from clients or

other stakeholders, changes in the Council's corporate objectives and any other relevant factors beyond the control of the Bureau, such as staff availability.

1.10 Renewal

This Agreement will be subject to a formal review beginning in August 2014 with the aim of establishing the conditions applying for the period commencing 1st April 2015.

1.11 Termination

If either party is found to be in breach of this Agreement and providing the procedure set out in 1.8 Dispute Resolution has been followed the Agreement can be terminated by either party giving the other 3 months' written notice.

In the event of termination of this Agreement the Council reserves the right to reclaim the proportion of the grant equal to the period of annual grant remaining. If the Council exercises this right, the Bureau will make the repayment to the Council within 60 days of a written request and in the event of default the Council may recover such sum as a civil debt.

PART 2 – SERVICE OBJECTIVES AND SPECIFICATIONS

2.1 Level of Service

The Bureau service, to which the funding arrangements in Part 3 apply, will be “general help” and “assisted information” as defined by Citizens Advice

a) General Help:

- Diagnosing the client's problems
- Giving information and explaining options
- Identifying further action the client can take
- Giving basic assistance, eg filling in forms, helping the client draft letters and contacting third parties to seek information on the client's behalf

b) Assisted Information:

- Staff are available to help clients access information and to identify where a client needs further information or advice

All Bureau services will be provided free to the client in accordance with membership requirements of Citizens Advice.

2.2 Description of Service

2.2.1 Core Service

The Bureau will provide basic information on any query. The information provided will be based on the national information system, supplemented by local knowledge.

2.2.2 Advice Services

Subject to adequate funding the Bureau will provide information and advice at General Help Level on any enquiry within the following areas:

Money Advice	Family & Personal Matters
Consumer	Immigration & Nationality
Benefits	Health
Tax	Social Care
Employment	Education
Housing	Travel

The Bureau may be asked to take action on behalf of the client such as negotiation, accompanying to meetings of a generalist nature (meetings where discussions will be at 'general help' level) etc., and this will be done where resources allow.

2.2.3 Where the Bureau is able to secure additional non-core specialist funding the service may be extended to provide a Casework Level service in any or all of the following subjects:

Money/multiple debt advice and on-going negotiation
Employment tribunal preparation and/or representation
Welfare benefits advice
Housing
Consumer

Casework Level:

- Diagnosis, information-giving and identifying options
- Providing a casework service by taking responsibility or further action
- Advocacy
- Preparation of submissions
- Representation at appeal hearings and meetings

2.3 Access to Services

With effect from 1st April 2012 the service will be delivered as follows:

2.3.1 Location and Opening Hours

Braintree, St Michael's Road Appointments only	10.00 am to 1.00 pm on Mon, Wed & Fri 10.00 am to 4.00 pm Tues only
Halstead, New Street Appointments only	10.00 am to 1.00 pm Tues 10.00 am to 1.00 pm Thurs
Witham, Collingwood Road Appointments only	10.00 am to 1.00 pm on Mon, Thurs & Fri 10.00 to 1.00 pm Tues 1.0 pm to 4.00 pm Thurs
Telephone Advice Service (0844 4994719)	10.00 am to 4.00 pm on Mon to Thurs 10.00 am to 1.00 pm Fri

In addition to the above the Bureau will provide Home Visits and Outreach Surgeries subject to securing additional non-core funding for such extensions to service.

2.3.2 Alternative Access

The Bureau will consider and, as appropriate, implement specially designed telephone advice line sessions.

Written correspondence will be answered or acknowledged within ten working days, unless covered by another standard. If the matter is complicated or takes a long time to resolve, clients will be kept advised of progress.

2.3.3 Accessibility

The Bureau will continue to develop and improve its practice on accessibility and look for opportunities to deliver services more effectively in the rural areas of the District. It will work to maintain alignment between its Client Profile and the Community Profile.

Where resources allow, Home Visits will be made when clients are in circumstances that require this service (e.g. disabled or elderly enquirers, people with carer responsibilities, clients without access to transport in rural areas).

2.3.4 Equal Opportunities & Impartiality

The Bureau is committed to take positive steps to ensure equality of opportunity in the access to and delivery of its services and employment of staff in accordance with Citizens Advice Membership Requirements.

The Bureau will deliver an impartial and objective service and this is reflected in the Bureau's Service, Recruitment and Training policies.

2.3.5 Safeguarding

The Bureau recognises that the duties of its staff and volunteers can involve access to vulnerable adults and children. It will therefore take positive steps to ensure that appropriate policies and procedures are put in place including Criminal Records Bureau checks and appropriate training and guidance for staff and volunteers. It will also ensure compliance with any future legislative changes.

2.3.6 Confidentiality

All clients are to be assured of confidentiality, in accordance with Citizens Advice policy. All interview and telephone enquiries will be conducted with aural and visual privacy. No third party will be contacted without express consent. Any confidential documents that do not have to be kept will be shredded on the premises. The Bureau implements a Data Protection Policy.

2.3.7 Independence

The Bureau is independent and able to offer an impartial service to all enquirers and to take up any issue with an appropriate authority on behalf of individuals (unless prevented from doing so by Citizens Advice Rules or Membership requirements). No other individual or agency, even one giving financial support or other aid, may seek to prevent this or determine or influence the policies required by membership of Citizens Advice.

2.4 Quality Assurance

The Bureau will comply with the Citizens Advice Quality Assurance Standards Membership Agreement. A copy of this will be made available to the Council's contact officer on request.

- 2.4.1** All staff and volunteers are required to undergo relevant training in order to achieve their competence level to a standard acceptable to the Board of Directors/Trustees, and compatible with the aims, principles and membership standards of Citizens Advice.
- 2.4.2** The Bureau will maintain its complaints procedure in line with that of Citizens Advice and clients will be made aware of the procedure. Complaints statistics will be maintained and be available to the Council on request.
- 2.4.3** The Bureau will regularly monitor service accessibility
- 2.4.4** The Bureau will prepare and submit to BDC six monthly monitoring reports as specified in Part 4.

2.5 Service Development & Improvement

The Bureau will produce and implement a Business & Development Plan and Fundraising Strategy, the monitoring of which will contribute to innovation, improvement and sustainability of its service.

2.6 User Feedback & Involvement

The Bureau will operate a procedure for representations and complaints about the service in accordance with Citizens Advice guidelines and shall take all reasonable steps to bring this to the attention of Bureau users.

The Bureau will undertake an annual Client Satisfaction Survey.

The Bureau will consult as appropriate with both clients and potential clients about service provision and opening hours.

2.7 Circumstances Beyond the Bureau's Control

The Bureau will not be held responsible for any interruption in or disruption to the core services due to circumstances beyond its control

The services specified are dependent on the availability of suitable advisers.

PART 3 - FINANCIAL & RESOURCING ARRANGEMENTS

- 3.1** For the period 1st April 2012 to 31st March 2015 the Council will, subject to the conditions set out in Paragraph 3.1.1 being met, providing funding/in kind support as follows:

Year	Grant	In Kind	Use
1 st April 2012-31 st March 2013	£147,830		Core services
	£ 24,000		Halstead & Witham Premises
		£5,448	Braintree Premises
1 st April 2013-31 st March 2014	£147,830		Core services
	£ 24,000		Halstead & Witham Premises
		£5,448	Braintree Premises
1 st April 2014-31 st March 2015	£147,830		Core services
	£ 24,000		Halstead & Witham Premises
		£5,448	Braintree Premises

- 3.1.1** The funding in 3.1. above will be paid in two equal instalments in April and September of each year of the Agreement subject to:

- Full compliance with the terms of this Agreement
- The Council obtaining all necessary approvals
- Funding being available
- The Bureau providing the level of service set out in this Agreement

PART 4 - MONITORING ARRANGEMENTS

- 4.1.1** The Bureau monitors and evaluates its services in accordance with the procedures and directions set out in the Citizens Advice Quality Assurance Standards Membership Agreement (a copy of which is available on request).

- 4.1.2** The Bureau is also subject to a three-yearly audit by Citizens Advice to ensure the service meets the standards set down in the quality Assurance Standards Membership Agreements. Continued membership of Citizens Advice is dependent on a satisfactory performance in this audit.

4.1.3 CAB will provide information to the Council's Contact Officer as set out in Appendix 2 for the periods:

1st April to 30th September
1st April to 31st March

4.1.4 The Bureau will provide the following information to the Council's Contact Officer on an annual basis:

- a) 2 copies of the Annual Report & Accounts as soon as available
- b) The results of the Bureau's annual Customer Satisfaction Survey (2.6 refers)
- c) A copy of the Bureau's current Business Plan and Fundraising Strategy (2.5 refers)

4.1.5 The Bureau will provide any further information reasonably requested by the Council, subject to those requirements not being in breach of clients' confidentiality.

PART 5

In witness whereof the parties to this Service Level Agreement have signed this document in the presence of the persons mentioned below:

Signed by Sharon Louise Lowe
on behalf of the Council in the
presence of:

.....

Witness:

Address:

Occupation:

Date:

Signed by the Chair of
Braintree, Halstead & Witham
Citizens Advice Bureau in the
presence of:

.....

Witness:

Address:

Occupation:

Date:

Appendix 1 (to Service Level Agreement)

BRAINTREE DISTRICT COMPACT

Resolution of Disagreements Code of Practice

The Braintree COMPACT sets out a general framework for enhancing the relationship between statutory agencies and the voluntary and community sector. As far as possible disagreements over the application of that framework should be resolved between the parties. Where resolution is not possible, both parties should seek mediation, through a mutually agreed mediator. Any disagreements, which arise throughout the year, will be monitored for consideration at the annual review meeting.

Procedure

Initially, the **issue or complaint** should be raised **directly** with the **organisation concerned**. You should pursue any offers or actions proposed to resolve the matter before commencing action under the COMPACT's RESOLUTION OF DISAGREEMENTS CODE OF PRACTICE Process.

NB: Check whether the organisation has its' own official Complaints Procedure and whether it might be more appropriate to use this route

Our Procedure

Stage One

If the issue or complaint has not been resolved by direct consultation with the organisation concerned complete the Braintree COMPACT Complaints Form with details of the complaint indicating which part of the COMPACT has been breached and the actions taken so far to resolve the matter. This form should be completed within 28 working days of the issue not being resolved

Stage Two

Provide the completed form to a member of the COMPACT Steering Group and discuss prior to it being passed to the COMPACT Steering Group Secretariat.

The Secretariat to provide a copy of completed form to the Chair of the COMPACT Steering Group to determine whether a **Dispute and Arbitration Panel (DAP)** meeting should be convened.

BRAINTREE DISTRICT COMPACT

Resolution of Disagreements Code of Practice

The Dispute and Arbitration Panel

The DAP will meet within 40 working days of receipt of the Braintree COMPACT Complaints Form.

The DAP will consist of **three people** who have **no direct association with either organisation and drawn from a pool of** COMPACT Steering Group members having previously agreed to undertake this task. Membership of the Dispute and Arbitration Panel will include at least one member from the Voluntary Sector and one from the Statutory Sector. The Chair of the DAP will be determined by its members at the beginning of the meeting. Additional information on the complaint or issue under consideration will be requested from both parties. The DAP will be looking for compromise and resolution of the issues.

Decision for the DAP

1. No action to be taken.
2. Both parties to agree to meet the DAP around the table with a view to negotiating a settlement of the dispute or complaint.
3. DAP to write to the organisation subject to the complaint requesting adherence to the undertakings in the Braintree COMPACT and proposing a course of action within a specified timescale to resolve the matter.
4. Refer the matter for mediation through the National COMPACT Mediation Scheme.

Appeal Process

If the organisation is not satisfied with the decision of the DAP they may appeal to the Compact Steering groups within 14 working days of the result of this panel.

The DAP will meet again with 3 different members of the COMPACT steering group within 30 working days of receipt of the appeal.

Their decision is final and there is no further right of appeal

BRAINTREE DISTRICT COMPACT

Resolution of Disagreements Code of Practice

This form should be completed if an organisation wishes to use the Braintree DISTRICT COMPACT Resolution of Disagreements code of Practice.

Name of Organisation

Contact Details.....

.....

.....

Organisation with whom you have a disagreement

.....

Contact Details.....

.....

.....

Details of Complaint indicating which part of the Compact has been breached

.....

.....

.....

.....

.....

.....

BRAINTREE DISTRICT COMPACT

Resolution of Disagreements Code of Practice

Actions taken to date to resolve the matter

.....

.....

.....

.....

.....

.....

Signed **Date**

**Send to: Judy Cuddeford ,BDVSA
(Secretary to the Braintree District Local Compact Steering group)
Rm 5, Colne House, 96 Mount Chambers
Coggeshall Rd, Braintree CM7 9BY**

Appendix 2: Monitoring Arrangements for SLA 2012/3 – 2014/5

Outcome/Target	Evidenced By	Reporting Period
Generalist Advice: Residents of Braintree District are provided with face to face telephone advice services	<ul style="list-style-type: none"> • Total number of unique clients • Total number of client contacts • Analysis of issues dealt with defined by advice category • Up to 6 case studies evidencing positive outcomes • Annual Client Satisfaction Survey • Client feedback 	6 monthly 6 monthly 6 monthly Annually Annually Annually
Volunteering: Volunteering benefits are secured through recruitment and training of volunteers to assist in delivery of generalist advice service	<ul style="list-style-type: none"> • No of volunteers recruited • No of hours of volunteer training provided • No of voluntary hours worked • Financial value of voluntary hours worked 	6 monthly 6 monthly 6 monthly Annually
Social Policy: Inform policy makers and campaign on issues at local, regional and national level using evidence obtained from advice work	<ul style="list-style-type: none"> • Identify and report on social policy issues • Report on CitA position on social policy issues relevant to residents of Braintree District • Report on number and type of issues presented to the Bureau by Ward 	Quarterly Quarterly Quarterly
Working in Partnership: Identify and contribute to solutions to meet the needs of Braintree District residents	<ul style="list-style-type: none"> • Participation in activities, networks and forums with other agencies • Annual Review meeting with Braintree District Council 	6 monthly Annually

<p>Securing Resources: Resource specialist advice and information services to compliment generalist services</p>	<ul style="list-style-type: none"> • Amount and sources of funding and in kind support secured • Number and status of funding applications submitted 	<p>6 monthly 6 monthly</p>
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9.5.2013

Appendix 2

SERVICE LEVEL AGREEMENT

BETWEEN

BRAINTREE DISTRICT COUNCIL

AND

BRAINTREE DISTRICT VOLUNTARY

SUPPORT AGENCY

SERVICE LEVEL AGREEMENT
BETWEEN
BRAINTREE DISTRICT COUNCIL
AND
BRAINTREE DISTRICT VOLUNTARY SUPPORT AGENCY
1ST APRIL 2012 – 31ST MARCH 2015

Braintree District Council agrees funding towards the provision of core services by Braintree District Voluntary Support Agency as set out in this Agreement for the period 1st April 2012 and 31st March 2015

In return Braintree District Voluntary Support Agency is to co-ordinate, support, promote and develop the work of the voluntary sector and provide the representative views of the voluntary sector into appropriate decision making forums in Braintree District, as set out in Part 2 of this Agreement

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1.12 Parties

This is an Agreement between Braintree District Council (The Council) and Braintree District Voluntary Support Agency (BDVSA)

1.13 Object of The Agreement

The Council wishes to support the services of BDVSA as a voluntary sector infrastructure organisation and volunteer centre subject to an agreed grant and defined level of service.

1.14 Period of the Agreement

The Agreement will take effect from 1st April 2012 for a period of 3 years up to 31st March 2015 unless it is terminated under Paragraph 1.10 of this Agreement.

1.15 The Parties' Obligations

BDVSA agrees to provide the services specified in Part 2 of this Agreement (Service Objectives and Specifications)

The Council agrees to make the grant payments specified in Part 3 of this Agreement (Financial and Resourcing Arrangements)

1.16 Status of Service Provider

In carrying out this Agreement, BDVSA is acting in its own right as an independent organisation and not as agent of the Council.

1.17 Management

BDVSA is a Company Limited by Guarantee with charitable status (Registered Charity No. pending, Company No 7831270). With effect from 1/4/12 BDVSA intends to transfer all employment contracts, assets and the Undertaking to Braintree District Voluntary Support Agency Ltd in an incorporation process approved by the Charity Commission.

BDVSA Ltd is managed by a Board of Directors consisting of not less than 3 and not more than 15 directors being:

- a) The Chair, Secretary and Treasurer

- b) Not less than 3 and not more than 12 members elected annually.
- c) Not more than 4 Observers appointed by the Board and not more than one-third of the members of the Board are observers

1.18 Parties' Representatives

The Cabinet of the Council will be entitled to appoint one co-opted member of the Board of Directors.

The Council and BDVSA will each appoint a contact officer for this Agreement:

- a) The role of The Council's contact officer is to:
 - Attend BDVSA's Board meetings in an advisory capacity
 - Act as the initial point of contact within The Council for BDVSA
 - Inform BDVSA of any issues that may affect the implementation of the service provision in this Agreement
 - Provide information, advice and support to BDVSA as reasonably required
 - Implement monitoring process in accordance with Part 4
- b) The role of BDVSA's contact officer is to:
 - provide the information required in Part 4 of this Agreement
 - Inform the Council's Contact Officer in writing if there is:
- i) A proposal by BDVSA to change or reduce the core services set out in Part 2 of this Agreement
 - ii) A significant actual or projected change to BDVSA's financial budget
 - iii) A change to BDVSA's constitution

1.19 Dispute Resolution

If either party considers the other to be in breach of their duties under this Agreement or has a grievance about some aspect of the Agreement's operation they will meet for discussion within 21 days of written notice of a breach being given. If they are unable to reach agreement they will follow the procedure set out in Braintree District Local Compact Resolution of Disagreements Code of Practice (Appendix 2) to which both the Council and the BDVSA are signatories.

1.20 Review

- a) It is recognised that this Agreement may require amendments during its 3 year duration. Any such amendments will need to be negotiated and agreed in writing by both parties.
- b) A review of the level of services specified in Part 2 can be requested by either party and a meeting held as soon as practicable after this. It can take into account changes in community needs, feedback from clients or other stakeholders, changes in the Council's corporate objectives and any other relevant factors beyond the control of BDVSA, such as staff availability.

1.21 Termination

If either party is found to be in breach of this Agreement and providing the procedure set out in **1.8 Dispute Resolution** has been followed the Agreement can be terminated by either party giving the other 3 months' written notice

In the event of termination of this Agreement the Council reserves the right to reclaim the proportion of the grant equal to the period of annual grant remaining. If the Council exercises this right, BDVSA will make the repayment to the Council within 60 days of a written request and in the event of default the council may recover such sum as a civil debt.

PART 2 – SERVICE OBJECTIVES AND SPECIFICATIONS

2.5 Core Service

BDVSA Core Functions have been developed in line with the National Association of Voluntary and Community Action model and linked with the Essex Partnership Agreement:

- a) Support
 - Provide services and resources that are accessible and relevant to the needs of local voluntary and community sector (vcs)
- b) Development
 - Identify unmet needs and work with local vcs to build their capacity to meet these needs
- c) Liaison
 - Facilitate effective communication that reflects the diversity of local voluntary and community action
- d) Representation
 - Ensure that the consultative mechanisms and processes used enable representation that is appropriate to the whole of the vc

- e) Strategic Partnership Work
 - Ensure the vcs play an active part in the development of strategic partnerships

2.1.1 Advice Services

BDVSA will provide advice, information and recommend best practice to vcs organisations working in Braintree District specifically for funding opportunities, running a charity/ setting up new groups, training and charity law.

BDVSA will provide information on voluntary organisations and services to public, private, statutory and voluntary and community sectors on request

2.1.2 Volunteer Services

Within BDVSA, Braintree Volunteer Centre will promote volunteering, encourage best practice in volunteering, recruit volunteers and provide a brokerage service between volunteers and voluntary organisations.

2.1.3 Representation

BDVSA will:

- endeavour to represent the vcs at relevant meetings and forums and keep the vcs informed appropriately.
- lead on the Local Compact and encourage the vcs to be involved.
- represent the interests of the District's vcs as Chair of the 3rd Sector Partnership Board and as a member of Essex Association of Councils for Voluntary Service (EACVS) and Volunteer Centres Essex (VCE)

2.2 Access to Services

With effect from 1st April 2012 services will be accessed as follows

2.2.1 Location and Opening Hours

Braintree – Room 5 Colne House, 96 Mount Chambers, Coggeshall Road, Braintree, Essex CM7 9BY	9.00 am to 3.00 pm Monday to Friday Open Door Appointments Telephone
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Outreach	Interviews for prospective volunteers in Witham & Halstead by appointment
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2.2.2 Alternative Access

Electronic access will be available via bdvsa@bdvsa.org

Written correspondence will be answered or acknowledged within ten working days unless covered by another standard.

2.2.3 Accessibility

BDVSA will continue to develop and improve its practice on accessibility and look for opportunities to deliver services more effectively in rural areas.

2.2.4 Equal Opportunities & Impartiality

BDVSA is committed to take positive steps to ensure equality of opportunity in the access to and delivery of its services and employment of staff.

BDVSA will deliver an impartial and objective service and this is reflected in BDVSA's Service, Recruitment and Training policies.

2.5.1 Safeguarding

BDVSA recognises that the duties of its staff and volunteers can involve access to vulnerable adults. It will therefore take positive steps to ensure that appropriate policies and procedures are put in place including Criminal Records Bureau checks and appropriate training and guidance for staff and volunteers. It will also ensure compliance with any future legislative changes

2.2.5 Confidentiality

BDVSA staff and volunteers and IT contractor are required to sign a Confidentiality Statement.

BDVSA implements a Data Protection Policy and Procedures

2.2.6 Independence

BDVSA is independent and able to offer an impartial service to all enquirers.

2.3 Quality Assurance

BDVSA has the Volunteering England Quality Mark and NAVCA Quality Mark.

BDVSA has achieved PQASSO Level 1 and will continue to work towards achieving PQASSO Level 2

Copies of documentation evidencing the above will be made available to the Council's contact officer on request.

2.3.1 All staff and volunteers are required to undergo relevant training to enable them to perform their roles effectively and relevant training records are maintained.

2.3.2 BDVSA will maintain complaints statistics and these will be available to The Council on request.

2.3.3 BDVSA will regularly monitor service accessibility

2.3.4 BDVSA will prepare and submit to The Council six monthly monitoring reports as specified in Part 4.

2.4 Service Development & Improvement

BDVSA will produce and implement a Business Plan and Fundraising Strategy, the monitoring of which will contribute to innovation, improvement and sustainability of its service.

2.5 User Feedback & Involvement

BDVSA will undertake an annual client satisfaction survey

BDVSA will consult both clients and potential clients about service provision and opening hours

BDVSA will operate a procedure for representations and complaints about the service.

2.6 Circumstances Beyond BDVSA's Control

BDVSA will not be held responsible for any interruption in or disruption to the core services due to circumstances beyond its control.

PART 3 - FINANCIAL & RESOURCING ARRANGEMENTS

3.1 For the period 1st April 2012 to 31st March 2015 the Council will, subject to the conditions set out in Paragraph 3.1.1 being met, providing funding towards the core costs of the BDVSA as follows:

Year	Grant
1 st April 2012-31 st March 2013	£22,720
1 st April 2013-31 st March 2014	£22,720
1 st April 2014-31 st March 2015	£22,720

3.1.2 The funding in 3.1. above will be paid in advance in two equal instalments in April and October subject to:

- Full compliance with the terms of this Agreement
- The Council obtaining all necessary approvals
- Funding being available
- BDVSA providing the level of service set out in this Agreement

PART 4 - MONITORING ARRANGEMENTS

4.1.6 BDVSA monitors and evaluates its services in accordance with the procedures and directions set out in the BDVSA Procedures Manual – Staff Handbook (a copy of which is available on request).

4.1.7 BDVSA will be subject to audits from Volunteering England and National Association for Voluntary and Community Action (NAVCA). Standards for PQASSO are regularly monitored by BDVSA's Executive Committee.

4.1.8 BDVSA will provide information to the Council's Contact Officer as set out in Appendix 1 for the periods:

1st April to 30th September – 6 Half Yearly Report
 1st April to 31st March – Annual Report

4.1.9 BDVSA will also provide the following information to the Council's Contact Officer:

2 copies of the Annual Report & Accounts as soon as available

The results of BDVSA's annual Customer Satisfaction Survey as soon as available (2.6 refers)

A copy of the BDVSA's current Business Plan and Fundraising Strategy as soon as available

4.1.10 BDVSA will provide any further information reasonably requested by the Council, subject to those requirements not being in breach of clients' confidentiality.

PART 5

In witness whereof the parties to this Service Level Agreement have signed this document in the presence of the persons mentioned below:

Signed by Nicola Beach
on behalf of the Council

.....

Date:

Signed by the Chair of Braintree
District Voluntary Support Agency

.....

Date:

Appendix 1 Monitoring Information

Coordinate and provide core support to a wide range of voluntary and community groups working in the Braintree District	<ul style="list-style-type: none"> • At least 250 organisations supported during each year • 4 newsletters and 4 bulletins per year • Office open 5 days a week 9-3 • Annual Client Satisfaction Survey
Representation: Voluntary sector views are sought on issues that impact on the sector and fed back to appropriate forums/organisations	<ul style="list-style-type: none"> • Chair a minimum of 4th Sector Partnership board meetings per year • Signpost relevant consultations at least 4 times per year or as required • Provide feedback to the voluntary sector about relevant issues in every newsletter • Respond to at least 10 relevant consultations per year • Support 1 networking Event per year • Annual Client Satisfaction Survey
Funding Advice/Governance Advice: Voluntary organisations are provided with information and advice to enable them to develop their organisation and access funding	<ul style="list-style-type: none"> • 40 one to one support sessions • 1 funding/ Governance event per year • Funding Bulletin 12 times per year • 50 funding opportunities promoted by mailshot or in newsletter per year
Training Advice: Voluntary organisations are provided with information and advice to enable them to access training	<ul style="list-style-type: none"> • VST training courses promoted 8 times a year • External Training opportunities promoted 4 times a year • 2 Training courses in the Braintree District per year
Volunteering: Volunteering is promoted and facilitated to benefit both individual volunteers and voluntary organisations	<ul style="list-style-type: none"> • 300 Volunteers registered per year • 80 Volunteers placed per year • 120 Volunteer opportunities advertised for groups per year • 1 Volunteering event per year • 5 groups provided with volunteer best practice per year • Annual Volunteer Satisfaction Survey

<p>Compact:The Local Compact is effectively implemented by both voluntary and statutory sectors</p>	<ul style="list-style-type: none"> • Local Compact an agenda item at every 3rd Sector Partnership Board meeting • 2 Compact related articles per year in the newsletter • Annual Compact Review
<p>3 year SLA provides BDVSA with stability and enables forward planning and securing additional funding</p>	<ul style="list-style-type: none"> • Secure additional funding from other sources see funding plan Appendix D

BRAINTREE DISTRICT LOCAL COMPACT

Resolution of Disagreements Code of Practice

The Braintree COMPACT sets out a general framework for enhancing the relationship between statutory agencies and the voluntary and community sector. As far as possible disagreements over the application of that framework should be resolved between the parties. Where resolution is not possible, both parties should seek mediation, through a mutually agreed mediator. Any disagreements, which arise throughout the year, will be monitored for consideration at the annual review meeting.

Our Procedure

Initially, the **issue or complaint** should be raised **directly** with the **organisation concerned**. You should pursue any offers or actions proposed to resolve the matter before commencing action under the COMPACT's RESOLUTION OF DISAGREEMENTS CODE OF PRACTICE Process.

NB: Check whether the organisation has its' own official Complaints Procedure and whether it might be more appropriate to use this route

Our Procedure

Stage One

If the issue or complaint has not been resolved by direct consultation with the organisation concerned complete the Braintree COMPACT Complaints Form with details of the complaint indicating which part of the COMPACT has been breached and the actions taken so far to resolve the matter. This form should be completed within 28 working days of the issue not being resolved

Stage Two

Provide the completed form to a member of the 3rd Sector Partnership Board. and discuss prior to it being passed to the 3rd Sector Partnership Board Secretariat.

The Secretariat to provide a copy of completed form to the Chair of the 3rd Sector Partnership Board to determine whether a **Dispute and Arbitration Panel (DAP)** meeting should be convened.

The Dispute and Arbitration Panel

The DAP will meet within 40 working days of receipt of the Braintree COMPACT Complaints Form.

The DAP will consist of **three people** who have **no direct association with either organisation and drawn from a pool of the 3rd Sector Partnership Board** having previously agreed to undertake this task. Membership of the Dispute and Arbitration Panel will include at least one member from the Voluntary Sector and one from the Statutory Sector. The Chair of the DAP will be determined by its members at the beginning of the meeting. Additional information on the complaint or issue under consideration will be requested from both parties. The DAP will be looking for compromise and resolution of the issues.

Decision for the DAP

1. No action to be taken.
2. Both parties to agree to meet the DAP around the table with a view to negotiating a settlement of the dispute or complaint.
3. DAP to write to the organisation subject to the complaint requesting adherence to the undertakings in the Braintree COMPACT and proposing a course of action within a specified timescale to resolve the matter.
5. Refer the matter for mediation through the National COMPACT Mediation Scheme.

Appeal Process

If the organisation is not satisfied with the decision of the DAP they may appeal to the 3rd Sector Partnership Board within 14 working days of the result of this panel.

The DAP will meet again with 3 different members of the 3rd Sector Partnership Board within 30 working days of receipt of the appeal.

Their decision is final and there is no further right of appeal.

This form should be completed if an organisation wishes to use the Braintree DISTRICT COMPACT Resolution of Disagreements code of Practice.

Name of Organisation

Contact Details.....

.....

.....

Organisation with whom you have a disagreement

.....

Contact

Details.....

.....

.....

Details of Complaint indicating which part of the Compact has been breached

.....
.....
.....
.....
.....
.....

Actions taken to date to resolve the matter

.....
.....
.....
.....
.....
.....

Signed **Date**

**Send to: Judy Cuddeford ,BDVSA
(Secretary to the Braintree District Local Compact Steering group)
Rm 5, Colne House, 96 Mount Chambers
Coggeshall Rd, Braintree CM7 9BY**

Governance Committee
18th September 2013



Treasury Management Review – Annual Report 2012/13 and Mid-Year Report 2013/14		Agenda No: 10
Corporate Priority: Providing value for money. Report presented by: Phil Myers, Financial Services Manager Report prepared by: Phil Myers, Financial Services Manager		
Background Papers: Treasury Management Strategy 2012/13 and 2013/14		Public Report
Options: To recommend the report to Cabinet with or without amendment.		Key Decision: NO
<p>Executive Summary: The Council's treasury management activities are regulated by statutory requirements and by a Code of Practice ("the Code") issued by the Chartered Institute of Public Finance (CIPFA).</p> <p>One of the key requirements of the Code is that, along with an Annual Strategy to be approved prior to the commencement of financial year, the Council should also receive an Annual Report after the financial year-end and, as a minimum, a Mid-Year Report. This report incorporates these latter requirements for 2012/13 and 2013/14 respectively.</p> <p>Appended to the report is the latest Treasury Management Monitor for July 2013, which provides a snapshot of the current treasury management position – this is the standard information that is provided to the Governance Committee as part of its regular report on Key Financial Indicators.</p> <p>Council approved the latest Treasury Management Policy in February 2013 as part of the overall Budget and Council Tax setting for the financial year 2013/14. As legacy borrowing is relatively fixed, and capital investment plans have been self-financed for many years, the main focus for the Council's Treasury Management Strategy has been setting parameters for managing the risks associated with investment of cash balances based on the primary objective of security.</p> <p>At the 31 March 2013, the Council's treasury management position comprised:</p> <ul style="list-style-type: none"> • Total debt and liabilities of £8.892 million, including market loans and finance lease commitments • Investments of £35.148 million including the carrying value of deposits at risk and funds held in Icelandic escrow accounts. • Net investments were £26.256 million 		

Interest rates across most periods within the range used by the Council have fallen over the year as the Bank of England has held the Base Rate at its historic low of 0.5%, and the Funding for Lending Scheme has given banks access to cheap funding which has reduced their reliance on the wholesale deposit market.

In 2012/13 capital expenditure totalled £5.11 million, which was financed mainly from receipts from asset sales, capital grants, and contributions. The Capital Financing Requirement or CFR (a Balance Sheet derived measure of the need to borrow for capital investment purposes) increased by a net £521,000 over the year, due to the recognition of new finance lease liabilities relating to refuse freighters replaced through the vehicle supply and maintenance contract, less repayment of existing finance lease obligations. The closing CFR was £1.01 million, and actual debt amounted to £8.892 million, giving excess borrowing of £7.882 million. This excess of borrowing is due to two main reasons:

1. Legacy debt from past capital financing decisions, which the Council continues to monitor for opportunity to repay early; and
2. Outstanding obligations relating to leases for vehicles. This debt is reduced by the annual lease payments which are made from the revenue budget.

The level of debt is contained within the borrowing limits approved by Council prior to the start of the year.

Cash balances have been higher than originally assumed due to re-profiling of major capital investment, revenue underspends, and recoveries from deposits with Icelandic banks.

Investment policy objectives in order of priority are security and liquidity, after which yield is considered. Funds have typically been placed with banks and building societies meeting the Council's definition of "highly credit rated", along with Money Market Funds (MMFs), the Debt Management Office, and other UK local authorities. Funds are also held with the Council's own bank, the Co-operative Bank plc on overnight/ instant access terms.

In response to market conditions revisions were made to investment policy during 2012/13 where it was deemed appropriate and in full consultation with the Council's external treasury management advisors, Arlingclose Ltd. Key changes included:

- Extending the counterparty list to non-UK banks that meet the criteria for "high credit quality" – resulting in the use of the Australian and New Zealand Banking Corporation.
- Increased exposure and duration limits, subject to the advice of Arlingclose Ltd.
- Increasing the aggregate exposure to Money Market Funds

In the current year, exposure to the Co-operative Bank through credit balances (including the public sector deposit account) has been reduced to an operating limit of £1 million whilst the bank seeks to implement a recapitalisation plan.

More recently investment policy has been changed to permit a higher level of cash balances to be placed in either Pooled Funds, gaining enhanced returns above cash at a risk deemed acceptable, and credit rated housing associations. In addition, the Treasury Management Policy has been changed to accommodate the proposed local authority mortgage scheme which the Council agreed to implement in conjunction with Essex County Council. Changes include setting the duration limit for cash advances paid as "cash backed" support for the indemnity given to an approved lender, and

modifying the Minimum Revenue Policy to recognise that any capital financing requirement relating to the scheme will be covered by the ultimate repayment of the cash advance.

Measurement of credit risk exposure shows a downward trend which, rather than due to a change in investment practice, is a reflection of two issues:

- The assessment of major UK and Non-UK banks by the leading credit rating agencies has become more focused on the individual strength of a bank or Group, and less on the reliance of automatic government support. This is in response to announcements by governments of their future intentions around potential bank failures with greater prospect of “bail-ins” being applied where depositors and bond holders bear increased risk. Credit quality has however stabilised, and liquidity generally improved for UK banks with access to the Funding for Lending Scheme.
- The methodology used by Arlingclose Ltd for assessing credit quality of investments in money market funds has been changed from one that was based solely on the AAA “wrapper” of the funds, to one that considers the underlying credit quality of institutions with which the funds have money deposited.

A further issue emerging has been the adoption of rule changes by some money market funds to deal with the potential for negative yields (i.e. where yields are less than fees charged). The risk to sterling funds is considered low, however, as different currency funds of a fund manager are usually operated under the same Articles of Association the changes are being applied to all investors.

Funds continue to be recovered from Icelandic banks with a total of £3.135 million received to date, and a further £237,000 (estimated GBP equiv.) held in Icelandic escrow accounts. The total amount subject to claims against the banks is £5.235 million. Further recoveries are expected to be received, and the Council continues to work with other local authority creditors via the Local Government Association to seek to maximise recovery of outstanding funds and mitigate the on-going risks.

Arlingclose Ltd continues to be retained as external and independent treasury management advisors, with their current contract term running to the end of October 2014. The Institutional Cash Distributors Money Market Fund portal is also used which provides single point access to money market funds and incorporates reporting tools around risk management.

The treasury management function is subject to extensive reporting throughout the year, including specific reports to Council on proposed changes to investment policy due to changing circumstances. The requirement for training is kept under review.

Decision:

To recommend to Cabinet acceptance of the Treasury Management Combined Annual Report 2012/13 and Mid-Year Report 2013/14.

Purpose of Decision:

The Council has adopted the CIPFA Code of Practice for Treasury Management in Public Services which requires that Full Council receive an annual report and mid-year review of its treasury management function

Corporate Implications	
Financial:	No new financial implications
Legal:	The Council's treasury management activities are subject to regulation by a number of professional codes, statutes, and related guidance. There are no new legal implications from this report.
Equalities/Diversity	None
Customer Impact:	None
Environment and Climate Change:	None
Consultation/Community Engagement:	None
Risks:	No new risks are introduced as a result of this report
Officer Contact:	Phil Myers
Designation:	Financial Services Manager
Ext. No.	2810
E-mail:	Phil.myers@braintree.gov.uk

Treasury Management Review – Annual Report 2012/13 and Mid-Year Review 2013/14

1. Background

The Council's treasury management activities are regulated by statutory requirements and by a Code of Practice ("the Code") issued by the Chartered Institute of Public Finance (CIPFA).

One of the key elements of the Code is that, along with an Annual Strategy to be approved prior to the commencement of the financial year, the Council should also receive an Annual Report after the financial year-end and, as a minimum, a Mid-Year Report. This report meets these latter two requirements.

Appended to the report is the latest Treasury Management Monitor which provides a snapshot of the current treasury management position.

2. Treasury Management Policy and Strategy

Full Council approved the latest Treasury Management Policy in February 2013:

Policy Statement:

The Council defines its treasury management activities as:

"the management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."

The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of its treasury management activities will focus on their risk implications for the Council and any financial instruments entered into to manage these risks.

The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance management techniques, within the context of effective risk management.

The Council's borrowing will be affordable, sustainable and prudent and consideration will be given to the management of interest rate risk and refinancing risk. The source from which borrowing is taken and the type of borrowing should allow the Council transparency and control over its debt.

The Council's primary objective in relation to investments remains the security of capital. The liquidity or accessibility of the Council's investments followed by the yield earned on investments remain important but are secondary considerations.

3. Treasury Management Position at 31 March

The treasury management position at the close of the last financial year (along with the previous year) is set out below:

	Principal 31 Mar 2012 £'000	Principal 31 Mar 2013 £'000
Market Loans	6,000	6,000
Finance Lease Liabilities	2,381	2,892
Total Debt and Liabilities	£8,381	£8,892
Loans and deposits	24,000	20,000
Cash & cash equivalents	11,760	13,650
Investments at risk & escrow accounts	2,016	1,498
Investment Exposure	£37,776	£35,148
Net Investment (debt less investments)	£29,395	£26,256

Market loans comprise two Lender's Option, Borrower's Option (LOBO) type loans of £3 million each, which permit the lender to vary the interest rate at six month call dates, subject to the Council being able to repay the loans without penalty. To date the lender has not sought to exercise this option – the loans currently run at an average interest rate of 4.7%.

Finance lease liabilities relate to the outstanding principal element of leases used to acquire property, vehicles, and plant. Annual payments are made to repay these liabilities over the lease term.

Loans and deposits include amounts placed with UK and Non-UK banks and building societies, money market funds, and other local authorities.

Cash and cash equivalents includes money held in call accounts with immediate access, including the Co-operative Bank Plc with which the Council has a contract for banking services.

Investments at risk relates to the value "today" of the principal element of deposits with Icelandic banks which has yet to be repaid, plus the estimated sterling equivalent of funds held in escrow accounts in Iceland.

4. Economic Background

Low growth and inflation have been persuasive enough for the Bank of England to maintain the Base Rate at its historical low of 0.5% - a rate which has been held since March 2009. In addition, quantitative easing has continued with a further £50 billion sanctioned in July, taking the total to £375 billion.

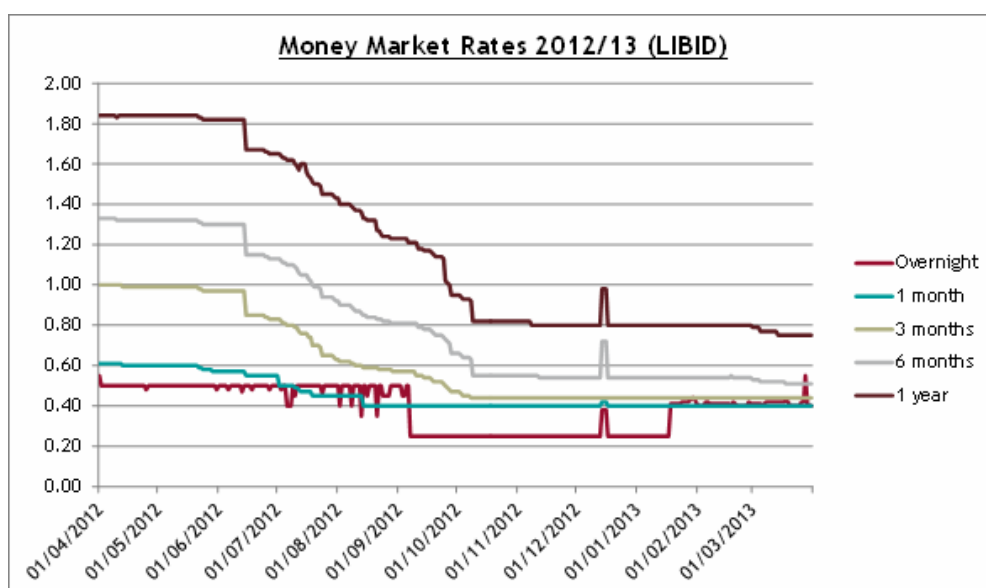
The Government's fiscal plans have extended the austerity drive into 2018. Low growth resulting in a lowering of the forecast for tax revenues means that borrowing will increase and gross debt is now expected to be above 100% of Gross Domestic Product by 2015/16. This position triggered a downgrade in the UK's sovereign rating

from AAA to AA1 by Moody's, whilst the other major rating agencies have maintained a negative watch or outlook.

The Government's Funding for Lending Scheme commenced in August 2012, giving banks access to cheaper funding that could be passed on to the wider economy. The consequence of this policy has been a reduction in market interest rates offered on deposits, including amounts borrowed from local authorities.

Gilt yields, which impact on local authority borrowing rates from the Public Works Loan Board, ended the 2012/13 year lower than at the start in April.

The following chart shows the path of LIBID rates (the inter-bank lending rates) which impact on the interest rate at which the Council can place funds on deposit.



5. Capital Expenditure and Financing

Total expenditure in 2012/13 and source of financing is shown in the table below:

	2012/13 Actual £'000s
Total Capital expenditure	5,110
Resourced by:	
Asset sales and other receipts	(3,001)
Capital grants and contributions	(1,858)
Sums set aside from revenue	(241)
Net change underlying need to borrow or CFR	10

The Capital Financing Requirement (CFR) is a balance sheet derived amount which measures the extent to which the Council has invested in capital but not resourced from internal resources (e.g. sale of assets, grants etc), and which therefore theoretically could be matched by external borrowing. Actual borrowing could be plus/minus the CFR, the circumstances of which should be understood.

	2012/13 Actual £'000s
Capital Financing Requirement	
Opening CFR	489
Change in CFR as per capital expenditure and financing	10
Finance lease recognition	821
Repayments	(310)
Closing CFR	1,010
Actual borrowing and other liabilities	8,892
Difference between actual debt and CFR	7,882

Actual debt is greater than the CFR for two reasons:

- Legacy borrowing which was taken out to fund capital expenditure in the past. The Council keeps under review potential opportunities to repay this debt early.
- Finance leases were previously “off balance sheet” transactions until accounting rules introduced from April 2010 required the associated liabilities to be recognised. Provision for repayment of these liabilities is made through the annual lease payments which are provided for in the Council’s revenue budget. This repayment through the annual lease payment meets the Council’s requirement to set aside a Minimum Revenue Provision (or MRP) from its revenue resources.
- New finance leases recognised relate to vehicles supplied through the Riverside Truck Rental contract on terms that are considered in accounting terms to be equivalent to a finance lease.

Taking account of the balance of investments at 31 March 2013, the Council’s net investment position is £26.256 million meaning that the Council complies with the Prudential Code requirement that net borrowing should not exceed the CFR.

6. Borrowing and Finance Lease Liabilities

The following table shows the change in actual borrowing and other liabilities in the 2012/13 financial year and expected movements in 2013/14.

	Borrowing	Finance	Total
	£000	Leases	£000
	£000	£000	£000
Balance 1 April 2012	6,000	2,381	8,381
Additions	-	821	81
Repayments	-	(310)	(308)
Balance 31 March 2013	6,000	2,892	8,892
Estimated repayments 2013/14	-	(182)	(182)
Est. Balance 31 March 2014	6,000	2,710	8,710

The Council sets borrowing limits within its Annual Strategy, including an Operational limit to cover expected borrowings and liabilities – the limit for 2012/13 and 2013/14 was set at £8.5 million. Actual debt may fluctuate around this limit. An Authorised limit is also set which cannot be breached without prior Council approval. This limit was set at £14 million for the period covered.

7. Investment Activity

The Annual Treasury Management Strategy includes the Annual Investment Strategy (AIS), required under rules set by the Department for Communities and Local Government. The AIS sets out the parameters which apply when selecting suitable counterparties for investment along with any limits around duration and amounts.

Investment priorities remain:

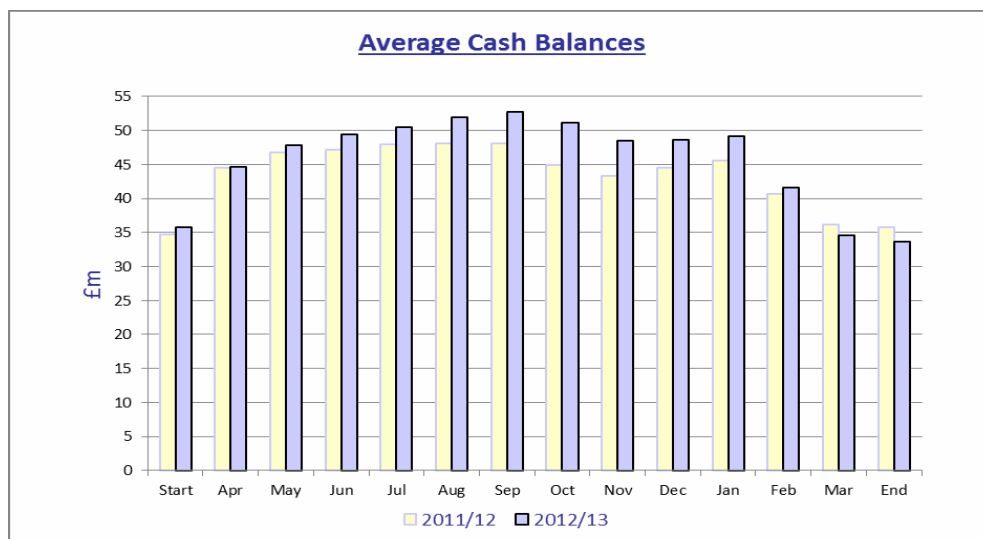
- Security – minimising the risk of cash not being repaid
- Liquidity - having cash available when it is required

Having ensured these two priorities are met, the Council will consider highest yield.

Cash Balances

Investment activity is dependent upon the level of cash balances and requirement for liquid funds to meet day-to-day spending needs. A level of “core” cash is retained for the medium-longer term, reflected in revenue and capital reserves.

Over the 2012/13 year, cash balances for investment averaged £47.59 million, within a range of between £33.08 million and £56.15 million. Average cash flows by month are shown in the chart:



Cash balances were higher than originally assumed for the year due to re-profiling of major capital investment, revenue underspends, and recoveries from deposits with Icelandic banks.

In the current year, average cash balances to the end of July was £47.6 million, down £0.5 million on the average for the same period in 2012/13.

Investment Policy

Full Council approve the investment policy for the forthcoming year as part of the Budget and Council Tax setting process. Revisions to policy were made during 2012/13 in response to market sentiment.

Revision in May 2012:

- The counterparty list for investment purposes was extended to include Non-UK banks that met the criteria for “high credit quality”. This resulted in deposits being placed with the Australia and New Zealand Banking Corporation.
- Increased limits for counterparties with a minimum long-term credit rating of A- to six months (subject to shorter durations advised by external advisors, Arlingclose Ltd), and increase in the maximum investment sum to £3.5million (up from £3 million).
- Increased the aggregate limit on funds placed with AAA rated money market funds from £12million to £15 million.

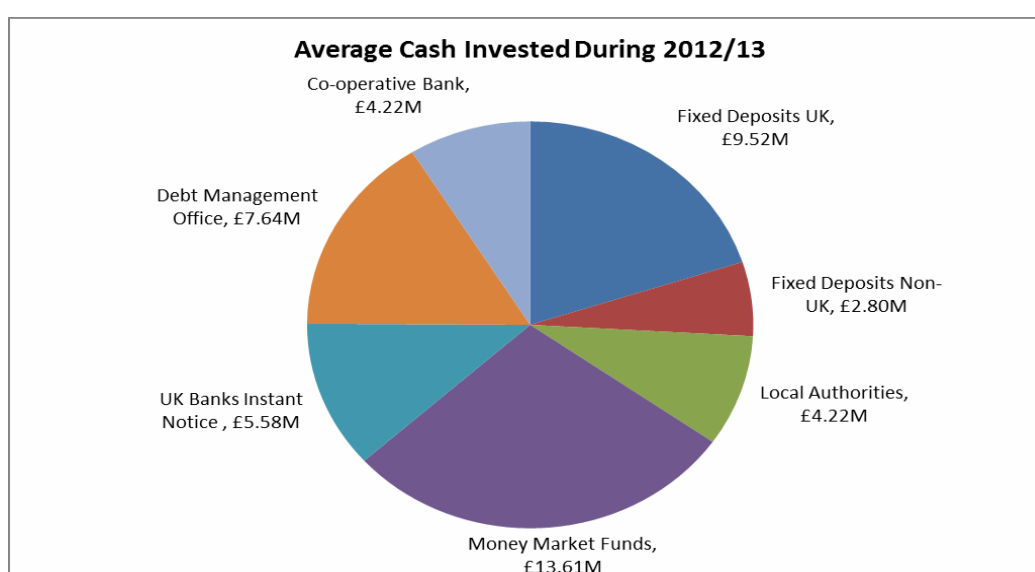
Revision in October 2012:

- Removal of the short-term rating from the criteria for “high credit quality”. This put emphasis on the long-term rating in line with the norm for capital markets.

Applying the investment policy, funds placed during the year were typically:

- Fixed term deposits with the major UK banks, Australia & New Zealand Banking Corporation, and the Nationwide Building Society, which met the “high credit quality” criteria.
- Deposits on call or instant access accounts with major UK banks
- AAA rated Money Market Funds, including Ignis, Royal Bank of Scotland, Deutsche Bank, and Goldman Sachs
- Direct with the UK Government via the Debt Management Office
- UK Local authorities
- Co-operative Bank Plc on instant access terms.

The following chart shows the average amount of cash placed with the above counterparty groups during 2012/13:



Investment Returns

Interest earned on investments for 2012/13 was £262,754 equating to an overall average rate of return of 0.55%. The return was made up as shown in the table below:

	Average cash invested	Return %	Interest
Fixed term deposits	£12.32m	0.74%	£91,321
Deposits with other local authorities	£4.22m	0.43%	£18,219
Money Market Funds	£13.61m	0.48%	£65,849
Instant access accounts (including Co-operative Bank)	£9.80m	0.70%	£68,265
Debt Management Office	£7.64m	0.25%	£19,100
Total	£47.59m	0.55%	£262,754

The overall amount of interest was higher than the budget of £224,000 by £38,754, which was the result of a combination of higher cash balances (+£15.69m) offset by a lower rate of return (-0.15%).

Counterparty Credit Risk

Counterparty credit quality is assessed and monitored in conjunction with Arlingclose Ltd and is based on the following information:

- Credit ratings from the three leading rating agencies (Fitch, Moody's, and Standard and Poor's)
- Credit default swaps – trade insurance used to measure market sentiment over the risk of an institution/ country defaulting on its debt obligations
- Sovereign data, e.g. gross domestic product, national debt
- Any potential support mechanisms, either sovereign or parent organisation
- Share prices
- Market information through a variety of media and sources

In June 2012, Moody's downgraded a number of major UK and non-UK banks, but none of the ratings fell below the Council's minimum A- threshold. In May 2013, Moody's downgraded the Co-operative Bank to sub-investment grade on concerns that exposure to losses were not adequately covered by the provisions and reserves already set-aside by the bank. An exception has previously been made in terms of applying the minimum credit rating for the Co-operative Bank which allowed up to £5 million to be held overnight or on immediate access terms. In response to the downgrade the Council has now reduced its exposure and is currently operating on the basis of maintaining an aggregate credit balance exposure across current and deposit accounts to as close as £1m as is practicable. This approach will be kept under review whilst the bank implements a recapitalisation plan.

To summarise total credit risk at a point in time, the credit ratings with which investments are placed are considered – weighted in terms of both the value of the investment and duration. The following table shows the quarter end position for the investment portfolio (excluding amounts with Icelandic banks):

Date	Amount at quarter end	Value Weighted Average Credit Rating	Time Weighted Average Credit Rating	Average life of portfolio (days)
30/03/2012	£35.76m	AA	AA+	17
30/06/2012	£48.47m	AA	AA-	21
30/09/2012	£51.77m	AA	AA-	33
31/12/2012*	£49.32m	A+	A+	31
31/03/2013	£33.65m	A	A+	64
31/06/2013	£47.07m	A	A+	81

* From this quarter the methodology applied by Arlingclose to measuring credit risk for Money Market Funds was amended

The downward trend in overall credit rating is, rather than as a result of a significant change in investment practice, due to two main issues:

- The wholesale downgrade of major UK and Non-UK banks by the credit rating agencies. With banks now being assessed more in relation to individual strength rather than carrying the implicit guarantee of government support. This follows on from governments stated intentions regarding any future failures with

a greater prospect that “bail-ins” will occur, where depositors and bond holders bear a greater degree of risk. However, due to the Funding for Lending Scheme, credit quality of UK financial institutions have in general stabilised and liquidity improved helping to ease fears over further wide scale problems across the banking sector.

- The methodology used by Arlingclose for assessing credit quality of investments in money market funds has been altered from one based solely on the AAA “wrapper”, to one that considers the underlying credit quality of institutions with which funds have money deposited. In practice, most money market fund counterparties will not be AAA rated.

The table also shows how the Council has lengthened its investment duration in line with advice from Arlingclose.

A further relatively recent development has been that a number of money market funds (including those used by the Council) which typically operate on the basis of a constant net asset value or CNAV (i.e. where the fund objective is that every pound invested maintains its value) have been amending their Articles of Association to allow for a position where negative yields (or returns) may be made. This might arise where interest paid is more than offset by the charges levied by the fund. Arlingclose have advised that this is more likely to affect funds transacted in euro rather than sterling. The changes being made would allow the fund manager to automatically redeem a number of shares to reimburse fees, whilst continuing to operate the fund on the principle of CNAV. Because different currency funds of a fund manager are usually operated under the same articles the changes are being applied to all investors even though the risk is currently low on sterling funds.

8. Treasury Management Policy 2013/14

Changes to the Treasury Management Policy for 2013/14 have been made in response to developments in two areas:

Local Authority Mortgage Scheme (LAMS)

The Council has agreed to establish a LAMS with match funding from Essex County Council. The scheme involves a cash advance to an approved lender for up to 7 years to “cash back” an indemnity provided on mortgages given to first time buyers. The cash advanced to the lender will constitute capital expenditure which would normally require an annual minimum revenue provision (MRP) to be set-aside. However, as the cash advance is ultimately repaid by the lender, the Council has approved a change to the MRP Policy stating that there would be no requirement for MRP on LAMS related expenditure.

Investment Policy

The original investment policy approved in February 2013 amended and extended limits set around counterparty exposure from those applied in 2012/13. In light of the continued low interest rate environment, and anticipated cash balances over the medium term, an early review of investment policy was undertaken. This led to an approval by Council in July 2013 to an increase in limits on the use of Non-Specified

investments from £5 million to £15 million. The increase will provide opportunity to use Pooled Funds which seek to enhance returns above cash, but at levels of increased risk (volatility) deemed acceptable to the Council; and the potential to invest with credit rated housing associations.

9. Update on Deposits at Risk

Landsbanki

The Council is being treated as a priority creditor for which two distributions were made by the Winding-up Board in 2012/13, which after foreign exchange (FX), resulted in £568,563 being received by the Council. Along with a distribution in the previous year the total amount received to date is £1,485,611. In addition, an amount of Icelandic Kroner with an estimated GBP value of around £24,000 is held for the benefit of the Council in an Icelandic interest bearing escrow account pending arrangements for its release under currency controls in place by the Central Bank of Iceland (CBI).

Based on the distribution methodology adopted by the Winding-up Board, the proportion of the Council's claim of £3,147,822 that is deemed settled is around 50% to date. The latest estimate by the Winding-up Board is that priority creditors would be repaid in full subject to any FX implications.

Glitnir

The amount outstanding from this bank relates to an amount of Icelandic kroner held in escrow with an estimated value of £213,000, again subject to currency controls.

The Council continues to keep under review options in conjunction with the other UK local authority creditors via the Local Government Association for repatriation of these funds.

Kaupthing, Singer and Friedlander (KSF)

The Council has received a total of ten distributions to date from the Administrators totalling £812,795, equivalent to a recover rate of 79p in the £.

The current estimate by the Administrator of likely final is in the range of between 84p and 86.5p in the £.

From all three banks the Council has received £3.135 million with a further estimated GBP equivalent of £237,000 in escrow account. The total value of claims made by the Council is £5.235 million.

9. Use of Treasury Management Advisors

Arlingclose Ltd continues to be retained to provide on-going treasury management advice and information. This service is separate to the services of brokers who occasionally are used to transact deposits. The contract with Arlingclose was reviewed

in November 2011 and extended for a further three-year period to the end of October 2014.

The Institutional Cash Distributors Ltd Money Market Fund portal is used which facilitates trades with the Council's money market funds and provides reports analysing fund holdings for individual funds and/ or aggregated across all active funds. The tool allows performance and features of other funds to be assessed. This service is provided to the Council at no charge as fees are paid by the actual funds.

Whilst the Council may engage external advisors, overall responsibility for treasury management remains with the Council.

11. Reporting on Treasury Management Activities

Reporting on treasury management activities has involved:

- An annual strategy approved by Council in advance of the year
- Monthly performance returns to Finance Senior Management and the Cabinet Member for Performance and Efficiency
- Reference to treasury management matters (if necessary) in the finance section of the corporate quarterly and annual performance report
- Regular reports to the Governance Committee as part of a suite of key financial indicators, as well as specific reports if requested by the Committee
- The Statement of Accounts includes comprehensive disclosures in accordance with accounting rules about the Council's treasury management activities (referred to in the accounts as Financial Instruments), including the management of the associated risks.
- Updates on the Medium Term Financial Strategy from time to time will include treasury management activities when necessary.
- A mid-year and an Annual report on treasury management.
- Proposed changes to investment policy are subject to Full Council consideration.
- Scrutiny of the treasury management strategy and policies, along with reports to Council is carried out by the Governance Committee prior to consideration by Cabinet and Full Council.

12. Treasury Management Training

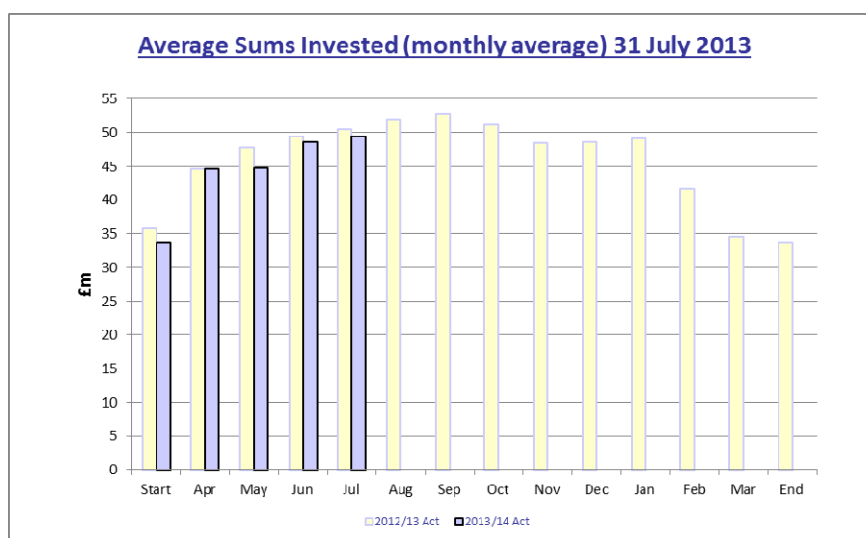
It is a professional requirement that the Corporate Director should ensure that members tasked with treasury management responsibilities, including the scrutiny of the treasury management function, receive appropriate training.

Senior finance officers have an on-going professional responsibility to keep up to date with the regulatory regime and professional codes on treasury management.

Through the services of Arlingclose officers have had access to regular training events and workshops covering current treasury management matters. These events also provide opportunity to network with other local authorities and share best practice, in addition to the established Essex-wide officer groups.

Treasury Management Monitor - July 2013

Cash Balances



The **average sum invested in month** was **£49.4m**, and the **average for the year to date** was **£47.6m**.

Return on Investments

The return on investment is a combination of existing contractual investments made in previous years and periods and re-investment of maturing investments.

The **actual return achieved** from the start of the year to the end of the reporting period was **0.62%**. A return of **0.59%** was achieved for the month on new investments. Taking account of the contracted investments the following interest has been **secured for the year**:

<u>Interest secured:</u>	<u>Average balance</u>	<u>Return</u>	<u>Interest</u>
Investments prior to start of the year	£5,697,260	0.80%	£45,801
Investments made in-year to date	£19,255,890	0.60%	£116,067
Total Secured for the Year	£24,953,150	0.65%	£161,868
Budget 2013/14	£31,430,000	0.70%	£220,000
To achieve over remainder of the year	£6,476,850	0.90%	£58,132

Market Interest Rates

LIBID rates for the year to date

Period rate	Average %	Min %	Max %
7-Day	0.44	0.38	0.50
1-Mth	0.40	0.40	0.40
3-Mth	0.44	0.44	0.44
6-Mth	0.51	0.51	0.55
12-Mth	0.75	0.75	0.83

Source: Arlingclose/ Bloomberg

Investment Activity during the Month

Counterparty	£m	Duration (Days)	Rate	Comment
UK Debt Management Office	2.90	4	0.25%	
Barclays Bank PLC	2.00	103	0.46%	
Nationwide Building Society	1.00	103	0.44%	
UK Debt Management Office	0.50	9	0.25%	
ANZ Bank	2.50	93	0.43%	
UK Debt Management Office	3.50	7	0.25%	
Money Market Funds (various)	-3.00	n/a	various	Net withdrawal in month

Investment criteria currently applied:

Investment Strategy approved at Council on 20 February 2013:

UK and Non-UK Banks and building societies with a long-term rating of at least A- (strong) – 15% or £5m whichever is higher, duration limit 364 day *

AAA rated Money Market Funds (MMF): Aggregate limit £15m subject to 10% of cash balances per fund (rounded up to nearest £m) and < 0.5% of assets under management*

Co-operative Bank credit balances (including public sector reserve) working limit of £1m.

Other Local Authorities/ Debt Management Office Account (UK Government)

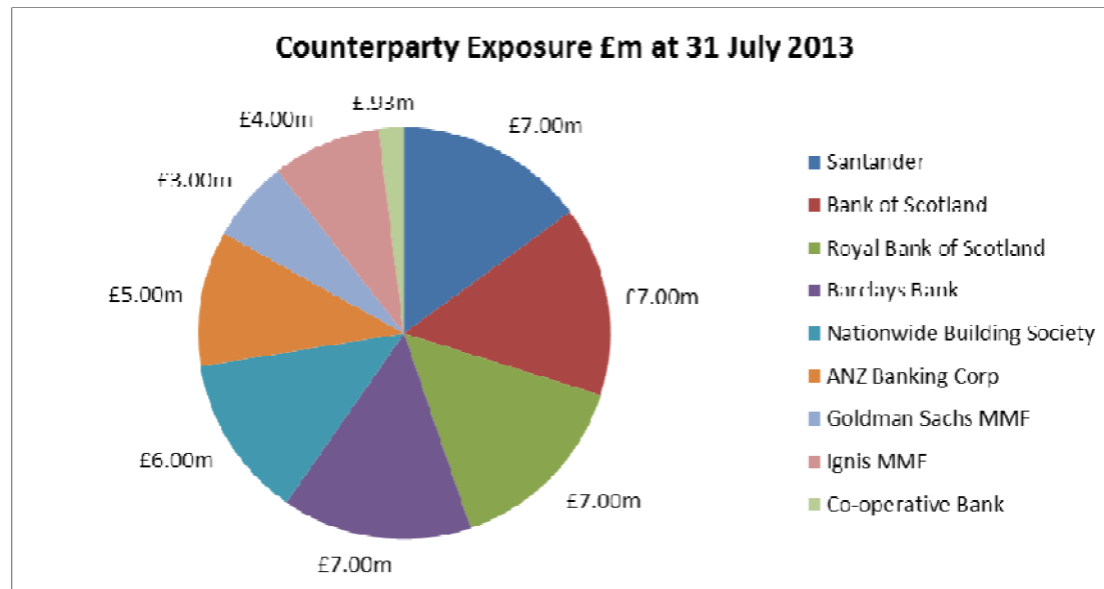
Certain classes of Non-specified investments*

* Subject to advice issued by Arlingclose Ltd

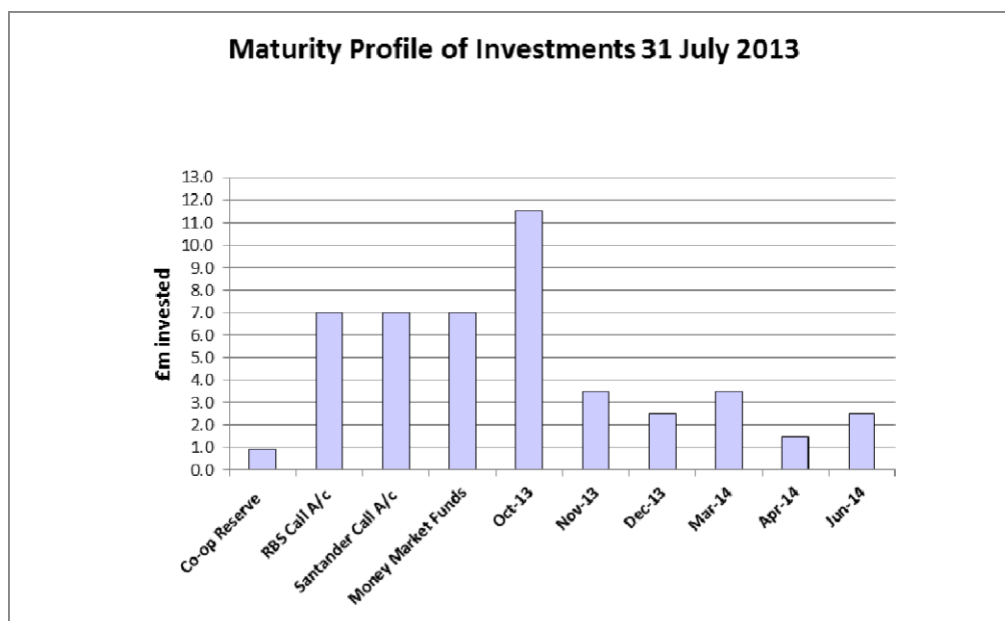
A revision to Investment Policy has been approved by Council increasing the aggregate limit on Non-Specified Investments from £5m to £15m. This provides opportunity to consider placing funds in Pooled Funds offering enhanced returns above cash, and also scope to invest with credit rated housing associations where deposits can be secured against assets.

Counterparty Exposure and Maturity Profile

Exposure to counterparties at the end of the reporting period was as follows:



An objective is to maintain a reasonable spread of maturities to manage both liquidity requirements and interest rate exposure. The following chart shows the **profile of investment maturities at the period end:**



Further details of the investment portfolio at the end of the reporting period are provided on the attached schedule.

Money Market Funds (MMF)

The Council has access to four funds, the principal objectives of which are preservation of capital and very high liquidity, followed by competitive returns. The funds operate within strict criteria to maintain the highest AAA rating.

The **aggregate amount invested at the end of the month was £7.0 million (this amount is included in the investments shown above)**. Current details available of the four funds (the previous reporting period figures are in brackets) are:

Fund:	Ignis	Deutsche	Goldman Sachs	RBS
Amount invested	£4m (£4m)	£0m (£2m)	£3m (£4m)	£0m (£0m)
AUM	£12,934.0m (£13,076.0m)	£n/a (£7,384.0m)	£5,671.0m (£5,911.0m)	£n/a (£n/a)
1 day yield %	0.43 (0.43)	n/a (0.32)	0.36 (0.37)	n/a (n/a)
7 day yield %	0.43 (0.43)	n/a (0.32)	0.36 (0.38)	n/a (n/a)
30 day yield %	0.44 (0.43)	n/a (0.31)	0.36 (0.37)	n/a (n/a)
WAM days	49 (44)	n/a (52)	50 (51)	n/a n/a)

AUM – Assets under management

WAM – weighted average maturity of the Fund

Geographic exposure of funds invested via Money Market Funds

Country	% exposure	Country	% Exposure	Country	% Exposure
UK	14.01 (15.46)	Sweden	4.13 (7.25)	Repo	7.54 (9.92)
France	17.73 (16.98)	Japan	8.53 (8.15)	Finland	1.33 (1.96)
Germany	11.89 (14.90)	United States	4.57 (1.00)	Sub-Total	88.74 (88.74)
Netherlands	15.07 (10.48)	China	2.38 (2.64)	Others	12.82 (11.26)

Investment at Risk – Summary Update

Bank	Principal	Comment
Kaupthing, Singer, & Friedlander	£1m	<p>The Council has received ten distributions so far totalling £812,795 (principal £790k + interest), equating to 79p in the £.</p> <p>The Administrators have previously indicated their intention to pay a further dividend by 31 December 2013. However, as the majority of assets other than the outstanding loan book and claim against the parent bank, Kaupthing hf (Khf), have been collected, the level of future dividend payments after the tenth will be dependent upon the timing and quantum of ongoing loan book recoveries and distributions from Khf.</p> <p>The estimated total recovery is currently in the range of between 84p and 86.5p in the £.</p>
Landsbanki	£3m	<p>Distributions to be made in a basket of currencies with amounts to be converted at the prevailing FX rate by the Co-operative Bank.</p> <p>Three dividends have been paid to date settling circa 49.65% of claim value (based on the methodology applied by the Winding-up Board). After FX conversion the amounts received amount to £1,485,611, with a further GBP equivalent of around £24,000 held in an Icelandic interest bearing escrow account pending repatriation under existing currency controls.</p> <p>The WUB estimated recovery for priority creditors is currently 100%, subject to a number of risks and uncertainties.</p> <p>The Council has lodged an interest “in principle” to consider offers for sale of claims in Landsbanki – this matter is being co-ordinated on behalf of all local authority creditors by Bevan Brittan (the appointed legal advisors to the creditor group).</p>
GLITNIR	£1m	<p>A single payment in full settlement was made in March 2012, comprising a basket of currencies. The majority was converted to a sterling equivalent amount of £836,571. A balance has been paid into an Icelandic bank interest bearing escrow account. This amount has an equivalent GBP value of circa £213,000.</p> <p>Options remain under review in relation to gaining release of the ISK denominated funds.</p> <p>A composition agreement may be affected for Glitnir which may impact on the current escrow arrangements and therefore investigations are underway with the LA creditor legal representatives, Glitnir, and the Icelandic Central Bank about establishing escrow accounts in the name of individual creditors.</p>
Total	£5m	Total amount recovered to date is £3.135 million including interest, with a further £237,000 (estimated GBP equivalent), currently held in Icelandic escrow accounts.

Costs incurred to date amount to £30,008.16.

Borrowings

The Council’s debt remains at £6m – made up of two market loans of £3m each, which contain options for the lender (and Council if lender exercises their option). The next call option date is in September 2013.

Budgetary Position

An over-achievement of interest of £21,000 is currently projected for the year. This is based on a lower estimated return for the year (0.63% v 0.70%), offset by average cash balances being higher (£38m v £31.4m). The additional income will be added to the Treasury Management reserve.

APPENDIX: SCHEDULE TO INVESTMENT MONITOR AT 31 JULY 2013

						Maturity Profile £m							
		£m	% rate	Type	Placed	Maturity	Liquid	Oct-13	Nov-13	Dec-13	Mar-14	Apr-14	Jun-13
UK Banks		28.93											
Santander Group													
Santander UK PLC		7.00	0.75%	Instant	Variable	Instant	7.00						
Lloyds TSB Group													
Bank of Scotland PLC		0.00	0.75%	Instant	Variable	Instant	0.00						
Bank of Scotland PLC		3.50	0.80%	Fixed	14-May-13	14-Nov-13			3.50				
Bank of Scotland PLC		1.50	0.70%	Fixed	27-Jun-13	16-Oct-13		1.50					
Bank of Scotland PLC		2.00	0.70%	Fixed	25-Jun-13	16-Oct-13		2.00					
Barclays Bank PLC													
Barclays Bank PLC		3.50	0.90%	Fixed	4-Mar-13	3-Mar-14					3.50		
Barclays Bank PLC		1.50	0.88%	Fixed	2-Apr-13	1-Apr-14						1.50	
Barclays Bank PLC		2.00	0.46%	Fixed	5-Jul-13	16-Oct-13		2.00					
RBS Group													
Royal Bank of Scotland PLC		7.00	0.90%	Instant	Variable	Instant	7.00						
Co-operative Bank PLC		0.93	0.38%	Instant	Variable	Instant	0.93						
UK Building Societies		6.00											
Nationwide Building Society													
Nationwide Building Society		2.50	0.70%	Fixed	21-Jun-13	20-Jun-14							2.50
Nationwide Building Society		2.50	0.50%	Fixed	21-Jun-13	19-Dec-13				2.50			
Nationwide Building Society		1.00	0.44%	Fixed	5-Jul-13	16-Oct-13		1.00					
Non UK Institutions		5.00											
Australia & New Zealand Banking Corp													
Australia & New Zealand Banking Corp		2.50	0.44%	Fixed	27-Jun-13	16-Oct-13		2.50					
Australia & New Zealand Banking Corp		2.50	0.43%	Fixed	8-Jul-13	9-Oct-13		2.50					
Money Market Funds		7.00											
Goldman Sachs		3.00	Variable	Instant	16-Nov-09	Instant	3.00						
Deutsche Sterling		0.00	Variable	Instant	4-Aug-10	Instant	0.00						
Ignis Liquidity		4.00	Variable	Instant	4-Aug-10	Instant	4.00						
RBS Sterling		0.00	Variable	Instant	21-Jul-10	Instant	0.00						
		46.93					21.93	11.50	3.50	2.50	3.50	1.50	2.50

GOVERNANCE COMMITTEE
18th September 2013



Annual Governance Report 2012/13		Agenda No: 8(b)
Corporate Priority: Delivering valued services to our Customers Report presented by: Lisa Clampin, BDO LLP (External Auditors) Report prepared by: Alison Langridge, BDO LLP (External Auditors)		
Background Papers:		Public Report
Options:		Key Decision:
		NO
Executive Summary: To receive the Annual Governance Report for 2012/13 from BDO LLP, the Council's External Auditor; a copy of the report is provided as an Appendix. International Standards on Auditing (ISAs) (UK and Ireland) and the Code of Audit Practice require that the external auditor reports to those responsible for financial governance and reporting (those charged with governance) on the key findings of their audit prior to issuing their opinion on the financial statements and value for money conclusion. This report summarises the results of the audit work completed to date in respect of the financial statements and arrangements to secure economy, efficiency and effectiveness in the use of resources for the year ended 31 March 2013. The Annual Governance Report is being finalised with BDO LLP and will follow.		
Decision: That the Annual Governance Report 2012/13 be accepted and that it be recommended to Cabinet for approval.		
Purpose of Decision: To comply with the Accounts and Audit Regulations which require Councillors to receive the findings of the external auditor before approving the Statement of Accounts.		

Corporate Implications	
Financial:	External Auditor provides an opinion on whether the Council's financial statements give a true and fair view of its financial position and income and expenditure and whether they have been prepared properly, in accordance with appropriate legislation and relevant accounting guidance.
Legal:	The report is presented to the Governance Committee in accordance with the provisions of ISA (UK & Ireland) 260 <i>Communication with those charged with governance</i> , ISA 265 <i>Communicating Deficiencies in Internal Control to Those Charged with Governance and Management</i> , and the Audit Commission's <i>Code of Audit Practice</i> .
Equalities/Diversity	Not applicable
Customer Impact:	Not applicable
Environment and Climate Change:	Not applicable
Consultation/Community Engagement:	Not applicable
Risks:	Not applicable
Officer Contact:	Trevor Wilson
Designation:	Head of Finance
Ext. No.	2801
E-mail:	Trevor.wilson@braintree.gov.uk

BRAINTREE DISTRICT COUNCIL

FINAL REPORT TO THE GOVERNANCE COMMITTEE
Audit for the year ended 31 March 2013

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OVERVIEW

Key audit findings

The purpose of this report is to communicate to you the significant findings from our audit of the financial statements of Braintree District Council for the year ended 31 March 2013. This overview covers those matters we believe to be significant in the context of our work. However, you should read the entirety of this report, as there may be other matters raised that you consider important.

We have substantially completed our audit work and anticipate issuing an unqualified opinion subject to the outstanding matters listed on page 2.

AREA OF AUDIT	SUMMARY
Financial statements	<p>At the time of drafting this report no material misstatements were identified as a result of our audit work. However, we are still working with management to resolve an outstanding technical issue regarding whether the Community Housing Investment Partnership fund (CHIP fund) should be accounted for as a jointly controlled asset within the financial statements. An update on the outcome of this work will be provided to the Governance Committee on 18 September 2013.</p> <p>Some other less notable areas of work are also outstanding at the time of drafting this report (see page 2). Should these result in any significant issues, we will give a verbal update to the Governance Committee.</p> <p>Subject to satisfactory completion of the outstanding work, we anticipate issuing an unqualified true and fair opinion on the financial statements for the year ended 31 March 2013.</p>
Unadjusted audit differences	One unadjusted audit difference was identified by our audit work. The difference is an extrapolated estimate of the potential misstatement of expenditure, the effect of adjusting for this difference would be to reduce the surplus for the year, decrease the general fund balance and decrease net assets by £35,591.
Internal controls	No significant deficiencies were identified during our review, however, some areas of improvement were identified which we have discussed with management.
Annual Governance Statement	We were satisfied that the Annual Governance Statement was not inconsistent or misleading with other information we were aware of from our audit of the financial statements and complies with “Delivering Good Governance in Local Government” (CIPFA / SOLACE).
Whole of Government Accounts (WGA)	Our work to review the consistency of the whole of government accounts return with the audited financial statements is in progress and a verbal update will be given at the Governance Committee on 18 September 2013.
Use of Resources and the Value for Money Conclusion	Our work on use of resources is currently in progress, a verbal update will be given at the Governance Committee on 18 September 2013. From the work completed to the date of drafting this report we anticipate issuing an unqualified value for money conclusion.

We would like to thank staff for their co-operation and assistance during the audit and throughout the period.

OVERVIEW

Audit status and timetable to completion

We set out below the current status of the audit and our timetable to completion.

AUDIT STATUS		TIMETABLE TO COMPLETE															
<p>We have substantially completed our audit work and anticipate issuing an unqualified opinion on the financial statements for the period ended 31 March 2013. The following matters are outstanding at the date of this report. We will update you on their current status at the Governance Committee meeting on 18 September 2013.</p> <ul style="list-style-type: none">• Resolution of the technical issue in respect of accounting for the CHIP Fund• Completion of our audit of the financial instruments disclosure note and a few other areas of disclosure compliance• Completion of our audit of capital financing• Clearance of outstanding Manager and Partner review points• Receipt of the Letter of Assurance from the auditor of the Essex County Council Pension Fund		<p>The anticipated timetable to complete is as follows:</p> <table><tr><th>ACTIVITY</th><th>DATE</th></tr><tr><td>Completion of outstanding audit work on the financial statements</td><td>9 September 2013</td></tr><tr><td>Completion of audit work on use of resources</td><td>13 September 2013</td></tr><tr><td>Completion of audit work on the WGA return</td><td>13 September 2013</td></tr><tr><td>Governance Committee meeting</td><td>18 September 2013</td></tr><tr><td>Signing of financial statements</td><td>24 September 2013</td></tr><tr><td>Signing of the WGA audit certificate</td><td>24 September 2013</td></tr></table>		ACTIVITY	DATE	Completion of outstanding audit work on the financial statements	9 September 2013	Completion of audit work on use of resources	13 September 2013	Completion of audit work on the WGA return	13 September 2013	Governance Committee meeting	18 September 2013	Signing of financial statements	24 September 2013	Signing of the WGA audit certificate	24 September 2013
ACTIVITY	DATE																
Completion of outstanding audit work on the financial statements	9 September 2013																
Completion of audit work on use of resources	13 September 2013																
Completion of audit work on the WGA return	13 September 2013																
Governance Committee meeting	18 September 2013																
Signing of financial statements	24 September 2013																
Signing of the WGA audit certificate	24 September 2013																

AUDIT SCOPE AND OBJECTIVES

Our audit scope is determined by the Audit Commission's Code of Audit Practice for Local Government and covers audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland), Practice Note 10: Audit of public sector bodies in the United Kingdom (October 2010) and guidance issued by the Audit Commission. This requires that we form an opinion on whether:

<p>1</p> <p>The financial statements give a true and fair view of the state of the Council's affairs as at 31 March 2013 and of the income and expenditure for the year then ended</p>	<p>2</p> <p>The financial statements have been properly prepared in accordance with statutory requirements and proper practices have been observed in their compilation</p>	<p>3</p> <p>The financial statements have been prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting</p>	<p>4</p> <p>The information given in the Statement of Accounts and Explanatory Foreword is consistent with the financial statements</p>
<p>5</p> <p>The Annual Governance Statement is not inconsistent with our knowledge and complies with "Delivering Good Governance in Local Government" (CIPFA / SOLACE)</p>	<p>6</p> <p>The audited body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources and for:</p> <ul style="list-style-type: none"> • securing financial resilience • challenging how it secures economy, efficiency and effectiveness 	<p>7</p> <p>The Whole of Government Accounts return is consistent with the audited financial statements and is properly prepared</p>	

FINANCIAL STATEMENTS

Key audit and accounting matters

To provide an opinion on whether your financial statements give a true and fair view of your financial position and income and expenditure and whether they have been prepared properly, we carry out risk based procedures designed to obtain sufficient appropriate audit evidence to determine with reasonable confidence whether the financial statements are free from material misstatement and we evaluate the overall presentation.

In carrying out our work we determine and apply a level of materiality. Materiality is the expression of the relative significance or importance of a particular matter in the context of the financial statements as a whole, or individual elements of the financial statements as appropriate. Consequently, the audit cannot be relied upon to identify all risks or potential or actual misstatements. Materiality may relate to both quantitative and qualitative matters and for quantitative considerations the numerical level that materiality is assessed at may be different for different information in the financial statements. Nevertheless, within this context, Appendix III gives an indication of the quantitative levels used for planning purposes. Materiality is re-assessed every year in the context of authoritative audit practice.

We are required to report to you all uncorrected misstatements that relate to the current financial year (including those arising in previous periods that have an effect on the current year financial statements) and the effect that they have individually, or in aggregate, on the opinion in the auditor's report, except for those that are clearly trivial. For reporting purposes, we consider misstatements of less than £24,000 to be trivial and have not reported them, unless the misstatement is indicative of fraud.

We would highlight that in this report we do not provide a comprehensive statement of all weaknesses that may exist in the financial and operational systems, but only those matters which have come to our attention as a result of the audit procedures performed. We only restate weaknesses already reported by Internal Audit where we consider these to be significant deficiencies. Recommendations in response to the key findings identified by our audit of the financial statements and use of resources work are provided in the action plan at Appendix V. These recommendations have been discussed with appropriate officers and their responses are included.

AUDIT RISK AREAS		
RISK	RELATED CONTROLS	WORK PERFORMED
MANAGEMENT OVERRIDE	ISA (UK&I) 240 requires us to presume that a risk of management override of controls is present and significant in all entities. By its nature, there are no controls in place to mitigate the risk of management override.	We reviewed the appropriateness of journal entries and other adjustments made in the preparation of the financial statements. We also reviewed accounting estimates for evidence of possible bias.
		We did not identify any significant transactions that are outside the normal course of business for the Council or that otherwise appear to be unusual. Our work on accounting estimates has not identified any evidence of bias.

AUDIT RISK AREAS			
RISK	RELATED CONTROLS	WORK PERFORMED	CONCLUSION
REVENUE RECOGNITION - CAR PARKING FEES AND CHARGES	ISA (UK&I) 240 assumes there is a rebuttable presumption that there is a material risk of fraud arising from revenue recognition. We have rebutted this presumption for all income in streams except for fees and charges income in relation to leisure centres and off street parking. We have confirmed that the Council has put in place appropriate controls to ensure the completeness, occurrence and accuracy of the income from both of these sources.	We tested the effectiveness of the controls described and substantively tested an increased sample of income from car parking fees and charges and debtor accruals to ensure that accounting policies had been correctly applied in determining the point of recognition of income, and that income was complete and accurately recorded.	No issues were identified from our testing of car parking fees and charges.
	The new and old payroll systems were run in parallel for two months, during which time a number of reconciliations took place to ensure that the new system agreed to the old.	We reviewed the work completed on the transfer of financial data by: <ul style="list-style-type: none"> obtaining the payroll reconciliations and ensuring that any material reconciling items were dealt with appropriately reviewing the work carried out by the internal audit department on the migration of data to the new system reviewing the set up and operation of the controls on the new system. 	No issues were identified from the testing carried out.
NEW PAYROLL SYSTEM	No specific controls. Working papers were prepared and reviewed prior to being presented for audit.	We reviewed the accounting treatment applied to ensure compliance with accounting standards and the Code of Practice in Local Authority Accounting, taking into account the terms of the agreed lease.	Mayland House has been appropriately accounted for as an operating lease and correctly included in the balance sheet as an investment property valued at £8,071,570 as at 31 March 2013. However, the valuation methodology used is not in accordance with IAS40. This has no impact on the valuation in the current year but, if applied in 2013/14 on the same basis, this would result in a material misstatement. We have, therefore, recommended that the Council contact the valuer to ensure that the correct valuation methodology is used for future periods (see Appendix V).
LEASED ASSET - MAYLAND HOUSE			We concluded that income and expenditure related to the lease has been correctly accounted for with costs of £2.2m recoverable from the lessee being shown as deferred income in long-term debtors.

FINANCIAL STATEMENTS

Accounting practices and financial reporting framework

Financial Statement preparation process	Audit issues and impact on opinion
<p>The requirement for Members to approve the draft financial statements by 30 June was removed by the Accounts and Audit Regulations 2011, however these regulations introduced the requirement for the Responsible Financial Officer to sign and present the financial statements for audit by 30 June. The financial statements were signed and presented for audit on 28 June 2013.</p> <p>As part of our planning for the audit, we prepared a detailed document request which outlined the information that we would require to complete the audit. The Council provided us with comprehensive working papers on 8 July 2013, in line with the agreed timetable.</p> <p>As a result of difficulties with the WGA documentation provided by the Department of Communities and Local Government, the Department extended the submission deadline to 14 August, but still requires the audited return to be submitted by 5 October. The unaudited WGA return was received for audit on 31 July 2013, well in advance of the 14 August deadline.</p>	<p>We have no matters to report.</p>
Accounting policies	Audit issues and impact on opinion

The following changes have been introduced by the 2012/13 Code of Practice on Local Authority Accounting in the United Kingdom (the 'Code'), resulting in changes in accounting practice:

- the objective of the financial statements, and the qualitative characteristics of financial information, as a result of the publication of the first phase of the International Accounting Standards Board's (IASB's) The Conceptual Framework for Financial Reporting 2010 (the Conceptual Framework)
- encouraging local authorities to prepare the Explanatory Foreword taking into consideration the requirements of the Government's Financial Reporting Manual (FReM)
- including amendments in relation to IFRS 7 Financial Instruments: Disclosures (transfers of financial assets).

We review material accounting estimates identified as having high estimation uncertainty or which are subject to a significant degree of judgement by management, and assess the reasonableness of the assumptions applied by management when deciding whether to recognise amounts in the accounts or the value at which these are recognised.

We consider the following to be material accounting estimates with high estimation uncertainty:

- valuation of property
- estimated pension liability
- provision for bad debts.

Valuation of property

Land and buildings are required to be carried at fair value which is either existing use value, depreciated replacement cost for specialised properties or open market value. The Council revalues land and buildings over a five year rolling programme and does not adjust for price indices between formal valuations unless there is indication of material changes.

Management makes valuation adjustments to land and buildings based on valuation reports and useful economic lives provided by an independent firm of valuers with specialist knowledge and experience valuing local authority estates, which has regard to local prices and building tender indices in the public sector.

We are satisfied that the value is suitably independent of the Council, objective and experienced in undertaking this work. Our review of the valuations provided, when compared to other price index information available, and useful economic lives allocated to buildings and significant components showed that they are not unreasonable. However, we raised one specific matter in relation to the valuation of Mayland House, documented earlier in this report, which could have an impact on future years.

Estimated pension liability

The net pension liability of the Council comprises its share of the market value of assets held in the Essex County Council Pension Fund and the estimated future liability to pay pensions for its current, deferred and retired members of the pension scheme.

An actuarial estimate of the pension fund liability is calculated by an independent firm of actuaries with specialist knowledge and experience. Their estimate has regard to local factors such as mortality rates and expected pay rises along with other assumptions around inflation.

Management has agreed the assumptions made by the actuary to support the estimate and these are disclosed in the financial statements. We have requested written representations from the Council to confirm that the assumptions applied by the actuary are reasonable and consistent with its knowledge of the business of the Council.

We are satisfied that the actuary is suitably independent of the Council, objective and experienced in undertaking this work. Our review of the assumptions applied in estimating the pension liability suggest that these are generally not significantly different from those being applied by the actuaries of other local authorities.

Accounting estimates (continued)	Audit issues and impact on opinion
	<p>Provision for bad debts - Council Tax</p> <p>Our audit identified, by comparison to our own point and range estimates for provisions, that the assumptions made by the Council and methodologies applied for the impairment of bad debts are reasonable. However, the Council does not review annually the percentages applied to each respective debt category included in the Council Tax bad debt provision. It was also difficult to evidence the reasonableness of the provision as the debtor recovery reports could not be run retrospectively after the year end and those run at year end had not been retained for audit. A recommendation has been included within Appendix V.</p>
Disclosures	<p>Audit issues and impact on opinion</p> <p>In addition to the matters set out below, some minor presentational and disclosure amendments were made to notes relating to Financial Instruments and Property, Plant and Equipment.</p> <p>Prior period adjustments</p> <p>Under IAS 8 <i>Accounting Policies, Changes in Accounting Estimates and Errors</i> and CIPFA's <i>Code Guidance notes for practitioners</i>, prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting policies should only be made when required by proper accounting practices or where the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the financial position or financial performance. Material errors discovered in prior period figures should be corrected retrospectively by amending opening balances and comparative amounts for the prior period.</p> <p>In 2012/13 the Council has restated its comparatives by way of prior period adjustments to correct a material valuation error in the prior period as a result of an incorrectly reported floor area in the valuer's report for one property. The restatement is appropriate as the misstatement of the valuation was £1.55m, which is material.</p> <p>The Council included an appropriate disclosure note in the financial statements and comparatives for the earliest period presented (1 April 2011) in the balance sheet and, also, in balance sheet notes where management considered the information to be material to the user of the financial statements. However, the Code requires that these comparatives be included in every balance sheet note but we do not consider the omissions identified to be material.</p>

We review material accounting disclosures, to confirm that they are in compliance with the requirements of the Code.

Disclosures (continued)		Audit issues and impact on opinion
	Related parties	<p>For a number of Members' disclosure forms there was a lack of information and clarification over the specific relationships that exist with potential related parties. Further investigation suggested potential over disclosure of related party transactions because it was identified that there was no apparent financial or operational control element to the relationship. A recommendation has been included within Appendix V.</p> <p>No instances were identified where the Council had failed to disclose a related party transaction.</p>
	Misstatements	<p>Audit issues and impact on opinion</p> <p>One immaterial misstatement was identified and corrected by management, relating to understatement in the Collection Fund of payments to the national non domestic rates pool by £74,000.</p>
	Uncorrected misstatements	<p>Audit issues and impact on opinion</p> <p>Expenditure cut off</p> <p>We tested a sample of payments made by the Council to ensure that the expenditure had been accounted for in the correct financial year. Our testing identified two invoices, totalling £1,096, which related to 2012/13 but had been received after the ledger had been closed and had not been accrued for. Our extrapolation of the estimated value of the total error within the population tested is £35,591. This is not material but is above our triviality level and therefore has been reported within Appendix II.</p>
		<p>We are required to report to you uncorrected misstatements that relate to the current financial year (including those arising in previous periods that have an effect on the current year financial statements) and the effect that they have individually, or in aggregate, on the auditors' report, except for those that are clearly trivial. These, and their potential impact, are summarised at Appendix II.</p>

FINANCIAL STATEMENTS

Matters required to be reported by other auditing standards

Whole of Government Accounts	Audit issues and impact on opinion
We are required to perform tests with regard to the WGA return prepared by the Council for use by the Department of Communities and Local Government for the consolidation of the local government accounts, and by HM Treasury at Whole of Government level. This work requires checking the consistency of the WGA return with the audited financial statements, and reviewing the consistency of income and expenditure transactions and receivables and payable balances with other government bodies.	Our work to review the consistency of the whole of government accounts return with the audited financial statements is in progress and a verbal update will be given to the Governance Committee on 18 September 2013.
Annual Governance Statement	Audit issues and impact on opinion
We have reviewed the draft Annual Governance Statement and are satisfied that it is not inconsistent or misleading with other information we are aware of from our audit of the financial statements, the evidence provided in the Council’s review of effectiveness and our knowledge of the Council.	We have no matters to report.

CONTROL ENVIRONMENT

We are required to report to you, in writing, significant deficiencies in internal control that we have identified during the audit. These matters are limited to those which we have concluded are of sufficient importance to merit being reported to you.

As the purpose of the audit is for us to express an opinion on the Council's financial statements, you will appreciate that our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist. As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

SIGNIFICANT DEFICIENCIES

We did not identify any significant deficiencies in internal control.

OTHER DEFICIENCIES AND OBSERVATIONS

These have been discussed with management and appropriate actions agreed as set out in Appendix V.

USE OF RESOURCES

Key audit matters

We are required to be satisfied that proper arrangements have been made to secure economy, efficiency and effectiveness in the use of resources (value for money).

In accordance with our Audit Plan, our principal work in arriving at our value for money conclusion was comparing the Council's performance against the requirements specified by the Audit Commission in its guidance to auditors. This is based on the following two reporting criteria:

- the organisation has proper arrangements in place for securing financial resilience
- the organisation has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

The focus of the criteria for 2012/13 is:

- the organisation has robust systems and processes to manage financial risks and opportunities effectively, and to secure a stable financial position that enables it to continue to operate for the foreseeable future
- the organisation is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity
- undertaking other local risk-based work, as appropriate.

Our 2012/13 Audit Plan identified the following from our use of resources risk assessment:

- Reductions in government funding: The Council is facing significant further reductions in government funding. Government has announced that funding will be reduced by a further £1.048m in 2012/13, creating significant financial pressures.
- Mayland House leased asset: During the year an asset has been leased out to a third party company, which involved an inducement payment being made by the Council as described above.

We reviewed the Council's response to its financial challenges, in particular its progress in identifying and delivering the necessary savings in the 2012/13 budget, its financial management arrangements and its medium term financial planning arrangements.

We also reviewed the Council's position against the Audit Commission's:

- Financial Ratios data; to identify any areas of concern over spending commitments, funding levels, and reserves and balances when compared to other district councils.
- Value for Money Profile Tool; to identify any areas of concern over costs and performance data and discussed the findings with management.

We assessed the Council's arrangements for challenging how it secures value for money, in particular in relation to contracting for services and performance management arrangements.

Financial resilience	Audit issues and impact on opinion
Work in progress	Work in progress
Challenging economy, efficiency and effectiveness	Audit issues and impact on opinion
Work in progress	Work in progress
BDO CONCLUSION	
Our work on use of resources is currently in progress, a verbal update will be given at the Governance Committee on 18 September 2013.	

APPENDICES

APPENDIX I: DEFINITIONS

TERM	MEANING
The Council	Braintree District Council
Management	The person(s) responsible for achieving the objectives of the Council and who have the authority to establish policies and make decisions by which those objectives are to be pursued. Management is responsible for the financial statements, including designing, implementing, and maintaining effective internal control over financial reporting.
ISAs (UK & Ireland)	International Standards on Auditing (UK & Ireland)
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards as adopted by the European Union
‘Those charged with governance’	<p>The person(s) with responsibility for overseeing the strategic direction of the Council and obligations related to the accountability of the entity. This includes overseeing the financial reporting process.</p> <p>Those charged with governance for the Council are the Governance Committee.</p>
Materiality	The size or nature of a misstatement that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable user of the financial statements would have been changed or influenced as a result of the misstatement.
Code	Code of Practice on Local Authority Accounting in the United Kingdom 2012/13
CIES	Comprehensive Income and Expenditure Statement
SeRCoP	Service Reporting Code of Practice for Local Authorities 2012/13
WGA	Whole of Government Accounts

APPENDIX II: UNADJUSTED AUDIT DIFFERENCES

We are required to bring to your attention unadjusted audit differences that the Governance Committee is required to consider. A schedule of such adjustments is included below and, with the exception of the differences that relate to prior year misstatements, we request that you correct them. Identified misstatements for the current year should, where practicable, be corrected even if not material.

There is one unadjusted audit difference identified by our audit work for the current year, which would decrease the draft surplus on the CIES and net assets by £35,591 if amended. Management considers this identified misstatement to be immaterial in the context of the financial statements taken as a whole. We concur with this judgement.

UNADJUSTED AUDIT DIFFERENCES	CURRENT YEAR		PRIOR YEAR		NET ASSETS OR RESERVES OVER / (UNDER)
	CIES (OVER) / UNDER	INCOME (OVER) / UNDER	EXPENSES (OVER) / UNDER	INCOME (OVER) / UNDER	
	£'000	£'000	£'000	£'000	£'000
Deficit for the year before adjustments	6,815				39,430
Impact of prior year misstatements (no adjustment required in 2012/13)					
(1) Operating leases acquired part way through 2011/12 which were prepaid but no prepayment was accounted for at the year end at 31 March 2012: Dr Gross expenditure Cr Opening general fund			31	(31)	
(2) Understatement of VAT shelter income in 2011/12 from Greenfields Community Housing arising from a retrospective voluntary disclosure that was awaiting HMRC clearance: Dr Opening general fund Cr Gross Income		(83)		83	
Misstatements identified in the current year					
(3) Understatement of expenses: extrapolated estimate of the misstatement identified from our cut off testing on expenditure: Dr Gross expenditure Cr Creditors	36		36		(36)
TOTAL UNADJUSTED AUDIT DIFFERENCES	36	(83)	67	-	(36)
Deficit for the year and net assets if differences were adjusted	6,851				39,394

APPENDIX III: MATERIALITY

MATERIALITY		
Planning materiality		£800,000
Final materiality		£800,000
Clearly trivial threshold		£24,000
Planning materiality of £800,000 for the Council was based on 1% of gross expenditure. The figure was based on the full year outturn per the draft financial statements and we have no reason to revise this figure for our final materiality level.		

APPENDIX IV: INDEPENDENCE

INDEPENDENCE - ENGAGEMENT TEAM ROTATION		
SENIOR TEAM MEMBERS	NUMBER OF YEARS INVOLVED	MAXIMUM ALLOWABLE YEARS INVOLVEMENT
LISA CLAMPIN - Audit engagement partner	1	5 (+2 with prior approval from the Audit Commission)
ALISON LANGRIDGE - Audit manager	4	10

INDEPENDENCE - THREATS TO INDEPENDENCE AND APPROPRIATE SAFEGUARDS

We have not identified any potential threats to our independence as auditors of the 2012/13 financial statements.

We confirm that the firm complies with the APB Ethical Standards and, in our professional judgement, is independent and objective within the meaning of those Standards.

In our professional judgement the policies and safeguards in place ensure that we are independent within the meaning of all regulatory and professional requirements and that the objectivity of the audit engagement partner and audit staff is not impaired.

Should you have any comments or queries regarding this confirmation we would welcome their discussion in more detail.

APPENDIX V: ACTION PLAN

FINANCIAL STATEMENT RECOMMENDATIONS				
CONCLUSIONS FROM WORK	RECOMMENDATIONS	MANAGEMENT RESPONSE	RESPONSIBILITY	TIMING
<p>Provision for bad debts - Council Tax</p> <p>Our audit identified, by comparison to our own point and range estimates for provisions, that the assumptions made by the Council and methodologies applied for the impairment of bad debts are reasonable. However, the Council does not review annually the percentages applied to each respective debt category included in the Council Tax bad debt provision. It was also difficult to evidence the reasonableness of the provision as the debtor recovery reports could not be run retrospectively after the year end and those run at year end had not been retained for audit.</p>	<p>Review the actual recovery of each debtor type to ensure that the percentages they use are still in line with the amounts recovered for any particular type of debt.</p> <p>Retain for audit the debtor recovery reports that are run at the year end.</p>	<p>Recommendation to be discussed with External Auditor to determine how the estimated bad debt provision could be tested.</p> <p>Debtor Recovery reports have been added to suite of reports run automatically at year-end.</p>	<p>Phil Myers, Financial Services Manager</p> <p>Dave Ekins, Local Taxation Manager</p>	<p>31 March 2014</p> <p>Immediate</p>
<p>Related party transactions</p> <p>For a number of Members' disclosure forms, there was a lack of information and clarification over the specific relationships that exist with potential related parties. Further investigation suggested potential over disclosure of related party transactions because it was identified that there was no apparent financial or operational control element to the relationship.</p>	<p>Provide Members with a clear set of instructions regarding the requirements for disclosing related parties and the definitions which they should consider when making their returns.</p> <p>Carry out a thorough review of the specific relationships declared and, where information returned is incomplete, make further enquiries to ensure the exact nature of relationships is determined and only those captured by the related parties definitions are disclosed.</p>	<p>The Members' disclosure form is the principal source used to identify Member's related party transactions. The form will be reviewed to ensure that all information necessary to determine whether a related party transaction is relevant is incorporated.</p>	<p>Head of Governance</p>	<p>31 March 2014</p>

CONCLUSIONS FROM WORK	RECOMMENDATIONS	MANAGEMENT RESPONSE	RESPONSIBILITY	TIMING
Mayland House valuation				
Mayland House has been correctly included in the balance sheet as an investment property valued at £8,071,570 as at 31 March 2013. However the valuation methodology used is not in accordance with IAS40. This has no impact on the valuation in the current year, but if applied in 2013/14 on the same basis, would result in a material misstatement.	Contact the valuers to agree the methodology to be applied in future valuations, in accordance with IAS40.	Valuation methodology to be discussed with the Council's Valuer to ensure compliance with IAS40.	Phil Myers, Financial Services Manager	Immediate (Valuer emailed on 3 Sept. 2013)

INTERNAL CONTROL RECOMMENDATIONS				
CONCLUSIONS FROM WORK	RECOMMENDATIONS	MANAGEMENT RESPONSE	RESPONSIBILITY	TIMING
NNDR refunds				
Testing carried out by Internal Audit on NNDR refunds identified one instance where a refund had been approved above an individual's delegated limit.	Before processing a refund, check the authorisation signature to ensure that the staff member raising the refund has the appropriate authority to do so. Prompt staff responsible for authorising refunds to remind themselves of their authorisation limits.	Review of authorisation limits of Revenues staff undertaken. A reminder will be issued to the appropriate staff to adhere to their individual limit.	Trevor Wilson, Head of Finance	Immediate

APPENDIX VI: FEES SCHEDULE

Audit Commission's *Standing Guidance for Auditors* requires us to report the outturn fee position for the year against the budgeted fee included within our Audit Plan.

We do not anticipate any variation from the Audit Commission's published scale fee reported on page 3.

	CURRENT YEAR OUTTURN FEE	ANTICIPATED FEE PER 2012/13 AUDIT PLAN	PRIOR YEAR OUTTURN FEE
	£	£	£
Code audit	78,774	78,774	131,290
Grant certification	23,200*	23,200*	39,413
Non audit services	-	-	-
TOTAL FEES	101,974	101,974	170,703

*estimate

APPENDIX VII: STATUTORY AND PROFESSIONALLY REQUIRED COMMUNICATIONS

COMMUNICATION REQUIRED				DATE COMMUNICATED	TO WHOM	METHOD
				18 September 2013	Management and those charged with governance	Report to Governance Committee
Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements.				No matters to report	No matters to report	No matters to report
Misstatements, whether or not recorded by the entity				✓	✓	✓
The final draft of the representation letter				✓	✓	✓
Material uncertainties related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern				No matters to report	No matters to report	No matters to report
Disagreements with management about matters that, individually or in aggregate, could be significant to the entity's financial statements or our audit report				No matters to report	No matters to report	No matters to report
Expected modifications to our audit report or inclusions of emphasis of matter / other matter				No matters to report	No matters to report	No matters to report
Significant deficiencies in internal control				No matters to report	No matters to report	No matters to report
Any other matters warranting attention by those charged with governance, such as questions regarding management integrity, and fraud involving management				No matters to report	No matters to report	No matters to report
Management judgements and accounting estimates				✓	✓	✓
Other information in documents containing audited financial information				✓	✓	✓
Consultation with other accountants				No matters to report	No matters to report	No matters to report
Major issues discussed with management				✓	✓	✓

APPENDIX VIII: DRAFT REPRESENTATION LETTER

The following draft letter of representation covers the Council's Statement of Accounts. Representations for the preparation of the Statement of Accounts will be sought from the Corporate Director and s151 Officer and from Members, on behalf of the Council, in relation to its responsibility to approve the Statement of Accounts and the Annual Governance Statement.

BDO LLP
16 The Havens
Ransomes Europark
Ipswich
Suffolk
IP3 9SJ

18 September 2013

Dear Sirs

Financial statements of Braintree District Council for the period ended 31 March 2013

This representation letter is provided in connection with your audit of the financial statements of Braintree District Council for the year ended 31 March 2013 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with the relevant financial reporting framework and have been prepared in accordance with the requirements of applicable law.

I confirm to the best of my knowledge and belief, and having made appropriate enquiries of directors and officers of the Council, the following representations given to you in connection with your audit of the Council's financial statements:

FINANCIAL STATEMENTS

Responsibility for financial statements

I acknowledge as the Corporate Director and s151 Officer my responsibilities for the Statement of Accounts, which include the financial statements, and for ensuring that these are prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom and have been prepared in accordance with the requirements of applicable law.

Significant assumptions

I confirm that the significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

(a) Pension fund assumptions

I confirm that the actuarial assumptions underlying the valuation of the Local Government Pension Scheme (LGPS) scheme liabilities, as applied by the scheme actuary, are reasonable and consistent with my knowledge of the business. These assumptions include:

- | | |
|--|------|
| • Rate of inflation (RPI) | 3.3% |
| • Rate of inflation (CPI) | 2.5% |
| • Rate of increase in salaries | 4.3% |
| • Rate of increase in pensions | 2.5% |
| • Expected return on assets | 5.8% |
| • Rate for discounting scheme liabilities | 4.1% |
| • Take up option to convert the annual pension into retirement grant | 50% |

I also confirm that the actuary has applied up-to-date mortality tables for life expectancy of scheme members in calculating scheme liabilities.

(b) Pension fund investments fair values

Where required, the value at which assets and liabilities are recorded in the pension fund net assets statement is, in my opinion, the market value. I am responsible for the reasonableness of any significant assumptions underlying the valuation. Unquoted, private equity and infrastructure investments held by fund managers within funds are valued at fair value by the fund managers. Where there is no active market where prices can be readily observed for these funds, I am satisfied that appropriate assumptions have been applied by the fund managers when valuing the share of the fund held by the pension fund.

(c) Carrying value of land and buildings

I am satisfied that the carrying value of land and buildings is materially consistent with the fair value at 31 March 2013, and that no adjustment is required to those assets that were revalued as part of the five-year rolling programme in previous years.

Accounting policies

I confirm that the selection and application of the accounting policies used in the preparation of the financial statements are appropriate.

Plans or intentions

I confirm that the Council has no plans or intentions that may materially alter the carrying value and, where relevant, the fair value measurements or classification of assets and liabilities reflected in the financial statements.

Litigation and claims

I have disclosed to you all known actual or possible litigation and claims, the effects of which should be considered when preparing the financial statements and these have been accounted for and disclosed in accordance with the applicable financial reporting framework.

Related parties

I confirm that related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the applicable financial reporting framework.

Subsequent events

All events occurring subsequent to the date of the financial statements for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

Uncorrected misstatements

You have brought to my attention potential misstatements in the financial statements as listed in the appendix to this letter. I do not wish to amend the financial statements to reflect any of these items as I believe that they are immaterial both individually and in aggregate to the view given by the financial statements as a whole.

Going concern

I confirm that we are satisfied that it is appropriate for the financial statements to have been drawn up on the going concern basis. In reaching this conclusion I have taken into account all relevant matters of which I am aware and have considered a future period of at least one year from the date on which the financial statements will be approved.

INFORMATION PROVIDED

Completeness of information

All the accounting records have been made available to you for the purpose of your audit. I have provided you with all other information requested and given unrestricted access to persons within the Council from whom you determined it necessary to obtain audit evidence. All other records and related information, including

minutes of all management and Committee meetings held during the year and up to the date of this letter have been made available to you.

All transactions undertaken by the Council have been recorded in the accounting records and are reflected in the financial statements.

There is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Internal Control

I acknowledge my responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

There have been no deficiencies in internal control of which I am aware.

Fraud

I have disclosed to you the results of my assessment of the risk that the financial statements could be materially misstated as a result of fraud.

I am not aware of any fraud or suspected fraud affecting the financial statements, nor have any allegations of fraud or suspected fraud affecting the financial statements been communicated to me by employees, former employees, councillors, regulators or others.

Compliance with laws and regulations

I am not aware of any actual or possible instances of non-compliance with laws and regulations whose effects should be considered when preparing the financial statements of the Council.

Related parties

I confirm that I have disclosed to you the identity of the Council's related parties, related party relationships and transactions of which I am aware.

Liabilities, contingent liabilities or guarantees

There are no liabilities, contingencies or guarantees to third parties other than those disclosed in the financial statements.

Title to assets

The Council has satisfactory title to all assets and there are no liens or encumbrances on the assets except for those disclosed in the financial statements.

Contractual agreements

The Council has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.

Yours faithfully

Chris Fleetham
Corporate Director and s151 Officer

Representations of the Council

We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other officers and members of the Council, the following representations given to you in connection with your audit of the Council's financial statements.

Responsibility for the financial statements

We acknowledge our responsibilities to make arrangements for the proper administration of the Council's financial affairs and to approve the Statement of Accounts, which include the financial statements. The Corporate Director is responsible for the preparation of the Statement of Accounts, which include the financial statements, in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom.

Uncorrected misstatements

We have considered the uncorrected misstatements in the financial statements as listed in the appendix to this letter together with the explanations provided by the Corporate Director for not correcting these misstatements, and we consider them to be immaterial to the view given by the financial statements.

Annual Governance Statement

We confirm that the Council has conducted a review during the year of the effectiveness of its system of internal control. We are satisfied that the Annual Governance Statement appropriately reflects the circumstances of the Council and includes an outline of the actions taken, or proposed, to deal with significant internal control issues.

Yours faithfully

Councillor Hylton David Johnson
Governance Committee Chair

For and on behalf of the Governance Committee, Braintree District Council

The matters raised in our report prepared in connection with the audit are those we believe should be brought to your attention. They do not purport to be a complete record of all matters arising. This report is prepared solely for the use of the company and may not be quoted nor copied without our prior written consent. No responsibility to any third party is accepted.

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Minutes

Local Development Framework Sub- Committee 11th July 2013

Present:

Councillors	Present	Councillors	Present
D L Bebb	Apologies	Lady Newton	Yes
G Butland	Apologies	W D Scattergood	Apologies
A V E Everard	Yes	C Siddall	Apologies
M C M Lager	Yes	M Thorogood	Yes
J M Money	Yes	R G Walters (Chairman)	Yes

Councillors Abbott, Horner, D Louis and O'Reilly-Cicconi were also in attendance.

14 **DECLARATIONS OF INTEREST**

INFORMATION: The following interests were declared:

Councillor J E Abbott declared a non-pecuniary interest in Agenda Item 5 - Site Allocations and Development Management Plan Draft and, in particular, the Primary Shopping Boundary, Witham and the former Co-op Store, Newland Street, Witham; a non-pecuniary interest in Agenda Item 6 - Braintree District Protected Lanes Assessments 2013 as Chairman of Rivenhall Parish Council which had submitted representations on the Assessments; and a non-pecuniary interest in Agenda Item 7 - Site Allocations and Development Management Plan - Amendments to Policies and Supporting Text and, in particular, (Policy ADM 49) Witham Railway Station car park second access, and Policy ADM 65 as he had personally submitted representations on these matters, and Policies 60 and 66 as both Rivenhall Parish Council, of which he was Chairman, and he had submitted representations on these matters.

Councillor A V E Everard declared a non-pecuniary interest in Agenda Item 5 - Site Allocations and Development Management Plan Draft and, in particular, Site HAT15HAIt - Land adjacent to Badgers Oak, Nounsley Road, Nounsley as he had been contacted by the owner of the site by telephone, but he had not expressed a view.

Councillor M C M Lager declared a non-pecuniary interest in Agenda Item 5 - Site Allocations and Development Management Plan Draft and, in particular, the Primary Shopping Boundary, Witham and the former Co-op Store, Newland Street, Witham as a Member of Witham Town Council which had been consulted on the proposed development sites and had submitted representations.

Councillor J M Money declared a non-pecuniary interest in Agenda Item 5 - Site Allocations and Development Management Plan Draft and, in particular, the Primary

Shopping Boundary, Witham and the former Co-op Store, Newland Street, Witham as a Member of Witham Town Council which had been consulted on the proposed development sites and had submitted representations; and a non-pecuniary interest in Agenda Item 7 - Site Allocations and Development Management Plan - Amendments to Policies and Supporting Text and, in particular, Policies 43 and 43a as her daughter worked for the NHS, and Witham Railway Station car park second access as a Member of Witham Town Council.

Councillor Lady Newton declared a non-pecuniary interest in Agenda Item 5 - Site Allocations and Development Management Plan Draft as Essex County Council's elected Member for Braintree Eastern Division, as Mr John Cousins speaking during Question Time was known to her, and, in particular, Site HAT15HAIt - Land adjacent to Badgers Oak, Nounsley Road, Nounsley as she had been contacted by the owner of the site by telephone, but she had not expressed a view, Councillor Lady Newton declared non-pecuniary interests also in Agenda Item 6 - Braintree District Protected Lanes Assessments 2013 and Agenda Item 7 - Site Allocations and Development Management Plan - Amendments to Policies and Supporting Text as Essex County Council's elected Member for Braintree Eastern Division.

Councillor R G Walters declared a non-pecuniary interest in Agenda Item 5 - Site Allocations and Development Management Plan Draft Inset Plans as Essex County Council's elected Member for Great Notley and Three Fields Division and, in particular, Site HAT15HAIt - Land adjacent to Badgers Oak, Nounsley Road, Nounsley as he had been contacted by the owner of the site by telephone, but he had not expressed a view, Councillor Walters declared non-pecuniary interests also in Agenda Item 6 - Braintree District Protected Lanes Assessments 2013 and Agenda Item 7 - Site Allocations and Development Management Plan - Amendments to Policies and Supporting Text as Essex County Council's elected Member for Great Notley and Three Fields Division.

In accordance with the Code of Conduct, all Councillors remained in the meeting and took part in the discussion, unless stated otherwise, when the matters were considered.

15 **MINUTES**

INFORMATION: The Minutes of the meetings of the Local Development Framework Sub-Committee held on 13th June 2013 and 17th June 2013 were confirmed as a correct record and signed by the Chairman.

16 **QUESTION TIME**

INFORMATION: Twelve people spoke at the meeting. Members of the Sub-Committee agreed that the public should speak immediately prior to each village/site/item being considered rather than during Question Time. Details of the people who spoke at the meeting are contained in the Appendix to these Minutes.

Principally, these Minutes record decisions taken only and, where appropriate, the reasons for the decisions.

SITE ALLOCATIONS AND DEVELOPMENT MANAGEMENT PLAN DRAFT - SITE ALLOCATIONS FOR BEDELLS AVENUE, BLACK NOTLEY; BROOMHILLS INDUSTRIAL AREA, BRAINTREE; LAND ADJACENT TO BADGERS OAK, NOUNSLEY ROAD, NOUNSLEY; PRIMARY SHOPPING BOUNDARY AND FORMER CO-OP STORE, WITHAM; SITE BON8HALT, BAKEHOUSE AND UNIT 1 BOVINGDON ROAD, BOCKING; AND SITE BON19HALT, FORMER LANDFILL SITE BOVINGDON ROAD, BOCKING

Councillor J Abbott, District Council Ward Councillor for Bradwell, Silver End and Rivenhall, attended the meeting and spoke on this item and, in particular, Site HAT15HALt - Land adjacent to Badgers Oak, Nounsley Road, Nounsley, and the Primary Shopping Boundary, Witham and the former Co-op Store, Newland Street, Witham.

Councillor A Hunt, Chairman of Black Notley Parish Council, attended the meeting and spoke on this item and, in particular, Bedells Avenue, Black Notley.

Councillor D Louis, District Council Ward Councillor for Hatfield Peverel, attended the meeting and spoke on this item and, in particular, Site HAT15HALt - Land adjacent to Badgers Oak, Nounsley Road, Nounsley.

INFORMATION: Mrs E Dash, Planning Policy Manager, presented a report on the preparation of the Site Allocations and Development Management Plan and the Draft Inset Plans to be included within it. Specific reference was made in the report to sites at Bedells Avenue, Black Notley; Broomhills Industrial Area, Braintree; HAT15HALt - Land adjacent to Badgers Oak, Nounsley Road, Nounsley; Primary Shopping Boundary and former Co-op Store, Witham; BON8HALt - Bakehouse and Unit 1 Bovingdon Road, Bocking; and BON19HALt – Former landfill site, Bovingdon Road, Bocking, consideration of which had been deferred at previous meetings of the Sub-Committee.

A Site Allocations and Development Management Plan was required to set out land allocations and policies, against which future planning applications for development in the District would be determined over the period to 2026. The Plan had to be in accordance with the Council's Core Strategy which set out the overall strategy for future development in the District and the number of dwellings for which land should be allocated.

Public consultation on the draft Site Allocations and Development Management Plan had taken place between 9th January and 22nd February 2013. The report summarised the representations which had been and set out the Officers' comments on these, including recommended changes.

DECISION: That, subject to the draft Site Allocations and Development Management Plan being approved in its entirety by the Council for public consultation:-

That the site allocations/draft Inset Plans and recommendations as set out in the report for Bedells Avenue, Black Notley; Broomhills Industrial Area, Braintree; HAT15HALt - Land adjacent to Badgers Oak, Nounsley Road, Nounsley; Primary Shopping Boundary and former Co-op Store, Witham; BON8HALt - Bakehouse and Unit 1 Bovingdon Road, Bocking; and BON19HALt – Former landfill site, Bovingdon Road, Bocking be approved, subject to the recommendations relating to Bedells Avenue, Black Notley and Broomhills Industrial Area, Pod's Brook Road, Braintree being amended as follows:-

Bedells Avenue, Black Notley – Visually Important Space

That the Visually Important Space designation at Bedells Avenue, Black Notley as approved by the Local Development Framework Sub-Committee on 13th June 2013 (ie. the eastern part of the site adjoining the junction of Bedells Avenue and Witham Road) be retained, subject to the designation being extended to include two-thirds of the land originally identified as Visually Important Space.

Broomhills Industrial Area, Pod's Brook Road, Braintree

That the allocation of Broomhills, Pod's Brook Road, Braintree as a Regeneration Site be approved with uses set out in a new policy for the site as follows:-

'Land at Broomhills, Pod's Brook, Braintree is allocated as a Regeneration Site which could include the following uses:

- Business (B1), General Industrial (B2), Storage and Distribution (B8)
- Display, repair and sale of vehicles, vehicle parts, boats and caravans
- Indoor sports and recreation uses, which will only be permitted when identified needs for these uses cannot be met within suitable and viable town centre, or edge of centre sites.
- The sale of non-food retail products, of a weighty or bulky nature and associated ancillary goods (subject to a sequential test and impact assessment).
- The sale of retail goods, including food (subject to a sequential test and impact assessment).'

Nounsley

NOTE: It was agreed that Site HAT15HAIt - land adjacent to Badgers Oak, Nounsley Road, Nounsley, and the properties known as Badgers Oak, The Bourne, Red Robins, Timbers, and Barns and Gate Farmhouse, Nounsley Road, Nounsley should not be included within the development boundary.

18 **BRAINTREE DISTRICT PROTECTED LANES ASSESSMENTS 2013**

Councillor J Abbott, District Council Ward Councillor for Bradwell, Silver End and Rivenhall, attended the meeting and spoke on this item.

INFORMATION: Consideration was given to a report on Protected Lanes. These lanes had been identified by Essex County Council in the mid-1970s as having special, historic character, landscape and biodiversity value and were protected from development, highway, and/or infrastructure works.

In 2012, Essex County Council had been appointed by Braintree District Council to conduct a technical review of the existing Protected Lanes in order to provide a robust and credible evidence base to support the Protected Lanes policy in the Draft Site Allocations and Development Management Plan and to ensure that the Protected Lanes identified on Inset Maps met the criteria for protection.

A scoring system had been devised to undertake the review and it was recommended that 96 Lanes should retain their Protected Lane status. A further eight lanes, which had not previously been protected, had been put forward by Braintree District Council for consideration. Following assessment, it had been recommended that five of these

should be designated as Protected Lanes. In addition, Sible Hedingham Parish Council had requested that Starling's Hill, Sandy Lane and Watery Lane, Sible Hedingham be designated as Protected Lanes. Members of the Sub-Committee were advised that Starling's Hill had recently been assessed and it had been recommended that it should be identified as a Protected Lane. It was noted that Sandy Lane and Watery Lane had already been assessed, but had not achieved a sufficiently high score to be designated as Protected Lanes.

In discussing this item, Members were advised that Sportman's Lane, Nounsley had been re-assessed and, based on an extended length, it was now being recommended for designation as a Protected Lane. It was proposed that a total of 102 lanes should be identified as Protected Lanes and these were set out in Table 2 attached to the report.

Concern was expressed that Little Braxted Lane, Rivenhall had not been recommended for designation as a Protected Lane. In particular, reference had been made during Question Time to a report written by former District Councillor Helen Pitchforth which indicated that the lane was pre-Roman in date. It was suggested that Essex County Council's assessment of this lane should be clarified and their attention drawn to the report of Helen Pitchforth.

DECISION: That, subject to the draft Site Allocations and Development Management Plan being approved in its entirety by the Council for public consultation:-

- (1) That the lanes identified in the Braintree District Protected Lanes Assessments 2013, and set out in Table 2 of the Agenda report, be designated as Protected Lanes in the draft Site Allocations and Development Management Plan, subject to the inclusion of Sportman's Lane, Nounsley and to Essex County Council's re-assessment of Little Braxted Lane, Rivenhall.
- (2) That the Braintree District Protected Lanes Assessments 2013 be approved as part of the Local Development Framework evidence base.

19 **SITE ALLOCATIONS AND DEVELOPMENT MANAGEMENT PLAN - AMENDMENTS TO POLICIES AND SUPPORTING TEXT: HOUSING, EMPLOYMENT, RETAIL, COMMUNITY FACILITIES, TRANSPORT (INCLUDING WITHAM RAILWAY STATION CAR PARK SECOND ACCESS), ENVIRONMENT, CONSERVATION, AND SPORT AND RECREATION**

Councillor J Abbott, District Council Ward Councillor for Bradwell, Silver End and Rivenhall, attended the meeting and spoke on this item, and, in particular, Policies ADM 7 - Gypsy and Traveller and Travelling Showpersons Accommodation; ADM 13 – Hamlets; ADM 20 - Workplace Nurseries; Policy ADM 49 - New Road Schemes (second road access to Witham Railway Station Car Park from Station Road); ADM 60 – Layout and Design of Development; ADM 65 - Illuminated Signs in Conservation Areas; and ADM 66 - Alterations and Extensions and Changes of Use to Listed Buildings or Structures and their Settings.

Councillor J O'Reilly-Cicconi, District Council Ward Councillor for Gosfield and Greenstead Green, attended the meeting and spoke on this item, and, in particular, Policy ADM11 - Replacement Dwellings in the Countryside.

INFORMATION: Consideration was given to a report on the preparation of the Site Allocations and Development Management Plan and the development management

policies and supporting text to be included within it. The report included proposed policies reference ADM 1 to 75 and supporting text on housing, employment, retail, community facilities, transport (including Witham station car park second access), environment, conservation and sport and recreation.

A Site Allocations and Development Management Plan was required to set out land allocations and policies, against which future planning applications for development in the District would be determined over the period to 2026. The Plan had to be in accordance with the Council's Core Strategy which set out the overall strategy for future development in the District and the number of dwellings for which land should be allocated.

Public consultation on the draft Site Allocations and Development Management Plan had taken place between 9th January and 22nd February 2013. The report summarised the representations which had been received relating to the policies and supporting text contained in the Plan and set out the Officers' comments on these, including recommended changes.

DECISION:

- (1) That, subject to the draft Site Allocations and Development Management Plan being approved in its entirety by the Council for public consultation:-

That the specific amendments to policies and supporting text as recommended in the report relating to housing, employment, retail, community facilities, transport (including Witham Railway Station car park second access), environment, conservation, and sport and recreation be approved, subject to the policies below being amended as follows:-

Policy ADM 6 - Care Homes and Specialist Housing Allocations

An extension to St Dominic's Care Home in Kelvedon, and land at Polly's Field off Church Lane in Bocking have been allocated for Care Homes on the Proposals Map. The Rockways premises in Station Road, Sible Hedingham have been allocated for either a Care Home, or residential site. An area to the west of Mount Hill in Halstead has been allocated for specialist housing.

Development at Polly's Field will be limited to two storeys in height, to limit the impact upon the character of this area of Church Lane and the wider landscape.

Within these areas (excluding Rockways) proposals will only be acceptable for specialist housing. General needs housing will not be permitted on any part of these sites.

Policy ADM 9 - Residential Alterations, Extensions and Outbuildings Within Development Boundaries

Residential alterations, extensions and non-habitable outbuildings within development boundaries will be permitted, provided that they meet the following criteria;

- There should be no over-development of the plot, when taking into account the footprint of the existing dwelling and the relationship to plot boundaries
- The siting, bulk, form and materials of the alteration, extension, or outbuilding should be compatible with the original dwelling
- There should be no unacceptable adverse impact on the amenities of adjoining residential properties, including on privacy, overshadowing or loss of light.
- There should be no material adverse impact on the identity of the street scene, scale and character of the area.

Policy ADM 15 - Employment Policy Areas

Employment policy areas are identified on the Proposals Map and listed in the following schedule, where the following uses will be considered appropriate and where the following employment uses will be permitted and retained:-

- A. Business (B1), general industrial (B2), storage and distribution (B8)
- B. Display, repair and sale of vehicles, vehicle parts, boats and caravans.
- C. Indoor sports and recreation uses, which will only be permitted when identified needs for these uses cannot be met within suitable and viable town centre, or edge of Centre sites and are in accessible locations.
- D. A limited element of retailing, where this is ancillary to another main use permitted under A.
- E. Services specifically provided for the benefit of businesses based on, or workers employed within, the Employment Policy Areas.

Schedule of Employment Policy Areas

Bovingdon Road, Bocking
Anglia Way, Braintree
Charter Way Employment Area, Braintree
Driberg Way Industrial Estate, Braintree
Lakes Road Industrial Park, Braintree
Skyline 120, Braintree
Springwood Industrial Estate, Braintree
Land north of Freeport, Braintree
Priors Way Industrial Area, Coggeshall
Earls Colne Airfield
Riverside Industrial Area, Earls Colne
Gosfield Airfield
Bluebridge Industrial Estate, Halstead
Broton Drive Industrial Estate, Halstead
Factory Lane West/Kings Road Industrial Area, Halstead
Arla Dairy, Hatfield Peverel
London Road, Kelvedon

The Former Polish Camp, Rivenhall
Oxford Dairy, Sible Hedingham
Rippers Court/Everitt Way Sible Hedingham
Former Crittalls Site / Finishing Company, Silver End
Sturmer Industrial Areas
Eastways/Crittall Road/Waterside Park Industrial Areas, Witham
Freebournes/Perry Road Industrial Estate, Witham.

Policy ADM 19 - Design and Layout of Employment Policy Areas and Business Uses

New employment development including employment policy areas and business uses will be required to conform to suitable design and layout standards with adequate car parking and provision for public transport, cycling and walking, landscaping and servicing, including either connection to mains sewers or construction of sewers to standards adoptable by the water company.

Policy ADM 26 – Impact Assessments

This Policy was not amended, but it was agreed that the word ‘vulnerable’ contained in the policy should be defined in the supporting text.

Policy ADM 30 – Leisure and Entertainment

The area identified on the proposals map for Leisure and Entertainment shall be retained for leisure and entertainment related uses. Proposals within use class D2 will be permitted. Proposals for redevelopment which affect areas should result in no net loss of parking on site.

Policy ADM 32 – Retail Warehouse Development

(Note: Reference to Broomhills Industrial Area, Braintree will be included in the supporting text).

Retail warehouse development will be permitted within or immediately adjoining town centres. If no such sites are available, then the sequential approach will be applied, together with an impact assessment, if applicable, under Policy ADM 26 – Impact Assessments.

Bulky retail proposals outside of town centres will be required to satisfy the following criteria:

- (1) A sequential test and impact assessment demonstrates that no material harm to an identified town, district or local centre would occur and that no sequentially preferable sites are available.
- (2) Development to be confined to the sale of non-food retail products, of a weighty or bulky nature and associated ancillary goods.
- (3) A Traffic Impact Assessment demonstrating that the proposal would not cause any detriment to the local traffic network and Travel Plan.

Land for retail warehousing is identified on the Proposal Map at –

- Braintree Retail Park
- Land north of Freeport Outlet Village, Braintree (also allocated as an Employment Policy area)
- Swanvale, Colchester Road, Witham
- The Maltings Lane Neighbourhood, Witham (up to a maximum of 2.287 ha) on the Proposals Map

Policy ADM 37a - Regeneration Site - Land at Broomhills, Pod's Brook Road, Braintree

Land at Broomhills, Pod's Brook Road, Braintree is allocated as a Regeneration Site which could include the following uses:

- Business (B1), General Industrial (B2), Storage and Distribution (B8)
- Display, repair and sale of vehicles, vehicle parts, boats and caravans
- Indoor sports and recreation uses, which will only be permitted when identified needs for these uses cannot be met within suitable and viable town centre, or edge of centre sites.
- The sale of non-food retail products, of a weighty or bulky nature and associated ancillary goods (subject to a sequential test and impact assessment).
- The sale of retail goods, including food (subject to a sequential test and impact assessment).

Policy ADM 43a – Health Impact Assessments (Amended)

Development proposals will be required to assess their impact on health and well-being, upon the capacity of existing health services and facilities, the environmental impact and the promotion of health improvement activities.

For Use Class C2 developments comprising residential care homes and nursing homes, and Use Class C3 residential developments in excess of 50 units and non-residential developments in excess of 1,000m² this will take the form of a Health Impact Assessment which will measure the wider impact upon healthy living and the demands that are placed upon the capacity of health services and facilities arising from the development.

Where significant impacts are identified, planning permission will be refused unless infrastructure provision and/or funding to reasonably meet the health service requirements of the development are provided and/or secured by planning obligations, or by CIL, as appropriate.

The District Council will require Health Impact Assessments to be prepared in accordance with the advice and best practice for such assessments as published by the Department of Health and other agencies, such as NHS North Essex.

Policy ADM 47 – Parking Provision

The recommended amendment to this Policy was accepted, but it was agreed that the supporting text should include an explanation about the proposed provision of a new car park on part of the site of the Bramston Sports Centre, Witham.

Policy ADM 49 – New Road Schemes

This Policy was not amended, but it was agreed that:-

- (1) Essex County Council Highway Officers be requested to clarify whether or not the route of Halstead Bypass has been abandoned and whether this decision has been made by an elected Member(s).
- (2) It was agreed that the proposed second access to Witham Railway Station car park at Station Road, Witham should be retained within Policy ADM 49 - New Road Schemes and the Proposals Map amended to indicate the location of the second access as approved following a safety audit, subject to further discussion with Essex County Council Highway Officers regarding one-way and two-way access arrangements.

Policy ADM 52 - Built Development in the Countryside

New buildings for agricultural, forestry or equestrian facilities will only be permitted where there are no existing buildings which, through re-use or conversion, may be capable of meeting the identified need demonstrated to the satisfaction of the Council.

New buildings, where they are necessary, should be well-related to existing buildings and of a scale commensurate to the identified need. In all cases development will only be permitted where:-

- It will not have a detrimental impact on the landscape character, nature conservation interests or any adjacent residential areas;
- It is satisfactory in terms of scale and level of activity with its location and any neighbouring residential amenity;
- The vehicle type and movements generated by a new building should be able to be safely accommodated on the existing road network, without detriment to the character of the local area;
- The design should be sympathetic to its position in terms of scale, materials, colour and architectural detail, with appropriate landscaping.
- New buildings should have no detrimental impact on any heritage asset, or its setting
- No additional residential accommodation is consequently required to supervise the facilities

Applications for equestrian facilities must also show that there are adequate off-road riding facilities located on site, or that there are bridleways, byways, or minor roads in the vicinity, suitable for horse-riders which can be accessed without the use of heavily trafficked roads.

Supporting Text to Policy ADM 53a - Redundant or Disused Buildings in the Countryside

There are a number of agricultural buildings in the countryside, which are no longer suitable for their original purposes.

Many of these buildings make a positive contribution to the character and appearance of the local area and provided they meet the criteria set out in the following policy, their change of use to business or residential uses would be supported.

The conversion of buildings which provide local community facilities including community halls, shops places of worship, public houses etc should be considered under policy ADM43 Retention of Local Community Services and Facilities.

Buildings are required to retain their original character, therefore those which are not permanent or substantial structures (such as metal framed barns or sheds) or are structurally unsound, or proposals which involve the addition of large extensions or the erection of ancillary structures will not be supported. The proposed curtilage of the site should be of a size commensurate to its use and should ideally be contained by existing hedging and vegetation.

Planning applications for residential development of a redundant building in the countryside are required to show that a significant environmental improvement will be achieved through the residential redevelopment of the building or that marketing of the property for a range of uses has been carried out to the satisfaction of the council, before a planning application for residential development will be considered. The deliberate mismanagement of a site or building in order to achieve an environmental improvement will not be considered in this policy.

Where a building is a registered community asset, there will be a requirement for the 6 month period under which the community have the right to purchase the property to have lapsed, before any application for change of use will be considered.

Proposals considered under this application would also need to consider the impact on the landscape, protected species and heritage assets (including the building to be converted itself) as set out in other policies in this plan. If the proposed business use is for tourist accommodation this must also comply with the criteria set out in policy ADM75 Tourist Development.

A temporary change to permitted development rights (currently proposed to end in May 2016) allows the conversion of former agricultural buildings of less than 500sqm to uses in the following classes, A1 shops, A2 Financial and professional services, A3 restaurants and cafes, B1, (business) B8 (storage and distribution), C1 (hotel) and D2 (assembly and leisure) subject to prior approval for those above 150sqm. During the course of this change in permitted development rights this policy will only be applicable to applications in which the 500sqm threshold has been reached, or for applications for other uses not covered under the permitted development rights.

Policy ADM 53a - Redundant or Disused Buildings in the Countryside

The conversion of agricultural buildings in the countryside for business uses will be permitted providing that:

1. The proposed use is satisfactory in terms of scale and level of activity with its location and any neighbouring residential amenity.
2. Safe and satisfactory vehicle access and egress and manoeuvring space can be provided together with adequate vehicle parking in line with the council's standards.
3. The scale and frequency of traffic generated can be accommodated on the road system without adverse effects on the road system itself, residential amenity or the character of the countryside.
4. Buildings must be of substantial construction and capable of conversion.

Conversion of existing buildings for residential use may be acceptable if the development meets all the criteria set out above plus either of the following criteria;

1. The property has been marketed for a range of countryside uses and commercial purposes to the satisfaction of the Council,
 - At a reasonable market rate
 - On flexible terms
 - For at least 6 monthsand that the outcome of that marketing demonstrates that the use of the building for countryside uses or commercial purposes is unviable.
2. The proposed scheme would lead to a significant enhancement to the immediate setting of a redundant or disused building.

Policy ADM 58 – Development Likely to Give Rise to Pollution, or the Risk of Pollution

This Policy was not amended, but it was agreed that the supporting text should include a reference to the need to submit a noise assessment.

Policy ADM 60 – Layout and Design of Development

The Council will seek a high standard of layout and design in all developments, large and small, in the District. Planning Permission will only be granted where the following requirements are met:

- The scale, layout, density, height and massing of buildings, materials used and overall elevational design should reflect or enhance local distinctiveness and shall be in harmony with the character and appearance of the surrounding area: including their form, scale and impact on the skyline in the locality and on the building line;
- Buildings, open areas, circulation spaces, and other townscape and landscape areas shall be of a high standard of design and materials;
- There shall be no undue or unacceptable impact on the amenity of any nearby residential properties;
- Designs shall recognise and reflect local distinctiveness, and be sensitive to the need to conserve local features of architectural, historic, and landscape importance, particularly within Conservation Areas and in

proximity to listed buildings, parks and gardens of historic interest, ancient monuments and sites of archaeological importance;

- Both the overall planning and detailed design shall incorporate measures to ensure the recognised national standards for environmental sustainability throughout the construction, occupation, and demolition of the development, in relation to energy conservation, water efficiency, waste separation (Internal and External), climate change, flood resilient and resistant construction, and the use of materials with low overall energy requirements,
- Design and layouts shall promote a safe and secure environment, crime reduction and prevention and shall encourage the related objective of enhancing personal safety; with the maximum amount of natural surveillance of roads, paths and all other open areas and all open spaces incorporated into schemes;
- Landscape design shall promote and enhance local biodiversity;
- The design and level of any lighting proposals will need to be in context with the local area, comply with national policy and avoid or minimise glare, spill, and light pollution;
- Use of sustainable modes of transport is promoted in the design and layout of new development, the highway impact is assessed and the resultant traffic generation and its management shall seek to address safety concerns and avoid significant increases in traffic movement, particularly in residential areas;
- Proposals for the long term maintenance of public areas, landscaping and highways are included.

Policy ADM 65 - Illuminated Signs in Conservation Areas

- (1) That consideration of this Policy be deferred pending clarification of the wording relating to the position of hanging signs and whether these should be illuminated, or not.
- (2) That the Chairman of the Local Development Framework Sub-Committee be authorised to approve any changes to the wording of the Policy.

Policy ADM 66 - Alterations and Extensions and Changes of Use to Listed Buildings or Structures and their Settings

The proposed amendments to this Policy were agreed, subject to inclusion within the supporting text of a reference to a local list of heritage assets. Such a list shall be compiled by eg. a local voluntary, and/or community group and shall not be the responsibility of Braintree District Council.

- (2) That the Chairman of the Local Development Framework Sub-Committee be authorised to approve all other necessary changes to the supporting text of the Site Allocations and Development Management Plan.

The meeting commenced at 6.00pm and closed at 9.19pm.

Councillor R G Walters

(Chairman)

APPENDIX

LOCAL DEVELOPMENT FRAMEWORK SUB-COMMITTEE

11TH JULY 2013

PUBLIC QUESTION TIME

Details of Questions Asked / Statements Made During Public Question Time

- 1 Statements Relating to Item 5 - Site Allocations and Development Management Plan Draft - Site Allocations for Bedells Avenue, Black Notley; Broomhills Industrial Area, Braintree; land adjacent to Badgers Oak, Nounsley Road, Nounsley; Primary Shopping boundary and former Co-op store, Witham; Site BON8HAIt, Bakehouse and Unit 1 Bovingdon Road, Bocking; and Site BON19HAIt, former landfill site Bovingdon Road, Bocking

Bedells Avenue, Black Notley

Statement by Mr John Cousins (address not supplied) (supporting extension of Visually Important Space)

Statement by Mr Andrew Adair, 5 John Ray Gardens, Black Notley (supporting extension of Visually Important Space)

Statement by Councillor Alison Hunt, Chairman of Black Notley Parish Council (supporting extension of Visually Important Space)

Broomhills Industrial Area, Braintree

Statement by Mr Sean McGrath, Indigo Planning, Swan Court, Worple Road, London (for Sainsbury's Supermarkets Ltd) (Agent for site promoter)

HAT15HAIt - Land adjacent to Badgers Oak, Nounsley Road, Nounsley

Statement by Mr Mike Renow, c/o Mr Gary Miller, Barnards and Gates Farm, Nounsley Road, Hatfield Peverel (objector/against allocation of site for development)

Statement by Ms Jane Skeates, c/o 31 Hamlet Road, Chelmsford (for land owner)

Statement by Councillor Derrick Louis, District Councillor for Hatfield Peverel Ward, 10 Priory Farm Road, Nounsley (against allocation of site for development)

Statement by Councillor James Abbott, District Councillor for Bradwell, Silver End and Rivenhall Ward, 1 Waterfall Cottages, Park Road, Rivenhall (against allocation of site for development)

Primary Shopping Boundary and Former Co-op Store, Witham

Statement by Councillor James Abbott, District Councillor for Bradwell, Silver End and Rivenhall Ward, 1 Waterfall Cottages, Park Road, Rivenhall (in support of the retention of the Primary Shopping Boundary within the town centre)

Site BON19HAIt, Former Landfill Site, Bovingdon Road, Braintree

Statement by Mr Paul Hales, Paul Hales Associates, Goslings Farm, Bradwell (Agent for site promoter)

2 Statement Relating to Item 6 - Braintree District Protected Lanes Assessments 2013

Statement by Councillor James Abbott, District Councillor for Bradwell, Silver End and Rivenhall Ward, 1 Waterfall Cottages, Park Road, Rivenhall (in support of the revised allocation of Sportman's Lane Nounsley and against the non-allocation of Little Braxted Lane, Rivenhall as Protected Lanes)

3 Statements Relating to Item 7 - Site Allocations and Development Management Plan - Amendments to Policies and Supporting Text: Housing, Employment, Retail, Community Facilities, Transport (including Witham Railway Station car park second access), Environment, Conservation, and Sport and Recreation

Policy ADM 11 - Replacement Dwellings in the Countryside

Statement by Councillor John O'Reilly-Cicconi, District Councillor for Gosfield and Greenstead Green Ward, The Old Vicarage, Sudbury Road, Bulmer

Policy ADM 49 - New Road Schemes (second road access to Witham Railway Station Car Park from Station Road)

Statement by Mrs Sam Mott, c/o Mrs Caroline Easton, The Rowans, 34 Avenue Road, Witham (against second road access)

Statement by Mr Robert Branch, 30 Avenue Road, Witham (against second road access/supporter of alternative proposal)

Statement by Councillor James Abbott, District Councillor for Bradwell, Silver End and Rivenhall Ward, 1 Waterfall Cottages, Park Road, Rivenhall (against current proposal for second road access)

Policies:-

ADM 7 - Gypsy and Traveller and Travelling Showpersons Accommodation

ADM 13 - Hamlets

ADM 20 - Workplace Nurseries

ADM 60 - Layout and Design of Development

ADM 65 - Illuminated Signs in Conservation Areas

ADM 66 - Alterations and Extensions and Changes of Use to Listed Buildings or Structures and their Settings

Statement by Councillor James Abbott, District Councillor for Bradwell, Silver End and Rivenhall Ward, 1 Waterfall Cottages, Park Road, Rivenhall (Councillor Abbott spoke on each of these policies)

Minutes



Local Development Framework Sub- Committee 24th July 2013

Present:

Councillors	Present	Councillors	Present
D L Bebb	Yes	Lady Newton	Yes
G Butland	Apologies	W D Scattergood	Yes
A V E Everard	Yes	C Siddall	Yes
M C M Lager	Yes	M Thorogood	Yes
J M Money	Yes	R G Walters (Chairman)	Yes

Councillor Horner was also in attendance.

Mrs Eleanor Dash

At the commencement of the meeting Councillor Walters, Chairman of the Local Development Framework Sub-Committee, announced that Mrs Eleanor Dash, Planning Policy Manager, would be retiring in August 2013 after 39 years public service, 24 of which had been with Braintree District Council. On behalf of the Sub-Committee and personally, Councillor Walters thanked Eleanor for her dedication and work. Councillors Everard, Lager and Lady Newton praised Eleanor also for her exemplary service, common sense and unstinting willingness to deal with all requests for help and advice. All Members of the Sub-Committee wished Eleanor well for the future.

Eleanor thanked Councillors for their kind words.

20 **DECLARATIONS OF INTEREST**

INFORMATION: There were no interests declared.

21 **MINUTES**

INFORMATION: The Minutes of the meeting of the Local Development Framework Sub-Committee held on 11th July 2013 were confirmed as a correct record and signed by the Chairman.

22 **QUESTION TIME**

INFORMATION: There was one statement made. Details of the person who spoke at the meeting are contained in the Appendix to these Minutes.

Principally, these Minutes record decisions taken only and, where appropriate, the reasons for the decisions.

23

SITE ALLOCATIONS AND DEVELOPMENT MANAGEMENT PLAN DRAFT - SUSTAINABILITY APPRAISAL/STRATEGIC ENVIRONMENTAL ASSESSMENT

INFORMATION: It was reported that Essex County Council had been commissioned to undertake a Sustainability Appraisal (SA), incorporating a Strategic Environmental Assessment (SEA) of the draft Site Allocations and Development Management Plan. The purpose of the SA/SEA was to identify any impact which the draft Plan may have on sustainability, prior to publication of the submission version of the Plan.

Each site contained within the draft Plan had been appraised against fifteen sustainability objectives. The appraisal and assessment had identified positive, negative and other impacts relating to each site. A summary of the findings for each site was set out in the SA/SEA Environmental Report.

The appraisal and assessment of the Development Management Policies had concluded that these impacted positively on the sustainability objectives of the Plan, particularly with regard to shaping the District's communities, economy and landscape. However, areas for possible improvement had been identified in respect of water quality and sewerage, flood risk and air quality.

The SA/SEA had also been subject to public consultation and details of the representations which had been submitted were set out in the Agenda report. It was noted that the representations had been considered at previous meetings of the Sub-Committee.

Following adoption of the Site Allocations and Development Management Plan, the Council would publish an SA/SEA Adoption Statement to indicate how environmental considerations and consultation responses had been reflected in the Plan and how its implementation would be monitored in the future.

DECISION: That the Sustainability Appraisal/Strategic Environmental Assessment of the draft Site Allocations and Development Management Plan, and the representations submitted during the consultation period, be noted.

24

STATEMENT OF COMMUNITY INVOLVEMENT - CONSULTATION RESPONSES

INFORMATION: Consideration was given to a report on the Statement of Community Involvement (SCI). This was one of the key documents of the Local Development Framework and outlined community involvement in planning applications and plan making. The Council's SCI had initially been adopted on 13th July 2006 and amendments had been approved in 2009 and 2010.

A further review of the SCI had been carried out in 2012 and the document had been condensed to provide a clear overview of consultation and engagement activities.

The draft revised SCI had been published for a six week consultation period during January and February 2013 concurrent with consultation on the draft Site Allocations and Development Management Plan. Three representations had been submitted and details of these were set out in the Agenda report. No further amendments to the SCI were proposed in response to these representations.

DECISION: That the draft, revised Statement of Community Involvement be approved without further amendment in response to the representations submitted.

25 **BRAINTREE DISTRICT PROTECTED LANES ASSESSMENTS 2013 - LITTLE BRAXTED LANE, IN THE PARISH OF RIVENHALL**

INFORMATION: Members were reminded that Essex County Council had carried out an assessment of Protected Lanes in the Braintree District. This assessment had been approved by the Local Development Framework Sub-Committee on 11th July 2013. However, concern had been expressed that Little Braxted Lane in Rivenhall Parish (BTELANE143) had not been identified as a Protected Lane and it was agreed that a further assessment of the lane should be undertaken.

A more detailed assessment of the lane had now been carried out and, as requested, this had included reference to the document 'A Hidden Countryside' written by Mrs Helen Pitchforth. A report on the outcome of the re-assessment had been circulated in advance of the meeting. This confirmed that the lane did not meet the criteria for designation as a Protected Lane.

DECISION: That Little Braxted Lane in the Parish of Rivenhall be not identified as a Protected Lane.

26 **SITE ALLOCATIONS AND DEVELOPMENT MANAGEMENT PLAN - CONSULTATION PROCEDURE**

INFORMATION: Consideration was given to a report on the consultation procedure which had taken place on the draft Site Allocations and Development Management Plan and how the representations submitted had been dealt with. The report set out also the proposed strategy for consultation on the Submission draft of the Plan, which would take place in Autumn 2013.

The draft Site Allocations and Development Management Plan had been published for consultation for a six week period between 9th January 2013 and 22nd February 2013. Publicity about the draft Plan had included notification to all District Councillors and people on the Local Development Framework consultee database; Press releases; a front page feature on Braintree District Council's website; references on social media sites (Facebook and Twitter); displays in local libraries; and correspondence and information sent to Town and Parish Councils.

In the first two days of the consultation period, site notices had been erected adjacent to all new, proposed residential development sites of ten or more dwellings and all new, proposed employment sites. A series of 12 staffed displays had been held across the District. Members were reminded that the Local Development Framework Sub-Committee had agreed not to write to all households in the District to inform them about the consultation process.

People had been given the opportunity to speak during Question Time at Local Development Framework Sub-Committee meetings, or to submit written statements, and the majority of meetings had also been webcast, enabling the public to view the proceedings.

During the consultation period 1636 individual comments had been received from 1007 separate consultees. Several petitions had also been received. In addition, land owners had put forward 54 possible development sites across the District, which had been subject to consultation with the relevant Parish and Town Councils.

Consultation on the Submission draft of the Site Allocations and Development Management Plan would take place in Autumn 2013. Whilst representations would be submitted to the Council, these would primarily be for the Planning Inspector appointed to examine the document to consider. Representations would have to be based on the four tests of soundness set out in national guidance which required that the Plan should be positively prepared; justified; effective; and consistent with national policy.

Details of the proposed six week period of consultation on the Submission draft Plan and publicity arrangements were set out in the report. These would include a prominent article in the Council's magazine which would be distributed to all households in the District at the end of September 2013.

DECISION:

- (1) That the consultation strategy for the draft Site Allocations and Development Management Plan and the number of responses received, be noted.
- (2) That the consultation strategy for the Submission draft of the Site Allocations and Development Management Plan be approved.

Future Meetings

It was reported that the Local Development Framework Sub-Committee meeting scheduled for 4th September 2013 had been cancelled and that the next meetings of the Sub-Committee would be held on 6th November 2013 and 8th January 2014.

At the close of the meeting, the Chairman thanked all Members of the Sub-Committee and Officers for their hard work on the Local Development Framework process.

The meeting commenced at 6.00pm and closed at 7.05pm.

Councillor R G Walters

(Chairman)

APPENDIX

LOCAL DEVELOPMENT FRAMEWORK SUB-COMMITTEE

24TH JULY 2013

PUBLIC QUESTION TIME

Details of Questions Asked / Statements Made During Public Question Time

- 1 Statement Relating to Item 8 - Site Allocations and Development Management Plan - Consultation Procedure

Statement by Mr Jim Konig, 107 Bridport Way, Braintree.