

Cabinet AGENDA

Monday 10th September 2018 at 7:15pm

**Council Chamber, Braintree District Council, Causeway House,
Bocking End, Braintree, CM7 9HB**

THIS MEETING IS OPEN TO THE PUBLIC
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Members of the Cabinet are requested to attend this meeting to transact the business set out in the Agenda.

Membership:-

Portfolio

Leader of the Council	Councillor G Butland (Chairman)
Environment and Place	Councillor Mrs W Schmitt (Deputy Leader of the Council) Councillor R van Dulken
Planning and Housing	Councillor Mrs L Bowers-Flint Councillor Mrs G Spray
Economic Development	Councillor T Cunningham Councillor K Bowers
Health and Communities	Councillor P Tattersley Councillor F Ricci
Finance and Performance	Councillor D Bebb
Corporate Services and Asset Management	Councillor J McKee

Invitees

Representatives of the Labour Group, Halstead Residents Association Group and Green Party and Chairman of the Overview and Scrutiny Committee and Governance Committee.

Members unable to attend the meeting are requested to forward their apologies for absence to the Governance and Members Team on 01376 552525 or email governance@braintree.gov.uk by 3pm on the day of the meeting.

A WRIGHT
Chief Executive

INFORMATION FOR MEMBERS - DECLARATIONS OF INTERESTS

Declarations of Disclosable Pecuniary Interest, Other Pecuniary Interest or Non-Pecuniary Interest

Any member with a Disclosable Pecuniary Interest, other Pecuniary Interest or Non-Pecuniary Interest must declare the nature of their interest in accordance with the Code of Conduct. Members must not participate in any discussion of the matter in which they have declared a Disclosable Pecuniary Interest or other Pecuniary Interest or participate in any vote, or further vote, taken on the matter at the meeting. In addition, the Member must withdraw from the chamber where the meeting considering the business is being held unless the Member has received a dispensation from the Monitoring Officer.

Question Time

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AGENDA

No	Title and Purpose of Report	Pages
1	Apologies for Absence	
2	Declarations of Interest To declare the existence and nature of any Disclosable Pecuniary Interest, other Pecuniary Interest or Non-Pecuniary Interest relating to items on the agenda having regard to the Code of Conduct for Members and having taken appropriate advice where necessary before the meeting.	
3	Minutes of the Previous Meeting To approve as a correct record the minutes of the meeting of Cabinet held on 9 th July 2018 (copy previously circulated).	
4	Public Question Time (See paragraph above)	
5	CORPORATE SERVICES AND ASSET MANAGEMENT	
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8a	Leader's Update	
	Leader of the Council to give a brief update on key issue and activities.	
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Strategic Investment Team – Permanent Structure Resource Proposal		Agenda No: 5a
Portfolio Corporate Outcome:	Corporate Services and Asset Management A sustainable environment and a great place to live, work and play A well connected and growing district with high quality homes and infrastructure A prosperous district that attracts business growth and provides high quality employment opportunities Residents live well in healthy and resilient communities where residents feel supported A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor John McKee, Cabinet Member for Corporate Services and Asset Manager	
Report prepared by:	Danny Sutcliffe, Head of Strategic Investment	
Background Papers:		Public Report
District Investment Strategy		Key Decision: No
Executive Summary:		
<p>Over the last 18 months the Strategic Investment Team has identified and developed a portfolio of projects which delivers a pipeline programme of over £100 million. The current Team has expanded through the use of Consultants and permanent staff to cover the increased workload. This transitional arrangement will run for a further 9 months and come to an end this financial year March 2019.</p> <p>To ensuring the Strategic Investment Team has sufficient capacity to deliver the Council's ambitious capital projects, on time and budget and to a high-standard over the medium to long term, the transitional arrangement needs to be replaced with a permanent structure.</p> <p>This will ensure that; all new-build Council properties are completed to a high quality, are handed-over into management seamlessly and defects are minimised. It will also ensure that sufficient capacity is available from other Council Teams (e.g. Finance and Legal) and that the Council's growth objectives are promoted appropriately with external stakeholders. In addition grant funding opportunities can be explored, and the Strategic Investment Team will support delivery of the Council's current growth plans and make a direct and tangible impact on the corporate strategy objectives.</p>		

The permanent Team follows the logic of the transitional Team and will see a mixture of permanent staff to provide continuity and knowledge retention and Consultant staff to cover short term contracts and any skills gaps that may arise.

There will need to be an increase in the current budgets as the current market for specialist residential development staff is very competitive and salaries will need to be comparable to the market to attract the right calibre of candidate. The competitive market also means the Council will need to use specialist recruitment agencies to fill these roles. This process should take 6-9 months and so is achievable before the end of the financial year.

Recommended Decision:

Members are asked to RECOMMEND to Council:

1. Approval of a budget increase over a four year period, 2019/2023 of £2,710,700 for the Strategic Investment Team as detailed in this report.
2. Funding to be provided from an allocation of £1,991,223 from the unallocated New Homes Bonus and the balance of £719,477 to be capitalised and recharges to the Housing Development Company.

Purpose of Decision:

To enable the recruitment of permanent staff to the Strategic Investment Team's new structure, which will enable the delivery of a wide range of capital projects delivering both capital and revenue income to the Council.

Any Corporate implications in relation to the following should be explained in detail.

Financial:	The estimated cost of the proposed Strategic Investment Team over the four-year period is £3,448,660. The approved budget for the existing members of the Team is £737,960 over the period. The net additional budget requested is therefore £2,710,700. Based on the indicative development programme it is proposed that this is funded in part from recharges to capital and the Housing Development Company (£719,477), and part from the unallocated New Homes Bonus (£1,991,223). The estimated balance of unallocated New Homes Bonus at 31 st March 2019 is £2,313,700.
Legal:	All recruitment of staff will be carried out in accordance with the Council's procurement policies.
Safeguarding:	No matters arising out of this report
Equalities/Diversity:	The recruitment of the new staff will be in accordance with the Council's equality and diversity policies.
Customer Impact:	The recruitment to the new structure will enable the delivery of new homes, commercial space, new medical facilities, infrastructure and potentially thousands of jobs. In addition it will provide long term revenue streams which will be invested in frontline services.
Environment and Climate Change:	There will be environmental impacts through the development of new homes and commercial properties which will all have CO2 implications. Part of the process of developing new projects will involve looking at minimising the carbon implications of the development.
Consultation/Community Engagement:	Consultation will be a multi-layered approach which will include dialogue to; the existing staff Team, the District Growth Officer Group, the Officer and Member Reference Groups and the monthly Sustainable Development Managers' Meeting to ensure Officers and Members have a full understanding of the importance of the Investment strategy and the need to resource appropriately to ensure effective deliver.
Risks:	The main risks are the failure to recruit will lead to either increased delivery costs or the stalling of the programme. These are examined in more details in Section 14.
Officer Contact:	Danny Sutcliffe
Designation:	Head of Strategic Investment
Ext. No:	
E-mail:	danny.sutcliffe@braintree.gov.uk

1. Background

- 1.1 The Strategic Investment team is responsible for the delivery of Braintree District Council's development programme across residential and commercial uses. The purpose of the Team is to deliver capital projects which impact positively on the Council's Corporate Strategy objectives and, where possible, produce long-term income to support the ongoing delivery of services and generate receipts which can be reinvested. In addition, the Team takes the lead on the overall growth agenda and bidding for external grant funding, working strategically across the Council and with other Partners.
- 1.2 The combined approved and pipeline development programme represents investment in excess of £100m.
- 1.3 Currently, the Manor Street Regeneration project is the most advanced and the most resource intensive project. The various elements of the scheme and the inter-relationship between these make it very complex and it is currently taking up a large part of the Team's time.
- 1.4 In addition to Manor Street, there are further complex projects that need driving forward and managing notably; establishing a Housing Development Company (DevCo), Great Notley Employment Site (GNES), Witham Enterprise Centre, I- Construct Innovation Centre, Millennium Way Slip Roads and the thirteen identified housing sites. It is also essential that the Team has sufficient resource to identify and progress further commercial opportunities.
- 1.5 The drivers for and benefits of this Growth Bid are:
 - ensuring the Strategic Investment Team has sufficient capacity to deliver the Council's ambitious capital projects, on time and budget and to a high standard;
 - ensuring that all new-build the Council properties are completed to a high quality, are handed-over into management seamlessly and defects are minimised;
 - ensuring that sufficient capacity is available from other the Council Teams (e.g. Finance and Legal) to support strategic investment activities;
 - ensuring that the Council's growth objectives are promoted appropriately with external stakeholders;
 - Identifying and securing appropriate grant funding opportunities from external bodies;
 - Monitoring spend of third party grant funding, ensuring commitment and spend to agreed milestones.

1.6 The proposed expansion of the strategic investment team will support delivery of the Council's current growth plans and make a direct and tangible impact on the following corporate strategy objectives:

- A well-connected and growing District with high-quality homes and infrastructure;
- A prosperous District that attracts business growth and provides high-quality employment opportunities;
- Residents live well in healthy and resilient communities where residents feel supported;
- A high-performing organisation that delivers excellent and value-for-money services.

2. Current Issues

2.1 The abovementioned analysis of resourcing identified the following main factors to be considered in designing an effective permanent Team structure:

- **Leadership and Management of the Team** – The biggest challenge facing the Team is working to establish the new structure which will enable the delivery of high quality residential and commercial projects. Creating a goal-focused “can do” culture which can drive forward the overall growth agenda. Work strategically across the Council as well as working with other agencies, working to raise the Council's profile with external partners, identifying funding streams, implementing processes and procedures, leading on the DevCo and bringing other opportunities forward are all required;
- **Balancing Permanent and Contract Staff** - The reliance on interim Consultant resources during the transitional period has been advantageous as experienced individuals have been brought in quickly to support initial work and the team set-up. Moving forward, it is recommended that the majority of Strategic Investment staff are directly appointed, permanent employees to build knowledge, capacity and resilience within the Council. However, short-term Consultant support will be necessary to address periods of programme peaks;
- **Manor Street Regeneration** - This is a complicated project by virtue of the various uses of the building, the negotiations around each of these, need for compliance and the fundamental need to ‘get it right’, as it is the Council's first major development. The project is at a critical stage, with planning submission, commencement of the procurement process and completion of legal agreements with end users all required in the next three months. Keeping track of all relevant risks and liabilities is critical;

- **Reference Groups** – Reference Groups at a Member and Officer level are being set-up for Manor Street, GNES and the DevCo;
- **Project Resourcing** – The expected increase in the Council's development programme will bring inevitable resource pressures. These can be covered by the transitional team but will require a permanent team in place within 9-12 months. Without an appropriate expansion of the team, it is unlikely that the desired growth will be delivered successfully, on budget and on programme. It is recognised that some additional administrative support will be required over the transitional period. This will be resourced from the current budget.
- **Industry Engagement** – As the Council's programme develops, it is essential that key staff act as 'brand ambassadors', engaging, networking and promoting the Council's activities and objectives externally. Engagement with the development industry will serve to generate further opportunities and, crucially, raise the Council's profile with key stakeholders.

3. Pipeline Projects and Workload:

3.1 The size of the Strategic Investment team needs to reflect the size, scale and complexity of the projects that it will be delivering. The Team will focus on the delivery of existing projects, whilst also identifying, securing and progressing new commercial opportunities. Specifically, the Team will deliver the following work-streams:

- Residential market rents;
- Residential private sales;
- Delivery of affordable homes;
- Possible joint venture with local land owners;
- Possible joint venture with house builders/developers;
- Identifying redevelopment opportunities from within the Council-owned asset portfolio;
- Identifying the Council-owned ransom strips;
- Land and site identification and rationalization;
- Rural exception sites;
- Capturing land and funding via Section 106 Agreements (S106);
- Possible land purchase;
- Mixed-use class commercial provision;
- Healthcare provision;
- Commercial start-up plus business development;
- Commercial grow-on;
- Investment in infrastructure projects.

3.2 The current project span be split into six clear areas of work:

- Officer and Member engagement;
- Manor Street;
- GNES and Commercial;
- DevCo set-up and site development;
- S106 opportunities;
- Infrastructure.

- 3.3 This exciting and complex portfolio will need an experienced, high quality staff team to lead and deliver the programme. The proposal will be to deliver this with permanent directly appointed staff with potential to engage additional consultant support to manage 'peaks and troughs' in work streams. To give a clear idea of the staffing levels required each work area has been allocated resources to enable delivery.

4. Proposed New Structure:

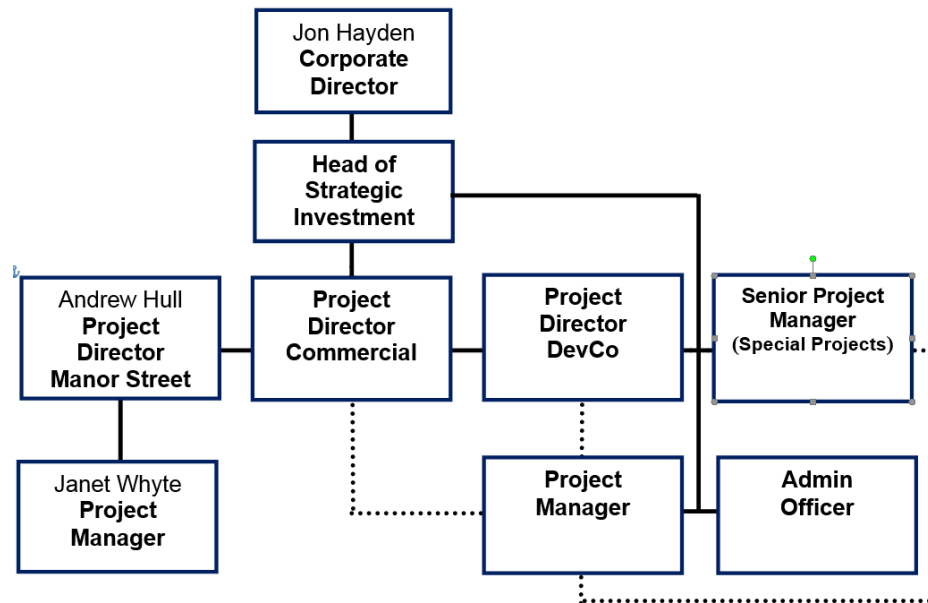
- 4.1 Having considered the current and pipeline programme and corporate requirements, the following resource is required:

Post	Number of FTE	Status
Head of Strategic Investment	1.0	Permanent
Project Directors	2.6	Permanent
Senior Project Manager	1.0	Permanent
Project Manager	2.0	Permanent
Admin Officer	1.0	Permanent
TOTAL	7.6	

- 4.2 The table below sets out the six work areas and the proposed staff complement required to deliver this service. This has been broken down into recommended roles and the number of days each role would require. This structure follows the logic of the transitional structure with a Head of Service providing the leadership and strategic vision with project directors for the three main projects. They will be supported in turn by Senior Project Managers and Project managers. The level of administrative support has been increased as development projects are by their nature process driven and therefore admin heavy.

	Workstreams							
Roles	Corporate	Manor Street	DevCo	Special Projects	GNES	Infra-structure	TOTAL DAYS P/W	TOTAL FTES
Head of SI	5						5	1
Project Director		3	5		5		13	2.6
Senior Project Manager				5			5	1
Project Manager		2.5	3		2	2.5	10	2.0
Admin Officer	1	1	1	1	1		5	1.0
TOTAL DAYS P/W	6	6.5	9	6	8	2.5	38	7.6

- 4.3 As an organisational chart the team would look as follows (including staff already in-post):



- 4.4 The responsibilities and key tasks associated with the individual roles are described below:

4.4.1 **Head of Strategic Investment:**

The Head of Strategic Investment role requires an experienced individual who can work strategically, manage and motivate a team and ensure that the tools are in place to deliver. They will represent the Team within the Council corporately, ensure effective communication and represent the Council externally with other agencies e.g. Homes England, Essex County Council, Highways England etc.

This role will have ultimate responsibility for all Strategic Investment activities, including programme management and line management responsibility for the Project Directors. However, a matrix management system could be implemented, so that the Project Directors are supported from both the Project Manager and Project Support Officers.

Following discussions with the Council's HR & OD Manager, it is proposed that the Head of Strategic Investment will be graded at Service Director level and subject to pay grades 6001-6005 (£76,440-£84,926).

Key Tasks once appointed:

- Provide leadership;
- Line management responsibility for Team;
- Ensure seamless transition of the Team to the permanent structure;
- Develop plans for upskilling existing staff and provision of services from consultants for specialist services;
- Programme management of all Strategic Investment projects;

- Work with Marketing and Comms team on strategy and branding;
- Lead on strategic conversations with other Agencies;
- Act as a brand ambassador, raising the profile of the Council and the District externally;
- Identify external funding opportunities and lead on all funding bids;
- Explore options for how overall team structure fits with establishment of a DevCo;
- Represent the Strategic Investment team within the Council as required;
- Support on any key projects as required;
- Shape the vision for future projects and a sustainable pathway for identification and delivery of future opportunities.

4.4.2 Manor Street Project Director:

This complex regeneration project needs a strong, experienced and dedicated Project Manager to lead on detail and delivery. To do this, they will focus exclusively on this project and not get involved in other wider the Council activities. This post has been labelled Project Director in line with development industry norms to get an appropriate calibre of individual to take responsibility for the project. Given the scheme-specific nature of the Project Director role, there may be merit in appointing on a fixed term basis.

Key Tasks once appointed:

- Overall project leadership
- Manage all project risks, project budget and programme;
- Ensure delivery on time, budget and to a high quality
- Ensure Members are kept up to date with project through Reference Group;
- Lead on the OJEU-compliant procurement of a contractor partner to ensure value for money, high-quality delivery and added social value;
- Agreements for lease in place for Live Well Hub, national hotel provider, pharmacy provider, Essex Passenger Transport, retail units;
- Satisfactorily resolve legal title issues on the site, including any party wall and Rights of Light issues;
- Work with DevCo Project Director to ensure the most beneficial disposal of the residential properties;
- Lead on scheme-related communications with key stakeholders, media, local community and public around works and completion timetable;
- Work with Marketing and Comms team to implement appropriate project branding.

4.4.3 Housing Development Company (DevCo) Project Director:

There is significant detailed work required to deliver the DevCo and move this forward within the Council's desired timeframes. This will be delivered under the transitional arrangements. However subject to the Reference Group's approval, there will be extensive strategic and site specific work required once the DevCo is set-up. This will require an experienced project manager. Again the post has been badged as a Project Director to attract the right calibre of staff.

Key Tasks once appointed:

- Overall project leadership;
- Prepare business plans to take through Cabinet approval;
- Develop plan for bringing forward sites identified and new sites;
- Ensure Members are kept up to date with project through reference group;
- Ensure governance and procedures kept up-to-date;
- Ensure appropriate consultant framework in place;
- Work completed with Finance on borrowing, cashflow, tax implications, scenario testing
- Identify and manage all risks and lead on maintenance of risk plan;
- Identify new opportunities;
- Maximise the potential of the company;
- Develop new workstreams, including rural exception sites, JVs, market rent etc.;
- Work with Marketing and Comms team to implement appropriate project branding.

4.4.4 Project Director Commercial:

This role is required to secure and deliver appropriate commercial opportunities. Critically, the role will also lead on GNES, involving securing a large commercial site, securing planning permission and bringing forward to delivery, creating jobs and growth locally. Securing the necessary infrastructure will be key. The post holder will be required to negotiate plot sales, secure long term stewardship and seek to optimise this opportunity for the Council.

Key Tasks once appointed:

- Overall project leadership;
- Create the strategy and vision for the delivery of GNES,
- Ensure Members are kept up to date with project through reference group;
- Manage site acquisition on most beneficial terms for the Council;
- Secure satisfactory planning consent, enabling the Council to deliver to business plan and corporate objectives;
- Develop the full business plan, working closely with Finance and Economic Development colleagues;
- Manage passage of business plan through the Council's approval process;
- Manage project budget;
- Manage project risks and lead on maintenance of risk plan;
- Seek funding opportunities;
- Identify, secure and deliver other appropriate commercial opportunities.

4.4.5 Senior Project Manager and Project Managers:

The number and level of Senior Project Managers and Project Managers could vary over time, depending on programme requirements. Initially, one Senior and two Project Manager roles are proposed. Given the reported lack of skills and experience in the development sector currently, the Council could

consider implementing a Graduate Trainee programme, with the necessary support and training to progress to Project Manager level.

Key Tasks once appointed:

- Delivery of the special projects that have and will arise, such as I-Construct and Premdor Healthcare;
- Lead on the progress and delivery of all infrastructure projects, including liaison with key stakeholders, such as Essex County Council, Highways England;
- Delivery of Millennium Way Slip Roads, in close liaison with Essex County Council and Highway England;
- Project management support for Manor Street;
- Develop project management skills to be able to lead future projects.

4.4.6 Admin Officer:

A dedicated Admin Officer role is needed on to cover administration, overall programme management and general support and organisation. This has been estimated at 1.0 full time equivalent.

Key Tasks once appointed:

- Provide holistic administrative support to the whole team;
- Develop and manage project and programme monitoring tools;
- Lead on arrangements for DGOG meetings;
- Manage the production of purchase orders;
- Ensure the timely payment of invoices and contract payments.

5. Feasibility Fund:

- 5.1 It is proposed that the Strategic Investment team budget includes £200,000 per annum to support feasibility work and specialist consultancy services. This funding is needed to allow the team to react quickly to new opportunities (for example, the commissioning of surveys, reports etc), work-up opportunities in advance of formal approvals and has been built-up in accordance with the following estimates:

Service Required	Estimated Cost Per Annum
Due diligence activities (i.e. site surveys, valuation advice, cost advice)	£75,000
Design activities (i.e. preparation of capacity studies, outline design)	£50,000
Sale and marketing advice (i.e. tenure advice, specification advice)	£25,000
Third party investment (i.e. identification of available funding, specialist bid writing support)	£50,000
TOTAL:	£200,000

- 5.2 This will ensure that the Council maximises opportunities to lever in third party investment, without diverting the team from its day-to-day activities. Such commissioning will be opportunity driven.

6. Wider Council Resource:

- 6.1 Appropriate resource to support growth from relevant Council Teams needs to be considered, primarily Finance, Legal and Marketing. Currently existing resource is being used to support the Team on an ad hoc basis. A review of what is required along with any revenue impacts needs to be undertaken in conjunction with the relevant departments.
- 6.2 It is assumed that this cost would be borne by the Strategic Investment Team. Accordingly, an allowance of £100,000 has been included within the estimated annual costs of the proposed new structure, following discussions with the Corporate Director (Resources), and is deemed to include the following resource:

- Specialist financial and taxation advice;
- Legal advice (including third party specialist advice);
- Marketing and Comms services (including graphic design).

7. Project Plan:

Resources:	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Approval for transitional resource												
Transitional staff in post												
Business Case for Change developed												
Cabinet approval of Business Case												
Recruitment												
Appointments made												
Execution of transition plan												
Projects:	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19
Commence work on DevCo												
Commence work on GNES												
Cabinet approval DevCo												
Cabinet approval GNES												
Manor Street Cabinet approval												
Manor Street Council approval												
Manor Street planning												
Manor Street contractor procurement												
Manor Street planning												
Manor Street contract let												
Premdor design and business case												
Premdor Cabinet approval												
Premdor planning												
Premdor contractor procurement												
Premdor contract let												
I-Construct Cabinet approval												
I-Construct contractor procurement												
I-Construct planning												
I-Construct contract let												

8. Alternative Options:

- 8.1 The current proposal has been generated following an options appraisal that considered and discounted the following:
- **Continuation of Transitional Structure:** Under the transitional structure and resource, the projects will come forward and opportunities will be delivered. However, this is an expensive approach and does not build future capacity in the team;

- **Head of Strategic Investment, No Project Directors:** The Head of Strategic Investment would need to devote a large amount of time to the Manor Street Regeneration, which would potentially put at risk other projects coming forward. It is unlikely the Head of Service would be able to give the Regeneration and DevCo projects the full attention each requires. Significant work would need to be delegated to the Project Managers, who may struggle with the complexity of the projects;
- **Outsourcing:** There is a particular skillset required to deliver these complex projects, which will need to be sought from people with private sector experience. It has been shown that when outsourced the ability to have control of priorities is diminished and, given the nature of the projects the Council is proposing, this is not recommended;
- **Cease Development:** The Council could choose to cease development activity, either totally or partially (i.e. following the delivery of Manor Street). However, given resources expended to date on the pipeline projects, achieving current Corporate Strategy objectives and contributing to the Council's long-term financial stability, this is not recommended.

9. Recruitment:

9.1 Informal discussions with appropriate recruitment consultants suggest that the market for development staff at all levels is competitive and there is a shortage of people with the right skills. Potential candidates for the Head of Service, Project Director and Project Manager positions are likely to be working in the following sectors:

- Developing Housing Associations;
- Private sector developers;
- Developing Local Authorities;
- Development Consultancies.

9.2 Initial feedback from a recruitment consultancy states that those in the private development and Housing Association Sectors have concerns regarding working for a Local Authority. The roles will need to be seen to be attractive on a financial and job satisfaction basis.

9.3 Initial market research has been undertaken to understand the level of opportunities currently available, alongside details of salary levels. The following table summarises recent comparable opportunities:

Role	Organisation	Location	Salary
Development Manager	LB Barking & Dagenham	London	£90,000
Head of Partnerships	Peabody Trust	London	£90,000
Head of Development	Colchester BC	Colchester	£75,000
Assistant Lead	Paragon Asra Housing	London	£85,000
Development Manager	BPHA	Bedford	£48,000

- 9.4 Due to the Council's salary structure and given the competitive candidate market, it is likely a market premium would need to be paid to attract people to the proposed roles. Initial research suggests the appropriate salary range for each role is as follows:

Role	Net Salary Range
Head of Strategic Investment	£75,000-£85,000
Project Directors	£70,000-£80,000
Project Manager	£40,000-£60,000

- 9.5 These salaries for the senior roles will be spot salaries to reflect the market rates and the project managers will be in line with current Council project management grades.
- 9.6 Subject to discussion and agreement with the Council's HR and OD Manager, It is recommended that the Council employ a specialist recruitment consultant to identify and directly approach suitable candidates for the Head of Strategic Investment role. In order to procure this service, consultants would be asked to provide initial proposals, case studies and a fee quote. Selection of the successful consultant(s) will be validated and confirmed by the Council's HR team.
- 9.7 The costs associated with the commissioning of employment consultants are estimated at £50,000 and are set out with in the year one additional costs.
- 9.8 Further work with the chosen recruitment would also be undertaken on salary expectations and job descriptions.
- 9.9 The following companies have been identified as potential Recruitment Consultants:
- Campbell Tickell;
 - Berwick Associates;
 - Panoramic Associates;
 - Tristone Nash.

10. Timescales

- 10.1 The following indicative timescale is considered realistic to secure approval, undertake recruitment and implement the proposed structure:

Q2 2018/19:

- Discussion with Corporate Lead and agreement on approach to resources;
- Sign off by the Council HR and Management Board;
- Cabinet and Council approval;
- Approach for proposal from Recruitment Consultancy/Head-hunter;
- Agree JDs and role profiles.

Q3/Q4 2018/19:

- Appoint Recruitment Consultancy/Head-hunter to work on recruitment strategy;
- Contact appropriate consultants about Project Director roles;
- Initial long-listing for Head of Service;
- Interviews for Project Director Roles through consultancy and appointment.
- Short-listing and interviews: Head of Service and Project Managers.

Q1 2019/20:

- Target team in post (dependent on notice periods).

11. Cost Implications

- 11.1 The assumed MTFS Strategic Investment Team budget is £220,240 per annum (2017/18 to 2021/22). For 2022/23, the assumed Team budget is £77,240.
- 11.2 Given the anticipated recruitment lead-in periods, it is assumed that the posts will not be filled until Q1 2019/20. The following table shows the estimated annual cost of the proposed Strategic Investment team:

Role	FTE	Salary	Pro Rata Salary	On-Cost (28%)	TOTAL
Head of Strategic Investment	1	£80,676	£80,676	£22,589	£103,265
Project Directors	2.6	£75,000	£195,000	£54,600	£249,600
Senior Project Manager	1	£60,000	£60,000	£16,800	£76,800
Project Manager	2	£40,000	£80,000	£22,400	£102,400
Admin Officer	1	£25,000	£25,000	£7,000	£32,000
Sub-Total	7.6				£564,065
Feasibility Fund (to include additional specialist consultancy and bid writing)					£200,000
dedicated the Council Support (Finance, Legal etc)					£100,000
Sub-Total					£300,000
TOTAL ANNUAL COST					£864,065

12. Capitalised Project Management Allowance and DevCo Recharge:

- 12.1 All approved and pipeline projects include an allowance to cover the Council's internal project management costs. Furthermore, it is expected that the DevCo will be serviced by the Council staff. The Council will be able to recharge the DevCo for this resource. Based on the indicative development programme and current cash-flow assumptions, the following table shows the level of estimated allowance and recharge broken per year 2018 to 2023:

Estimated Project Management Annual Allowance and Recharge		
Year	Forecast Allowance (Gross)	Forecast Allowance (Net*)
2019/20	£448,996	£341,996
2020/21	£295,819	£188,819
2021/22	£208,220	£101,220
2022/23	£87,442	£87,442
Total	£1,040,477	£719,477

**Net of existing annual base budget capitalised allowance of £107,000 (except 2022/23).*

13. Increased Revenue Required:

- 13.1 In order to ensure the cash-flow assumptions and, therefore, the allowances and recharge figures are correct, it is proposed that the estimates are reviewed and updated quarterly.

Cost*	2019/20	2020/21	2021/22	2022/23* **	TOTAL
Proposed Annual Cost	£914,065**	£864,065	£864,065	£806,465	£3,448,660
Approved Budget Cost (2018/19)	£220,240	£220,240	£220,240	£77,240	£737,960
Capitalised PM Allowance and DevCo Recharge (Net)	£341,996	£188,819	£101,220	£87,442	£719,477
TOTAL INCREASED REVENUE COST	£351,829	£455,006	£542,605	£641,783	£1,991,223

** Assumes present day costs, no indexation.*

*** Includes the estimated cost of Agency recruitment costs*

**** Assumes reduction of 0.6 FTE for Manor Street Project Director, as project will be completed.*

- 13.2 It is proposed that, in line with previous Council decisions, the additional cost of the Strategic Investment Team is met by unallocated New Homes Bonus (NHB). This is consistent with previous Council decisions to invest NHB into capital projects which further current Corporate Strategy objectives.
- 13.3 The amount of unallocated NHB currently is £2.1m (net of recent £356,000 investment in broadband and £219,460 to fund the transitional Strategic Investment team).

14. Risks

- 14.1 Barriers to achieving proposed change:

- Failure to recruit to the proposed posts;
- Failure to attract suitable candidates with commercial acumen;
- Managing process of change with existing Council employees;
- Failure to generate the necessary capitalisation from live projects.

14.2 Consequences if proposed change is not achieved:

- Failure to recruit to the new post will result in a lack of capacity and skills, jeopardising the Council's ability to deliver the investment programme. Also, increased workload, without the commensurate increase in staff resources, could lead to adverse effects on the health and well-being of existing staff. In mitigation, a robust, targeted external recruitment exercise will be undertaken, informed by the Council HR colleagues and third party consultants;
- Failure to generate the necessary capitalisation from live projects will lead to a revenue budget deficit. In mitigation, should this situation arise, it is proposed that the deficit is met from unallocated New Homes Bonus Funds.

15. Consultation and Communication

15.1 Informal consultation has taken place with the existing Strategic Investment staff via regular 1-2-1s and Team meetings. Should the relevant approvals be secured, further consultation will be undertaken as follows:

- Specific meetings with existing Strategic Investment staff, in order to present the proposals in detail and provide an opportunity for existing staff to comment, raise questions and concerns;
- Individual meetings with all existing staff members will be undertaken, in order to discuss their role in the new structure and provide an opportunity for each individual to comment, raise questions and concerns.

15.2 In addition to the consultation activities outlined above, the proposed new structure will be communicated to colleagues and key stakeholders via the following means:

- Presentation at the District Growth Officer Group;
- Presentation to the Officer and Member reference groups;
- Publication of bi-annual Strategic Investment newsletter;
- Presentation to the monthly Sustainable Development Managers' Meeting;
- Presentation to the quarterly Managers' Briefing;
- Article(s) in the weekly Corporate Email;
- Inclusion in the relevant Portfolio Holder reports to Council;
- Presentation to regular the Council/Essex CC Economic Development update meetings;
- Presentation to regular cross-authority Integrated Growth Forum.

Homelessness Strategy 2018-2023		Agenda No:6a
Portfolio Corporate Outcome:	Planning and Housing Residents live well in healthy and resilient communities where residents feel supported A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor Mrs Lynette Bowers-Flint, Cabinet Member, Planning and Housing	
Report prepared by:	Tim Lucas, Housing Research & Development Manager	
Background Papers:	Public Report	
None	Key Decision: Yes	
Executive Summary:		
<p>Local Housing Authorities are required to carry out a homelessness review and to formulate and publish a strategy. The last Strategy was for the period 2013-2018 and the new Strategy has been compiled and written to take into account the new Homelessness Reduction Act, which came into force in April 2018.</p> <p>We expect one of the main audiences for the Strategy to be the organisations we work with and the document is therefore presented in a manner that makes it possible to easily dip in and out and to focus on individual topics that may be of particular relevance or interest for stakeholders.</p>		
Recommended Decision:		
<div>1. That the Homelessness Strategy is approved for the period 2018-2023 and is published on the Council’s website;</div> <div>2. That the accompanying Action Plan is adopted and its actions monitored as set out in the document;</div> <div>3. That the Equalities Impact Assessment is noted and published with the Strategy.</div>		

Purpose of Decision:

Publication of a new Strategy to prevent and alleviate homelessness in the Braintree District and to meet the requirements of the Homelessness Reduction Act.

Any Corporate implications in relation to the following should be explained in detail.

Financial:	<p>The Strategy sets out the resources available and our proposed expenditure. Additional Government grant funding has been distributed to acknowledge the additional burdens of the new Homelessness Reduction Act.</p> <p>The Council is to receive £368,944 and £103,072 in respect of 2018/19 and 2019/20 being Flexible Homelessness Support grant and New Burdens grant, respectively. Additional expenditure, mainly staffing, has been agreed to ensure the new requirements are met at an estimated cost of £201,140 and £237,910 in 2018/19 and 2019/20.</p> <p>Grant funding for 2020/21 onwards is subject to the outcome of the Government's 2019 Spending Review and therefore the position will be reviewed during the 2020/21 budget setting process.</p>
Legal:	<p>Successive Housing Acts have required Homelessness Strategies to be undertaken, covering a 5 year period. The statutory guidance for the Homelessness Reduction Act 2017 includes a chapter on the expectations for strategies and our Strategy complies with the guidance.</p>
Safeguarding:	<p>No matters arising out of this report</p>
Equalities/Diversity:	<p>The Equalities Impact Assessment can be accessed here:</p>
Customer Impact:	<p>The Strategy sets out how we intend to work closely with people who are homeless or threatened with homelessness. We aim to provide excellent services for people in those circumstances. The strategy highlights that our actions may have an improved impact if we can build on our work with other organisations and sectors.</p>
Environment and Climate Change:	<p>No matters arising out of this report</p>
Consultation/Community Engagement:	<p>The Strategy was compiled after stakeholder engagement, including a consultation event at Braintree Town Hall. The draft Strategy was published on our website in June and links sent to all of the organisations we work with. This was</p>

	<p>followed up by stakeholder briefings during July, plus consideration and comment by the Health and Wellbeing Board and the Community Safety Partnership Board.</p> <p>Overall, the Strategy has been very well received. The Action Plan has been developed as a result of the consultation and the way certain topics are presented has been changed in line with comments made.</p>
Risks:	No matters arising out of this report.
Officer Contact:	Tim Lucas
Designation:	Housing Research & Development Officer
Ext. No:	2124
E-mail:	timlu@braintree.gov.uk

Braintree District Council

DRAFT
HOMELESSNESS
STRATEGY

2018-2023





Homelessness is not a theoretical problem, it is a real issue that has real impacts on people who experience it.



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Foreword



Throughout this Strategy, there are statements about how homelessness disrupts people's lives. It can unsettle family life, employment, schooling, physical and mental wellbeing and can leave people at a disadvantage for years to come if they do not have access to a secure, safe home. These statements are here because we recognise that homelessness is not a

theoretical problem, it is a real issue that has real impacts on people who experience it.

Braintree District Council is proud of its record in preventing and dealing with homelessness. We do not routinely use bed and breakfast accommodation for temporary accommodation and very rarely place homeless households outside our District. We have invested over many years in specialist housing to help homeless households and have high quality, up-to-date facilities available locally. We participate fully in many cross-boundary initiatives and are very open to partnership working with other agencies and organisations.

We have to re-focus our work in response to the new Homelessness Reduction Act and welcome the opportunity to look for new relationships with other organisations to help prevent and manage homelessness. We recognise that the new Act brings additional pressures for the organisation at a time when we are seeing pressure on budgets and a national trend over the past few years of increasing homelessness. We also recognise that the new Act is

widely supported because it seeks to shift the concentration of effort towards preventing homelessness and to make sure that everyone who is at risk of homelessness has access to meaningful help from their local council.

We are fortunate in having local stakeholders who are interested and engaged in helping the Council to take action on homelessness. This strategy arises out of the positive participation of our local community in groups and workshops and we hope it will make a positive difference to people's lives.

Councillor Lynette Bowers-Flint
Cabinet Member for Planning and Housing



Introduction

The Purpose of the Strategy

Local Housing Authorities are required to carry out a homelessness review, formulate and publish a strategy .

With the commencement of the new Homelessness Reduction Act in April 2018, we have focussed on the differences the new Act will pose for our services . In particular, we have looked for ways that we can increase our resilience by building a local network of people and organisations that can help us prevent and alleviate homelessness.

Strategy Design

We want the Strategy to contribute to building new partnerships. We have therefore set out to design a format that is easily readable and content that is as open and straightforward as possible. We hope that partner organisations will use the document as a catalyst for their discussions about meeting housing need.

Strategy Timing

Our previous Homelessness Strategy was for 2013-18. We started work on our consultation for the new Strategy in 2017 but felt it was more valuable to tie in our new Strategy with the implementation of the new Act.

Strategy Presentation

Throughout the Strategy document information is set out in boxes to help people dip in and out more easily. Many of the pages follow the stages of progress through the Homelessness Reduction Act.

Reviewing and Updating

The change in legislation means that many of our proposed actions are based on our predictions of the impact of the new Act. We expect to keep under review whether this document needs to be refreshed and updated and to review our Action Plan with our stakeholder group (the Homelessness Strategy Steering Group).

We would expect to publish updates on an annual basis.

Our Actions:

Many of the pages include an area on the right of the page (like this) where we identify the actions we intend to take.

These actions form the basis of our Action Plan. Hopefully, in this way you can see where the actions originated from.

The Action Plan is published separately and will be the main focus for checking our progress.

Our first identified actions are:

- Publish and circulate our Action Plan to all our 'stakeholders';
- Make sure that we review and update the Action Plan with our Homelessness Strategy Steering Group .
- Make sure that we consider the impact of new Government initiatives and legislation as we update our Action Plan and this Strategy



Homelessness and its causes

What do we mean by homelessness?

A home is not simply a building. Although most people associate homelessness with rough sleeping, that is far from the whole story. The following are all examples of situations where we may consider people to be either homeless or threatened with homelessness:

- The household has no legal right to be in the property. This may include people staying with family or friends who want them to leave;
- The household is being evicted from a tenancy or their house is being repossessed;
- Members of the household are the subject of violence, threats of violence or abuse in their home;
- The property is unsafe or its condition is affecting the health of the occupants and there is no practical remedy;
- People who are 'sofa surfing', moving between various friends and or family members;
- The household is staying in a hostel, night shelter or bed and breakfast establishment. Temporary accommodation is not a home.

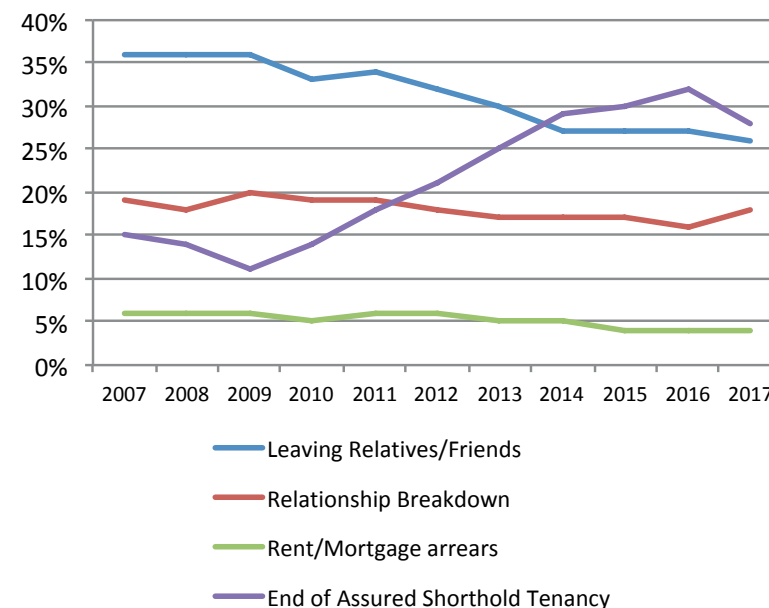
The main causes of homelessness

People become homeless for a variety of reasons. The most common categories are shown in the graph to the right.

Nationally, the proportion of homelessness caused by the ending of an assured shorthold tenancy (AST) has seen significant growth. Overwhelmingly ASTs are the main type of tenancy used in the private rented sector.

All the data suggests that the end of a private rented tenancy is one of the main causes of homelessness and yet better use of the private rented sector by Local Authorities is expected to be the main solution to homelessness.

Main reasons for Homelessness 2007-2017 reported by Local Authorities in England



Source: MHCLG Live Table774

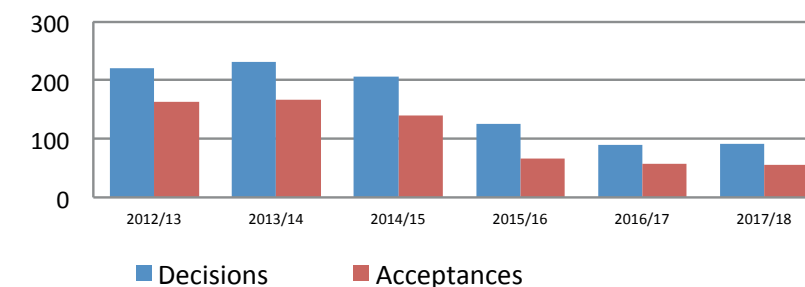


Homelessness in the Braintree District

Homelessness Decisions and Acceptances in the Braintree District 2012-2018

Under housing law as it stood until April 2018, when a household became homeless, one of our main duties was to decide whether we had a legal responsibility to find accommodation for them. The chart shows a comparison over the last 6 years between the number of households who presented as homeless to the Council and the number to whom we accepted a main housing duty.

The trend in acceptances has been downwards since 2013/14, with 56 acceptances in 2017/18, although compared to the previous year, the number of decisions rose by 3 to 92.

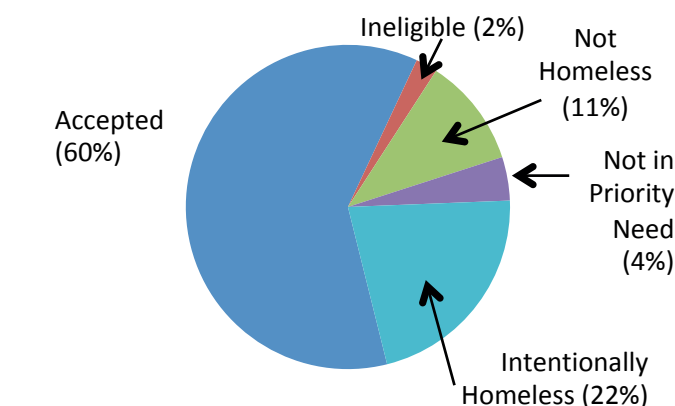


Source: Braintree District Council Housing Options Service

Decisions Taken on Homelessness Applications to Braintree District Council 2017/18

The chart summarises the outcome of the homelessness decisions we took last year. The most common reason that we did not accept a legal duty to households who approach us was that we found them to be 'intentionally homeless'. This decision is taken because the household deliberately did something (or failed to do something) a consequence of which was that they lost their accommodation.

47 out of the 56 households we accepted a main homelessness duty to were families with dependent children.

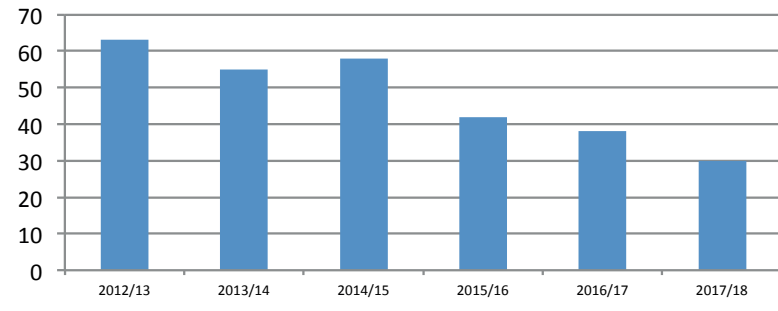


Source: Braintree District Council Housing Options Service

Number of households in temporary accommodation on 31st March 2013-2018

We have a duty to secure accommodation for some homeless households. These may be placed in temporary accommodation while their application is being investigated, or after being accepted as homeless but while waiting for secure accommodation to become available.

Our use of temporary accommodation has fallen, following a similar overall trend to our homelessness acceptances.



Source: Braintree District Council Housing Options Service



Our work to prevent homelessness and how our performance compares

Homelessness prevention and relief in the Braintree District 2017/18

The table shows the data for our prevention and relief of homelessness. We monitor:

- the number of households that come seeking our help;
- the number of households we help to stay in their existing housing;
- how many were helped to find accommodation;
 - before they became homeless (prevention);
 - after they became homeless (relief).

The data shows that we prevent or relieve many people’s homelessness before we have to take a decision on whether to accept a duty to them. All sorts of households are included in this data but most are single people.

Compared to national data, our figures for relief are notably high. We relieved homelessness for more households (74) than we accepted a main duty to (56). There were far fewer ‘reliefs’ (15,000) than acceptances (59,110) nationally. This may reflect a good local supply of supported accommodation for homeless households, which in turn reflects significant investment in homelessness services by the Council over many years.

Outcome	Prevention or relief?	Number of Households	Main Methods Used
Helped stay in existing home	Prevention	76	Resolving rent arrears private or social rented accommodation (24 cases)
Secured alternative accommodation before household became homeless	Prevention	140	Helped secure private rented housing (62 cases) or social housing (51 cases)
Household was already homeless when we helped them secure accommodation	Relief	74	Secured supported accommodation (33 cases) hostel or house in multiple occupation (17 cases) or social housing (13 cases)

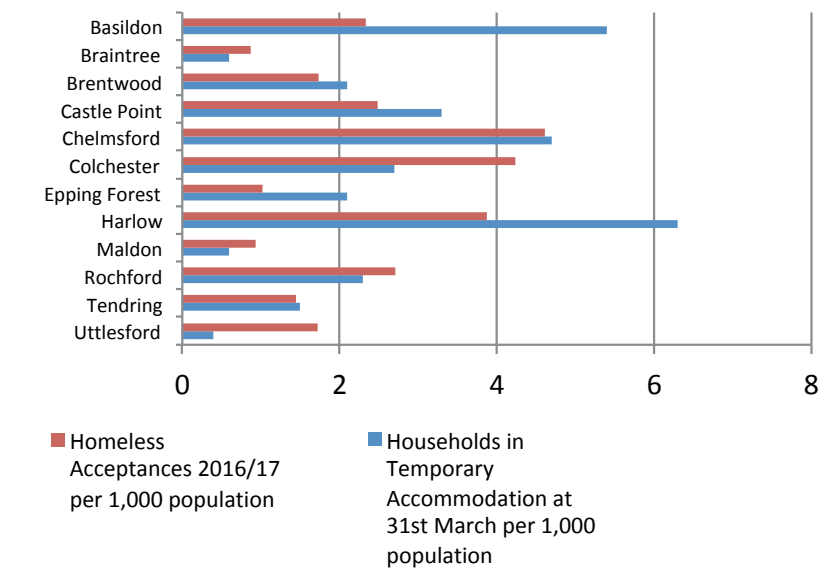
Source: Braintree District Council Housing Options Service

Homeless acceptances and households in temporary accommodation 2016/17

The chart shows how we compared with other Essex Districts in 2016/17. The number of acceptances and number of households in temporary accommodation is adjusted in proportion to the numbers in the local population. At the time of writing, this was the latest full-year dataset available.

In the Braintree District, we accepted a main homelessness duty to 0.9 households per 1,000 population and 0.6 households per 1,000 were in temporary accommodation.

Generally, districts with a lot of people in temporary accommodation are struggling to find enough suitable accommodation to enable people to move on from temporary housing.



Source: MHCLG Local Authority Homelessness Statistics (England)



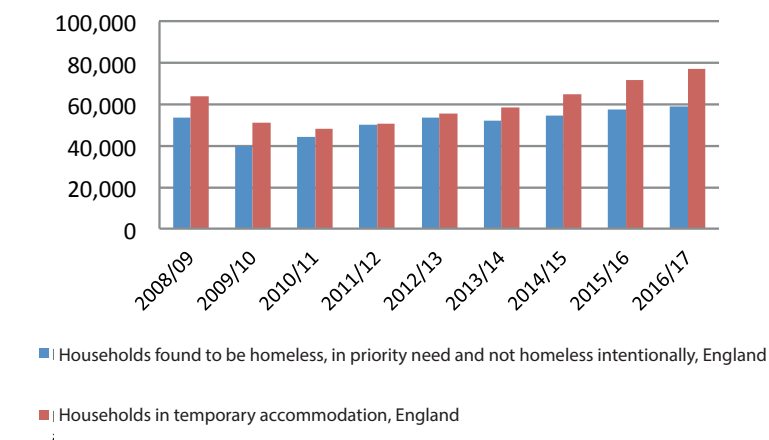
National Trends and Pressures

Nationally, the trend for homeless acceptances and the use of temporary accommodation has been rising steadily since 2009/10. Although this trend has not been seen locally, it would be unrealistic to think that we can escape the trend indefinitely.

There is no single reason why the Braintree District has avoided similar rises but factors that have helped include the following:

- A relatively large social sector stock of homes;
- Continued supply of new affordable homes through 'planning gain';
- Historic and continuing investment in supported housing for homeless households;
- A concentration of staff resources on prevention of homelessness.

Homeless acceptances and number of households in temporary accommodation in England



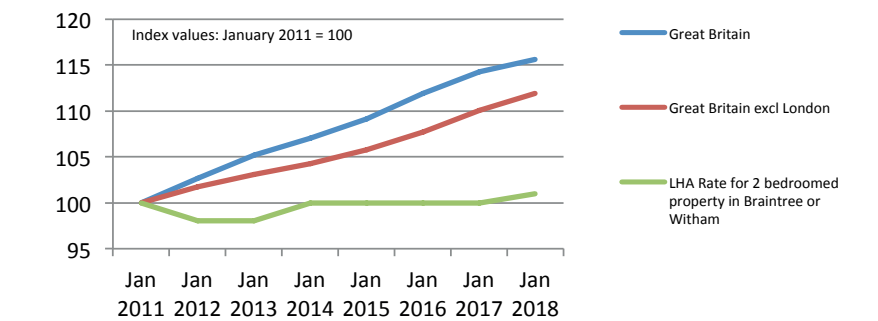
Source: MHCLG Live Table 784

This Strategy sets out how we intend to continue to manage the pressures we face but we expect additional pressures, in particular in the following areas:

- Private sector rents locally are significantly higher than the normal rates that can be met through welfare benefits.
- As shown in the chart below, Local Housing Allowance (LHA) (which sets the maximum that benefits will support) continues to fall behind market rents.
- The private rented market is not expected to grow as fast as the overall supply of housing and
- We expect greater competition from other local authorities to secure vacancies in the private rented sector.

In addition, the new Homelessness Reduction Act means that we cannot expect 'business as usual'. We expect to work with more people, in a more concentrated way and for longer periods of time as a result of the new Act.

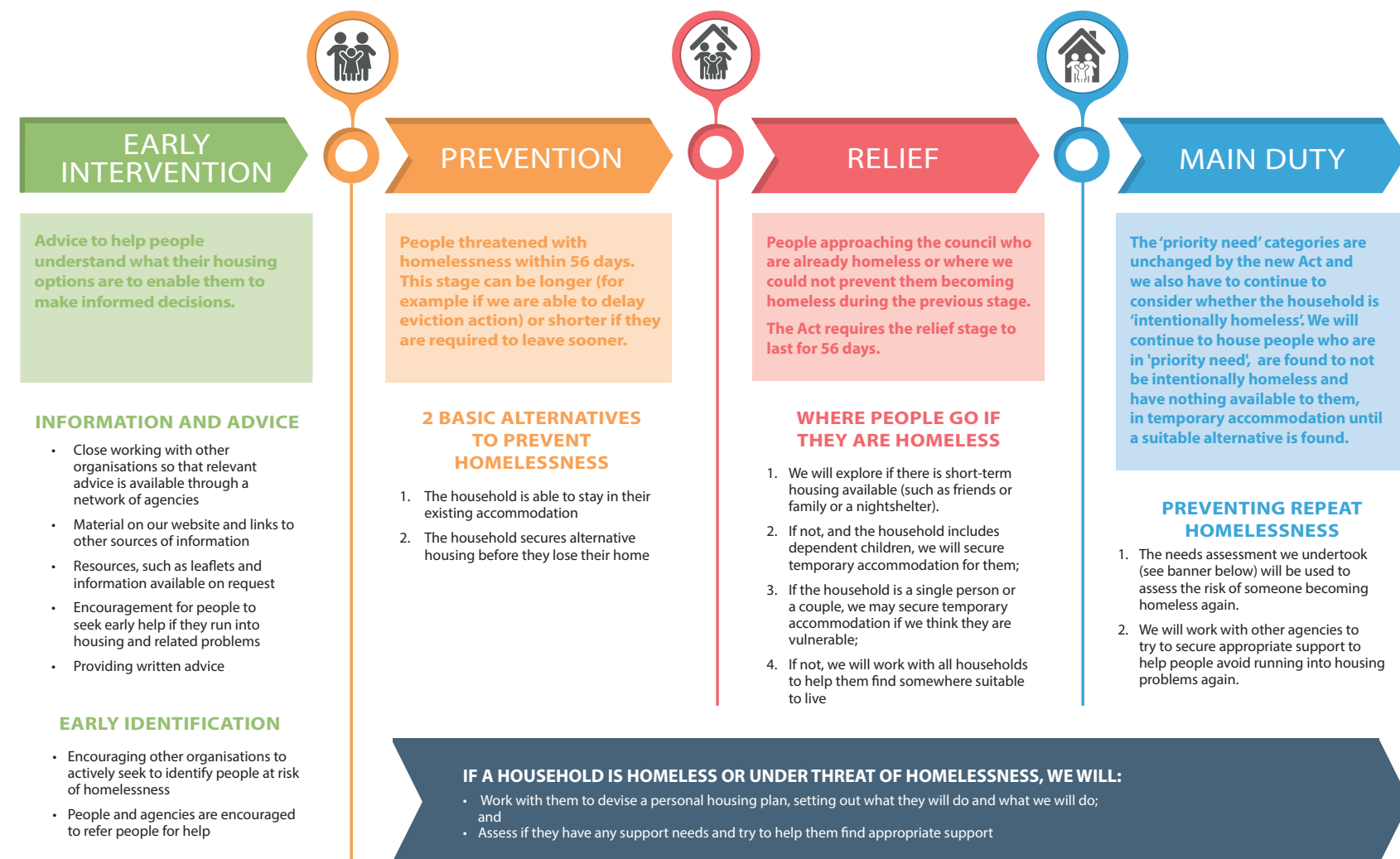
Indices of private housing rental prices, Great Britain, January 2011 to April 2018, compared to changes in rates of Local Housing Allowance



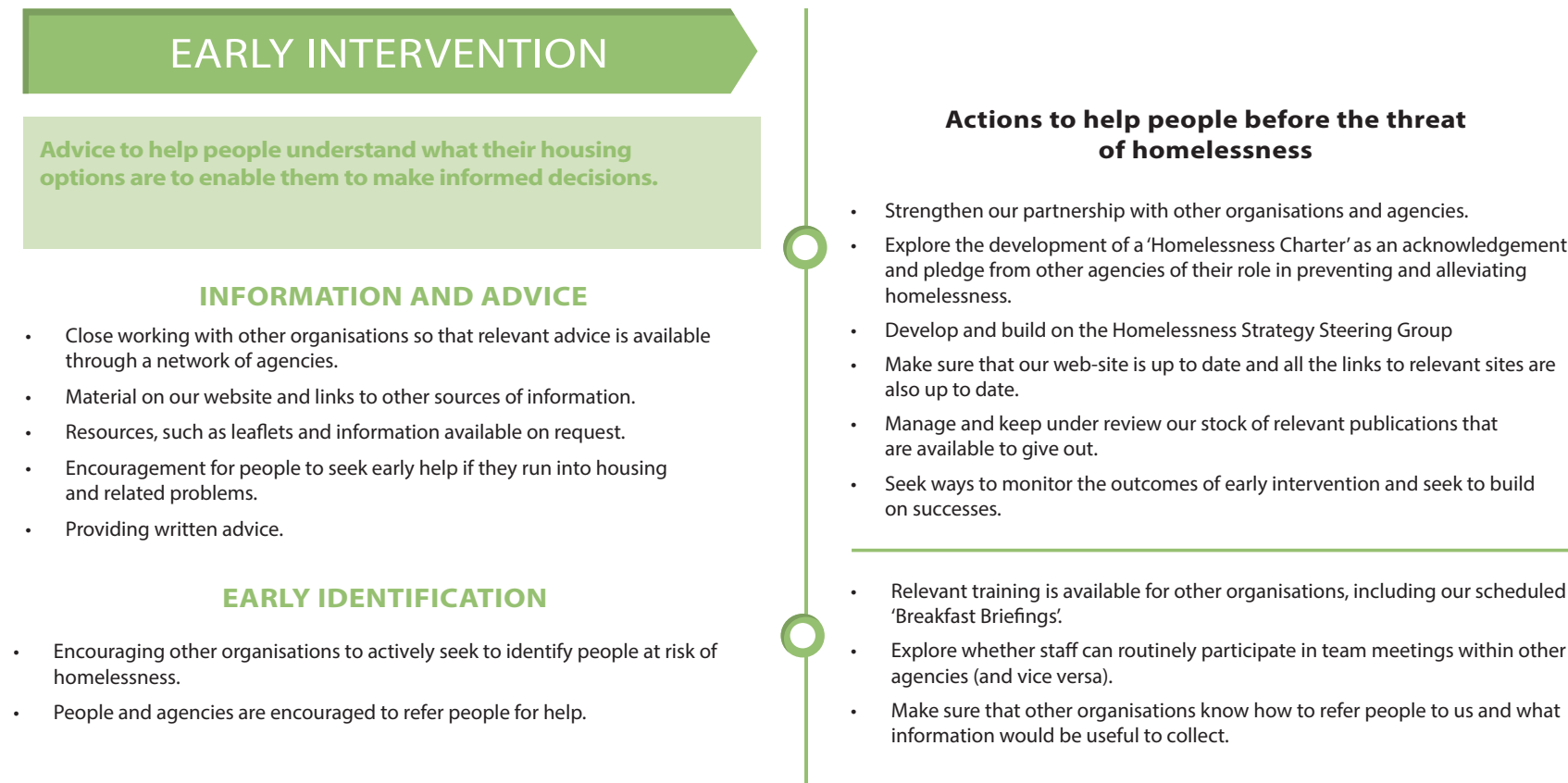
Source: Office for National Statistics Rents) & National Valuation Office (LHA rates)



Homelessness Reduction Act: Stages of Intervention



Early Interventions





A Duty to Refer: Accessing Help from the Council



PREVENTION

The Homelessness Reduction Act places a duty on certain public authorities to refer people believed to be homeless or at risk of homelessness to a local housing authority. This part of the Act comes into force in October 2018.

The public authorities must have the consent of the individual to make the referral.

During the prevention stage, people can ask to be referred to any council they choose.

The agencies include:

- Prisons and agencies involved in working with offenders, including Probation services
- Job Centre Plus
- Hospitals (A&E and inpatient services)
- Social Care Services
- Regular Armed Forces



RELIEF

We have worked on our website to make it as easy as possible for agencies to make referrals. Our logic has been as follows:

- We did not want to provide a single, separate web-page that agencies have to find in order to make a referral.
- On all the main housing and homelessness web-pages, there is a clearly marked 'housing enquiries form' button that opens the choice of 3 referral pathways – one for self-referrals and one for public authorities. The button looks like this:

Housing enquiry form

- The forms are completed online, with an option to save or print the completed form.
- As a minimum, we need a name, contact details and agreed reason for referral but agencies are asked for additional information. This includes risk assessment and relevant key medical information

The referral process is new and we are committed to making it as straightforward as possible.

We are working with other Essex Councils through the Essex Homelessness Officers Group to explore a single online process and to see if it is feasible to provide identical forms for use across Essex.

We will also explore the best way to work with staff in other agencies to make sure they are aware of the Duty. Some services may be best tackled locally, whereas others may need a more strategic approach.

For example, we already work very closely with staff at our local Job Centre Plus and it is easy for us to keep them up to date. By comparison, it is much more complex to work with hospital staff, particularly as there is no A&E or General Hospital department in the Braintree District.

Our Planned Actions and Interventions

- Contact all the relevant agencies that have a 'duty to refer' and see what sort of information would be helpful and how they would like information to be disseminated.
- Make sure that the invitations to our 'Breakfast Briefing' training sessions are sent to all relevant organisations, including those with a duty to refer.
- Keep under review the effectiveness of the referral process and the relevance of the information provided



The Decision-Making Process



PREVENTION



RELIEF



MAIN DUTY DECISION



MAIN DUTY

Under the Homelessness Reduction Act, Local Authorities have a number of stages when decisions have to be taken about an applicant's legal status. It is not relevant to the Strategy to set them all out here but the key points where our decisions make a really significant difference to the progress (and likely outcome) of an application are summarised below. For as long as we have a duty to help the household, we will work with them to help find suitable accommodation. We have a duty to inform them in writing of our decision if we 'discharge' or end our duty to them.

Is the household eligible for our help?

District Councils only have a duty to help find housing for people with the correct immigration status.

Does the household have a legal right to stay where they are? For example, if they have a notice, is it valid?

If they have a genuine threat of homelessness, is it possible for the household to stay in their existing home? Can we help them negotiate to stay where they are?

Is it safe for them to stay? If not, can we help them take action to make it safe?

If the household cannot stay, is social housing the only appropriate outcome? For example, does the household need an adapted property they are unlikely to find in the private sector? If so, can we give their application a high enough priority to house them in the social sector before they become homeless?

Is there anywhere the person can access for themselves to stay on a temporary or emergency basis? This could be with family or friends or it could be a night shelter or refuge.

Do they have a connection with the Braintree District?

Do we have a legal duty to provide interim accommodation, while the household looks for alternatives?

Do we think that the household has needs that are best met in supported housing schemes we can help them access?

Do we think the household are likely to be found 'intentionally homeless'? Does it appear that they lost their accommodation because of their actions (or inaction)?

At the end of the 56-day relief stage, we must issue a decision whether we owe the household the 'main housing duty'.

If we decide we do, we must continue to work with them to find suitable housing. At this point, their priority for social housing will be increased.

If we decide we don't have a 'main duty', we will inform them of their future options. In some circumstances, we are obliged to make a referral to the Social Care Team at Essex CC.

Is the household doing everything they can to secure suitable housing?

If a property becomes available, is it reasonable for them to move there?



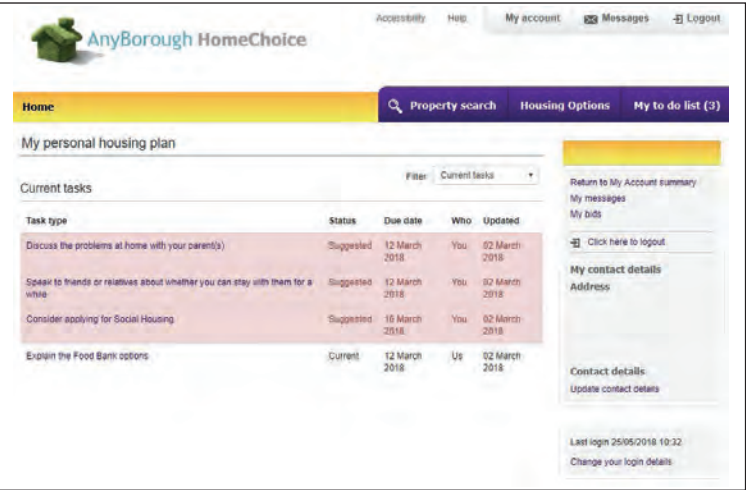
Realistic Expected Outcomes at each Stage of the Act



New tools: Personal Housing Plans

We have always worked with people who are homeless or at risk of homelessness to plan the steps they need to take to secure housing . Under the Homelessness Reduction Act, Local Authorities have a legal duty to work with all applicants to produce a Personal Housing Plan (PHP) and to assess if they have support needs which need to be addressed if they are able to sustain suitable accommodation . The plans must be available in writing, including steps the applicant is expected to take and the steps the Council will undertake . The Council must also try to ensure that identified support needs are met . How we address support needs is dealt with later in this document.

This is a 'screenshot' of a basic Personal Housing Plan (PHP)



The applicant can now login to the 'Gateway to Homechoice' website and

- view the progress of their homelessness application
- update progress on their PHP
- track the progress of their Housing Register application
- 'bid' for social housing advertised on the system

The new plans are a powerful tool and we want to get the most out of them. We will work together with our partner agencies to develop the PHP:

Aim	Example
We are able to make the most appropriate referrals for people using the system	If a person is recommended to seek help from Citizens Advice, their staff are aware of the type of help the person may benefit from
Our wording is specific enough to be helpful to the applicant and the agency	Rather than simply refer someone to the local Jobcentre Plus, can we put the hyperlink to their website in the Plan?
We put in tasks that other agencies would find helpful	If we are referring someone to a health professional, perhaps we could indicate documents it would be helpful to take
We make the most of local resources	We suggest social or community groups we think may be helpful to the applicant

Our Planned Actions and Interventions

- Make sure that stakeholders in our local community are aware of the principle of Personal Housing Plans
- Develop and improve our Personal Housing Plans by drafting a wide and useful range of relevant tasks
- Work closely with other agencies and local stakeholders to develop individual Personal Housing Plans so that messages are consistent across agencies and there is greater clarity for customers
- Ensure that PHPs include training and/or employment opportunities wherever possible



Housing Pathway: Families with Dependent Children and pregnant women



Housing Pathway: Single People and Couples





Housing Pathway: 16/17 year olds and Vulnerable Young People



PREVENTION

Essex Young Person's Partnership

Under certain circumstances, Essex County Council has a legal duty to house young people. There is a protocol agreed by Essex County and all the Essex Districts for 16 and 17 year olds and other vulnerable young people. The protocol indicates that wherever possible, both the County and the District will work together to prevent young people from becoming homeless and to assess their needs.

Young people contacting Braintree District Council can be referred to the 'Essex Gateway'. Staff at the Gateway will complete an assessment of the person's needs and their legal status. On that basis, they could be housed in one of the supported housing schemes accessed through Essex County Council. If that is the case, they will not continue through the stages set out in the Homelessness Reduction Act.

Supported housing schemes accessed through Essex County Council:

- **Epping Way, Witham:** 8 self contained one bedroomed flats
- **Bramble Court, Witham:** 25 rooms and flats (all one bedroomed)
- **College House, Braintree:** 12 flats (vulnerable young parents)



RELIEF

Generally, the schemes to which Essex County Council make nominations are geared to provide substantial support for residents. If a young person is homeless but does not meet the threshold for the support provided, Braintree District Council may have to secure accommodation for them. It is likely that we will refer them to our Joint Referral Panel to explore if they are suitable for vacancies in other supported housing schemes. The 2 main schemes for young people are below:

SUPPORTED HOUSING OPTIONS (ALL IN BRAINTREE TOWN)

- **Braintree Foyer:** 35 flats in clusters for under 35s
- **Leahurst Hostel,** Braintree: 12 rooms in shared house mainly for under 35s

Up to 2 years residency. All schemes have daytime support staff available

Emergency Accommodation

A pair of rooms at our main scheme for homeless people, Digby's Court, is configured as 'crash pads'.

The rooms have ensuite facilities but share a kitchen. They are intended as emergency accommodation for 16/17 year olds in particular but can be used by other single people.



MAIN DUTY

Move-on Options

All of the supported housing schemes need access to move-on accommodation. Some scheme providers also have units available as first-time move-on but most will try to secure some private sector opportunities. All supported housing schemes using the Joint Referral Panel have access to nominations to social housing (see next page).

ACTIONS AND INTERVENTIONS

- Continue to monitor the successful implementation of the Essex Protocol for homeless 16 & 17 year olds
- Review move-on arrangements with all supported housing providers.
- Continue to try to secure information from Essex County Council about the expected move-on arrangements from the supported housing schemes for young people.
- Complete and circulate to stakeholders pathway plans for other vulnerable groups, including:
 - people with mental health problems
 - Ex-offenders
 - Armed forces veterans
 - People with addiction problems
 - Rough Sleepers
 - Gypsies and Travellers



Rough Sleepers: Falling Between the Cracks?



RELIEF

Local people are understandably concerned when they come across people sleeping rough and we receive quite regular reports from local communities, local agencies and the local Police. A member of staff will follow up all reports and, if the person can be found, try to speak with them to see if we can help.

The District does not have a severe rough sleeping issue – we have always reported none or at most single figure numbers in our annual estimate – but we accept that it is important for us to work with individuals and our local communities to try to eradicate the need for people to sleep rough.

The causes of rough sleeping vary from individual to individual but in our area, agencies involved with people who are rough sleeping locally report the following as the principle issues:

- The person is not succeeding in making and sustaining long-term relationships;
- The person's behaviour is often erratic and unpredictable;
- The person is dealing with issues relating to mental health, drugs or alcohol (or a combination of these);
- In many cases, the issues the person is dealing with are very longstanding and entrenched.

One of our concerns is that supported housing schemes locally have limited resources to deal with someone exhibiting really difficult behaviour. All schemes have rules about drug and alcohol consumption to protect residents and staff. If someone is unable to comply with these requirements, it is unlikely that we are able to secure this type of accommodation for them.

We do not have a nightshelter provision in the Braintree District and do not think that such a provision is required to meet the District's need but even a nightshelter can only provide a temporary respite and in many cases, the individual is not in a position to manage a hostel-type facility.

The only way we can make a difference is through joint working with other agencies (in particular mental health services, the police and housing and support providers).



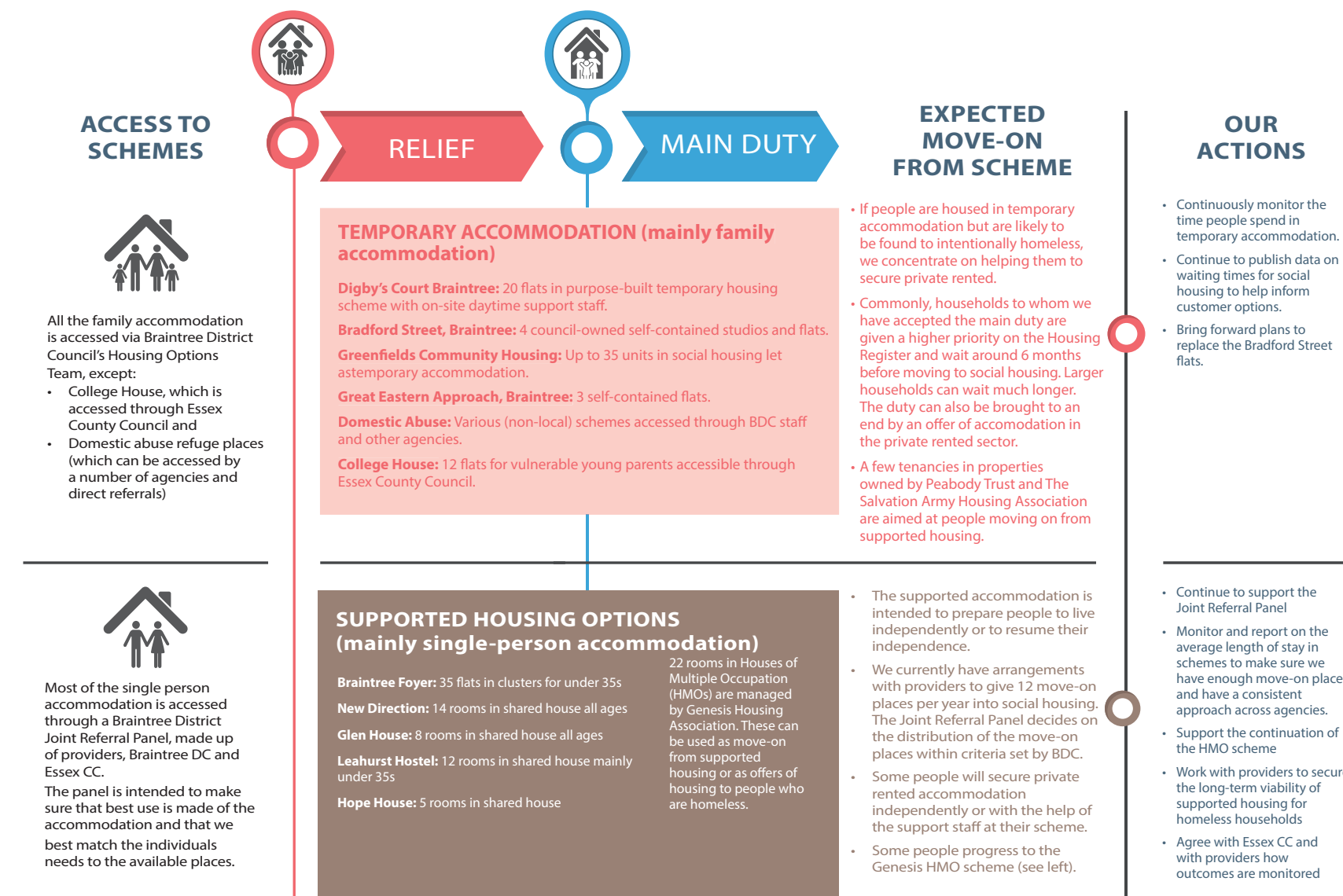
MAIN DUTY

OUR ACTIONS

- Work with local agencies and organisations, including through the Community Safety Hub and the Homelessness Strategy Steering Group to establish a project to look at how all the agencies can deal with rough sleeping.
- Make sure that we co-ordinate with other groups, including the Health and Wellbeing Board to raise awareness and build effective partnerships.
- Consider if we can establish and publicise procedures that help make sure all relevant agencies communicate information about progress with individual rough sleepers.
- Consider whether a project would be more effective if we included neighbouring councils.



Temporary, short term and move-on accommodation



Apart from the schemes already referred to in the 'Housing Pathways', there are a few schemes that are accessed through a 'Mental Health Joint Referral Panel'. The cost of support for the schemes is funded by Essex County Council and access is co-ordinated by the Mental Health Team. BDC staff participate in the Panel.

Supported housing schemes accessed through the Mental Health Joint Referral Panel:

- Pavilion Court, Braintree:** 6 self contained flats
- Coverdale, Witham:** 23 flats and bedsits and 2 rooms in shared house
- Freebournes Court, Witham:** 14 flats
- Newland Street, Witham:** 7 self-contained bedsits
- Julien Court Road, Braintree:** 6 rooms in 2 shared houses

OUR ACTIONS

- Continue to participate in the Mental Health Joint Referral Panel
- Make sure we are aware of the pathways into, and move-on from Mental Health schemes





The contribution of the allocations policy and new affordable homes



Access to Social Housing

The Braintree District is part of the 'Gateway to Homechoice' lettings scheme that covers 8 Essex and Suffolk districts and boroughs. The scheme operates a single allocations policy to advertise and allocate vacancies in social housing. All mainstream general-needs housing association homes in the Braintree District are let to Housing Register applicants through the scheme. The scheme's policy was updated to coincide with the implementation of the Homelessness Reduction Act.

Key Policy Features:

- The scheme aims to sustain a balance between existing social housing tenants needing to transfer, new entrants to the sector and homeless households. Across all the districts in 2017/18, 31% of moves were transfers, 53% were people new to the social sector and 16% were accepted homeless households.
- Most of the allocations to accepted homeless applicants were 2 bedroomed flats, whereas the transfer applicants mainly moved to houses and bungalows.
- Currently, we have no residency criteria for qualification to join the Housing Register. This is under review, in particular because we are concerned that our districts and boroughs may become particularly attractive to other districts and boroughs seeking to discharge their homelessness duties.

New Social Housing

- Our programme of new development of social housing has consistently provided an average of 100 new homes per year for the last 20 years, of which around 70% are for rent.
- Our overall lettings have averaged 570 per year for the last 3 years, with around 70 properties coming from new lets.
- The expected numbers of new social homes is increasing in the next few years as our Local Plan sets out much higher growth than in previous years. We expect to double our average delivery of social housing from 2020 onwards.
- Most new social housing is not specifically planned to meet the demand from homeless households but increased lettings overall have a beneficial impact on our capacity to meet our needs.

OUR ACTIONS

- Work with the Gateway to Homechoice group to review local connection residency criteria.
 - Consult with local people, applicants and stakeholders on any plans to change policy.
 - Monitor the relevant waiting list and lettings data to make sure that the Policy is fit-for-purpose once the new Act is embedded in operation.
-
- Monitor and report on the impact of increased social housing development in the District
 - Monitor and report on changes in patterns of demand as overall growth increases



Improving access to the private rented sector



We have already identified that we need to explore the way we help people to access the private rented sector. Typically this will be through a mixture of loans to tenants to help with advanced payments, bonds and guarantees to landlords and with targeted use of resources such as Discretionary Housing Payments (administered by the Housing Benefit Team) and payments that may be available to Universal Credit claimants. Here, we consider things that we can do that may not impact immediately on the people we work with but may change how we operate in the future.

"The overall proportion of the population of Great Britain who live in rented accommodation has risen to 35%, up from 29% in the mid 1990s. But this growth has been entirely in the private rather than social sector and is heavily concentrated among the young. Just 12% of 25 to 34-year-olds rented privately in the mid 1990s. This has since trebled to 37%."

Source: The Cost of Housing for Low-Income Renters. Robert Joyce, Matthew Mitchell and Agnes Norris Keiller. Institute for Fiscal Studies

At the time of the last Census in 2011, just over 8,000 of the 61,000 households in the Braintree District rented privately. This is a significant proportion of our population and yet we know relatively little about the expectations and aspirations of private tenants and private landlords.

We want to explore how we can make sure that the sector thrives so that the local community and economy benefit

There are a number of aspects we have identified that we think we should explore:

- We know very little about the sector. No data is held by Council Tax on tenure – we only know about the numbers renting privately at the time of the Census (i.e. at 10 yearly intervals) and we therefore have little intelligence about how we could help the sector.

- The sector is very diverse. Greenfields Community Housing has as many properties as the whole of the private rented sector. To discuss issues with Greenfields, we routinely speak to 5 or 6 members of its staff and have a pretty reliable idea of what is happening. By contrast, the 8,000 privately rented homes are likely to be owned by more than a thousand landlords. It would be valuable to establish ways of communicating that work for landlords and for the Council.

- People principally rent out property as an investment and it must be viable for people and organisations to invest in the sector. But given the diversity of the ownership of the homes, should we be working on business models that may not attract all types of investors but may work for enough to be available for people we look to nominate?

ACTIONS AND INTERVENTIONS for families with dependent children:

- Explore whether we can secure funding and support (including working with other Local Authorities) for a research project to give us a greater understanding of the private rented sector as a whole, from a tenant and landlord perspective.
- Explore corporately how we can support landlords to invest locally.
- Work with Colne Housing to see if its private sector leasing scheme can be promoted effectively as a form of ethical investment.



What we mean by “Housing-Related Support”

There are no obvious beneficial aspects to homelessness. It disrupts people’s lives, makes it harder to provide a stable family life and impacts on people’s ability to sustain employment.

Targeted help at the right time can prevent people from becoming homeless or help them re-establish a settled life and livelihood. Over a longer period, it can prevent repeat homelessness and help people engage with people and organisations in their community that can help them thrive.

Housing-related support services can be provided to residents of specific properties, such as homeless hostels or through ‘floating support’ schemes where the support is linked to the individual.

We don’t underestimate the role played by the range of community services, for example from staff at Citizens Advice, food banks and faith groups.

To prevent and resolve homelessness, we also need services that focus on helping individuals find or maintain their independence.

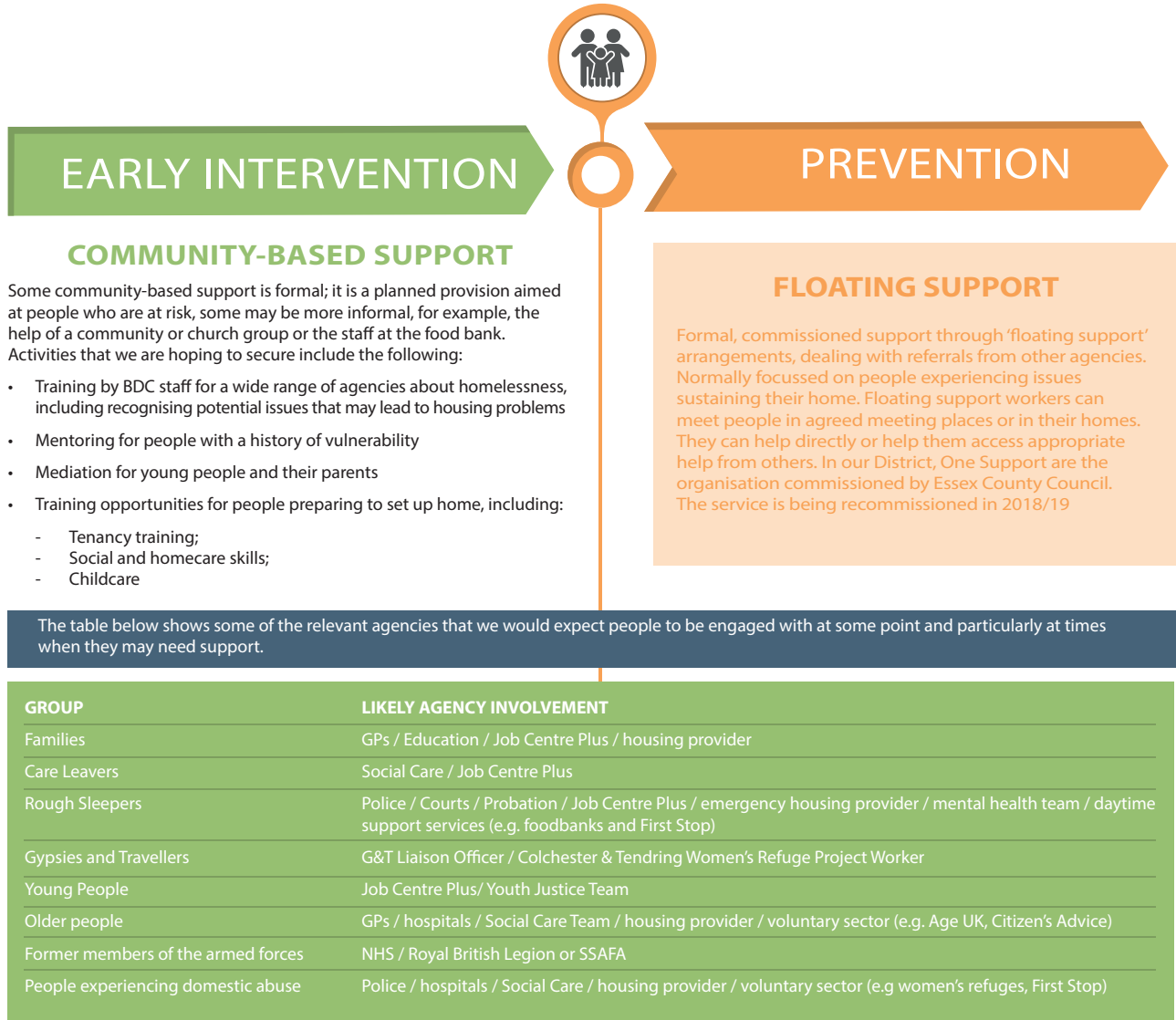
The main services, their relationship to local community services and the risks in the system are explored in the next few pages of this Strategy.

Main Purposes of Support

- Finding and maintaining a suitable home
- Support with daily living skills, such as budgeting and cooking
- Support to access services such as benefits, health and community care
- Help to establish and maintain social networks
- Help finding work



Support to prevent homelessness



OUR ACTIONS

- Make sure that we work with One Support to monitor the outcomes of the ‘Trailblazer’ Project.
- Work collaboratively with other LAs to explore how the service can be maintained and developed.
- Check our advertising for ‘Breakfast Briefings’ to ensure wide distribution and participation.
- Work with The Foyer to establish the proposed housing-related courses in the Community College.
- Work with the Homelessness Strategy Steering Group to explore mentoring and mediation provision.



Risk for Housing Related Support

Funding and commissioning of support services is directed mainly to first tier authorities, in our case Essex County Council (ECC) and so lies outside the District's direct control. The funding is not ring-fenced. County Councils as social care providers are under severe financial pressure with rising demand and real terms cuts.

Essex County Council will renew the housing related support contract by March 2019. If the service is significantly reduced, it could:

- Increase the number of people who become homeless;
- Increase repeat homelessness;
- Reduce the number of supported housing places and schemes;
- Reduce the effectiveness of the work we undertake to secure accommodation for people.

In 2017, ECC secured 'Trailblazer' funding to provide additional floating support services, based on homelessness prevention. The funding was for a two year period and we do not know if the service provided by 'Trailblazer' will continue after March 2019.

To mitigate these risks, we will engage with the County Council during 2018/19 to influence the re-commissioning and future of the trailblazer scheme. We hope that the actions set out in this Strategy to build a community response to homelessness may help mitigate the impact if there are reductions in the service from 2019.

OUR ACTIONS

- Try to maintain relevant contacts with Essex County Council to enable informed discussion about the future funding for 'building-based' support
- Work jointly with other LAs when it is relevant to co-ordinate knowledge, resources and expertise.
- Work with partners across Essex to influence the re-commissioning of housing related support.
- Make sure that new funding, including Flexible Homelessness Support Grant is used effectively.
- Work with partners to influence national policy to better fund homelessness services.



Building a network of support

We regularly meet with other organisations through the 'Homelessness Strategy Steering Group' and in preparation for this strategy, we held a 'stakeholder' event with representatives from a wide range of local organisations.

Homelessness can badly disrupt people's lives. It can affect:

- Schooling;
- Access to work;
- Continuity of healthcare;
- Relationships with extended family and other support structures;
- Mental health

Our ideal would be that someone working or volunteering in professional or community-based services automatically considers whether issues raised by their clients or customers could result in them losing their home.



We will work with stakeholders to:

- Make sure that they are using the opportunities they have to identify people who may be at risk of homelessness
- Make sure that the formal process for agencies to refer people who are homeless or at risk of homelessness is fully understood and easy to use
- Involve other organisations in the identification and provision of opportunities to help people facing housing issues.
- Explore and generate ideas for potential projects and monitor potential sources of funding such as community funds and Government initiatives



Our assumptions about resources

Specific Government Grants for Homelessness

‘New Burdens Funding’

The Government has recognised that the Homelessness Reduction Act places additional burdens on Local Authorities. In particular:

- Throughout the ‘prevention’ and ‘relief’ stages of the process, Councils will be working with more people, as we now work more extensively with single people and couples than we were required to under previous legislation.
- From October 2018, the ‘Duty to Refer’ comes into force. We expect an increase in the number of people we are dealing with as a result.
- The requirement for a Personal Housing Plan for everyone who is homeless or threatened with homelessness is time consuming, particularly if it is to be meaningful in its recommendations and requirements. In addition, the plans have to be updated as progress is made.
- We will be working with some people for much longer than under previous legislation – in some cases, we will be working with people for 4 months before we issue a main homelessness duty decision.

IT Funding

We have invested in updated IT systems that help us manage the new workload and communicate with people we are dealing with. The new system automatically uploads data to The Ministry for Housing, Communities and Local Government (MHCLG). We received a one-off payment to cover this cost.

Flexible Homelessness Support Grant (FHSO)

Since April 2017, some payments that were made to housing providers through the benefits system ceased and payment was diverted to Local Authorities. The funding was previously used to support temporary accommodation leased by housing associations. The allocation is flexible and is intended to more than cover the level of funding that was withdrawn and allow Councils to choose whether to continue to support the schemes or use it in other ways in their work to prevent and alleviate homelessness.

Our Planned Expenditure

The Council’s ‘Base Budget’ is drawn from a mixture of Government Grants, Council income from investments and charges and Council Tax. Resources are allocated to the Housing Service to cover the costs associated with our housing functions. All of the additional funding coming from the sources listed in table 3 on the right is ring-fenced to the Housing Service.

At the time of writing, recommendations are under discussion to recruit additional staff to the Housing Options and Housing Assessment Teams. Our early experience with the implementation of the Homelessness Reduction Act is suggesting that we need additional staff in the early assessment of individuals needs, including a ‘triage’ function. We have continued to support the costs of the HMO leasing scheme with Genesis Housing Association, with an allocation of £30,000 per year.

We had already started the process of enlarging the Team during 2017/18 and had allocated a one-off addition to the Team’s budget of £150,000. The funding shown on the next page is the known additional resources available as a result of the Government grants and this one-off payment. We do not know if any of the Government Grants will continue beyond March 2020.



Expected income and expenditure

The base budget for the Housing Teams that deal with homelessness is shown in Table 1 (to the right). As we enlarge the Team to meet the new demands on the service, the budget will increase by £250,000 by 2021/22 (as shown in Table 2 below).

Table 3 shows how that increase in staffing impacts on the additional grant funds we are expecting . At the proposed rate of expenditure, our additional commitments are funded to about half way through the 2021/22 financial year .

We will continue to review our expenditure on temporary accommodation and on securing access to private sector housing. We will identify and report on any significant changes to the budget.

Table 1

Expenditure	Base Budget 2017/18
Staff Costs (Housing Options Team)	£408,000
Staff Costs (Housing Assessment Team)	£139,000
Temporary accommodation costs	£93,000
Loans and payments to Private Landlords	£21,000
IT System	£7,240
	£ 668,240

Table 2

Expenditure – Budget Figures for additional expenditure	Extra expenditure 2018/19	Extra expenditure 2019/20	Extra expenditure 2020/21	Extra expenditure 2021/22
Additional temporary accommodation costs	£30,000	£30,000	£30,000	£30,000
Additional staff from 2018	£165,640	£207,910	£214,620	£221,580
IT System (known upgrade cost)	£5,500			
	£201,140	£237,910	£244,620	£251,580

Table 3

Income Source (in addition to base budget)	2017/18	2018/19	2019/20	2020/21	2021/22
BDC One-off Addition to Base Budget	£150,000				
Flexible Homelessness Support Grant	£150,127	£169,996	£198,948	£0	£0
New Burdens Funding	£52,355	£47,957	£55,115	£0	£0
ITC Grant Funding	£9,202				
	£361,684	£217,953	£254,063	£0	£0
Balance to Carry forward	£350,145	£366,958	£383,111	£138,491	£-113,089

Braintree District Council Homelessness Strategy

Action Plan 2018/19

Strategy Theme	Actions from 2018 Homelessness Strategy	Lead and participants	Outcome Due Date	Can this be achieved within our existing budget?
Update and Review	<ul style="list-style-type: none"> Publish and circulate our Action Plan to all our 'stakeholders' 	Braintree District Council	End September 2018	YES
	<ul style="list-style-type: none"> Make sure that we review and update the Action Plan with our Homelessness Strategy Steering Group 	Braintree District Council	Annual action	YES
	<ul style="list-style-type: none"> Make sure that we consider the impact of new Government initiatives and legislation as we update our Action Plan and this Strategy 	Braintree District Council	As necessary depending on timing of policy and legislation	YES
Early Interventions	<ul style="list-style-type: none"> Strengthen our partnership with other organisations and agencies 	Homelessness Strategy Steering Group	Throughout 2018/19 and review at end of year	YES
	<ul style="list-style-type: none"> Explore the development of a 'Homelessness Charter' as an acknowledgement and pledge from other agencies of their role in preventing and alleviating homelessness 	Homelessness Strategy Steering Group	Throughout 2018/19 and review at end of year	YES
	<ul style="list-style-type: none"> Develop and build on the Homelessness Strategy Steering Group 	Homelessness Strategy Steering Group	Throughout 2018/19 and review at end of year	YES
	<ul style="list-style-type: none"> Make sure that our web-site is up to date and all the links to relevant sites are also up to date 	Braintree District Council	End October 2018 and ongoing	YES
	<ul style="list-style-type: none"> Manage and keep under review our stock of relevant publications that are available to give out 	Braintree District Council	End October 2018 and ongoing	YES
	<ul style="list-style-type: none"> Seek ways to monitor the outcomes of early intervention and seek to build on successes 	Braintree District Council	Throughout 2018/19 and review at end of year	YES
	<ul style="list-style-type: none"> Relevant training is available for other organisations, including our scheduled 'Breakfast Briefings' 	Braintree District Council	Ongoing	YES
	<ul style="list-style-type: none"> Explore whether staff can routinely participate in team meetings within other agencies (and vice versa) 	Braintree District Council Essex Social Care Job Centre Plus	March 2019	YES

Strategy Theme	Actions from 2018 Homelessness Strategy	Lead and participants	Outcome Due Date	Can this be achieved within our existing budget?
		Greenfields Community Housing Braintree District Council	End September 2018 and ongoing	YES
Accessing Help from the Council	<ul style="list-style-type: none"> Make sure that other organisations know how to refer people to us and what information would be useful to collect Contact all the relevant agencies that have a 'duty to refer' and see what sort of information would be helpful and how they would like information to be disseminated 	Braintree District Council Essex Homelessness Officers Group Essex Social Care NHS Criminal justice organisations (probation, CRCs, prisons)	End September 2018 and ongoing	YES
	<ul style="list-style-type: none"> Make sure that the invitations to our 'Breakfast Briefing' training sessions are sent to all relevant organisations, including those with a duty to refer 	Braintree District Council Essex Social Care NHS Criminal justice organisations (probation, CRCs, prisons)	End September 2018 and ongoing	YES
	<ul style="list-style-type: none"> Keep under review whether the effectiveness of the referral process and the relevance of the information provided 	Braintree District Council	Annual review	YES
Personal Housing Plans & Needs Assessments	<ul style="list-style-type: none"> Make sure that stakeholders in our local community are aware of the principle of Personal Housing Plans 	Homelessness Strategy Steering Group	End September 2018 and ongoing	YES
	<ul style="list-style-type: none"> Develop and improve our Personal Housing Plans by drafting a wide and useful range of relevant tasks 	Braintree District Council	Ongoing	YES
	<ul style="list-style-type: none"> Work closely with other agencies and local stakeholders to develop individual Personal Housing Plans so that messages are consistent across agencies and there is greater clarity for customers 	Homelessness Strategy Steering Group	Ongoing	YES
	<ul style="list-style-type: none"> Ensure that PHPs include training and/or employment opportunities wherever possible 	Braintree District Council	Ongoing	YES
Families with Dependent Children	<ul style="list-style-type: none"> Develop financial risk assessment tool 	Braintree District Council	End October 2018 and ongoing	YES
	<ul style="list-style-type: none"> Consider acting as guarantor for low-risk households 	Braintree District Council	March 2019	Proposed project will
	<ul style="list-style-type: none"> Establish 'tenant offer' to assist applicants to secure their 	Braintree District Council		

Strategy Theme	Actions from 2018 Homelessness Strategy	Lead and participants	Outcome Due Date	Can this be achieved within our existing budget?
	own accommodation		Establish as a separate project	identify costs & make recommendations
	<ul style="list-style-type: none"> Establish 'landlord offer' to landlords prepared to accept nominations from the Council 	Braintree District Council		
	<ul style="list-style-type: none"> Expand and develop the private sector leasing scheme with Colne Housing 	Braintree District Council Colne Housing	December 2018 and ongoing	Costs impact of expansion to be identified and reported
	<ul style="list-style-type: none"> Continue to develop and publish information about realistic waiting times for social housing 	Braintree District Council	Ongoing	YES
	<ul style="list-style-type: none"> Continue to run free training for partner agencies and stakeholders 	Braintree District Council	Ongoing	YES
	<ul style="list-style-type: none"> Continue to monitor and highlight issues with the availability and accessibility of temporary and supported accommodation 	Braintree District Council	Ongoing	YES
	<ul style="list-style-type: none"> Continue to avoid the use of Bed & Breakfast for households with dependent children, except in exceptional circumstances and never for more than 6 weeks 	Braintree District Council	Ongoing	YES (but relates to other initiatives where costs may be identified)
Single People and Couples (all ages)	<ul style="list-style-type: none"> Establish tenant and landlord 'offers' (see actions in 'families pathway') 	Braintree District Council	March 2019 (see actions in 'families pathway')	Proposed project will identify costs & make recommendations
	<ul style="list-style-type: none"> Consider if lodgings / air b&b could have a role 	Braintree District Council	March 2019	Can be reviewed within current

Strategy Theme	Actions from 2018 Homelessness Strategy	Lead and participants	Outcome Due Date	Can this be achieved within our existing budget?
				budget
	<ul style="list-style-type: none"> Continue to support and lobby for funding to enable supported housing schemes to continue in operation 	Braintree District Council Essex Housing Officers Group	Ongoing	YES
	<ul style="list-style-type: none"> Work with providers to explore alternative funding opportunities 	Braintree District Council Homelessness Strategy Steering Group	Ongoing	YES
	<ul style="list-style-type: none"> Investigate whether we need to provide emergency (night shelter) accommodation 	Braintree District Council Homelessness Strategy Steering Group	March 2019	YES
	<ul style="list-style-type: none"> Explore whether emergency places can be provided in existing schemes 	Braintree District Council Homelessness Strategy Steering Group Essex County Council	March 2019 and ongoing	YES
	<ul style="list-style-type: none"> Continue to co-ordinate the Severe Weather Emergency Procedures (SWEP) during the winter months 	Braintree District Council Homelessness Strategy Steering Group	Ongoing	YES
	<ul style="list-style-type: none"> Continue to avoid the use of B&B for 16/17 year olds 	Braintree District Council	Ongoing	YES (but relates to other initiatives where costs may be identified)
	<ul style="list-style-type: none"> Improve working arrangements with Essex CC, including operation of 'crash pads' 	Braintree District Council Essex County Council	Ongoing	YES
16/17 year olds and Vulnerable Young People	<ul style="list-style-type: none"> Continue to monitor the successful implementation of the Essex Protocol for homeless 16 & 17 year olds 	Braintree District Council Essex County Council Essex Housing Officers Group	Ongoing	YES
	<ul style="list-style-type: none"> Review move-on arrangements with all supported housing providers. 	Braintree District Council Joint Referral Panel Essex County Council	March 2019 and ongoing	YES
	<ul style="list-style-type: none"> Continue to try to secure information from Essex County Council about the expected move-on arrangements from the supported housing schemes for young people 	Braintree District Council Essex County Council	September 2019 and ongoing until communication method and frequency agreed	YES
	<ul style="list-style-type: none"> Complete and circulate to stakeholders pathway plans 	Braintree District Council		YES but may

Strategy Theme	Actions from 2018 Homelessness Strategy	Lead and participants	Outcome Due Date	Can this be achieved within our existing budget?
	for other vulnerable groups, including: <ul style="list-style-type: none"> • People with mental health problems • Ex-offenders • Armed forces veterans • People with addiction problems • Rough Sleepers • Gypsies and Travellers 	Essex County Council NHS	Throughout 2018/19 Establish as a separate project	identify shortfalls that could have cost implications
Rough Sleepers	<ul style="list-style-type: none"> • Work with local agencies and organisations, including through the Community Safety Hub and the Homelessness Strategy Steering Group to establish a project to look at how all the agencies can deal with rough sleeping 	Braintree District Council Homelessness Strategy Steering Group Community Safety Hub	Throughout 2018/19 Establish as a separate project	YES but proposed project may identify actions that need additional funding
	<ul style="list-style-type: none"> • Make sure that we co-ordinate with other groups, including the Health and Wellbeing Board to raise awareness and build effective partnerships 	Braintree District Council Health and Wellbeing Board		
	<ul style="list-style-type: none"> • Consider if we can establish and publicise procedures that help make sure all relevant agencies communicate information about progress with individual rough sleepers 	Braintree District Council Homelessness Strategy Steering Group Community Safety Hub		
	<ul style="list-style-type: none"> • Consider whether a project would be more effective if we included neighbouring councils 	Braintree District Council Homelessness Strategy Steering Group Community Safety Hub Neighbouring District Councils		
Temporary and Move-on Accommodation	<ul style="list-style-type: none"> • Continuously monitor the time people spend in temporary accommodation 	Braintree District Council	Ongoing	YES
	<ul style="list-style-type: none"> • Continue to publish data on waiting times for social housing to help inform customer options 	Braintree District Council	Publish at least annually	YES
	<ul style="list-style-type: none"> • Bring forward plans to replace the Bradford Street flats 	Braintree District Council	March 2019	YES Capital budget has sufficient resources to

Strategy Theme	Actions from 2018 Homelessness Strategy	Lead and participants	Outcome Due Date	Can this be achieved within our existing budget?
				provide new scheme
	<ul style="list-style-type: none"> Continue to support the Joint Referral Panel 	Braintree District Council	Ongoing	YES
	<ul style="list-style-type: none"> Monitor and report on the average length of stay in schemes to make sure we have enough move-on places and have a consistent approach across agencies 	Braintree District Council	March 2019	YES
	<ul style="list-style-type: none"> Support the continuation of the HMO scheme 	Braintree District Council Genesis Housing Association	Ongoing	YES Scheme has budget implications (within currently identified budget)
	<ul style="list-style-type: none"> Work with providers to secure the long-term viability of supported housing for homeless households 	Braintree District Council Essex County Council Essex Housing Officers Group	Ongoing	YES but will depend on the outcome of new commissioning
	<ul style="list-style-type: none"> Agree with Essex CC and with providers how outcomes are monitored 	Braintree District Council Essex County Council Homelessness Strategy Steering Group	March 2019	YES
Supported Housing for Mental Health	<ul style="list-style-type: none"> Continue to participate in the Mental Health Joint Referral Panel 	Braintree District Council Essex Mental Health Team	Ongoing	YES
	<ul style="list-style-type: none"> Make sure we are aware of the pathways into, and move-on from Mental Health schemes 	Braintree District Council Essex Mental Health Team	Throughout 2018/19 and link to 'Pathways' project	YES
Contribution of Allocations Policy and New Affordable	<ul style="list-style-type: none"> Work with the Gateway to Homechoice group to review local connection residency criteria 	Gateway to Homechoice	March 2019	YES

Strategy Theme	Actions from 2018 Homelessness Strategy	Lead and participants	Outcome Due Date	Can this be achieved within our existing budget?
Homes				
	<ul style="list-style-type: none"> Consult with local people, applicants and stakeholders on any plans to change policy 	Braintree District Council	During 2018/19	YES
	<ul style="list-style-type: none"> Monitor the relevant waiting list and lettings data to make sure that the Policy is fit-for-purpose once the new Act is embedded in operation 	Braintree District Council Gateway to Homechoice	March 2019 and ongoing	YES
	<ul style="list-style-type: none"> Monitor and report on the impact of increased social housing development in the District 	Braintree District Council	Ongoing	YES
	<ul style="list-style-type: none"> Monitor and report on changes in patterns of demand as overall growth increases 	Braintree District Council	Annual reports	YES
Improving Access to the Private Rented Sector	<ul style="list-style-type: none"> Explore whether we can secure funding and support (including working with other Local Authorities) for a research project to give us a greater understanding of the private rented sector as a whole, from a tenant and landlord perspective 	Braintree District Council Neighbouring Local Authorities	March 2020	Resources required will depend on the findings
	<ul style="list-style-type: none"> Explore corporately how we can support landlords to invest locally 	Braintree District Council	March 2020	YES
	<ul style="list-style-type: none"> Work with Colne Housing to see if its private sector leasing scheme can be promoted effectively as a form of ethical investment 	Braintree District Council Colne Housing	March 2020	YES
Support to Prevent Homelessness	<ul style="list-style-type: none"> Make sure that we work with One Support to monitor the outcomes of the 'Trailblazer' Project. 	Braintree District Council One Support Essex County Council	March 2019	YES
	<ul style="list-style-type: none"> Work collaboratively with other LAs to explore how the service can be maintained and developed 	Braintree District Council Essex Homeless Officers Group	March 2019	YES
	<ul style="list-style-type: none"> Check our advertising for 'Breakfast Briefings' to ensure wide distribution and participation 	Braintree District Council	March 2019 and ongoing	YES
	<ul style="list-style-type: none"> Work with The Foyer to establish the proposed housing-related courses in the Community College 	Braintree District Council Salvation Army Housing Association	March 2019	YES
	<ul style="list-style-type: none"> Work with the Homelessness Strategy Steering Group to explore mentoring and mediation provision 	Braintree District Council Homelessness Strategy Steering Group	March 2020	YES
Risks for Housing Related Support	<ul style="list-style-type: none"> Try to maintain relevant contacts with Essex County Council to enable informed discussion about the future 	Braintree District Council Essex County Council	September 2018 and ongoing	YES

Strategy Theme	Actions from 2018 Homelessness Strategy	Lead and participants	Outcome Due Date	Can this be achieved within our existing budget?
	funding for 'building-based' support			
	<ul style="list-style-type: none"> Work jointly with other LAs when it is relevant to co-ordinate knowledge, resources and expertise 	Braintree District Council Essex Housing Officers Group Gateway to Homechoice	Ongoing	YES
	<ul style="list-style-type: none"> Work with partners across Essex to influence the re-commissioning of housing related support. 	Braintree District Council Essex County Council Essex Homeless Officers Group	September 2018 and ongoing	YES
	<ul style="list-style-type: none"> Make sure that new funding, including Flexible Homelessness Support Grant is used effectively. 	Braintree District Council	Keep under review ongoing	YES
	<ul style="list-style-type: none"> Work with partners to influence national policy to better fund homelessness services. 	Braintree District Council Essex Housing Officers Group Essex County Council	Ongoing	YES
Building a Network of Support	<ul style="list-style-type: none"> Make sure that stakeholders are using the opportunities they have to identify people who may be at risk of homelessness. 	Homelessness Strategy Steering Group	Throughout 2018/19 and ongoing	YES
	<ul style="list-style-type: none"> Make sure that the formal process for agencies to refer people who are homeless or at risk of homelessness is fully understood and easy to use. 	Homelessness Strategy Steering Group	Throughout 2018/19 and ongoing	YES
	<ul style="list-style-type: none"> Involve other organisations in the identification and provision of opportunities to help people facing housing issues 	Homelessness Strategy Steering Group	Throughout 2018/19 and ongoing	YES
	<ul style="list-style-type: none"> Explore and generate ideas for potential projects and monitor potential sources of funding such as community funds and government initiatives. 	Homelessness Strategy Steering Group	Throughout 2018/19 and ongoing	YES

Medium-Term Financial Strategy 2018/19 to 2021/22		Agenda No: 7a
Portfolio	Overall Corporate Strategy and Direction Finance and Performance	
Corporate Outcome:	A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor David Bebb, Cabinet Member for Finance and Performance	
Report prepared by:	Trevor Wilson, Head of Finance	
Background Papers:	Public Report	
Council Budget and Council Tax 2018/19 and Medium-Term Financial Strategy 2018/19 to 2021/22 report to Cabinet 5th February 2018 and Council 19th February 2018		Key Decision: No
Executive Summary:		
1. Background and Purpose		
1.1	The Medium-Term Financial Strategy (MTFS) 2018/19 to 2021/22 was agreed by Council on 19 th February 2018. The level of Council Tax (Band D) for 2018/19 was set at £174.51, an increase of £5.04 or 2.97%. A proportion of the revenue raised was added to balances in 2018/19 but the decision to increase by the maximum permissible by the Government was made on the basis of the forecast shortfalls in resources over the medium-term due primarily to the reductions in Government funding.	
1.2	The projected total shortfall over the three-year period, 2019/20 to 2021/22, was £0.928million. This was based on savings and additional income identified to be delivered over the period; increases in the level of Council Tax after 2019/20 are based on the previous maximum of 2%; and provisional Settlement Funding Assessment (SFA) figures for 2019/20 announced by the Government.	
1.3	This report outlines: <ul style="list-style-type: none"> • Detail of current consultations by Government regarding financial arrangements; • an initial review of the assumptions contained in the current MTFS; • the approach on developing the budget for 2019/20 and rolling the MTFS period forward to cover the period 2019/20 to 2022/23; 	

- approaches to addressing the financial shortfalls;
- Options to participate in either a bid by Essex authorities to be a pilot for the Business Rate Retention scheme or an Essex Business Rates pooling arrangement for 2019/20;
- request for a capital budget required to deliver revenue savings in 2019/20 and an update on capital resources; and
- the timetable to achieve the setting of the council tax and budget for 2019/20 at the meeting of the Full Council on 25th February 2019.

2. Local Government Finance Consultations

2.1 2019/20 Local Government Finance Settlement: technical consultation

The Ministry of Housing, Communities and Local Government (MHCLG) published a Technical Consultation on the 2019-20 Local Government Finance Settlement on 24th July 2018 with a closing date of 18th September 2018. The consultation focuses on four areas and also refers to a prospectus inviting Local Authorities to submit proposals to pilot 75% business rates retention in 2019/20:

- 2.1.1 The four-year Settlement.** The four-year settlement which began in 2016/17 was accepted by 97% of Councils. The indicative figures for 2019/20 (as restated in the 2018-19 Final Settlement) showed that the Settlement Funding Assessment for this Council would be £3.137million, a reduction of £489,570, or 13.5%, over the current year. The Government proposes to confirm the final year of the four-year offer.
- 2.1.2 New Homes Bonus.** New Homes Bonus was introduced in 2011 to provide an incentive to encourage housing growth. Since 2016/17, Councils receive a reward for four years for housing growth above a national baseline of 0.4%. The consultation announces that “due to the continued upward trend for house building, the Government expects to increase the baseline in 2019/20”.
- 2.1.3** 2019/20 represents the final year of funding agreed through the Spending Review 2015 and it is the Government’s intention to explore how to incentivise housing growth most effectively. The Government will consult on any changes prior to implementation.
- 2.1.4 Council Tax Referendum Principles.** The consultation states that the Government is minded to apply the same referendum principles in 2019/20 that applied in 2018/19, that is:
- The core limit will continue to be 3%
 - The adult social care precept will allow an additional 2% for councils with adult social care responsibilities, subject to the total precept not exceeding 6% between 2017/18 and 2019/20
 - Shire districts in two-tier areas will be allowed increases of up to 3% or up to and including £5.00, whichever is higher
- 2.1.5 Negative Revenue Support Grant (RSG).** The largest and most complex section of the consultation is given over to the issue of negative RSG. As Core Spending Power has reduced from year to year some Authorities with high business rates have seen substantial reductions in RSG. For a small number their local share of business rates (their “business rates baseline”) plus Council

Tax income actually exceeded their Core Spending Power and a negative adjustment, “negative RSG” was needed.

- 2.1.6 In 2017/18 this affected 15 Councils rising to 56 in 2018/19. Even so, the total amounts were relatively small: £2.3 million in 2017/18 and £22.8 million in 2018/19 so the Government allocated additional resources so that the Councils with negative RSG did not suffer any detriment.

However in 2019/20, the adjustment is expected to apply to 168 councils and the total is much larger – nearly £153 million. The consultation paper considers four options for dealing with the issue. Of the options the Government’s preferred approach is to:

- Directly eliminate negative RSG via foregone business rates – this is essentially a continuation of the same approach used in 2017/18 and 2018/19 by funding negative RSG from the Government’s share of business rates with no detriment to the 168 councils affected.

- 2.1.7 The four-year settlement shows that this Council is subject to negative RSG of £291,482 in 2019/20. This adjustment is included in the current MTFS agreed in February 2018.

2.2 Business Rates Pilots / Business Rates Pool 2019/20

- 2.2.1 The Government has invited Local Authorities in England to make a proposal to pilot 75% business rates retention in 2019/20 and has indicated that it would like to see Authorities form pools (either on existing or revised boundaries) to apply jointly for pilot status. Expectations are that a proposed pool would comprise:

- a County Council and all of the associated District Councils;
- a group of Unitary Authorities; or
- a two-tier area and adjoining Unitaries, but it should extend across a functional economic area.

- 2.2.2 Discussions are ongoing between Essex Authorities with regard to a potential pilot bid and/or a request for an Essex Business Rate Pool.

- 2.2.3 The deadline for the submission of a proposal for either a pilot bid or the revocation of the existing Essex Pool and the creation of a new Essex Pool to the MHCLG is 25th September 2018. Given this timescale it is proposed that authority be delegated to the Cabinet Member for Finance and Performance and the Corporate Director (Finance) to determine the Council’s participation in either an Essex pilot bid or an Essex pooling arrangement for 2019/20.

2.3 Treasury Management and Non-Financial Investments

- 2.3.1 New requirements on local government accounting and reporting with regard to investments and treasury management have been introduced.

- 2.3.2 Local Government accounts are required to apply **International Financial Reporting Standard (IFRS) 9 – Financial Instruments**. This introduces a change in accounting for certain financial assets. In particular, changes in the fair

value of pooled funds and shares will impact on councils' Revenue Income and Expenditure accounts.

- 2.3.3 Following representations from Local Authorities regarding the potential impact of applying this requirement the MHCLG, on 25th July 2018, issued a consultation on a proposed statutory override. Introducing a statutory override would mean that Local Authorities are not subject to the same requirements as the private sector on when to recognise the risks that they are running as a result of their investment activities.
- 2.3.4 The consultation closes on 28th September 2018. The Council agrees with the issuing of a statutory override but this should have no time limit.
- 2.3.5 Local Authorities are required by Regulation to have regard to the **Prudential Code for Capital Finance in Local Authorities** issued by the Chartered Institute for Public Finance and Accountancy (CIPFA).
- 2.3.6 From 2019/20, Councils are required to produce and publish a Capital Strategy. The "capital strategy is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability".
- 2.3.7 In addition, Local Authorities will need to refresh their Investment Strategies to take into account revised Guidance on Local Government Investments published by MHCLG in February 2018. The revised guidance includes non-treasury investments (e.g. property).
- 2.3.8 These requirements will be addressed during the budget setting process for 2019/20 and will be presented to Council in February 2019 for approval.

2.4 Fair Funding Review, 75% Business Rate Retention and Spending Review 2019

- 2.4.1 Local Government funding reforms are due to be introduced from 2020/21, this will include a 75% Business Rate Retention scheme and a reset of Business Rate Baselines as informed by the outcome of the Fair Funding Review and of the Government's Spending Review 2019.
- 2.4.2 It is expected that the Government will consult on its proposals over the next twelve months. Issues to be determined include: design of the Business Rate Retention scheme including the split in two tier areas, treatment of growth above baseline achieved under current scheme, safety net arrangements and funding of appeals; mechanics of the Fair Funding Review including the structure of the needs assessment and the treatment of relative resources; and transitional arrangements to ensure gains and losses are phased. It is expected generally that the overall impact is likely to be negative for District Councils.
- 2.4.3 Given the volume of issues outstanding it is very difficult at this time to predict the level of impact on the Council's finances for 2020/21 onwards.

3. Update on Financial assumptions in the current MTFS

- 3.1 Initial work on updating the MTFS has commenced including: a review of the current year's budgets in light of the 2017/18 financial outturn; review of the savings/additional income proposals to be delivered; review of other assumptions; and assessment of information received which have financial consequences for the Council.
- 3.2 A number of the 2018/19 in year budget variations identified at Quarter 1, positive and negative, are expected to continue and therefore have a budget impact in 2019/20. The main variations include:
- **Development Management** – Development Management continues to experience pressure on staff resources due to the volume of current pre-applications and planning applications, particularly in relation to major development proposals and planning appeals for speculative development proposals arising from the Council's current lack of a 5-Year Housing Supply. In order to provide additional resource it will be necessary to secure additional bought-in staff to provide specialist support for the team. It is calculated that a budget increase of £181,500 would be necessary in the current year and this has been highlighted in the First Quarter Performance Report. The First Quarter report also shows that the anticipated income from planning application fees for the year will be £188,000 higher than the budget. It is therefore proposed that a virement of £181,500, from the Planning Application Fees budget to the Development Management staffing budget, be agreed. Work is in progress to assess the resourcing requirement for next year. Options for meeting the challenges of resourcing and financing this demand-led service, in respect of applications and defending appeals, will be presented as part of the budget setting process for 2019/20.
 - **Recycling** – gate fees incurred for the disposal of recyclable materials are currently determined on a quarterly basis by reference to market prices. Changes in market conditions over recent months have caused an increase in gate fees which has resulted in an expectation that the budget will be exceeded. An increase of £300,000 for 2019/20 is suggested at this time.
 - **Vehicle Fuel** – diesel costs have increased with the expectation that this budget will be exceeded by £50,000 and it is considered that an increased budget will also be required in future years.
 - **Asset Management** – over recent months the Council has received ownership of commercial properties: business units on Springwood Industrial Estate, Corner House and at Osier House, Sible Hedingham, which will provide a rental income stream which was not included in the current year budget. Rental income will also be receivable from the Grow-On units at Springwood Industrial Estate. Causeway House is currently fully let resulting in higher rental income than budgeted. The predicted outcome from the above is net additional rental income of £127,000 in the current year and in a full year £191,000 is expected after an allowance for void periods. However, part of this income is to be used to provide a business support service – an allowance of £20,000 is suggested at this time.
- 3.3 A high level assessment of the pressures and/or events which will impact on the Council's financial position over the next four years has identified a number of emerging issues, the majority of which are not quantifiable at this time:

- **Vehicle Maintenance and Workshop** – the current contract for maintenance of the Council's vehicles with Riverside Truck Rentals comes to end on 31st March 2019. Following a review, Management Board has determined that the service is to be brought back in-house, thereby regaining full control and management of the entire fleet operation which will protect and safeguard the Council's legal position in relation to its Operators Licence. In addition, anticipated savings of £45,000 per annum are projected. Although the Council own the workshop premises these will need to be equipped and it is requested that a capital provision of £150,000 be allocated in the current year to enable the workshop to be ready for operation in April 2019.
- **Pension Fund** – The next triennial review will be based on an assessment of the Fund as at 31st March 2019 and the outcome will be released in October/November 2019 and will be effective for 2020/21 to 2022/23.
- **Transfer of service** – Housing Benefit for working age claimants is to be incorporated within the Universal Credit. The potential impacts of a reduction in the administration subsidy received from the DWP and of the staffing level required are not quantifiable at this time.
- **Homelessness** – a new Homelessness Strategy 2018 to 2023 to prevent and alleviate homelessness in the Braintree District and to meet the requirements of the Homelessness Reduction Act is included as a separate report on this Cabinet agenda. An assessment of the requirements and potential costs has been undertaken. Grants allocated by Government, including New Burdens Grant, for 2018/19 and 2019/20 are expected to be sufficient to meet the additional costs until mid-way through 2021/22.
- **Essex County Council (ECC) contributions** – the Council receives in excess of £2.4million per annum in respect of Waste Collection, Community Transport and a Council Tax Sharing Arrangement. Aspects of each of these will be subject to review by ECC. The grant for the community transport service received for 2018/19 was allocated for one-year only. A one-year extension of the Council Tax Sharing Agreement between ECC, Essex Police, Fire & Crime Commissioner (Policing & Community Safety and Fire & Rescue Authority) and the Essex District Councils was agreed for 2018/19 with negotiations to be held to agree the terms of a new long-term agreement by November 2018.
- **Collection Fund surplus - Council Tax.** The final determination of the amount of surplus available will be made later in the year enabling a review of the collection performance in the current year to be taken into account, as appropriate.
- **Investment Programme** proposals – income streams receivable from proposed investments are only included in the Council's Budget when a scheme has been approved by Members.
- In previous years the **Local Council Tax Support scheme** has been reviewed early in the budget setting process as the scheme had to be agreed by Council for the following year by 31st January. This deadline has, however, now been set as 11th March, the same as the deadline for councils to set their budget and council tax. The proposed scheme for 2019/20 will form part of the initial budget proposals determined by the Cabinet at the meeting on 26th November 2018.

3.4 The changes to the assumptions, where determinable, and the proposed removing of the negative RSG result in an updated financial shortfall for 2019/20 of £465,000.

- 4. Developing the Budget and Council Tax for 2019/20 and rolling forward the MTFS for 2019/20 to 2022/23**
- 4.1 The approach to address the anticipated budget shortfalls over the period of the MTFS will be the delivery of the 'Roadmap to 2020'. The main focus will be directed to the anticipated shortfall of £0.465million for 2019/20, however, this will not preclude the identification of cost reductions/additional income for the following three years for which shortfalls are anticipated but the levels are yet to be determined.
- 4.2 Senior Managers are currently conducting a review of service budgets to identify possible cost reductions and/or income generation. Work will continue to determine the financial implications of the emerging issues and to refine the levels of budget variations identified in the current year.
- 4.3 The Council's approach to the delivery of the housing growth agenda includes the Garden Communities project and the potential establishment of a Housing Development Company. Both, if agreed, will have a significant impact on the Council's finances over the medium to long-term. However, at this time with the projects in the development stages the only financial requirements have been for contributions for feasibility work and to set-up North Essex Garden Communities Limited and the three Local Development Vehicles: two contributions of £250,000 have been made for the Garden Communities with indications that there will be a request from councils for additional short-term working capital to fund the on-going activities of NEGC Ltd for the remainder of 2018/19 and into 2019/20; and a provision of £130,000 for the preparation of a full business case on the establishment of a Housing Development Company.
- 4.4 At this time other than the financial budgets approved for these two major projects no allowance for potential expenditure, income and borrowings is included in this update of the MTFS. Proposals regarding each of these projects will be subject to detailed reports for decision of Cabinet and the Council as required at the relevant time.
- 5. Capital Resources**
- 5.1 **New Homes Bonus.** The Government has announced that it expects the baseline, currently 0.4%, will be increased for 2019/20 due to the continued upward trend in housebuilding. The baseline sets a number of dwellings which must be produced, in the relevant 12 month period, with only dwellings above this figure attracting New Homes Bonus grant.
- 5.2 Changes to the scheme will be detailed at the time of the announcement of the provisional Financial Settlement.
- 5.3 **Capital Receipts.** The estimated receipt from Greenfields Community Housing for the Council's share of the sale proceeds of former council houses is £1million for the current year. The amount generated in the first quarter of the current year is £1.238million (from 9 sales). This compares to 5 sales completed in the first quarter last year. Whilst it is forecast that additional resource is likely in 2018/19

for the capital programme, the estimation of future receipts will continue to be difficult given the demand-led nature of this resource

6. Budget Process Timetable

6.1 Details of the budget process timetable are contained in the report.

Recommended Decision:

Members are asked to:

1. Note the 2019/20 budget process timetable as detailed in the report;

Business Rates Retention:

2. Agree, in principle, that the Council participates in an Essex bid to be a Business Rates pilot and if either the bid is unsuccessful or no bid is submitted to participate in an Essex Business Rates Pool for 2019/20; and
3. Agree that authority is delegated to the Cabinet Member for Finance and Performance and the Corporate Director (Finance) to give final agreement of the Council's participation in an Essex pooling arrangement.

Recommend to Council to:

General Fund Revenue Account 2018/19:

4. Agree a virement of £181,500 from Planning Application Fees budget to Development Management Staffing budget.

and

Capital Programme 2018/19:

5. Agree a capital provision of £150,000 in the current year for the equipping and fitting out of the vehicle maintenance workshop to be ready for operation in April 2019. The provision is to be funded from capital receipts.

Purpose of Decision:

Good governance arrangements through the proactive management of the Council's finances over the short and medium term.

Any Corporate implications in relation to the following should be explained in detail.

<p>Financial:</p>	<p>The level of Government funding for 2019/20 is drawn from the Financial Settlement for local government for 2016/17 to 2019/20 confirmed on 6th February 2018. This is expected to be adjusted by the removal of the negative RSG element (£291,482 for this Council) as proposed by the Government in a consultation paper.</p> <p>Future funding arrangements for 2020/21 onwards continue to be unclear at the current time as the Government's proposed 75% Business Rate Retention scheme is still being developed.</p> <p>The Fair Funding Review is still in progress and this will update a local authority's relative need which in turn will be used to determine the Baseline Funding Level for an authority. When the Baseline is re-set it is unclear as to whether the business rate growth currently retained by the Council will be redistributed, in full or part, between all authorities. The Council's estimated business rate growth above the Baseline and retained for 2018/19 is £1,157,378.</p> <p>The Government has invited groups of authorities to submit a bid to be a pilot of the 75% Business Rate Retention scheme in 2019/20. Discussions are currently in progress for Essex authorities to submit a bid and/or submit a request for an Essex pooling arrangement for 2019/20. The benefit for the Council and Essex as a whole to be a pilot or have a Business Rate Pool is that both make it possible to retain more of the additional funds from growth in business rates.</p> <p>Whilst the initial update of the financial profile includes a number of proposed changes, which reduces the estimated shortfall in 2019/20 to £465,000, there are a large number of emerging issues for which it is not currently possible to quantify the financial impact.</p>
<p>Legal:</p>	<p>No matters arising at this stage however but legal implications will be considered, as necessary, for all budget saving proposals as they are prepared as part the budget setting process.</p>
<p>Safeguarding:</p>	<p>No matters arising out of this report.</p>

Equalities/Diversity:	No matters arising at this stage however equalities and/or diversity implications will be considered, as necessary, for all budget saving proposals as they are prepared as part the budget setting process.
Customer Impact:	No matters arising at this stage but customer impact will be considered, as necessary, for all budget saving proposals as they are prepared as part the budget setting process.
Environment and Climate Change:	No matters arising at this stage but environmental and climate change impact will be considered, as necessary, for all budget saving proposals as they are prepared as part the budget setting process.
Consultation/Community Engagement:	No matters arising out of this report.
Risks:	<p>The assumptions made prove to be incorrect resulting in either an increase or reduction in the savings required.</p> <p>If as a consequence of the Fair Funding Review the Council loses the amount of business rates growth above the existing Baseline figure and no damping adjustment is applied to lessen the impact this would add significantly to the shortfall in 2020/21.</p> <p>The impact on the public sector as a result of the United Kingdom's withdrawal from the European Union.</p>
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1. Background

2.2 The Medium-Term financial Strategy (MTFS) 2018/19 to 2021/22 was agreed by Council on 19th February 2018. The level of Council Tax (Band D) for 2018/19 was set at £174.51, an increase of £5.04 or 2.97%. A proportion of the revenue raised was added to balances in 2018/19 but the decision to increase by the maximum permissible by the Government was made taking account of the forecast shortfalls in resources over the medium-term due primarily to the reductions in Government funding.

2.3 At the time the MTFS was agreed the anticipated position for the three-years; 2019/20 to 2021/22, was as follows:

	2019/20	2020/21	2021/22
Budget Requirement	£13,825,299	£14,264,010	£14,718,121
Budget shortfall to be addressed	£621,661	£258,149	£48,269
Council Tax at Band D	£179.73	£183.24	£186.84
Council Tax increase for financial planning purposes	2.99%	1.95%	1.96%

2.4 The projections include savings and additional income identified to be delivered over the period; increases in the level of Council Tax after 2019/20 are based on the previous permitted maximum of 2%; and provisional Settlement Funding Assessment (SFA) figures for 2019/20 announced by the Government.

2.5 The Financial Settlement for Local Government announced by the Secretary of State for Communities and Local Government on 6th February 2018 confirmed the funding figures, actual and provisional, for each Authority for the third and fourth years respectively of the four-year settlement (period 2016/17 to 2019/20).

2.6 The Provisional SFA figures announced for 2019/20 were:

	Amount
Revenue Support Grant	Nil
Retained Business Rates - Baseline	£3,428,553
Business Rates tariff adjustment	-£291,482
Total Settlement Funding Assessment	£3,137,071

1.6 Future funding arrangements for 2020/21 onwards were expected to be determined under the proposed 100% Business Rates Retention scheme. The Government has since announced the proposed scheme will be based on Local Government retaining 75% rather than 100%.

1.7 The approach to address the anticipated budget shortfalls will be to deliver the 'Roadmap to 2020', which encompasses:

Better at Business

- Commercialisation
- Business Awareness & Skills
- Procurement
- Contract Management

Smart Working

- Service Improvements
- Digital Strategy
- Accommodation Review
- Mobile & Flexible working

Investment Programme

- District Investment Strategy
- Asset Management Strategy
- Treasury Management Strategy

1.8 This report outlines:

- Detail of current consultations by Government regarding financial arrangements;
- an initial review of the assumptions contained in the current MTFS;
- the approach on developing the budget for 2019/20 and rolling the MTFS period forward to cover the period 2019/20 to 2022/23;
- approaches to addressing the financial shortfalls;
- Options to participate in either a bid by Essex Authorities to be a pilot for the Business Rate Retention scheme or an Essex Business Rates pooling arrangement for 2019/20;
- request for a capital budget required to deliver revenue savings in 2019/20 and an update on capital resources; and
- the timetable to achieve the setting of the Council Tax and budget for 2019/20 at the meeting of the Full Council on 25th February 2019.

2. Current Financial Consultations

2.1 2019/20 Local Government Finance Settlement: technical consultation

The Ministry of Housing, Communities and Local Government (MHCLG) published a Technical Consultation on the 2019-20 Local Government Finance Settlement on 24th July 2018 with a closing date of 18th September 2018.

This year's consultation, concentrating on the last year of a four-year settlement is less complex than most and asks just four technical questions:

2.1.1 The four-year Settlement

The four-year settlement which began in 2016/17 was accepted by 97% of Councils. The indicative figures for 2019/20 (as restated in the 2018-19 Final Settlement) showed that the Settlement Funding Assessment for this Council

would be £3.137million, a reduction of £489,570, or 13.5%, over the current year.

The consultation paper asks just one question on the settlement itself: Do you agree that the Government should confirm the final year of the four-year offer as set out in 2016/17?

2.1.2 Business Rates Pilots

Alongside this consultation, MHCLG have issued a prospectus inviting Local Authorities to submit proposals to pilot business rates retention in 2019/20. The business rates pilot landscape is already complex with 155 Councils currently involved.

The first five 100% business rates retention pilots were launched in Devolution Deal areas in April 2017, followed, in April 2018, by a 100% pilot for the London area that includes the 32 London Boroughs, the City of London and the Greater London Authority. At the same time, ten further 100% pilots were created covering Berkshire, Derbyshire, Devon, Gloucestershire, Kent, the Leeds City Region, Lincolnshire, Solent, Suffolk, and Surrey.

The Government has now announced that although the Devolution Deal pilots and the London pilot will continue, the ten 2018/19 pilots will cease in March 2019 and the pilot areas (and others) are to be invited to submit new proposals for 2019/20 based upon a lower 75% of retained business rates which is in-line with the national system proposed for 2020/21 onwards.

2.1.3 New Homes Bonus

New Homes Bonus (NHB) was introduced in 2011 to provide an incentive to encourage housing growth. The scheme has been modified since 2016/17 and councils now receive a reward for four years for housing growth above a national baseline of 0.4%. The consultation announces that “due to the continued upward trend for house building, the Government expects to increase the baseline in 2019/20”.

The last settlement’s Core Spending Power projections include an estimate of £900m for NHB in 2019/20 but it is not clear from this latest announcement whether that will change.

Finally, it is stated that 2019/20 represents the final year of funding agreed through the Spending Review 2015 and that it is the Government’s intention to explore how to incentivise housing growth most effectively. The Government will consult on any changes prior to implementation.

2.1.4 Council Tax Referendum Principles

The consultation states that the Government is minded to apply the same referendum principles in 2019/20 that applied in 2018/19, that is:

- The core limit will continue to be 3%

- The Adult Social Care precept will allow an additional 2% for Councils with adult social care responsibilities, subject to the total precept not exceeding 6% between 2017/18 and 2019/20
- Shire Districts in two-tier areas will be allowed increases of up to 3% or up to and including £5.00, whichever is higher

Parish and Town Council precepts rose by 4.9% in 2018/19, the lowest increase since 2015/16. In view of that, the Government intends to defer referendum principles for town and parish councils for at least one further year.

The consultation seeks views on the above proposals.

2.1.5 Negative Revenue Support Grant (RSG)

The largest and most complex section of the consultation is given over to the issue of negative RSG. As Core Spending Power has reduced from year to year some authorities with high business rates have seen substantial reductions in RSG. Indeed, for a small number their local share of business rates (their “business rates baseline”) plus council tax income actually exceeded their Core Spending Power and a negative adjustment, “negative RSG” was needed.

In 2017/18 this affected 15 Councils rising to 56 in 2018/19. Even so, the total amounts were relatively small: £2.3 million in 2017/18 and £22.8 million in 2018/19 so the Government allocated additional resources so that the Councils with negative RSG did not suffer any detriment.

However in 2019/20, the adjustment is expected to apply to 168 Councils and the total is much bigger – nearly £153 million. The consultation paper considers four options for dealing with the issue:

- Altering the Core Funding**
- Moving existing funding or injecting additional funds into Core Funding.**
- Adjusting Tariffs and Top-Ups.**
- Directly eliminating negative RSG via foregone business rates** – this is essentially a continuation of the same approach used in 2017/18 and 2018/19 by funding negative RSG from the Government’s share of business rates with no detriment to the 168 councils affected. This is the Government’s preferred approach.

The last two consultation questions ask whether respondents agree with this approach or, if not, their preference for an alternative option.

The four-year settlement shows that this Council is subject to negative RSG of £291,482 in 2019/20. This adjustment is included in the current MTFS agreed in February 2018.

- 2.1.6 Councillor David Bebb, under delegated authority, will be responding to the consultation on behalf of the Council.

2.2 Business Rates Pilots / Business Rates Pool 2019/20

- 2.2.1 As stated above the Government has invited Local Authorities in England to make a proposal to pilot 75% business rates retention in 2019/20. Proposals must be received by MHCLG by 25th September 2018.
- 2.2.2 The Government is interested in exploring how 75% rates retention can operate across more than one authority to promote financial sustainability and to support coherent strategic decision-making across functional economic areas.
- 2.2.3 The Government has indicated that it would like to see Authorities form pools (either on existing or revised boundaries) and, with agreement in place from all participating authorities, to apply jointly for pilot status. Expectations are that a proposed pool would comprise:
- a County Council and all of the associated District Councils;
 - a group of Unitary Authorities; or
 - a two-tier area and adjoining Unitaries, but it should extend across a functional economic area.
- 2.2.4 The other key difference from the current pilot arrangement is that whilst the existing pilots are on a “no detriment” basis, that protection is to be removed for the 2019/20 pilots.
- 2.2.5 Discussions are ongoing between Essex Authorities with regard to a potential pilot bid and/or a request for an Essex Business Rate Pool.
- 2.2.6 The deadline for the submission of a proposal for either a pilot bid or the revocation of the existing Essex Pool and the creation of a new Essex Pool to the MHCLG is 25th September 2018. Given this timescale it is proposed that authority be delegated to the Cabinet Member for Finance and Performance and the Corporate Director (Finance) to determine the Council’s participation in either an Essex pilot bid or an Essex pooling arrangement for 2019/20.

2.3 Treasury Management and Non-Financial Investments

- 2.3.1 New requirements on local government accounting and reporting with regard to investments and treasury management have been introduced.
- 2.3.2 Local Government accounts are required to apply **International Financial Reporting Standard (IFRS) 9 – Financial Instruments**. This introduces a change in accounting for certain financial assets. In particular, changes in the fair value of pooled funds and shares will impact on Councils’ Revenue Income and Expenditure accounts. Currently, the change in the fair value of the Council’s pooled funds between financial years, positive or negative, are not brought into the Council’s accounts. This has been on the basis that the actual gain or loss on these investments will only be realised when they are sold.
- 2.3.3 Following representations from Local Authorities regarding the potential impact of applying this requirement the MHCLG, on 25th July 2018, issued a

consultation on a proposed statutory override. Introducing a statutory override would mean that Local Authorities are not subject to the same requirements as the private sector on when to recognise the risks that they are running as a result of their investment activities.

- 2.3.4 However, the statutory override is to be time limited: requiring Local Authorities to reverse out fair value movements recognised on pooled investment funds to unusable reserves for a period of three years to 1 April 2021.
- 2.3.5 It is proposed to respond to the consultation, which closes on 28th September 2018, that the Council agrees with the issuing of a statutory override but this should have no time limit.
- 2.3.6 Local Authorities are required by Regulation to have regard to the **Prudential Code for Capital Finance in Local Authorities** issued by the Chartered Institute for Public Finance and Accountancy (CIPFA).
- 2.3.7 From 2019/20, Councils are required to produce and publish a Capital Strategy. The “capital strategy is intended to give a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability”.
- 2.3.8 In addition to this new requirement, Local Authorities will need to refresh their Investment Strategies to take into account revised Guidance on Local Government Investments published by MHCLG in February 2018. The revised guidance includes non-treasury investments:
- Loans made for service purposes
 - Shares in companies bought for service purposes
 - Loans to and shares in subsidiaries
 - Non-financial assets (e.g. property) held primarily or partially to generate a profit.
- 2.3.9 These requirements will be addressed during the budget setting process for 2019/20 and will be presented to Council in February 2019 for approval.

2.4 Fair Funding Review, 75% Business Rate Retention and Spending Review 2019

- 2.4.1 Local Government funding reforms are due to be introduced from 2020/21, which will include a 75% Business Rate Retention scheme and a reset of Business Rate Baselines as informed by the outcomes of the Fair Funding Review and of the Government's Spending Review 2019.
- 2.4.2 Whilst the Government has published a number of consultation papers on some of these areas, and the Council has responded as appropriate, it is clear that there are many issues outstanding to be determined before the finalised scheme, funding baselines and transitional arrangements are expected to be published between October 2019 and January 2020.

- 2.4.3 It is expected that the Government will consult on its proposals over the next twelve months. Issues to be determined include: design of the Business Rate Retention scheme including the split in two tier areas, treatment of growth above baseline achieved under current scheme, safety net arrangements and funding of appeals; mechanics of the Fair Funding Review including the structure of the needs assessment and the treatment of relative resources; and transitional arrangements to ensure gains and losses are phased. It is expected generally that the overall impact is likely to be negative for District Councils.
- 2.4.4 Given the volume of issues outstanding it is very difficult to predict the level of impact on the Council's finances for 2020/21 onwards.

3. Update on Financial assumptions in the current MTFS

- 3.1 Initial work on updating the MTFS has commenced including a review of the current year's budgets in light of the 2017/18 financial outturn, review of the savings/additional income proposals to be delivered, review of other assumptions and assessment of information received which have financial consequences for the Council.
- 3.2 An assessment of the Council's financial position in the current year, conducted as at the end of the first quarter, indicates a net adverse variance of £87,000. The variance on staffing and other expenditure is an estimated overspend of £372,000 which is only partially offset by additional income of £285,000. Detail analysis of the projected position can be found in the financial commentary of the Quarterly Performance report included as a separate agenda item for this meeting.
- 3.3 A number of the variations, positive and negative, are expected to continue and therefore have a budget impact in 2019/20. The main variations include:
- 3.3.1 **Development Management** – Development Management continue to experience pressure on staff resources due to the volume of current pre-applications and planning applications, particularly in relation to major development proposals and planning appeals for speculative development proposals arising from the Council's current lack of a 5-Year Housing Supply.
- 3.3.2 This pressure will continue to increase over the next financial year with further pre-applications and planning applications expected to be received for both speculative sites and sites which benefit from draft allocations within the Council's emerging Local Plan. It is also anticipated that Development Management will have an increasing number of Reserved Matters applications for the detailed design and layout of sites which benefit from outline planning permission. By their nature, these applications are more time consuming to process and are critical for housing delivery.
- 3.3.3 In order to meet the challenge of addressing the shortfall in the Council's 5-Year Housing Supply and ensure housing delivery across the District, as well as delivering strategic projects such as Manor Street and the new employment site at Great Notley, further resources are required to support the Development Management Team.

- 3.3.4 In order to provide additional resource it will be necessary to secure additional bought-in staff to provide specialist support for the team. This is considered to be the most appropriate method to secure additional resource with the required level of planning experience to deal with the complexity and volume of major planning applications for the service. It is calculated that a budget increase of £181,500 would be necessary in the current year and this has been highlighted in the First Quarter Performance Report (see separate item on this agenda).
- 3.3.5 The First Quarter report also shows that the anticipated income from planning application fees for the year will be £188,000 higher than the budget. It is therefore proposed that a virement of £181,500 from the Planning Application Fees budget to the Development Management staffing budget be agreed. If the virement is approved, and additional resource is secured for Development Management, it would enable the team to make progress in addressing the 5-Year Housing Supply shortfall and enable resources to be put in place to bring forward strategic sites within the emerging Local Plan.
- 3.3.6 It is noted in the First Quarter report that the planning appeal costs earmarked reserve is expected to be fully utilised by the end of this year.
- 3.3.7 Work is in progress to assess the resourcing requirement for next year. Options for meeting the challenges of resourcing and financing this demand-led service, in respect of applications and defending appeals, will be presented as part of the budget setting process for 2019/20.
- 3.3.8 **Recycling** – gate fees incurred for the disposal of recyclable materials are currently determined on a quarterly basis by reference to market prices. Changes in market conditions over recent months has caused an increase in gate fees which has resulted in an expectation that the current budget will be exceeded by £220,000. With the volatility of the markets it is considered prudent at this time in the budget process to allow for an additional cost of £300,000 in future years.
- 3.3.9 **Vehicle Fuel** – diesel costs have increased in the current year with the expectation that this budget will be exceeded by £50,000 and it is considered that an increased budget will also be required in future years.
- 3.3.10 **Asset Management** – over recent months the Council has received ownership of commercial properties: business units on Springwood Industrial Estate, Corner House and at Osier House, Sible Hedingham, which will provide a rental income stream which was not included in the current year budget.
- 3.3.11 Further rental income will be receivable from the Grow-On units at Springwood Industrial Estate which are due to be completed and available for let from this month. Also Causeway House is currently fully let resulting in higher rental income than budgeted.
- 3.3.12 The predicted outcome from the above is net additional rental income of £127,000 in the current year and in a full year £191,000 is expected after an

allowance for void periods. However, part of this income is to be used to provide a business support service – an allowance of £20,000 is suggested at this time.

- 3.4 A high level assessment of the pressures and/or events which will impact on the Council's financial position over the next four years has identified a number of emerging issues, the majority of which are not quantifiable at this time.

The issues include:

- **Vehicle Maintenance and Workshop** – the current contract for maintenance of the Council's vehicles with Riverside Truck Rentals comes to end on 31st March 2019. An assessment of the options has been undertaken by APSE. A report including costings has been considered by Management Board. The outcome is that the service is to be brought back in-house as this enables the Council to regain full control and management of the entire fleet operation which will protect and safeguard the Council's legal position in relation to its Operators Licence. In addition, anticipated savings of £45,000 per annum are projected. Although the Council owns the workshop premises these will need to be equipped and it is requested that a capital provision of £150,000 be allocated in the current year to enable the workshop to be ready for operation in April 2019. Funding is available from the balance of unallocated capital receipts, which is also expected to increase in the current year: section 5.5 below refers.
- **Pension Fund** – the recent triennial review of the Fund set the Council's contribution rate and deficit payments for the three year period 2017/18 to 2019/20. The next review will be based on an assessment of the Fund as at 31st March 2019 and the outcome will be released in October/November 2019 and will be effective for 2020/21 to 2022/23.
- **Transfer of service** – Housing Benefit for working age claimants is to be incorporated within the Universal Credit. The transfer is being undertaken on a phased approach, the second phase went live in October 2017, and the expectation is that all housing benefit for working age claimants will be processed by the DWP by 2020. Housing benefit payments to pensionable age claimants together with local council tax support to pensioners and working age claimants will continue to be administered by the Council. The potential impacts of a reduction in the administration subsidy received from the DWP and of the staffing levels required are not quantifiable at this time. However, vacancies in Housing Benefits are being covered by a number of part-time team members increasing their hours.
- **Homelessness** – a new Homelessness Strategy 2018 to 2023 to prevent and alleviate homelessness in the Braintree District and to meet the requirements of the Homelessness Reduction Act is included as a separate report on this Cabinet agenda. An assessment of the requirements and potential costs has been undertaken. Grants allocated by Government, including New Burdens Grant, for 2018/19 and 2019/20 are expected to be sufficient to meet the additional costs until mid-way through 2021/22.
- **Essex County Council (ECC) contributions** – the Council receives in excess of £2.4million per annum in respect of Waste Collection, Community Transport and a Council Tax Sharing Arrangement. Aspects of each of these will be subject to review by ECC. The grant for the

community transport service received for 2018/19 was allocated for one-year only. A one-year extension of the Council Tax Sharing Agreement between ECC; Essex Police, Fire & Crime Commissioner (Policing & Community Safety and Fire & Rescue Authority); and the Essex District Councils was agreed for 2018/19 with negotiations to be held to agree the terms of a new long-term agreement by November 2018.

- **Collection Fund surplus - Council Tax.** As at 31st March 2018 the Council had surpluses of £2,287,768 on Council Tax of which £1,398,933 was used in setting the 2018/19 Council Tax. This means that the balance available to support the 2019/20 Budgets of the major preceptors will be £888,835, of which £113,625 will be due to this Council. The final determination of the amount of surplus available will be made later in the year enabling a review of the collection rate in the current year to be taken into account, as appropriate.
- **Investment Programme** proposals – income streams receivable from proposed investments are only included in the Council's Budget when a scheme has been approved by Members.
- In previous years the **Local Council Tax Support scheme** has been reviewed early in the budget setting process as the scheme had to be agreed by Council for the ensuing year by 31st January. This deadline has, however, now been set as 11th March, the same as the deadline for Councils to set their budget and Council Tax. The proposed scheme for 2019/20 will form part of the initial budget proposals determined by the Cabinet at the meeting on 26th November 2018.
- Finally, it is anticipated that the United Kingdom's withdrawal from the European Union will have an impact on the Council during the MTFS period but this will only become clear as the terms of the departure and new agreements are determined.

- 3.5 The changes to the assumptions, where determinable, and the proposed removing of the negative RSG result in an updated financial shortfall for 2019/20 as follows:

	£'000
Shortfall as per current MTFS	622
• Removal of negative RSG	(291)
• Operations	305
• Rental Income	(171)
Revised Shortfall 2019/20	465

4. **Developing the Budget and Council Tax for 2019/20 and rolling forward the MTFS for 2019/20 to 2022/23**

- 4.1 The approach to address the anticipated budget shortfalls over the period of the MTFS will be the delivery of the 'Roadmap to 2020'. The main focus will be directed to the anticipated shortfall of £0.465million for 2019/20, however, this will not preclude the identification of cost reductions/additional income for the following three years for which shortfalls are anticipated but the levels are yet to be determined.
- 4.2 The 'Roadmap to 2020' encompasses:

Better at Business

- Commercialisation
- Business Awareness & Skills
- Procurement
- Contract Management

Smart Working

- Service Improvements
- Digital Strategy
- Accommodation Review
- Mobile & Flexible working

Investment Programme

- District Investment Strategy
- Asset Management Strategy
- Treasury Management Strategy
- Capital Strategy

- 4.3 Senior Managers are currently conducting a review of service budgets to identify possible cost reductions and/or income generation. Work will continue to determine the financial implications of the emerging issues raised in section 3.4 and to refine the levels of budget variations identified in the current year (section 3.3).
- 4.4 The annual review of discretionary fees and charges for services will be undertaken by Service Managers. This will be in accordance with the Council's Charging Policy: the general principle of which is that service users should make a direct contribution to the cost of providing services at their point of use.
- 4.5 The Council Tax level for 2019/20, of £179.73, included in the MTFS reflects the proposed referendum principle as outlined at section 2.1.4 above, i.e. increase limited to 3%.
- 4.6 Whilst the Council has the option to use balances to help meet a funding shortfall this is not a sustainable solution over the medium-term as the balances can only be used once. In addition monies held in balances prior to being needed form part of the Council's investment portfolio, including the pooled funds, and generate returns to support the revenue budget. However, Balances can provide an option to meet short-term funding shortfalls for example during the development phase of an investment project and prior to an income stream being received.
- 4.7 The estimated amounts of unallocated balances held are:

General Fund Balance at 1 st April 2018	£2.860m
Anticipated addition to balance for 2018/19	£1.333m
General Fund Balance at 31 st March 2019	£4.193m
Planned addition to balance for 2019/20	£1.411m
General Fund Balance at 31 st March 2020	£5.604m

Receipts from the Essex Business Rate Pool

Balance at 1 st April 2018	£1.515m
Potential share for 2018/19	£0.480m
Allocated to I-Construct project	£(1.500m)
Balance at 31 st March 2019	£0.495m

- 4.8 The Council's approach to the delivery of the housing growth agenda includes the Garden Communities project and the potential establishment of a Housing Development Company. Both, if agreed, will have a significant impact on the Council's finances over the medium to long-term. However, at this time with the projects in the development stages the only financial requirements have been for contributions for feasibility work and to set-up North Essex Garden Communities Limited and the three Local Development Vehicles: two contributions of £250,000 have been made for the Garden Communities with indications that there will be a request from Councils for additional short-term working capital to fund the on-going activities of NEGC Ltd for the remainder of 2018/19 and into 2019/20; and a provision of £130,000 for the preparation of a full business case on the establishment of a Housing Development Company.
- 4.9 At this time other than the financial budgets approved for these two major projects no allowance for potential expenditure, income and borrowings is included in this update of the MTFS. Proposals regarding each of these projects will be subject to detailed reports for decision of Cabinet and the Council as required at the relevant time.

5. Capital Resources

- 5.1 **New Homes Bonus.** As mentioned at section 2.1.3 above, the Government has announced that it expects the baseline, currently 0.4%, will be increased for 2019/20 due to the continued upward trend in housebuilding. The baseline sets a number of dwellings which must be produced, in the relevant 12 month period, with only dwellings above this figure attracting New Homes Bonus grant.
- 5.2 Changes to the scheme will be detailed at the time of the announcement of the provisional Financial Settlement.
- 5.3 The table below provides detail of the New Homes Bonus received to-date plus the minimum amount expected in 2019/20 (£1.025million) and allocations agreed to-date. This shows an unallocated balance available of £3.124million.

New Homes Bonus Summary - 2011/12 to 2019/20										
	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Year 1 (2011/12)	509.0	509.0	509.0	509.0	509.0	509.0				3,054.2
Year 2 (2012/13)		472.6	472.6	472.6	472.6	472.6				2,363.0
Year 3 (2013/14)			606.0	606.0	606.0	606.0	606.0			3,029.8
Year 4 (2014/15)				266.9	266.9	266.9	266.9			1,067.5
Year 5 (2015/16)					247.1	247.1	247.1	247.1		988.6
Year 6 (2016/17)						680.5	680.5	680.5	680.5	2,722.1
Year 7 (2017/18)							328.7	328.7	328.7	986.1
Year 8 (2018/19)								16.2	16.2	32.4
Year 9 (2019/20)									?	-
Total receivable in Year	509.0	981.6	1,587.6	1,854.5	2,101.6	2,782.1	2,129.2	1,272.6	1,025.4	14,243.7
Less:										
Allocations Agreed	79.0	79.0	66.4	32.3	99.7	95.7	70.0	70.0	70.0	662.1
Economic Development & Project Delivery							144.8	144.8	144.8	434.4
Net Resource for Capital	430.0	902.6	1,521.2	1,822.2	2,001.9	2,686.4	1,914.4	1,057.8	810.6	13,147.1
Allocated to District Investment	430.0	152.6	1,521.2	1,822.2	2,001.9	2,572.1				8,500.0
Allocated for Affordable Homes		750.0								750.0
Garden Communities							250.0			250.0
Grow-on Units, Springwood							86.8			86.8
Broadband								356.0		356.0
Premdor site - feasibility								80.0		80.0
Resource Available	0.0	-	-	0.0	-	0.0	114.3	1,577.6	621.8	3,124.3

- 5.4 A request, is included in a separate report on this Cabinet agenda, for an allocation of £1.991million of New Homes Bonus to fund the additional resource needed in the Strategic Investment Team to deliver the Council's development programme over the next four years.
- 5.5 Capital Receipts. The estimated receipt from Greenfields Community Housing for the Council's share of the sale proceeds of former Council houses is £1million for the current year. The amount generated in the first quarter of the current year is £1.238million (from 9 sales). This compares to 5 sales completed in the first quarter last year and also suggests that this year's total is likely to exceed last year's total of 20 sales which generated £2.122 million for the Council.
- 5.6 Whilst it is forecast that additional resource is likely in 2018/19 for the capital programme, the estimation of future receipts will continue to be difficult given the demand-led nature of this resource.

6. Budget process Timetable

- 6.1 Key dates for the proposed Budget process 2019/20 are provided in the table below:

10 th September 2018	Cabinet	Budget process and timetable for 2019/20
12 th October 2018	Strategy Workshop	Priorities, Finances and Savings
21 st November 2018	Overview and Scrutiny Committee	Initial budget proposals (revenue and capital) - Cabinet to present - All members invited.
26 th November 2018	Cabinet	Initial budget proposals (revenue and capital)
10 th December 2018	Council	Agree Local Council Tax Support scheme for 2019/20
Mid December 2018	Government announcement	Government Settlement Funding Assessment and New Homes Bonus notification received
January 2019	Business Community	Consultation on budget proposals – article included in January edition of the Business Bulletin
6 th February 2019	Overview and Scrutiny Committee	Consultation on final budget proposals and updated MTFS - All members invited
11 th February 2019	Cabinet	Final budget proposals and updated MTFS
25 th February 2019	Council	2019/20 Budget and Council Tax approved

Statement of Accounts 2017/18		Agenda No: 7b
Portfolio	Finance and Performance	
Corporate Outcome:	A high performing organisation that delivers excellent and value for money services	
Report presented by:	Councillor David Bebb, Cabinet Member for Finance and Performance	
Report prepared by:	Trevor Wilson, Head of Finance	
Background Papers:	Public Report	
Braintree District Council's Statement of Accounts 2017/18 Statement of Accounts 2017-18 Accounts and Audit (England) Regulations 2015 Governance Committee Agenda and Minutes - 25th July 2018	Key Decision: No	
Executive Summary:		
<p>A draft set of Statement of Accounts was signed on 29th May 2018 by Chris Fleetham, Corporate Director as representing a “true and fair view” of the Council’s financial position at the reporting date, and of its income and expenditure for the year ended 31st March 2018.</p> <p>There were no changes to accounting policies or any significant revisions to the Code of Practice on Local Authority Accounting for 2017/18.</p> <p>The Council’s External Auditor, Ernst & Young LLP (EY), commenced the audit of the accounts on Monday 4th June 2018; six weeks earlier than last year. The accounts were available for public inspection between 1st June and 12th July 2018. During this period no requests to inspect the accounts or any questions for the external auditor were received.</p> <p>The Statement of Accounts for 2017/18 together with the External Auditor’s Audit Results Report were received and approved by the Governance Committee on 25th July 2018.</p> <p>The External Auditor’s Audit Results Report included:</p> <ul style="list-style-type: none">• An Unqualified Opinion that the financial statements give a true and fair view of the financial position of the Council as at 31st March 2018 and of its expenditure and income for the year then ended; and• An unqualified conclusion that the Council has in place proper arrangements to secure value for money in its use of resources.		

<p>The Statement of Accounts for 2017/18 were published on 26th July and can be viewed on the Council's website: here</p>
<p>Recommended Decision:</p> <p>Members are asked to receive and note the Council's Statement of Accounts for 2017/18.</p>
<p>Purpose of Decision:</p> <p>To formally receive the Council's Statement of Accounts for 2017/18 following the external audit and approval by the Governance Committee.</p>

Any Corporate implications in relation to the following should be explained in detail.

Financial:	No new financial implications. The provisional financial outturn for 2017/18 was reported to Cabinet on 14 May 2018, and this position has not changed as a result of the preparation and audit of the Statement of Accounts.
Legal:	The approval process for the Statement of Accounts is required under statutory rules set out in the Accounts and Audit Regulations. For 2017/18 the draft accounts were required to be completed by no later than 30 May, and the audited and final approved Statement of Accounts published by 30 July 2018, this latter date being two months earlier than last year.
Safeguarding:	No matters arising out of this report
Equalities/Diversity:	No matters arising out of this report
Customer Impact:	No matters arising out of this report
Environment and Climate Change:	No matters arising out of this report
Consultation/Community Engagement:	The draft Statement of Accounts was made available for public inspection over the period 1 st June to 12 th July 2018.
Risks:	No matters arising out of this report
Officer Contact:	Trevor Wilson
Designation:	Head of Finance
Ext. No:	2801
E-mail:	trevor.wilson@braintree.gov.uk

Recommendation from Governance Committee – 25th July 2018 – Treasury Management Annual Report 2017-18		Agenda No: 7c
Portfolio	Finance and Performance	
Corporate Outcome:	A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor David Bebb, Cabinet Member for Finance and Performance	
Report prepared by:	Chloe Glock, Governance and Business Officer	
Background Papers:		Public Report
Treasury Management Strategy Statement 2017/18 approved by Cabinet on 6th February 2017 and Full Council 22nd February 2017 Council Budget and Council Tax 2017-18 and Medium Term Financial Strategy 2017-18 to 2020-21 Governance Committee Report and Minutes 25th July 2018		Key Decision: No
MINUTE EXTRACT		
GOVERNANCE COMMITTEE – 25th July 2018		
53	<u>TREASURY MANAGEMENT ANNUAL REPORT 2017-18</u>	
INFORMATION: The Council’s Treasury Management Strategy Statement (TMSS) for 2017/18 was approved by Full Council on 22 nd February 2017. The Council continued to hold borrowings and invest substantial sums of money, and was, as such, exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk were therefore central to the Council’s Treasury Management Strategy.		
The Annual Report contained an external context which provided an economic and credit background from the Council’s treasury management advisors, Airlingclose, as to the key events that had taken place over the course of the financial year, and detailed how these events effected areas such as interest rates:		

- There was an increase in the UK Bank Rate in November 2017, which marked the first rise in UK rates for 10 years. This also led to increases in money market rates.
- The Bank of England's Monetary Policy Committee made reference to its future actions with regards to maintaining its target for inflation, and a "gradual" and "limited" policy tightening was expected over the medium-term.
- Gilt yields displayed significant volatility over the course of the 2017/18 financial year. It was therefore important that the Council monitored this for the future, as gilt yields influenced the rates at which the Council could borrow.
- The Financial Times Stock Exchange finished strongly at the end of the 2017 calendar year at 7688, although this figure decreased to below 7000 at the beginning of 2018.

The Committee was advised that the duration limit on unsecured investments was reduced whilst uncertainty remained about the impact of ring-fencing of UK banks.

It was reported that new European Union regulations for Money Market Funds (MMFs) had been approved and published, and it was expected that the funds currently used by the Council would adopt the Low Volatility Net Asset Value structure.

Due to increased levels of commercial and financial activity undertaken by local authorities, a number of revised codes had been issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). The revised codes highlighted the risk management and governance arrangements that authorities were expected to have in place. The Council would need to adopt a Capital Strategy in future which looked at broader risks and their management. The Ministry of Housing, Communities and Local Government (MHCLG) had also made revisions to their statutory guidance in terms of investments and the way local authorities made provision for repayment of borrowing.

As a result of the second Markets in Financial Instruments Directive (MiFID II), from January 2018, local authorities were automatically to be treated as retail clients as opposed to the previous categorisation of professional clients. The impact of this was a potential restriction on the Council's treasury management activities. The regulations allowed for local authorities to "opt-up" to professional client status, which the Council has done where necessary.

It was reported that the Council held net investments of £35.341 million as 31st March 2018, comprising gross investments of £41.341 million and £6 million of borrowing. This was £2.421 million higher than at 31st March 2017, mainly due to changes in working capital (creditors, debtors and inventories).

It was reported that there was no new borrowing activity during the year; borrowing remained at £6 million and comprised two Lender Option and Borrower Option Loans (LOBO). The Council was expecting to increase its borrowing in the future to part fund the District Investment Strategy, but analysis undertaken during the year indicated no benefit would be derived from borrowing in advance. However, it was added that this position remained under review, and would take into account both interest rate forecasts and the Council's developing investment

programme.

The total debt other than borrowing stood at £3.861 million on 31st March 2018, a reduction of £340,000 from that at 31st March 2017. This debt comprises the outstanding amounts due on finance leases (£2.861 million) and a £1 million repayable advance to Essex County Council (ECC) as part funding towards the Braintree Local Authority Mortgage Scheme (LAMS).

During 2017/18, the Council's investment balance ranged between £39.32 million and £63.49 million due to timing differences between income received and expenditure incurred. The average balance across the year was £54.39 million.

At 31 March 2018, the Council held £16 million in pooled equity and property funds, an increase of £2 million from that at the start of the year. The total market valuation of these funds at 31 March 2018, was £16.935 million, representing an unrealised gain of £935,000.

The report showed that in 2017/18 interest paid on borrowing and debt totalled £423,000, and income earned from investments was £881,000.

Although not classed as treasury management activities, the 2017 CIPFA Code required the Council to report on investments for policy reasons outside of normal treasury management. This included service investments for operational and/or regeneration as well as commercial investments which were made mainly for financial reasons. The Council held direct property investments with a market value of £34.367 million comprising: industrial land and units; shops; offices; and other commercial property. Properties were leased to third parties generating rental income for the Council. In 2017/18 the net rental income was £2.124m, representing a return of 6.3% on the value of assets.

Under the Compliance Report, the Corporate Director of Finance confirmed that all treasury management activities undertaken during 2017/18 complied fully with the CIPFA Code of Practice and the Council's approved TMSS.

With regards to Treasury Management Indicators, it was confirmed that the Council contained its activity within the year within the relevant limits.

In response to questions raised by Members, the following responses were provided:

- It was advised that the Council had flexibility within its overall limit of £20 million to increase its pooled fund investments and continued to monitor the position in light of planned cash flows required for the District Investment Strategy.
- Members were advised that the Council keeps under review the timing of any future borrowing anticipated for the District Investment Strategy, including considering whether or not to borrow in advance of need. In the meantime the Council has the capacity to internalise borrowing through using its own cash resources.
- It was confirmed that the LOBO loans were interest-only loans and contained

no other ongoing charges.

- Debt was reduced by £340,000 as a result of contractual annual lease repayments. This repayment is contained in the Council's annual budget.
- Members were informed that the Mortgage Scheme enacted previously by the Council was cancelled by Lloyds Bank in July 2017. The Council was expected to receive back in full the £2 million invested as a result, with £1 million due to be repaid to Essex County Council.

DECISION: That Members recommended to Cabinet acceptance of the Treasury Management Annual Report 2017/18, prior to its submission to Full Council.

REASON FOR DECISION: The Council had adopted the CIPFA Code of Practice for Treasury Management in Public Services, which required that the Council received an annual report on the treasury management function. This report was to be considered first by the Governance Committee in order to exercise its responsibility for scrutiny over treasury management activities. The report will then be considered by Cabinet before submission to Full Council with the benefit of any proposed changes and/or comments of the Governance Committee.

Recommended Decision:

That Cabinet accepts the Treasury Management Annual Report 2017/18, prior to its submission to Full Council

Purpose of Decision:

The Council had adopted the CIPFA Code of Practice for Treasury Management in Public Services, which required that the Council received an annual report on the treasury management function. This report was to be considered first by the Governance Committee in order to exercise its responsibility for scrutiny over treasury management activities. The report will then be considered by Cabinet before submission to Full Council with the benefit of any proposed changes and/or comments of the Governance Committee.

First Quarter Performance Management Report 2018/19		Agenda No: 7d
Portfolio	Finance and Performance	
Corporate Outcome:	A high performing organisation that delivers excellent and value for money services	
Report presented by:	Councillor David Bebb, Cabinet Member for Finance and Performance	
Report prepared by:	Tracey Headford – Performance and Improvement Manager	
Background Papers:		Public Report
First Quarter Performance Management Report 2018/19		Key Decision: No
Executive Summary:		
<p>The purpose of the attached report is to summarise the performance of the Council at the end of the first quarter (April 2018 to June 2018).</p> <p>As at the end of the first quarter, four projects have been completed, a further 57 projects are on track and progressing well and five projects are experiencing delays which will push back the end dates to the projects.</p> <p>Nine performance indicators have achieved or exceeded target, two have missed target by less than 5% and three have missed target by more than 5%.</p> <p>The performance indicators that have missed target by less than 5% relate to the percentage of household waste recycled and the percentage of invoices paid within 30 days.</p> <p>The performance indicators that have missed target by more than 5% are in relation to the tonnage of residual household waste not recycled, the average waiting time for disabled facilities grants and the time taken to process housing benefit claim changes.</p> <p>Full reasons for missing targets are detailed in the report.</p>		
Financial Performance		
<p>This part of the report provides an updated review of the financial position for the year up to the end of June 2018. It examines the latest forecast for spending on day-to-day service provision compared to the budget for the year. Also included is a summary of</p>		

treasury management activities; projected movements on the General Fund balance; and a summary of spending to date on capital investment projects.

Summary:

- An overall adverse variance for the year of £87,000 (+0.6%) is projected against the budget
- Across all services staffing budgets are forecast to be overspent by £36,000; and after allowing for the corporate efficiency target of £200,000, results in a projected adverse variance of £236,000.
- Other Expenditure is projected to be overspent by £136,000.
- Income is projected to be overachieved by £285,000.

For a detailed explanation of the financial performance, please refer to page 19 onwards of the full report.

Decision

To note and endorse the report.

Purpose of Decision:

To inform the Cabinet of the performance of the Council.

Any Corporate implications in relation to the following should be explained in detail	
Financial:	An assessment of the Council's financial position against the agreed budget for the year is provided and is based on income and expenditure during the year.
Legal:	There are no legal issues raised by this report.
Safeguarding	There are no safeguarding issues raised by this report.
Equalities/Diversity	Equalities and diversity issues are considered fully in the Council's key projects, where appropriate.
Customer Impact:	Performance of front line services, including Customer Services, Housing Benefits and Planning, for the quarter is provided. A summary of complaints received each quarter is analysed by outcome (justified, partially justified or not justified) is provided.
Environment and Climate Change:	The report provides details of progress in the delivery of the Council's key projects. This will include supporting residents and businesses in lowering the cost of their energy bills and energy consumption , upgrading lighting in our car parks, anti-litter campaigns, expansion of our recycling service and campaigns encouraging recycling.
Consultation/Community Engagement:	Consultation is considered fully in the Council's key projects, as appropriate.
Risks:	Risks regarding the assumptions used in determining the predicted financial outturn for the year are identified.
Officer Contact:	Tracey Headford
Designation:	Performance and Improvement Manager
Ext. No.	2442
E-mail:	Tracey.headford@braintree.gov.uk



First Quarter Performance Management Report

1st April 2018 to 30th June 2018

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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 the 'Annual Plan 2018/19'. This sets out the key activities and measures used to check our performance for the year and along with the Corporate Strategy 2016-20 sets out the priorities we are working towards. This year we signed up to 'The Future of Essex' which is a vision shared by more than 100 partners, all dedicated to improving the county over the next 18 years. The projects that are supporting this vision are marked with **(E)**. 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 the 'Annual Plan 2018/19'




Corporate Priorities	Status of projects and actions				
					
Environment and Place	1	9	0	0	0
Strategic Growth and Infrastructure	0	5	4	0	0
Economic Development	1	9	1	0	0
Heath and Communities	1	13	0	0	0
Finance and Performance	1	12	0	0	0
Overall Strategy and Direction	0	9	0	0	0
TOTAL	4	57	5	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 the 'Annual Plan 2018/19'.

Corporate Priorities	Status of indicators			
				Data Only
Environment and Place	1	1	1	0
Strategic Growth and Infrastructure	2	0	0	0
Health and Communities	1	0	1	0
Finance and Performance	5	1	1	0
TOTAL	9	2	3	0

KEY:

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

Summary Position

We have seen a good start to the first quarter of the year with four projects completed and the majority of the remaining projects progressing well. Five projects have an amber status due to delays occurring which will push back end dates of the projects.





Nine performance indicators have met or exceed target, two performance indicators have missed target by less than 5% and three performance indicators have missed target by more than 5%. There is room for improvement in some key areas of the business which are experiencing an increase in demand on their services.

The council will be facing some tough challenges throughout the year in dealing with the constraints on funding. As services embed new ways of working, it is expected that any downturn in performance will be mitigated as service areas look to improve processes and work smarter to become more efficient to achieve our corporate priorities.







Environment and Place

Project description and comments	Target Date	Status
Continue to support the Essex Waste Management Partnership to reduce waste, increase recycling and participate in countywide campaigns		
The kerbside textile collection pilot which started in November was concluded on 31 May 2018. End of trial results have been analysed and further development is required to understand if this service is financially viable and sustainable if a District wide roll-out was to occur. A report will be written during August/September to look at options of operating 'in-house/partnering with existing contractor and the options will be presented to Members in September/October. Braintree District Council have also led on a county wide framework for street sweeping arisings, generating a reduction of costs per tonne circa £8.00 in the processing of arisings. The contract is in 'infancy' stage, and is closely monitored to ensure we are getting the correct data for recycling credits and we are working closely with partnering authorities and Essex County Council to ensure a beneficial outcome.	March 2019	▶
(E) Work with other Essex Councils and the University of Essex to better understand people's attitudes towards waste and recycling		
Braintree District Council is working with Essex County Council and the University of Essex to pilot initiatives to increase recycling and reduce waste. Three focus groups with residents were held in May to understand people's attitudes towards waste recycling and to discuss initiatives to encourage residents to recycle or reuse more. The feedback from the focus groups will be used to design an intervention which will be launched in September.	March 2019	▶
Offer our commercial customers a more tailored refuse and recycling service that will help them reduce, reuse and recycle their waste		
Commercial customers are now able to receive bespoke quotations broken down into refuse/recycling options for the customer to consider. This includes container sizing and specification to empower the customer to make the choice of containers appropriate to their business need, alongside our expertise.	March 2019	▶
Continue to protect our larger open spaces from illegal encampments by installing perimeter fencing and lockable bollards to prevent disruption and inconvenience to local residents		
All larger open spaces in the district are now protected from illegal encampments following the installation of perimeter fencing and lockable bollards	June 2018	✓
Develop an improved low tariff energy switching scheme for both residents and businesses in the District, improving the customer experience and offering additional benefits and improved rates for residents on pre-paid meters		
A low tariff energy switching scheme has been developed with i-Choosr who will take an active role in engaging with residents. The scheme will also offer discounted solar installations.	September 2018	▶
Increase the electric car charging infrastructure by installing chargers at the three leisure centres across the District		
We are currently working with the Procurement Team to explore supplier options for the installation of electric car charging points.	March 2019	▶

Upgrade the lighting in our car parks with new energy efficient LED lights to reduce costs and benefit the environment		
Braintree District Council are working with Colchester Borough Council's Engineering department to produce a specification for the type of lighting required.	March 2019	
Trial the use of compaction bins in Braintree Town Centre to see if they offer better value for money for the taxpayer		
The project programme is currently being developed and stakeholders identified. A demonstration from a compact bin company is being arranged for August.	March 2019	
Continue to maintain a focus on investigating and enforcing littering, dog fouling and fly tipping to help keep the District looking clean and tidy		
In the first quarter of the year, 22 fixed penalty notices have been served for littering and the Council has successfully taken legal action against 3 people for fly tipping and associated offences	March 2019	
Run a car litter campaign to reduce litter and raise awareness of the increase in fines		
Braintree District Council will be participating in a district wide campaign in partnership with McDonalds and KFC to reduce car litter and raise awareness of the increase in fines. The creatives for the campaign are currently being designed and costs identified.	March 2019	



Strategic Growth and Infrastructure









Project description and comments	Target Date	Status
(E) Complete the examination and adoption of the Local Plan		
The adoption of the Local Plan is reliant on the approval of the plans for Garden Communities which require more work before they can be agreed. This will delay the process of adopting the Local Plan and revised dates will be agreed over the coming months.	December 2018	
(E) Continue to work on the development of Garden Communities to provide housing, employment and supporting infrastructure to address our long term housing and community needs		
The plans for a west of Braintree garden community have been reviewed by the planning inspector. Braintree District Council is currently considering their options to strengthen and improve plans before they can be taken forward. This is likely to impact on timescales for this project and will delay the process of adopting the Local Plan.	November 2018	
The plans for a west of Colchester garden community have been reviewed by the planning inspector. Braintree District Council is currently considering their options to strengthen and improve plans before they can be taken forward. This is likely to impact on timescales for this project and will delay the process of adopting the Local Plan.	November 2018	
(E) Set up a Housing Development Company to deliver new mixed-tenure homes across the District.		
A report will be submitted to Cabinet in July to seek approval for funds to develop up to five Council sites (subject to planning permission) to run alongside the development of the Business Case for the Housing	March 2022	

Development Company. The Strategic Investment Team and Member Reference Groups will review advice on legal, financial, governance and company advice and the intention is to present the full business case for approval to Cabinet in February 2019.		
(E) Secure planning consent to deliver new homes in Braintree Town Centre as part of the Manor Street Regeneration Project		
A detailed planning application is expected to be submitted by July 2018 and if approved, the building will be completed and handed over in Spring 2021.	March 2019	▶
(E) Continue to work with partner agencies to drive forward improvements to the Braintree and Witham rail link		
Network Rail has been asked to produce a specification and cost for a GRIP 2 study. The District is now waiting for funding from Essex County Council or Central Government to move forward to the next viability stage.	March 2019	▲
(E) Continue to work with Essex County Council to deliver an improvement scheme at Springwood Drive roundabout and Panfield Lane to reduce congestion		
As part of the Braintree Integrated Transport Package, Essex County Council is looking to re-designated lane markings at Springwood Drive to ensure Keep Clears are effective. Essex County Council are also progressing the design for the larger scale improvement schemes which are for capacity improvements including increased entry capacity on all arms as well as increased circulatory, and are looking to secure S106 contribution to fund this.	March 2019	▶
The employment site is dependent on provision of the Spine Road to Panfield Lane. A planning application has been submitted, and indicative costs received. We will work with the developer to bring forward the Spine Road and the developer has submitted a viability appraisal which the Planning Department is responding to.	March 2019	▶
(E) Progress the delivery of new slip roads linking the A120 to Millennium way to alleviate the congestion at Galleys corner		
Design works are currently underway for the A120 slip roads together with Ecology surveys. The next stage is to carry out consultation on the proposals which will begin in August.	March 2021	▶



Economic Development








Project description and comments	Target Date	Status
(E) Complete the acquisition of strategic employment land at Great Notley providing additional sites to support business growth		
Following Council approval in February for the acquisition of the employment land at Great Notley, Heads of Terms have been agreed with both the developer and the vendors of the master-plan land. Draft contracts are expected imminently. Preparatory work, for the business plan, has started with market research being updated and exploratory discussions with companies, expressing interest in re-locating to the site.	March 2019	▶
Complete the construction of four new high quality grow-on units at the Braintree Enterprise Centre		
Construction commenced in January 2018. Completion has been delayed by UK Power Networks and handover is now expected in August 2018	July 2018	▲
Develop our business engagement service, supporting businesses to grow and develop		
A funding drop-in clinic has been organised for July to promote the South East	March 2019	▶

Business Boost fund, with up to £10,000 of funding available for business growth. A business mentoring programme has been launched in partnership with the Consortium with four businesses already signed up. A Braintree District Businesses Facebook group has also been launched to share information, news and opportunities as an additional portal to engage with businesses. This is being promoted widely and content is being updated daily.		
(E) Work in partnership with Essex County Council and the Haven Gateway to secure grant funding to support the delivery of a Construction Innovation Centre		
At Cabinet in May, they approved the investment of £750,000 in the delivery of a Construction Innovation Hub, located at the Braintree Enterprise Centre. This forms part of a wider project to provide business support to businesses undertaking innovation in construction across the South East Local Enterprise Partnership area. The business support will be undertaken by the Haven Gateway Partnership. Approval is conditional upon confirmation of match funding from European Regional Development Fund.	March 2019	
(E) Work with the Braintree Education and Skills board to broker stronger engagement between education providers and businesses to provide a workforce that meets employers' needs		
Members of the Education and Skills Board have approved the production of a sector specific Braintree career video which will initially focus on the advanced manufacturing and engineering sector. Officers are now working on the commissioning of the production.	March 2019	
(E) Commence work on the regeneration of Braintree Town Centre enhancing the appeal of the town to residents and visitors		
A full business case detailing the latest proposals and financial arrangements for the regeneration of Manor Street was approved at Cabinet in May and by Council in June. A planning application will be submitted in July.	March 2020	
(E) Continue to work in partnership with key community partners to deliver the regeneration schemes in Witham and Halstead		
The spatial plans for improvements to Halstead Town Centre have been prepared and are with the Highways Authority for a principle decision.	March 2019	
A series of studies and reports have been completed to look at the impact of the Witham Town Centre improvement proposals on the highway network, market rights and other private rights that relate to the site area. A summary report recommending options to proceed has been prepared for a decision on next steps.	March 2019	
(E) Support businesses and increase tourism by launching the 'Visit Braintree' website to highlight key events and attractions across the District		
The content of the 'Visit Braintree' website will be taken from the Tourism Plan which will be presented to Cabinet in September.	March 2019	
(E) Create an event that celebrates the 90 year anniversary of the opening of the Braintree Town Hall which will enhance the heritage and commercial offer of the Town Hall		
Braintree District residents who share their 90th birthday with Braintree Town Hall were invited to help celebrate the local landmark as part of a special celebration that took place in May. A talk was provided by Julien Courtauld and residents were able to watch a screening of the opening of the town hall with a piece of birthday cake and a cup of tea.	May 2018	
(E) Promote high speed and reliable broadband across the District through the support of phase 4 of the Superfast Essex rollout		
At a Cabinet meeting in May, it was agreed that Braintree District Council will invest £356,000 into the Superfast Essex Phase 4 rollout, run by Essex County Council, to enable an additional 1,668 premises to receive superfast broadband by end of 2020. The £356,000 funding from Braintree District Council will be match-funded by The Department for Digital, Culture, Media and Sport grant. The funding will support the district to reach 99% superfast broadband coverage by end of 2020, which is above the county's average coverage.	June 2018	



Health and Communities

Project description and comments	Target Date	Status
Ensure the football pitches on the Deanery Gardens sports ground and the rugby pitch on King George V playing field are in year round good condition through the installation of a piped drainage system		
Tenders for the provision of the piped drainage system are currently being reviewed and a specification for the works required drawn up.	August 2018	▶
Continue to invest in our recreational open spaces by enhancing the play equipment at Meadowside and Twelve Acres, Braintree		
Quotations for enhancing the play equipment at Meadowside and Twelve Acres in Braintree have been received and assessed. Delivery timescales for the project are currently being discussed with the successful contractor.	December 2018	▶
(E) Continue to deliver the Livewell child project, working with families and young children providing support and advice on nutrition and healthy activities		
As Livewell child enters its second year, campaigns will focus on growing your own produce, looking up from a screen, getting together around the table and lunchbox heroes. Livewell schools have been provided with free growing kits courtesy of Innocent Drinks to help schools get gardening clubs started and to encourage children to grow their own produce. Free water bottles, lunch boxes and information leaflets have also been distributed to the children involved in the project.	March 2020	▶
Introduce a new programme to encourage junior school children to be more healthy, looking at fitness and eating in a fun and informative way		
A Fitbods programme will be introduced into Livewell schools. This is an Essex County Council initiative where children participate in team games to promote fitness, team skills and healthy competition with children receiving a reward and certificate for the number of sessions they take part in. Teachers will receive training at the start of the new academic year to deliver the Fitbods programme.	March 2019	▶
Provide children and parents with activities which gets them to explore the green areas in our three main towns whilst increasing their activity levels during the school holidays		
Six Xplorer events are planned for the summer holidays across three days in each of the three main towns. Xplorer maps are currently being created.	November 2018	▶
Improve the outdoor playing experience at Halstead Leisure Centre by installing a new 3G surface		
A consultant has been appointed to put together a capital bid for a contribution towards the costs.	March 2019	▶
(E) Understand the range of services available to improve mental health and support early interventions for those residents with mental health issues, identifying any areas for improvement		
A mental health workshop has been arranged at the Town Hall for July the aims of which are to bring together a range of partners and organisations across the statutory and voluntary sector to gain an understanding of mental health in the Braintree District. The workshop will be interactive and will help to identify what services are already being delivered, who is delivering them, whether they are meeting the needs of our residents and to identify any gaps in service provision and how we work in collaboration to address them.	March 2019	▶

(E) Implement a winter warmth campaign providing advice on improving energy efficiency, helping vulnerable residents stay warm during the winter months		
Officers are starting to pull together the content for the winter warmth campaign due to go live in November.	November 2018	
(E) Improve the handyperson scheme by expanding the service to help disabled and frail residents lead more independent lives		
The scheme will be launched at the beginning of July for an external handyman to deliver the service on a 6 month trial basis. A new leaflet has been produced providing information on security and dementia support	July 2018	
(E) Raise awareness of child exploitation amongst the business community and licensed trades through the use of the 'Spot-it, Stop-it' campaign		
Meetings have been held with Essex Police Licensing to discuss the possibility of expanding the 'spot-it, stop-it' campaign to include the night time economy which can be implemented through the Pub watch scheme.	March 2019	
(E) Work with Mid Essex Clinical Commissioning Group to see how Braintree District Council can be part of the Home First Programme which ensures residents recuperate in the best environment after receiving hospital treatment		
Officers from Braintree District Council attended a meeting with the Mid Essex Clinical Commissioning Group to scope out how we can be part of the Home First Programme.	March 2019	
(E) Identify and provide opportunities that would benefit those with dementia and their carers through the Braintree District Dementia Alliance and engagement with those living with dementia and their carers		
Dementia Friendly Cinemas have been launched at The Empire in Halstead and the Archer Centre in Braintree and we are working with George Yard shopping Centre to make it a dementia friendly place to shop through the 'slow shopping' scheme	March 2019	
(E) Support community groups to deliver local projects and activities through the Councillors' Community Grant scheme		
Three grants have been made in June totalling £2,250; this included a contribution towards the Community Fund Day organised by the Al Falah Islamic Centre	March 2019	
(E) Work with partners across the community to raise awareness and reduce the impact of social isolation and loneliness		
Essex County Council commissioned the young foundation to work with the community to carry out research into social isolation and loneliness through a number of workshops and events held in Halstead. A 'Taking Action' event took place to discuss ideas to address social isolation and loneliness and the feedback from this and other events will be fed into a report. The young foundation will provide feedback to the community at an event in September to allow the community to identify follow up activities. Further projects will be set up once the next steps have been agreed.	June 2018	



Finance and Performance








Project description and comments	Target Date	Status
Review our waste service, identifying ways to manage the impact of District growth on the future cost of the service		
There are a number of projects and actions being carried out already reported on under 'Environment and Place' in this report. Additional areas of work include a presentation to strategy workshop in June providing information on garden waste and the number of local authorities charging for this service. A business case on vehicle maintenance will be presented to management board in July. The specification for replacing food waste vehicles is being drawn up for discussion and a Task and Finish group has been set up to look at waste minimisation and recycling and the work streams will be agreed in July.	March 2019	▶
Review options to secure a sustainable future for our Community Transport service		
An initial scoping meeting has been held with the Commercial Manager who will be looking at alternative delivery models for the service. As part of this activity meetings will be held with private and social enterprise organisations.	December 2018	▶
Ensure that our Housing service is resilient to respond to the new demands placed on it through the Homelessness Reduction Act		
The Commercial Manager has been working with the Housing service to identify improvements and address resilience following the introduction of the Homelessness Reduction Act. A business case will be considered by Management Board in July to consider any recommendations.	March 2019	▶
Develop our commercial programme to generate income that can be reinvested in front line services		
An expanded Commercial programme with four elements has been developed. These are increasing income, getting maximum value against third party spend, generating service efficiencies and contract and supplier management. Activities against all four areas are underway and have been communicated to all levels of the organisation, with savings from activities being tracked.	March 2019	▶
Identify and progress investment opportunities that support us to deliver our corporate strategy whilst providing a return on investment to strengthen our financial independence		
The Council have taken back possession of the Braintree Enterprise Centre and has been issuing new leases, letting vacant units and collecting rent and service charge payments. This will provide a significant unbudgeted income for the Council.	March 2019	▶
Ensure the 2017/18 accounts are produced, audited and published by the 31st July 2018		
The 2017/17 accounts were signed by the Corporate Director on the 29th May and external auditors commenced their audit on the 4th June. The external auditors audit results report for the year will be presented at Governance Committee in July and published accordingly.	July 2018	▶
Improve customer focused services by delivering a programme of continuous improvement to achieve the Customer Service Excellence Standard		
The Customer Service Excellence Standard assessment will take place in November 2018. Evidence base is currently being collated.	December 2018	▶

Prepare the organisation for the changes in data protection legislation due to commence 25th May 2018		
A number of areas of work are now completed to ensure the Council is in a good position following the implementation of the General Data Protection regulations and the Data Protect Act 2018. Privacy notices have been added to our website and forms that collate personal data amended accordingly. All staff received data protection training to ensure they are fully aware of the requirements placed on them regarding processing personal data.	May 2018	✓
Develop our online booking and payment systems enabling residents to book and pay for more services through our website		
We are currently working with our website providers to develop an on line booking system. The processes have been mapped out and customer 'my account' design agreed.	March 2019	▶
An order has been raised to purchase a payment system to integrate with the new booking system and our on line forms	March 2019	▶
Improve our mobile working technology to allow our staff to be more flexible and customer focused		
A working group has been formed to work with our ICT team to identify different technical opportunities that can be used more effectively to assist staff in their day to day activities. Areas being looked at will include remote working, tele-working and home working.	March 2019	▶
Continue to respond to emerging cyber security threats, protecting our network and information by regularly reviewing our approach and training		
A metacompliance exercise has been carried out in June identifying issues that are currently being looked into. All ICT security and usage procedures are under review and updates will be completed by the summer. A new cyber security training module is being developed and will be rolled out to all staff.	March 2019	▶
Introduce in-cab technology into our street scene vehicles to improve the efficiency of the service		
A specification is currently being drawn up to implement in-cab technology into our street scene vehicles. Officers from Braintree District Council visited an organisation already using in-cab technology for street scene to see how this is being utilised and how this will be applied at Braintree.	March 2019	▶









Overall Strategy and Direction









Project description and comments	Target Date	Status
Work effectively with our partners to deliver the Essex Vision to give communities, groups and businesses in Essex a way to collaborate in planning their future, recognising the collective power of Essex as a whole		
Throughout this report, the actions that reference how we are supporting the Essex Vision are marked with (E). They provide an update to show how we are dedicated to improving the county by working with partners to deliver the Essex Vision.	March 2019	▶
Ensure that Braintree District Council is financially sustainable and fit for the future by delivering a balanced budget and becoming financially independent by 2020, whilst ensuring we remain a resilient organisation providing effective frontline services through smarter working		
Staff briefings have taken place throughout the first quarter at which the budget pressures were outlined to encourage staff to be involved and identify areas where possible savings can be made whilst ensuring residents continue to receive the service they need.	March 2019	▶

(E) Deliver projects under the District Investment Strategy to achieve better outcomes for the District and a return for the taxpayers purse by: <ul style="list-style-type: none"> • Working in partnership to improve health provision across the District • Facilitating the need for housing by providing homes and supporting infrastructure • Improving our most congested roads and journeys across the District • Planning for growth by providing 9000 jobs by 2026 by delivering increased opportunities for new businesses and employment • Delivering investment opportunities that support growth and provide a return for the District Council 		
Following close partnership working with the Mid-Essex Clinical Commissioning Group and NHS England, the regeneration of Manor Street has been designed to include a Live Well Hub and was approved by Cabinet in May 2018 and Council in June. The Council is also working with two local GP practices, Mid Essex Clinical Commissioning Group and NHS England to develop proposals to deliver a rural healthcare hub on Council-owned land in Sible Hedingham. A paper requesting funding to undertake initial due diligence and design work will be presented at Cabinet in July 2018.	March 2019	
The Manor street regeneration project includes the provision of 35 new homes and the business case has been approved by Cabinet and Full Council. A planning application will be submitted in the summer.	March 2019	
Work continues on a number of projects reported under the Strategic Growth and Infrastructure section such as the A120 Millennium Slip roads and improvements to Springwood roundabout and Panfield Lane	March 2019	
A number of projects and actions are underway to ensure delivery of the Braintree Plan for Growth to provide jobs such as working with developers to bring forward strategic employment land at Great Notley, completing the construction of four grow on units at the Braintree Enterprise Centre and securing funding for the delivery of a Construction Innovation Centre.	March 2019	
There are a number of projects reported under the Strategic Growth and Infrastructure section that provide an update on current investment opportunities under the District Investment Strategy. As and when new opportunities arise, projects will be set up accordingly.	March 2019	
Work with partner authorities (Tendring District Council, Colchester Borough Council and Essex County Council) and other public and private sector organisations to plan for and enable sustainable growth in homes and jobs in the north Essex area		
Braintree District Council continues to work with Tendring District Council, Colchester Borough Council and Essex County Council on the shared part one of the proposed Local Plan. Strategic planning meetings are now taking place with Chelmsford City Council to co-ordinate growth and infrastructure in the region.	March 2019	
Support Essex County Council in the management and operation of the Country Park to enhance the visitor experience, making full use of the leisure, recreational and natural facilities the park has to offer		
A Joint Governance Partnership Board meeting was held in May, at which the Annual Review of the Artificial Grass Pitch and Multi-Use Games was reviewed by Members.	March 2019	

Section 3: Managing the Business

Our Performance Indicators in Detail

	2018/19						Comments
Performance Indicator	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
Environment and Place							
Percentage of land that falls below cleanliness standards for litter	n/a				n/a	n/a	Recorded three times a year – July, November and March
Percentage of household waste sent for reuse, recycling and composting	54.47%				54.78%		We are awaiting reconciliation of the figures by Essex County Council and may change if the data for residual waste changes (see below). Target has been missed by less than 0.5% and the service continues to work on projects to encourage recycling which are detailed earlier in this report.
Tonnage of residual household waste not recycled	122kgs				108kgs		We are awaiting reconciliation of the figures by Essex County Council. They have been asked to verify the residual waste data as the tonnage appears incorrect. This will be updated in the next report.
Number and percentage of non-hazardous fly tips on public land cleared within 24 hours of being reported	100% (170)				100%		
Number of fuel poverty and domestic energy reduction installations carried out	Annually reported indicator					n/a	
Strategic Growth and Infrastructure							
Number of affordable homes delivered	63				32		
Number of homes granted planning permission	667				250		
Health and Communities							
Average waiting time for applicants on the Disabled Facilities Grant	105 days				75 days		In the last quarter there have been delays in 4 specific cases where the client was uncontactable/ access issues or planning consent required. One case was a discretionary grant on appeal which has since been cancelled. The waiting list has now been substantially reduced and some legacy issues have now been cleared which will have a positive impact on the average waiting time.

Performance Indicator	2018/19						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
Achieve a 2% increase on the contract baseline in participation levels across all our sports centres	238,928				233,756		
Achieve at least a 1% increase in adults being active for 150 minutes per week	Annually reported indicator					n/a	
Finance and Performance							
Average call answer time in the Customer Service Centre	13 seconds				15 seconds		
Time taken to process housing benefit/council tax benefit new claims	19.92 days				22 days		
Time taken to process housing benefit claim changes	7.7 days				6 days		Following the introduction of Universal Credit, there are a higher number of claim changes where information is required from the DWP and the time it takes to receive this has increased adversely affecting the overall timescales. This will be monitored over the next few months to fully understand the impact on targets.
Percentage of Stage 1 complaints responded to within target	94.7%				90%		
Collection rate for Council Tax	31.06%				30.82%		
Collection rate for Business Rates	31.40%				30.84%		
Percentage of invoices paid within 30 days of receipt	99.19%				99.25%		Performance is slightly below target due to delays in processing five invoices in June. The target is expected to be achieved during the remainder of the year.

Complaints

The quarterly complaints analysis for the first quarter of 2018/19 and the end of the year is detailed below. This is compared with 2017/18 figures shown in brackets. The figures represent all three stages of the complaints process.

Complaint Category	Q1 2018/19	Q2 2018/19	Q3 2018/19	Q4 2018/19	TOTAL
Justified	110 (64)	(67)	(38)	(60)	(229)
Not Justified	24 (69)	(79)	(67)	(81)	(296)
Partially Justified	76 (27)	(31)	(22)	(17)	(97)
Not known	0 (0)	(1)	(3)	(0)	(4)
Total	210 (160)	(178)	(130)	(158)	(626)

Comments

The number of complaints received in the first quarter of 2018/19 has increased. This is mainly due to missed waste collections.

A number of missed waste collections are due to the waste vehicles being unable to access smaller roads due to parked cars or where road closures have taken place. The crews will endeavour to return to collect the waste as soon as possible and the service continues to monitor issues with missed collections.

Some of the routes across the district have also been re-routed to improve service delivery. This has resulted in changes to times of collections and some customers who are used to their collection happening later in the day found that their collection had been missed as they had not presented their waste by 7am. A promotion to remind customers that bins must be put out by 7am has been carried out to address this issue.

In the first quarter of 2018/19, of the 210 complaints received:

- 207 are stage one complaints
- 2 are stage two complaints
- 1 is a stage three complaint

A summary of Local Government Ombudsman (LGO) cases:

In the first quarter of 2018/19, the LGO has received five initial enquiries. Two of the enquiries, the LGO have declined to investigate and the Council are assisting the LGO on two other enquiries. At the time of writing, the LGO are deciding how to proceed on one enquiry.

The LGO have completed a draft decision in the first quarter but have not issued any final decisions. The draft decision relates to planning enforcement and initial findings have found fault with the recommended remedies.

Our Organisation

The following is a selection of our people performance measures:

People: Indicators of Performance	Q1 17/18	Q2 17/18	Q3 17/18	Q4 17/18	Change on previous period	Yearly Target
Total headcount	469				+ 3	-
Total number of posts	485				+ 5	-
Number of temporary staff	33				-	-
Total staff FTE	425.08				+ 3.63	-
Level of employee turnover	2.13%				+ 0.2%	-
Number of leavers	10				+ 1	-
Number of starters	13				+ 10	-
Working days lost to sickness per employee	2.07 days				0.13 days	8.0 days
Percentage of staff with nil sickness	78.68%				-	-
Number of learning hours	7747				- 1027	-
Number of delegates	602				+ 207	-
Number of apprentices **	15				- 1	-

Year on Year Headcount Analysis	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	466	478	472	470	464	466

** BDC's apprenticeship programme runs from September each year. The figures reflect level 2 and level 3 apprenticeships.

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 of staff, our customers, residents and other non-employees we come into contact with. Monitoring is undertaken by the corporate health and safety committee and action plans will be put in place where necessary.

Health & Safety: Indicators of Performance	Q1	Q2	Q3	Q4	
	(2017/18 figure in brackets)				
Total number of reported accidents/ incidents, calculated from:	10 (10)	(10)	(26)	(13)	
<i>Accidents/ incidents to employees</i>	6 (8)	(8)	(20)	(12)	
<i>Accidents/ incidents to contractors</i>	0 (1)	(2)	(5)	(0)	
<i>Accidents/ incidents to non-employees</i>	1 (1)	(0)	(1)	(1)	
Time lost in days due to employee accidents/ incidents	85 (0)	(20)	(8)	(28)	<i>One accident resulted in 75 days being lost and involved a member of the waste team catching their arm in part of the bin lift machinery</i>
Number of reported verbal/ physical incidents to employees	2 (0)	(2)	(1)	(0)	
Number of near miss incidents	1 (0)	(0)	(0)	(0)	
Number of Accidents/ incidents registered resulting in insurance/ compensation claim	1 (0)	(0)	(0)	(0)	
Number of claims settled	0 (0)	(0)	(0)	(0)	

Financial Performance

This part of the report provides an updated review of the financial position for the year. It examines the latest forecast for spending on day-to-day service provision compared to the budget for the year. Also included is a summary of treasury management activities; projected movements on the General Fund balance; and a summary of spending to date on capital projects.

Background

Full Council approved a budget of £14.784 million for the 2018/19 financial year. This included planned spending across all services totalling £12.144 million; corporate items amounting to £2.840 million; and an overall efficiency target to be achieved in-year of £200,000.

Financing of the budget was to be from a combination of: general government grants (£294,000); business rates (£5.237 million); and Council Tax (£9.253 million).

During the year individual budgets may be updated in accordance with the Council's Budget and Policy Framework Procedure, and against which quarterly performance is monitored.

Summary Financial Position at the First Quarter (Q1)

- An overall adverse variance for the year of £87,000 (+0.6%) is projected against the budget.
- Across all services staffing budgets are forecast to be overspent by £36,000; and after allowing for the corporate efficiency target of £200,000, this results in a projected adverse variance of £236,000.
- Other Expenditure is projected to be overspent by £136,000.
- Income is projected to be overachieved by £285,000.

Revenue Spending

Service	Budget £'000	Projected Spend £'000	Adverse (Positive) variance against budget				RAG Status
			Staffing £'000	Other Expenditure £'000	Gross Income £'000	Total £'000	
Asset Management	(2,131)	(2,268)	(3)	4	(138)	(137)	G
Business Solutions	1,985	1,985	(12)	13	(1)	-	G
Community Services	350	361	6	(10)	15	11	A
Corporate Management	1,254	1,214	(37)	(3)	-	(40)	G
Economic Development	199	199	5	(5)	-	-	G
Environment & Leisure	843	832	(12)	(2)	3	(11)	G
Finance	1,172	879	(134)	(67)	(92)	(293)	G
Governance	922	1,068	81	(13)	78	146	R
Housing Services	799	805	8	(1)	(1)	6	A
Human Resources	342	341	-	(1)	-	(1)	G
Marketing and Communications	544	542	(11)	(2)	11	(2)	G
Operations	5,136	5,328	(42)	175	59	192	R
Strategic Investment	12	12	-	-	-	-	G
Sustainable Development	717	759	187	56	(201)	42	A
Service Total	12,144	12,057	36	144	(267)	(87)	G
Corporate Financing	2,840	2,814	-	(8)	(18)	(26)	G
Efficiency target	(200)	-	200	-	-	200	
Total	14,784	14,871	236	136	(285)	87	A

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

Budget = controllable expenditure budget net of direct service income

Staffing

Staffing budgets include both directly employed staff, and bought-in/ agency staff, the latter being used where additional resources are required to meet increased service demands and/ or the need for specialist skills; to provide cover in cases of absence (e.g. holidays, sickness, maternity etc.); or where in-house staff are assigned to work on other projects and priorities.

Further detail of the projected staffing budget variances is provided in the following table:

Service – Staffing Budgets	Budget £'000	Projected Spend £'000	Adverse/ (Positive) variance £'000	RAG Status
Asset Management	237	234	(3)	G
Business Solutions	1,196	1,184	(12)	G
Community Services	369	375	6	A
Corporate Management	1,232	1,195	(37)	G
Economic Development	226	231	5	A
Environment & Leisure	1,553	1,541	(12)	G
Finance	2,385	2,251	(134)	G
Governance	565	646	81	R
Housing Services	823	831	8	A
Human Resources	310	310	-	G
Marketing & Communications	371	360	(11)	G
Operations	5,297	5,255	(42)	G
Strategic Investment	490	490	-	G
Sustainable Development	1,574	1,761	187	R
Service Total	16,628	16,664	36	A
Corporate Financing	-	-	-	
Efficiency	(200)	-	200	
Total	16,428	16,664	236	A

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

Commentary on staffing variations:

Based on information known at the end of Q1, a number of service areas are projecting underspends on staffing budgets totalling £251,000, the largest being **Finance** (-£134,000). These are expected to be achieved from a combination of vacant posts, reductions in contracted hours, and appointments being made at a lower grade/ scale point. In addition, underspends have arisen in the **Operations** service where external funding, previously received, has been applied in 2018/19.

A number of service areas are currently projecting overspends on staffing which totals £287,000, with the two services mainly contributing to this position being:

- **Governance** (+£80,000) – Projected costs associated with the need for additional capacity for legal work in relation to the Council's strategic growth agenda and projects. Whilst the assumption is that temporary additional resources will be required for the remainder of the year, this is subject to approval of a longer term proposed staffing structure for the team and, therefore, the position may change at Q2.
- **Sustainable Development** (+£187,000) - within this service area there is a projected overspend (£181,500) on staffing related to the Development Management team. The volume of current pre-applications and planning applications, particularly in relation to major development proposals and planning appeals has created a need for additional experienced staff. This is being/to be met by bought-in staff. In addition, a number of vacancies exist leading to a projected underspend against in-house staffing budgets however difficulties experienced in recruiting to these posts has meant that they have had to be filled on a temporary basis by bought-in staff. These

additional costs are notionally being offset by expected overachievement of income in the year – see comments under the section on Income. In order to address this situation, a request for a virement between staffing and income budgets is included in the Medium-Term Financial Strategy report which is included as a separate item on this Cabinet agenda.

The approved budget provided for a **corporate efficiency target** which in previous years has been achieved from in-year staffing variances. The amount included in the budget for 2018/19 was £200,000, which based on this quarter's review will not be achieved and results in an overall projected staffing variance for the year of £236,000. The virement requested, if approved, will reduce this variance to £49,000.

Other Service Expenditure

In total there is a projected overspend against non-staffing expenditure budgets of £136,000. The main service areas contributing to this position are:

- **Operations: Waste Management (+£199,000)** - increased costs are forecast on gate fees payable to the Council's material recovery facility (MRF) operator, the price of which is linked to market indices and subject to quarterly review. The budget was set based on an assumed fee of £24.36 per tonne (based on Q3 17/18), whereas the price increased at Quarter 1 and Quarter 2 to £58.14 and £40.36 per tonne, respectively. The cumulative effect of these price changes has resulted in a projected overspend of £220,000 for the year. In addition, vehicle fuel costs have shown an increase over the Q1 period, with the average price per litre over 10% higher than assumed in the budget. The forecast for the year is therefore an additional cost of £41,000 above budget. However, partially offsetting these two issues are savings on the cost of recycling and residual waste sacks (a mix of usage and lower cost); lower operating costs of the clinical waste service; and lower operating costs of the Cordons Farm waste transfer site.
- **Sustainable Development: Development Management (+£46,000)** – As reported under staffing, the service is currently experiencing an increased number of planning applications of a type which has meant additional specialist support is required from external providers to carry out work on matters such as viability assessments, urban design advice, landscape impact assessments, etc.
- **Finance: Housing Benefits (-£70,000)** – The budget for the net cost of Housing Benefits to the Council is £389,000, which is calculated from an estimate of payments to individuals of around £39million, and an assumed 99% cost recovery rate through subsidy from the Department for Works and Pensions. The recovery rate is now estimated to be higher at 99.12% based on the outturn for 2017/18, coupled with a revised estimate of payments to individuals of circa £34million, which is 12% lower than budgeted (10% less than the actual payments for 2017/18). The combined effect of these two factors have resulted in a forecast underspend for the year of £70,000.

External Income

A significant proportion of the Council's budget is reliant on external income. Grants and subsidies from government, alongside income from business rates are major elements, totalling over £45 million. These income streams are either fairly predictable as they are determined at the start of the year as part of the annual Local Government Finance Settlement; or variations can be largely offset by commensurate changes in expenditure, e.g. subsidy received on housing benefits is related to the level of payments made.

The amount of business rates ultimately retained by the Council depends on the actual amounts collectable (taking into account changes in the Valuation List, exemptions and reliefs granted,

and provisions for non-collection and rating appeals). Variances are accounted for via the Collection Fund and taken into account when determining future budgets and council tax setting. Fluctuations from those elements which have a direct impact on the General Fund revenue account, e.g. the levy payable on growth or grants received from Government to fund certain discretionary reliefs, are managed via the Business Rate Retention reserve.

As a participant in the Essex Business Rates Pool the Council is entitled to a share of the extra business rates retained “locally” which will be rebated against the 2018/19 levy. The final determination and receipt of the actual amount of the Council’s share will be made after year-end returns have been collated from each of the participating authorities. At the start of the year it was anticipated that Braintree’s share for 2018/19 could be around £560,000. The benefits received from being a member of the Pool have to date been held in the Business Rate Retention reserve.

Other external income for which the Council has budgeted £15.119 million comes from a variety of sources that are subject to external demands and other influences, meaning these are more susceptible to variations against budget. It is currently forecast that services will over achieve against their income budgets by a net £285,000, as shown in the table below:

Service		Joint Financing	Sales, Fees & Charges	Rents	Other Income	Total	RAG Status
	Updated Budget £000	5,286	5,375	2,835	1,623	15,119	
Asset Management	2,873	-	11	(149)	-	(138)	G
Business Solutions	23	(1)	-	-	-	(1)	G
Community Services	209	-	18	-	(3)	15	A
Corporate Management Plan	-	-	-	-	-	-	G
Economic Development	-	-	-	-	-	-	G
Environment & Leisure	1,312	1	14	-	(12)	3	A
Finance	2,457	(21)	-	-	(71)	(92)	G
Governance	306	-	78	-	-	78	G
Housing Services	46	(1)	-	-	-	(1)	G
Human Resources	-	-	-	-	-	-	G
Marketing & Communications	118	25	14	-	(28)	11	A
Operations	5,169	4	56	15	(16)	59	A
Strategic Investment	107	-	-	-	-	-	G
Sustainable Development	1,253	-	(201)	-	-	(201)	G
Service Total	13,873	7	(10)	(134)	(130)	(267)	G
Corporate Financing	1,246	(18)	-	-	-	(18)	G
Total	15,119	(11)	(10)	(134)	(130)	(285)	G

RAG Status: G = positive or nil variance, A = up to 5% adverse variance or <£50k, R = adverse variance greater than 5% and >£50k at Individual Business Plan level

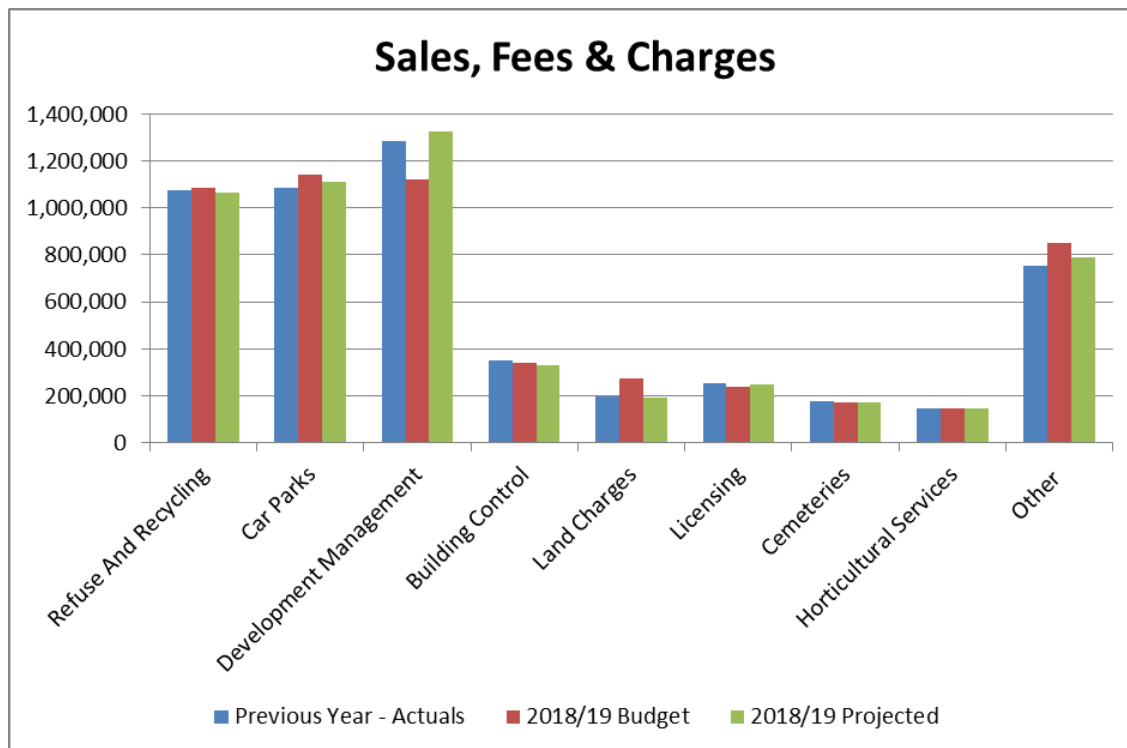
Joint Financing & Other Reimbursements

The total budget for income from joint financing and other reimbursements is £5.286 million, the main sources of which are: Essex County Council contributions towards service costs (£2.345 million); estimated benefit from the Essex Business Rate Pool (£560,000); Council Tax sharing and investment agreement with the major precepting bodies (£625,000); housing benefit overpayment recoveries and local tax costs recovered (£803,000); and subscriptions to the Procurement Hub (£359,000).

At Q1 a small variance for the year is predicted of £11,000 across all services.

Sales, Fees & Charges

The budget for income from sales, fees & charges is £5.375 million which is projected to be over achieved by a net £10,000. The following chart shows the main income streams:



Commentary on Fees and Charges:

- Car Parks:** New tariff charges were introduced with effect from April 2018. Initial figures show an increase in income but not to the extent originally envisaged, leading to a projected shortfall of £32,000 against the higher budget approved. As there could be some initial adverse reaction it is possibly too soon to gauge the long-term impact of the new charges. The position will continue to be monitored over the coming months.
- Development Management:** Planning application income received up to the end of June was £315,000, a similar level to last year. Based on historical trends, the projection for the whole of 2018/19 is £1.3 million (last year actual was £1.267 million). The budget for fee income is £1.112million, which includes an allowance for the estimated impact of a 20% increase in fees introduced in January 2018, as part of an agreement with Government to reinvest any additional income into the planning service. The current position is, therefore, a projected over achievement of income for the year of £188,000. The higher number and complexity of applications received has also meant there is an increased cost projected for staffing and other external support.
- Local Land Charges:** Income from search fees at the end of June was £48,000 which is around 17% lower than last year for the same period. The number of full searches are down by 18%, and free of charge viewings, mainly by personal search companies, have increased by 9%. The overall downturn in the number of searches appears to be in line with reduced activity in the housing market. The combined effect is a projection of income of £194,000 compared to the budget of £272,000, a potential shortfall of £78,000. The approved budget included an increase of £50,000 to reflect a price increase introduced to recoup the additional costs faced by the Council for digital enhancement of land search information in preparation for data migration to Land Registry. Whilst there is no set date for this transfer the digital enhancement work is still required, albeit it is progressing at a slower pace and utilising some internal resources, thereby leading to a potential underspend on this work of £10,000 in 2018/19.
- Other Income - Marketing and Communications:** The total budget for sponsorship and advertising income is £93,000. Currently the post of Sponsorship Officer is vacant and not expected to be filled until November at the earliest. Consequently, a shortfall is currently projected of £51,000 (-£26,000 from sponsorship; and -£25,000 from the sale of

advertising). Income generation across a number of the Council's services is one of the work streams currently being reviewed by the Commercial Manager.

Rental Income

The budget for rental income from land & property is £2.835million – comprising the investment & commercial property portfolio, markets, housing properties, and other let properties. The current projected outturn for the year is a net over achievement of £134,000.

Commentary on Rental Income:

- **Asset Management:** Following the closure of Ignite Business in May 2018, the Council has taken back responsibility for the management and letting of the former Ignite House at the Springwood Industrial Estate, as well as the Corner House in Braintree town. With the addition of the grow-on units being developed by the Council at Springwood, along with the anticipated transfer to the Council of Osier House in Sible Hedingham, there is a projected increase in net rental income of £90,000 (after allowing for some additional staffing costs). In addition, following the completion of tenancy agreement during last year, Causeway House is currently fully let leading to higher rental income than was originally budgeted of £37,000. Other additional income is expected from existing commercial and non-commercial properties totalling £22,000.
- **Operations – Markets:** A promotion of reduced rates to market traders has been introduced in an attempt to increase the number of stalls; however, as yet demand does not appear to have increased sufficiently to generate the budgeted level of income (£80,000) leading to a shortfall of income of £15,000 being predicted for the year.

Other Service & Corporate Income

Total budgeted Other Income is £1.623million of which £618,000 is internal recharges including staffing costs that are expected to be charged against capital projects (£314,000). Other external income includes the following streams:

- **Investment & Other Interest Income:** The budgeted amount is £843,000, which is expected to be achieved, principally through the Council's treasury management investments, including in long-term equity and property funds.
- **Solar Panel Feed-in-Tariffs:** the budget provides for an expected £93,000 of income from investment in solar panels at various Council facilities.

The overall projection is for Other Income to be over achieved by £130,000, mainly due to a number of unbudgeted government grants (£61,000) and increased work undertaken by the graphics and reprographics team (£40,000).

Treasury Management

The Council's treasury management activity for the quarter is summarised in the table below:

Amount Invested at start of the year	Activity to the end June		Amount Invested at end of the quarter
	New Investments	Investments Sold or Matured	
£42.26m	£34.27m	£18.00m	£58.53m
Average amount invested for the period			£56.81m
Highest amount invested			£61.46m

The Council has £16 million invested for the long-term spread across a mixture of property and equity funds. Remaining investments have been in short-term instruments including call accounts and term deposits with UK and Non-UK financial institutions, deposits with other local authorities, and Money Market Funds (MMF).

Interest and dividends earned to the end of the quarter total £275,000, which is equivalent to an annualised rate of return of 1.94%:

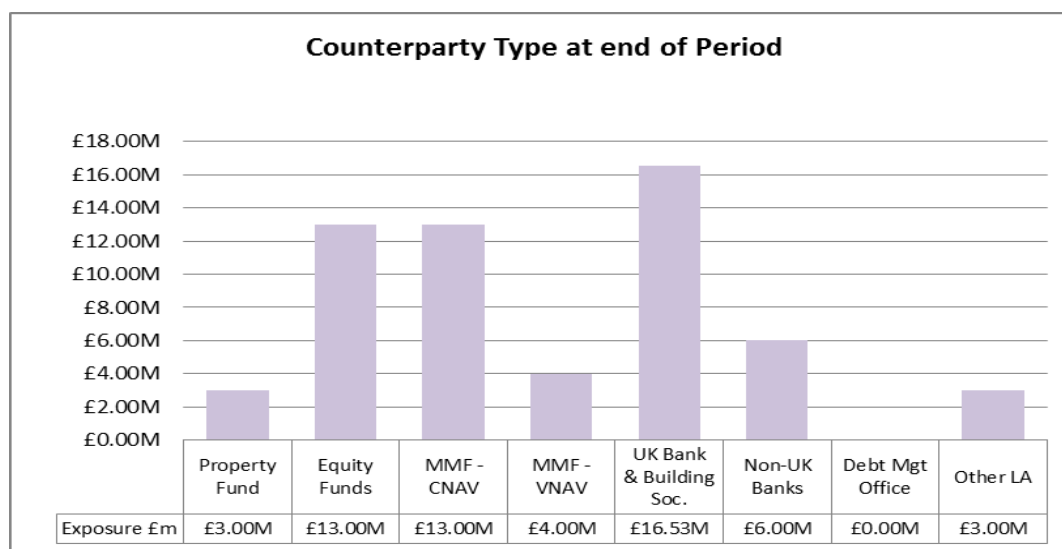
Investments	Average Amount Invested	Interest & Dividends Earned	Annualised Return %
Long-Term Pooled Funds	£16.00m	£217,000	5.43%
Short-Term	£40.81m	£58,000	0.57%
Total	£56.81m	£275,000	1.94%

Investment returns have been increased by the dividend income earned from long-term investments. In addition, being exposed to equities and property, the value of these funds fluctuate based on prevailing market conditions. At the end of the quarter the market valuation for all the long-term pooled funds was £17.974 million, representing an unrealised gain of £1.974 million on the original amounts invested.

Market Commentary

The Financial Times Stock Exchange (FTSE) 100 index bounced back after plummeting below 7000 during the first quarter of the 2018 calendar year, finishing Q1 of the financial year 2018/19 at 7610. Money market rates remained low: 1-month, 3-month, and 12 month London Inter-Bank Bid (LIBID) rates averaged 0.38%, 0.55% and 0.84% in the quarter respectively.

At the end of the quarter the Council's investment portfolio comprised the following:



CNAV = Constant Net Asset Value i.e. the Fund value is expected to remain constant

VNAV = Variable Net Asset Value i.e. the Fund value and therefore amounts invested can fluctuate

General Fund Balances

General Fund balances are held for the following reasons:

- As a contingency against unforeseen events
- 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 projected outturn set out above, the movement on the General Fund balance is estimated to be:

	£'000
Balance at 1 April 2018	2,860
Add:	
Budgeted addition	228
Pension Fund triennial payment	1,411
Less:	
Projected in-year variance	(87)
Supplementary budget	(219)
Estimated Balance at 31 March 2019	4,193

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

- The budget approved by Council for 2018/19 included an anticipated addition to balances of £228,072, reflecting savings anticipated being made in advance of future years' budget shortfalls.
- The budget for 2017/18 included a one-off payment to the Pension Fund covering the period April 2017 to March 2020, which was in part funded from General Fund balances. A repayment back into balances was expected in 2018/19 and 2019/20.
- The projected outturn variance for the year would mean £87,000 less being added to balances.
- An allocation from General Fund balances was approved by Full Council in July 2018 to meet a supplementary budget request for the transitional costs of the Strategic Investment Team.

At the time the Budget was approved it was estimated that the unallocated General Fund balances would be £3.861 million at 31 March 2019. The above table indicates that the latest estimate is higher by £332,000, mainly due to the balance brought forward at April 2018 being higher as a result of the 2017/18 financial outturn.

Risks and Assumptions

The forecasts reflect service managers' "best estimate" of the predicted outturn for the year. The previous year outturn and 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. External income is inherently difficult to predict as it is substantially demand led and impacted by external factors.

Planning application fee projections are based on the best information available regarding when developers are likely to submit planning applications for growth locations within the district - this could change and income could be significantly higher or lower than projected. Projections are based on historical trends and will be influenced by both the number and type of planning applications received.

The projected costs of planning appeals for the year is currently £270,000 which can be funded from the earmarked reserve brought forward at the start of the year (Balance £287,000). On this basis the reserve will almost be depleted by the end of 2018/19, and with the level of appeals and public inquiries currently being experienced, it is likely that further money will need to be set aside.

Payments made by the Council for processing its recycling material collected from households are subject to quarterly review of market indices. Consequently future gate fees may fluctuate +/-.

The budget assumes that £314,000 of staffing costs can be recharged to capital projects – this was reduced as part of the 2018/19 budget setting based on in-year monitoring of the position for 2017/18. The actual amount recharged will depend on the extent to which projects progress and staff are working on activities that can properly be treated as capital under accounting rules. The current assumption is that the budgeted level of recharges will be achieved in 2018/19.

Capital Investment

Taking into account projects which were in progress and carried forward from earlier years, new projects approved as part of the Budget agreed in February 2018, and the subsequent decisions taken by Council on some major growth and infrastructure projects, the overall capital programme currently totals in excess of £38 million. Delivery of significant projects will span a number of years, therefore, the amount expected to be spent in the current year is £12.688 million. The following table shows how much has been spent to the end of Q1.

	Profiled Spend 2018/19 £000	Actual Spend in Quarter 1 £000	Actual Spend in Quarter 1 % of 18/19 Profile
Commercial and investment property	7,436	-	0%
Manor Steet regeneration	430	43	10%
Springwood Drive business units and parking	663	161	24%
Planned maintenance to Council premises	533	37	7%
Replacement vehicles and plant	582	5	1%
Information technology systems	573	27	5%
Play areas, parks and open spaces	311	5	2%
Spa Road environmental improvements	282	4	1%
John Ray Park improvement	42	-	0%
Industrial estate improvements	116	-	0%
Museum replacement heating system	100	-	0%
Operational equipment	83	45	54%
Sports and leisure facilities improvements	40	-	0%
Cordons Farm waste transfer station	39	-	0%
Grants to registered social landlords	531	-	0%
Grants to private home owners – disabled facilities grants	613	174	28%
Capital salaries	314	79	25%
Total	12,688	580	5%

The percentage actual spend to the end of Q1 is relatively low; however, this is impacted by the inclusion in the programme of a number of commercial and investment property acquisitions which are not expected to complete until later in the year. Adjusting for these items the spend to Q1 is around 11% which is broadly in line with previous years where the rate of capital spending tends to increase in later quarters.

Capital resources

The main sources of new capital resources anticipated for the year are from the sale of Council owned assets (£3.674 million), preserved right-to-buy (RTB) receipts (£1 million) and the Council's share of the VAT shelter operating in conjunction with Greenfields Community Housing (£250,000).

Greenfields has reported that 9 RTB sales have been completed up to the end of Q1 generating approximately £1.238 million for the Council. This compares to 5 sales completed last year for the same period, and also suggests that this year's total is likely to exceed last year's 20 sales which generated £2.122 million for the Council. Greenfields have also reported two repayments of RTB discounts which adds £72,000 to the Q1 amount.

VAT shelter monies due to the Council at the end of Q1 were £64,000, which is broadly in line with what could be expected based on the full year estimate; however, Greenfields are reviewing their major works programme so this position could change at subsequent quarters.

The Council has received £862,000 grant from the Better Care Fund, which is used to fund the Council's disabled facilities grant scheme. This is an increase of £162,000 over that originally anticipated for the year.

Report of Member Working Group		Agenda No: 8b
Portfolio	Overall Corporate Strategy and Direction	
Corporate Outcome:	Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor Hylton Johnson, Chairman of Working Group	
Report prepared by:	Ian Hunt, Head of Governance	
Background Papers:	Public Report	
Reports and Minutes of the Member Working Group	Key Decision: No	
Executive Summary:		
<p>The Leader of the Council asked the Member Working Group to review a range of issues, with a view to obtaining their feedback on a number of areas of Member comment.</p> <p>The Working Group has met over a six month period to review the Terms of Reference and to consider what (if any) areas needed further work or development. This report summarises the findings of the Group and the recommendations arising from the work.</p> <p>The Group acknowledged that there were a number of areas it looked at where there was a need for Political Groups to take the lead, rather than the Council itself and this is reflected in the report.</p> <p>The Members of the Group thanked the Leader for the opportunity to undertake the work concerned and to report back, although they did not consider that there was a need to recommend any further Working Groups following this work.</p>		
Recommended Decision:		
<p>The Member Working Group recommended the following points:</p> <ol style="list-style-type: none">1. That the options for Members to engage formally with the Council are appropriate for the needs of Members. It is recommended that the options are highlighted to Members during induction and the summary is included on the Members Hub.2. Consideration is given to undertaking a Members Skills survey to support the Council in utilising the background knowledge and expertise of Members.		

3. The Leader and/or Deputy Leader offers all Members (of all parties or none) at least one review meeting per year to enable them to raise any matters they consider appropriate.

That the Leader and Cabinet note the recommendations, and if relevant respond.

Purpose of Decision:

To receive the recommendations of the Member Working Group for Consideration.

Any Corporate implications in relation to the following should be explained in detail.

Financial:	The report does not contain any proposals which give rise to financial requirements which cannot be met within existing resources.
Legal:	The Council has a range of Constitutional structures which provide for Member engagement in decision making. This report reflects these and makes no suggestions for changes to the Councils legal structures.
Safeguarding:	No matters arising out of this report.
Equalities/Diversity:	No Equality Impact Assessment has been undertaken, given that in the main the report reflects established procedure, where recommendations are made these do not have an impact on any protected characteristics.
Customer Impact:	No matters arising out of this report.
Environment and Climate Change:	No matters arising out of this report.
Consultation/Community Engagement:	No matters arising out of this report.
Risks:	No matters arising out of this report.
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Designation:	Head of Governance
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1. Background:

- 1.1. The Leader established a Member Working Group to consider the following Terms of Reference over a 6 month period:
 - 1.1.1. To review and make recommendations to the Leader, Cabinet or other Committees as appropriate, in respect of Councillors' powers to raise issues or topics within the Constitution.
 - 1.1.2. To consider and make recommendations to the Leader, Cabinet or other Committees as appropriate, the Councils processes and arrangements for capturing Councillors skills and enabling these to be put to best use.
 - 1.1.3. To consider and make recommendations to the Leader, Cabinet or other Committees as appropriate, in respect of enhancing the role of Councillors in respect of Policy Development as needed.
 - 1.1.4. To consider existing mechanisms for the engagement of Members in ongoing Council Business and make recommendations to the Leader, Cabinet or other Committees as appropriate.
 - 1.1.5. To make recommendations as to further work in the above areas which may be suited to further Working Groups.
- 1.2. The Member Working Group's Chairman was Councillor H Johnson and its Members were: Councillors M Banthorpe, Mrs M Cunningham, P Horner, D Mann and W Rose.
- 1.3. The Group established its own work programme and choice of topics within the scope of its Terms of Reference. Members devoted a significant proportion of their time to considering the most effective ways of engaging all Members in the work of the Council, and this strand of work represents the majority of this report.
- 1.4. Members also discussed but had no direct recommendations on the following topics:
 - 1.4.1. The importance of Stansted Airport to the District and the importance of a close working relationship with its owners.
 - 1.4.2. The potential for land banking by residential developers, and the outcomes of the Letwin review into barriers to building.
 - 1.4.3. The importance of rail links within the District including the Braintree to Witham line.
 - 1.4.4. The importance of accessible transport links for residents, including young people and rural areas enabling access to work.
 - 1.4.5. The tension in role between being both a District Councillor and a Town or Parish Councillor, and the difficulties which can be perceived in having to separate the two roles.
 - 1.4.6. The opportunities for Parish Councils to engage with the District Council, whilst noting the positive opportunities particularly in planning and through the Braintree Association of Local Councils.

2. Engagement by and with Members:

- 2.1. This topic represented the main focus of the Group's considerations, and accordingly represents the majority of this report.
- 2.2. Members started with a proposition to test, that outside the Executive Members had limited opportunities to participate in the work of the Council and that this hampered their engagement. Members also considered that there was a lack of participation in meetings by Members and/or that Members were not adequately engaged with meetings.
- 2.3. Members reviewed the opportunities presented by alternate systems of Council structure, including the Committee system and the Area Committee system.
- 2.4. Both methods were considered to have merit in engaging a wider range of Members in direct decision making. This was a benefit which had to be balanced against the increased commitment from Members in attending meetings, as well as the administrative delay and cost of administration. Members were of the view that although the current Leader and Cabinet model has a risk around concentrating decision making within a relatively constrained group of Councillors, it had significant merit in ensuring effective and timely governance. Members did not advocate a change in the Council's overall governance structure.
- 2.5. Members looked at the key structures of the Council in terms of the Governance framework and the opportunities for Members to engage with the formal process. The summary of this is attached at Appendix 1.
- 2.6. In undertaking this work, Members specifically excluded looking at the detail of making representations under the statutory frameworks of Licensing and Planning, as well as direct constituency casework. The focus was to look at the structures of the Council from a policy and strategic decision making perspective.
- 2.7. Members were of the view that having reviewed the opportunities for engagement, as well as considering peer Councils, there were strong frameworks and structures in place which gave Members the opportunity to engage, and in the main these were at least comparable, if not significantly ahead of a number of comparator Councils.
- 2.8. It was however considered that the full range of opportunities was not necessarily well understood by all Members, and the Group wished to use the opportunity of this report to highlight these to the wider Membership. Members also specifically asked that Officers look at strengthening the coverage of this in the Induction Programme in 2019 (acknowledging that it was covered in the 2015 programme), as well as having the content made available on the Members Hub.
- 2.9. Members discussed potential barriers to using the range of tools available. It was acknowledged that not all Members would have the confidence and/or skills to use all of the routes available. Members recognised and praised the Member Development Programme and Skills Programme in this regard, although acknowledged that Members had to participate and be willing to take

some risks in respect of public speaking in areas where they were not as confident.

- 2.10. Members considered that there was a strong role for the Political Groups in supporting Members, particularly new Members, to develop their skills. Members felt that there should be a positive attitude from all Members, including the Executive to the use of the range of methods for Member engagement.
- 2.11. Members discussed examples where Members at meetings were not seen as participating fully, either not paying attention to presentations or the reports. Members cited examples where Members asked questions which were fully covered in the report or which were considered irrelevant or tangential at best.
- 2.12. It was felt that this reflected badly on the individual Members, as well as the remainder of the Council or Committee. Members acknowledged however, that this was not an issue of training or a failure of the published Committee report in the main, but rather a failing of the individual to prepare and or grapple with the material. It was viewed that this is an issue where the Political Group structure should take action, to either give the Member warnings or ultimately remove the Member from a Committee.
- 2.13. Having reviewed the formal structures available for influencing decision making, Members considered in depth the softer engaging of Members in advance of the formal process.
- 2.14. Members acknowledged that the Political Group structure was a key mechanism for them to engage with and influence their peers. This could be a venue for early engagement within the group to influence the strategy and priorities of the group, and if that group is in political control ultimately the direction of the Council. Members acknowledged that whilst there was a role for the formal approach above, this has to be considered by the majority of Councillors in relation to their role as a Member of a Political Party or Group and this has an influence on their freedom to take issues and points.
- 2.15. Members were however, keen to ensure that the Council and the political leadership were aware of both the concerns and skills of the back bench Membership.
- 2.16. Members considered that there should be a skills survey of Members which would enable key Officers and Members to understand the background skills of Members to support drawing in of Member expertise. Members noted that specific projects may well be able to draw on experience that Members had had in their professional careers potentially reducing project risk.
- 2.17. It was acknowledged that this could become unwieldy if left too open, and it is suggested that there is a short self-selecting survey of Members who would be asked to list up to 10 key skills or areas of experience and that this could be a central resource for reference.
- 2.18. Members of the Working Group considered that although there is the opportunity to approach the Political Leadership Team, and that the Leader is

good at responding to direct issues raised by Members with him, there still remained a potential gap in engagement. It was felt that there was insufficient opportunity for back bench Members of all Parties to have direct conversations with the Leader.

- 2.19. It was considered that this could be addressed by the Leader offering all Councillors (of all parties or none) an annual review meeting. This would give the opportunity for open discussions on any issues. Acknowledging the workload that this could impose it was proposed that the Deputy Leader would also be able to support this.

Review of the Council's Structure and Member Engagement Opportunities

1. Background

- 1.1. Members are formally engaged with formal Council business either by way of Meetings of Full Council, or through the actions of Committees, these two venues are discussed separately below. There are some ancillary tactics which are also discussed.
- 1.2. In all venues Members should remember that when acting as a Councillor they have an obligation to adequately prepare for Meetings, by reading and considering reports. Equally they should listen to any presentations and the debate.
- 1.3. Members have the opportunity in any debate at a meeting which they are a Member to participate. They should however, refrain from merely repeating contributions of others or asking questions which are covered within the report. Where Members wish to highlight a point, they should actively highlight the information they see as relevant rather than asking a question to elicit the same information.
- 1.4. Within debate, Members should restrict themselves to the issues relevant to the issue at hand; Members should expect to only speak once within a debate (save to add a clarification). Speeches are not formally time restricted, however, there is an expectation that they should be no longer than 5 minutes, and the Chairman can ask a Member to curtail their speech if they are no longer addressing the item of business, or if they are repeating themselves.
- 1.5. Members who wish to put an amendment to the motion to Council should submit this in advance (by noon on the day of the meeting). Amendments cannot negate the motion, (instead the motion should be opposed and support sought to vote it down) but can seek to add, amend or remove elements. All amendments must have a proposer and seconder to be debated, however a motion can be proposed, even if a seconder has not been secured in advance, although there is a risk it will not be seconded and therefore will fail.

2. Full Council

- 2.1. The Full Council meeting is the key procedural meeting of the Council. All Members are invited and can contribute. The general points about debate above are relevant. Specific additional elements:
- 2.2. Motions:**
- 2.3. A notice of Motion can be submitted, it must be in relation to a matter which the meeting has powers or duties or affects the District Council and

is a request for the Council to take a particular action. The Chairman has the power to exclude anything which does not fit within this.

2.4. Motions are a proposal made by a Councillor for an issue to be discussed and for a decision to be made on it. The wording of the Motion and the names of at least 5 Councillors proposing / seconding it shall be contained in a notice submitted to the Chief Executive, or the Monitoring Officer at least 9 clear days before the meeting.

2.5. Motions in compliance with these rules will be included in the Agenda for debate. Usually this will just be the relevant Motion, occasionally a short report will accompany the Motion where Members need specific advice or guidance on issues to be considered.

2.6. Statements by a Member:

2.7. A Member may make a statement at ordinary meetings of Council upon giving details of the subject to the Chief Executive or the Monitoring Officer by no later than 5.30pm on the ninth clear working day before the meeting. The statement does not create a debate but may be responded to by the Leader or Portfolio Holder.

2.8. It is expected that the statement would focus on some aspect of the District or issue the Council is facing. The Chairman of the Council has the discretion to decline to allow any statement to be dealt with under this rule if it is considered to be inappropriate. This would include anything that is defamatory, frivolous or offensive, is the subject of negotiation, Court or other forms of legal proceedings, requires the disclosure or exempt or confidential information or is substantially similar to a question or statements put to a meeting of the Council during the last six months.

2.9. Questions to the Leader of the Council and the Cabinet

2.10. Any Councillor may ask the Leader or Portfolio Holders any questions without prior notice on matters relating to their functions, the powers and duties of the Council or matters pertaining to the District. Answers are usually given verbally but a written response can be offered.

2.11. Whilst there is no need for there to be advanced notice, where notice of the question or topic is given it can ensure a more detailed and helpful response can be given. That said, it can be politically effective sometimes to expose a lack of knowledge or catch someone off guard so that may influence the approach considered.

3. Other Committees:

3.1. Cabinet:

3.2. The meetings of Cabinet legally need only engage the Cabinet Members, with no rights for other Members to speak (formally other Members only have the same rights as the Public, including attendance in Private Session elements).

- 3.3. The Leader invites and permits Leaders of opposition parties, and the Chairman of Overview and Scrutiny to attend and participate, other Councillors who have asked to speak on items have also been allowed. Whilst a longstanding convention, this could be changed so Members should be mindful of that when engaging in this way.
- 3.4. **Overview and Scrutiny:**
- 3.5. The Overview and Scrutiny Committee has two main functions in terms of Member engagement. These are the Work Programme and Call In.
- 3.6. The Committee itself can add any item to its Agenda at any time, however it does set up Task and Finish Groups to look at specific topics and asks for Membership from across the Council.
- 3.7. Recommendations from the Committee or its Task and Finish Groups must be considered by the Cabinet.
- 3.8. Call in applies to Key Decisions of Cabinet, which can be called in for additional scrutiny. Whilst the Committee cannot change the decision itself it can make recommendations back to the Cabinet and ask for there to be reconsideration.

4. Miscellaneous methods:

- 4.1. Councillors who are not Members of a particular Committee (for example Planning) can make use of the Public Question slot to speak to the Committee on either a matter which is before them, or a general matter which relates to the functions of the Committee. This ensures that the relevant Committee is aware of the Members views and can take them into account when making their decision.
- 4.2. Members can encourage a member of the public to make use of the ability to speak, this can be a useful way of ensuring points are raised or to set up a debate in a particular way.
- 4.3. **Petitions**
- 4.4. The Council has retained the petitions process. This was originally introduced in 2009 as a statutory requirement, and then the relevant legislation was repealed under the Localism Act 2011. A petition allows the public (or a Member if they wish to arrange a petition) to raise a topic for debate at Full Council, or call for a specific inquiry of Senior Officers at Overview and Scrutiny.
- 4.5. Although this process can be used, it requires a lot more work, (1000 signatures to trigger a Full Council debate) if there is a wider issue then it can show feeling and a clear support to a proposition over that of a single Members voice.

Cabinet Member Decisions made under delegated powers		Agenda No:9
Portfolio		See body of report
Corporate Outcome:		
Report presented by:		Not applicable – report for noting
Report prepared by:		Chloe Glock, Governance Business Officer
Background Papers:		Public Report
Cabinet Decisions made by individual Cabinet Members under delegated powers.		Key Decision: No
Executive Summary:		
All delegated decisions taken by individual Cabinet Members are required to be published and listed for information on next Cabinet Agenda following the decision.		
Since the last Cabinet meeting the following delegated decisions have been taken (details as at time of decision):		
Councillor John McKee - Cabinet Member for Corporate Services and Asset Management. Decision taken on 20th July 2018		
That Braintree District Council agrees to make a contribution of £5,000 towards the consideration requested by Witham Town Council for its consent to the grant of rights to Bellway Homes to lay foul and surface water sewers across the River Walk, land situated off Maldon Road, Witham.		
Cabinet Decisions made by individual Cabinet Members under delegated decisions can be viewed on the Access to Information page on the Council's website. www.braintree.gov.uk		
Recommended Decision:		
For Cabinet to note the delegated decisions.		
Purpose of Decision:		
The reasons for decision can be found in the individual delegated decision.		

Any Corporate implications in relation to the following should be explained in detail.

Financial:	None arising out of this report.
Legal:	None arising out of this report.
Safeguarding:	None arising out of this report.
Equalities/Diversity:	None arising out of this report.
Customer Impact:	None arising out of this report.
Environment and Climate Change:	None arising out of this report.
Consultation/Community Engagement:	None arising out of this report.
Risks:	None arising out of this report.
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