

COUNCIL

AGENDA



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<http://www.braintree.gov.uk>

Date: Monday 14th October 2013

Time: 7:15pm

Venue: Council Chamber, Causeway House, Bocking End, Braintree, CM7 9HB

Membership:

Councillor J E Abbott	Councillor M E Galione	Councillor F Ricci
Councillor J S Allen	Councillor C Gibson	Councillor D E A Rice
Councillor M J Banthorpe	Councillor M Green	Councillor W J Rose
Councillor P R Barlow	Councillor P Horner	Councillor V Santomauro
Councillor J Baugh	Councillor S A Howell	Councillor W D Scattergood
Councillor J C Beavis	Councillor H D Johnson	Councillor W Schmitt
Councillor D L Bebb	Councillor S C Kirby	Councillor A F Shelton
Councillor E Bishop	Councillor M C M Lager	Councillor L Shepherd
Councillor R J Bolton	Councillor C Louis	Councillor C E Shute
Councillor L B Bowers – Flint	Councillor D J Louis	Councillor C Siddall
Councillor G Butland	Councillor D Mann	Councillor G A Spray
Councillor C A Cadman	Councillor J T McKee	Councillor J S Sutton
Councillor S Canning	Councillor R G S Mitchell	Councillor J R Swift
Councillor T G Cunningham	Councillor J M Money	Councillor P Tattersley
Councillor J G J Elliott	Councillor Lady P Newton	Councillor C M Thompson
Councillor Dr R L Evans	Councillor J O'Reilly-Cicconi	Councillor M Thorogood
Councillor A V E Everard	Councillor I C F Parker	Councillor L S Walters
Councillor J H G Finbow	Councillor J A Pell	Councillor R G Walters
Councillor M J Fincken	Councillor R P Ramage	Councillor S A Wilson
Councillor T J W Foster	Councillor D M Reid	Councillor B Wright

QUESTION TIME

Immediately after Declarations of Interests have been made, there will be a period of up to 30 minutes when members of the public can speak.

Members of the public wishing to speak should contact Chloe Glock in the Council's Member Services Section on 01376 552525 or email chloe.glock@braintree.gov.uk at least 2 working days prior to the meeting.

Members of the public can remain to observe the whole of the public part of the meeting.

Health and Safety. Any persons attending meetings in the Council offices are requested to take a few moments to familiarise themselves with the nearest available fire exit, indicated by the fire evacuation signs. In the event of a continuous alarm sounding during the meeting, you must evacuate the building immediately and follow all instructions provided by the fire evacuation officer who will identify him/herself should the alarm sound. You will be assisted to the nearest designated assembly point until it is safe to return to the building. Any persons unable to use the stairs will be assisted to the nearest safe refuge.

Mobile Phones. Please ensure that your mobile phone is switched to silent or is switched off during the meeting.

Documents. Agendas, reports and minutes for all the Council's public meetings can be accessed via the internet at <http://www.braintree.gov.uk>

Braintree District Council welcomes comments from members of the public in order to make its services as efficient and effective as possible. We would appreciate any suggestions regarding the usefulness of the paperwork for this meeting, or the conduct of the meeting you have attended.

Please let us have your comments setting out the following information:

Meeting AttendedDate of Meeting.....

Comments.....

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Contact details.....

Members unable to attend the meeting are requested to forward their apologies for absence to Alastair Peace on 01376 552525 or email alastair.peace@braintree.gov.uk

INFORMATION FOR MEMBERS

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

Any member with a Disclosable Pecuniary Interest or other Pecuniary Interest to indicate in accordance with the Code of Conduct. Such Member 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.

Members of the Council are requested to attend the above meeting to transact the following business: -

PUBLIC SESSION

1. **Apologies for Absence.**
2. **To receive any announcements/statements from the Chairman and/or Leader of the Council.**
3. **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.

4. **Question Time. (See page i).**
5. **Minutes.** To approve as a correct record the minutes of the Council meeting held on 29th July 2013 and the Special Meeting of Council held on 23rd September 2013 (Copies previously circulated).

6. To consider the following **Motion** submitted by **Councillor Butland**:

"This Council notes the publication by Essex County Council of its submission to the Airports Commission. It supports the case made by the County Council in its document 'Flights of Fancy: Getting Real on Aviation'."

Appropriate notice of the motion has been given to the Chief Executive under Rule 4 of the Constitution.

The motion has been proposed by Councillor Butland and seconded by Councillors Bebb, Canning, Cunningham, Mitchell, Schmitt and Tattersley

Members are directed to the following link for the 'Flights of Fancy: Getting Real on Aviation' report:

http://www.essex.gov.uk/News/Documents/ECC_Davies_Commission_Response.pdf

7. To consider the following **Motion** submitted by **Councillor Beavis**:

"This Council recognises that our population is getting older, larger in number, and that an ageing population has greater and more complex health needs.

It supports a local integrated approach to health and social care, as documented in the "Who will care?" Commission's report led by Sir Thomas Hughes-Hallett, to sustain and improve health and social care in Essex.

It also recognises the role that Braintree District Council needs to play in an integrated approach and pledges to work closely with partners to achieve the aims set out in the Commission's report".

Appropriate notice of the motion has been given to the Chief Executive under Rule 4 of the Constitution.

The motion has been proposed by Councillor Beavis and seconded by Councillors Bebb, Butland, Parker, Spray and Tattersley.

Members are directed to the following link for the Who Will Care? report:
<http://www.essexruralpartnership.org.uk/Docs/130911%20Who%20will%20care%20report.PDF>

8. **Recommendations from Cabinet – 30th September 2013 – Scrap Metal Dealers Act 2013 – Licence Fees and Scheme of Delegation.** Report attached (Page 1).
9. **Recommendations from Cabinet – 30th September 2013 – Treasury Management Annual Report 2012/13 and Mid-Year Report 2013/14.** Report attached (Page 11).
10. **Referral from the Overview and Scrutiny Committee – 25th September 2013 – Task and Finish Group, Affordable Housing.** Report attached (Page 34).
11. **Question Time Reports of the Leader and Cabinet Members**
 - (i) **Reports from the Leader and Cabinet Members.** To receive the following reports from each Portfolio Holder:
 - a) Councillor Butland, Leader of the Council (Page 41);
 - b) Councillor Beavis, People and Participation (Page 44);
 - c) Councillor Bebb, Performance and Efficiency (Page 47);
 - d) Councillor Lady Newton, Planning and Property (Page 51);
 - e) Councillor Schmitt, Place (Page 54);
 - f) Councillor Siddall, Prosperity and Growth (Page 58).
 - (ii) **Oral questions** without notice on matters related to a particular portfolio, the powers or duties of the Council or the district. (Procedure Rules 7.1 to 7.3 apply). Where a verbal response cannot be given, a written response will be issued to all Members.

(A period of up to 30 minutes is allowed for this item).
 - (iii) **Chairmen's Statements.** To receive statements from those Chairmen who have given prior notification in accordance with Council Procedure Rule 7.9 and to respond to questions on such statements. ***None have been received.***
 - (iv) To raise any matters arising from the minutes of **meetings that have been held in public session** since the Council meeting on 29th July 2013. (Report attached – Page 61).
12. **Statements by Members**

To receive any statements by Members of which the appropriate written notice has been given to the Chief Executive in accordance with Council Procedure Rule 7.6.

There are none.

13. To receive reports about and receive questions and answers on the **business of external organisations**.

There are none.

14. Exclusion of Public and Press: - To give consideration to adopting the following Resolution: -

That under Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in the relevant paragraphs of Part 1 of Schedule 12(A) of the Act.

PRIVATE SESSION

Note: At the time of publication there are no items for Private Session.

15. **Statements by Members – Private Session**

To receive and give responses to statements by Members which contain confidential or exempt information of which the appropriate written notice has been given to the Chief Executive in accordance with Council Procedure Rule 7.6. The Chairman will invite the Leader or relevant Cabinet Member to comment on each statement.

There are no statements.

16. **Question Time - Private Session**

- (i) **Leader's Statement** or statement by Cabinet Members containing exempt information on a key issue.
- (ii) **Oral questions** without notice on matters related to a particular portfolio, the powers or duties of the Council or the district. (Procedure Rules 7.1 to 7.3 apply). Where a verbal response cannot be given, a written response will be issued to all Members.

(A period of up to 30 minutes is allowed for this item).

- (iii) **Chairmen's Statements.** To receive statements containing exempt information from those Chairmen who have given prior notification in accordance with Council Procedure Rule 7.9 and to respond to questions on such statements - ***There are none.***
- (iv) To raise any matters arising from the minutes of meetings that have been held in private session since the Council meeting on 29th July 2013.

17. **Private Session Policy Recommendations.** To consider any policy recommendations (in private session) that have arisen within the last meetings' cycle – ***There are none***

N BEACH
Chief Executive

The last page of this agenda is numbered 61.

**RECOMMENDATIONS FROM CABINET –
30TH SEPTEMBER 2013**

Agenda No: 8

**SCRAP METAL DEALERS ACT 2013
LICENCE FEES AND SCHEME OF DELEGATION**

Presented by: Councillor Schmitt, Cabinet Member, Place

Background Papers:

Public Report

Minute Extract:

(Extract of recommendation to Council only)

CABINET – 30TH SEPTEMBER 2013

31. **SCRAP METAL DEALERS ACT 2013 - LICENCE FEES AND SCHEME OF DELEGATION**

DECISION:

3. That it is recommended to Council:
 - a. That the proposed fees set out in section 4 of the report be agreed and that the fees to come into effect from 1st October 2013.
 - b. That the Constitution be amended as set out in the report.

REASON FOR DECISION: To ensure that the Council has procedures and fees in place in order to discharge the licensing function under the Scrap Metal Dealers Act 2013 for 2013/14.

Scrap Metal Dealers Act 2013 Licence Fees and Scheme of Delegation		Agenda No:
Corporate Priority: Protecting our Environment. Portfolio Area: Place Report presented by: Cllr Wendy Schmitt Report prepared by: Daniel Mellini		
Background Papers: Information Report to Licensing Committee of 17 th July 2013 - Scrap Metal Dealers Act 2013. Scrap Metal Dealers Act 2013. Scrap Metal Dealers Act 2013: guidance on Licence fee charges. LGA guide to the Scrap Metal Dealers Act 2013: Applications		Public Report
Options: None		Key Decision: No
Executive Summary: The Scrap Metal Dealers Act 2013 ("the Act") received Royal Assent on 28th February 2013 and is due to come into force from 1st October 2013. The Act repeals the Scrap Metal Dealers Act 1964 (and linked legislation) and Part 1 of Vehicles (Crime) Act 2001, creating a revised regulatory regime for the scrap metal recycling and vehicle dismantling industries. The Act maintains local authorities as the principal regulator but gives them the power to better regulate these industries by allowing them to refuse to grant a licence to 'unsuitable' applicants and a power to revoke Licences if the dealer becomes 'unsuitable'. Schedule 1(6) of ("the Act") provides that an application must be accompanied by a fee set by the local authority. In setting a fee, the authority must have regard to any guidance issued by the Secretary of State with approval of the treasury and case law. Cabinet are requested to consider the report and recommend to Full Council the approval of the fees for 2013/14 with an effective date of 1 st October 2013 and the proposed amendments to the Council's constitution.		

Decision:

1. The Leader designates the Cabinet Member with the responsibility for regulatory services to have overall responsibility for the Council's function under the Act.
2. To agree the Scheme of Delegation as set out in section 3.3 of the report
3. It is **RECOMMENDED** to Full Council to
 - a) agree the proposed fees set out in section 4 of this report and to agree the fees to come into effect from 1st October 2013.
 - b) amend the Constitution as set out in this report

Purpose of Decision:

To ensure that the Council has procedures and fees in place in order to discharge the licensing function under the Scrap Metal Dealers Act 2013 for 2013/14.

Any Corporate implications in relation to the following should be explained in detail**Financial:**

The authority must ensure that any fees generated are used to manage the process of administration only and that the overall costs are neutral to this authority (excluding any enforcement costs), which must be accounted for separately.

Legal:

Schedule 1(6) of the Act provides that an application must be accompanied by a fee set by the local authority.

In setting a fee, the authority must have regard to any guidance issued by the Home Office. Guidance on setting the fees was published on 12 August 2013.

The authority must also be mindful of the principles of the EU Services Directive (Directive 2006/123/EC of The European Parliament and of the Council of 12 December 2006 on services in the internal market) which states "a Licence fee can only be used to pay for the cost associated with the licensing process".

The authority must be aware of case law, of which the recent case in the Court of Appeal of R (Hemming (t/a Simply Pleasure Ltd) and others) v Westminster City Council [2013] EWCA Civ 591; [2013] WLR (D) 203 is relevant.

The Act and the statutory guidance are ambiguous in terms of the functions of Cabinet in setting the licensing fees.

	In accordance with the Council's Constitution – Article A6.5.2 Cabinet cannot take a decision which is contrary to the Council's Budget. These fees are outside the approved Budget and therefore in accordance with Article A6.5.3.1 the Cabinet can only recommend the proposed fees to Full Council.
Equalities/Diversity	No implications arising from this report.
Customer Impact:	It is intended to manage the scrap metal licensing regime within existing resources. Should the number of applications significantly exceed the authority's estimate then there may be a requirement to bring in an additional resource to cover any peak work demands.
Environment and Climate Change:	No implications arising from this report
Consultation/Community Engagement:	No implications arising from this report
Risks:	<p>The authority must be prepared to receive applications by 1st October 2013. Applicants wishing to take advantage of the transitional arrangements specified in the Act must submit an application to the authority by 15 October 2013.</p> <p>The Council must have in place procedures to discharge its obligations under the Act.</p> <p>If the fees do not reflect the true cost of managing the licence process then the Authority could be open to legal challenge.</p> <p>The Authority has undertaken a comprehensive fee setting exercise in accordance with published guidance issued by the Secretary of State, EU Services Directive (Directive 2006/123/EC of The European Parliament and of the Council of 12 December 2006 on services in the internal market) and principles laid down by the Court of Appeal of R (Hemming (t/a Simply Pleasure Ltd) and others) v Westminster City Council case.</p>
Officer Contact:	Daniel Mellini
Designation:	Environmental Health Manager (Food, Health & Safety and Licensing)
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Background

- 1.1 The increased value of metal has caused a growing problem of metal thefts throughout the U.K. The Home Office has provided an estimate that there were between 80,000 – 100,000 reported metal theft offences in 2010/11 alone and is costing the economy up to an estimated £260 million per year. A wide range of sectors have been targeted, which includes transport infrastructure, electricity and telephone links, street furniture, memorials, commercial and residential buildings including churches and schools.
- 1.2 In late 2012 the Government introduced initial measures to prohibit cash payments for scrap metal, amend Police powers of entry into unregistered scrap metal sites; and increase the existing financial penalties for offences under the Scrap Metal Dealers Act 1964. These changes were contained in the Legal Aid, Sentencing and Punishment of Offenders Act 2012.
- 1.3 The Scrap Metal Dealers Act 2013 (“the Act”) received Royal Assent on 28th February 2013 and will come into force from 1st October 2013.
- 1.4 The Act repeals the Scrap Metal Dealers Act 1964 (and linked legislation) and Part 1 of Vehicles (Crime) Act 2001, creating a revised regulatory regime for the scrap metal recycling and vehicle dismantling industries. The Act maintains local authorities as the principal regulator but gives them the power to better regulate these industries by allowing them to refuse to grant a Licence to ‘unsuitable’ applicants and a power to revoke Licences if the dealer becomes ‘unsuitable’.
- 1.5 The Act is clearly regulatory in nature and as such the functions under the Act would normally be performed by the Council’s Licensing Committee. However unusually (possibly uniquely) for legislation of this type the functions have not been excluded from being executive functions. This is being queried with the government by the LGA and the reported response indicates that this may well have been an oversight by the parliamentary draftsman. However the situation is that unless and until there is an amendment to the legislation functions under the Act fall to be performed by the Cabinet.
- 1.6 As the functions under the Act are executive functions they may be performed by the Leader, the Cabinet, a committee of the Cabinet or an individual Cabinet member or officer under delegated powers. In accordance with the Constitution all executive functions are vested in the Leader of the Council and he may arrange for executive functions to be discharged by the Cabinet, Cabinet Member, by a sub-committee of the Cabinet or an officer. The Leader cannot arrange for this function to be discharged by the Licensing Committee.
- 1.7 Under other regulatory regimes unopposed applications are dealt with by officers. It is recommended that it is appropriate to delegate the decision to officers to grant licences where no adverse representations are received from consultees and there is no evidence that the applicant or site manager have been convicted of a relevant offence or been the subject of relevant enforcement action. Where the officer is not minded to grant the licence for those reasons or for on any other grounds or where grounds exist whereby officers consider that an existing licence should be revoked the applicant/licensee must be given the opportunity to make representations and may request a hearing. It is recommended that the Cabinet Member with the responsibility determines the procedures to deal with such matters when representations are received and/or a hearing is requested.

- 1.8 The Act contains provisions for the conduct of scrap metal dealerships monitoring of which will be the responsibility of the Licensing Enforcement Officers.

2. Summary of the Act

- 2.1 The Act defines a “scrap metal dealer” as a person who is for the time being carrying on a business as a scrap metal dealer, whether or not authorised by a Licence.
- 2.2 (“The Act”) states that “scrap metal” includes:
- Any old, waste or discarded metal or metallic material, and
 - Any product, article or assembly which is made from or contains metal and is broken, worn out or regarded by its last holder as having reached the end of its useful life.
- 2.3 The following is not considered to be “scrap metal”
- gold
 - silver, and
 - any alloy of which 2 per cent or more by weight is attributable to gold or silver.
- 2.4 There are two types of Licence specified within the Act. The first is for a Site Licence and the second is for a Mobile Collector Licence carrying on business otherwise than at a site. The Licence will authorise the Licensee to carry on business as a Scrap Metal Dealer at the sites listed in it (in the case of a Site Licence) or within the Local Authority area (in the case of a Mobile Collectors Licence). However licensees may hold licences issued by more than one Council.

3. Scheme of Delegation:

- 3.1 The Council is required to have procedures to deliver this licensing regime. Notwithstanding the awaited clarification on the classification of this licensing function as an executive function, the Council must have the right delegations in place to make decisions and hear appeals if the Council is to avoid legal challenge.
- 3.2 A further report will be presented to Cabinet upon the further guidance and clarification from the Home Office .
- 3.3 The Leader is requested to amend his cabinet portfolios to include the following:

Delegation to the Cabinet Member

- To have overall responsibility for the Council’s responsibilities and functions under Scrap Metal Dealers Act 2013 including agreeing a procedure for the determining of applications which are subject to representations.
- The Cabinet Member in consultation with the Corporate Director to determine any matter arising from any further subordinate legislation including regulations and statutory Guidance.

Delegations to the relevant Corporate Director:

- To receive applications for a licence, or the variation, or revocation of a licence, under the Scrap Metal Dealers Act 2013.
- Granting, varying, reviewing, or refusing all unopposed licences under the Scrap Metal Dealers Act 2013.
- To issues notices under paragraph 7 of Schedule 1 of Scrap Metal Dealers Act 2013
- To request (either when an application is made or later) that the applicant provides such further information as considered relevant for the purpose of considering the application under the Scrap Metal Dealers Act 2013.
- To decline to proceed with an application in the event of requested information not being produced.
- The inclusion of conditions under Section 3(8) of the Scrap Metal Dealers Act 2013
- The variation/imposition of conditions on a licence under Section 4, in the event that a hearing is not requested.
- Revocation of a licence in the event that a hearing is not requested.
- In respect of unlicensed sites to issue closure notices in accordance with S9 and Schedule 2 of the Scrap Metal Dealers Act 2013.
- To determine and carryout any enforcement action under the Scrap Metal Dealers Act 2013.

General delegation

- Delegate authority to the Monitoring Officer to make any consequential minor amendments to the Constitution.

Determination of Licence fees

- 4.1 Schedule 1(6) of the Act provides that an application must be accompanied by a fee set by the local authority. The power to raise a fee is designed to ensure that local authorities have the necessary funding to administer the regime and ensure compliance.
- 4.2 In setting a fee, the authority must have regard to any guidance issued by the Home Office. Guidance on setting fees was published on 12 August 2013 and provides a general principle as to what can be included in the cost of a Licence.
- 4.3 The authority is anticipating that further detailed guidance be provided in the future which will help with the fee setting process. This guidance has not been forthcoming at the time this Report was prepared.
- 4.4 The authority must be mindful of the principles of the EU Services Directive (Directive 2006/123/EC of The European Parliament and of the Council of 12

December 2006 on services in the internal market) which states “a Licence fee can only be used to pay for the cost associated with the licensing process. In effect, the authority must ensure that the income from fees does not exceed the costs of the administration and issue of the Licence.

- 4.5 Fees are required to be set for three categories of Licence. This would include a fee for the assessment of an application for a new Licence, the assessment of an application to vary an existing Licence, and the assessment of an application for Licence renewal.
- 4.6 Guidance issued states that the cost of the Licence should reflect the time spent on:
- All the activity required with processing and granting a Licence such as considering applications and assessing the suitability of the applicant.
 - The costs of staff associated with supporting the service, including senior staff with managerial responsibility for the service.
 - Support provided by other parts of the authority to the Licensing Team such as legal services and any other general charges recharges there might be for rooms, heating and lighting etc.
 - The cost of providing advice and guidance to applicants on what will be a new process.
 - Carrying out inspections and ensuring compliance with the law.
 - Training for staff and councillors in the requirements of the new legislation.
 - Costs associated with consulting other agencies and bodies when considering if an applicant is a suitable person.
 - Working with partners in ensuring compliance.
 - Making and reviewing any policies in relation to the operation of the new licensing regime.
 - Issuing the Licence.
 - Hearings
 - Any officer time spent providing information for inclusion in the register of dealers.
- 4.7 The authority must be aware of case law, of which the Court of Appeal case of R (Hemming (t/a Simply Pleasure Ltd) and others) v Westminster City Council [2013] EWCA Civ 591; [2013] WLR (D) 203 is especially relevant.
- 4.8 The decision determined that the costs associated with enforcement should not be included in the Licence fee.
- 4.9 A further consideration from the Hemming case is that local authorities cannot demand a fee where it has not been determined. The case highlighted that there were a number of years where in effect the fee was carried over from the previous year without being considered in detail by a committee or the authority. This point highlights the importance of regularly reviewing the fees and also making sure that when committees come to determine fees they have all the relevant information before them, otherwise the authority could be subject to legal challenge.
- 4.10 The authority will benefit from one of the decisions of the Hemming case which allows deficits or surpluses to be carried over into the next financial year.

- 4.11 Home Office guidance states that fees cannot be used to pay for enforcement action against unlicensed dealers (particularly collectors) or as an economic deterrent or to raise funds for the local authority.
- 4.12 The limitation placed by the EU Services Directive around enforcement means that local authority's cannot recover the cost of issuing closure notices to unlicensed dealers and applying for closure orders from the magistrates' court.
- 4.13 There is no requirement in ("the Act") to consult on fees, and would not be practical to do so during the transitional arrangements. Guidance, however, recommends that consultation should take place when fees are reviewed and any consultation may assist in reducing the potential for challenge where there has been a transparent and open process for setting them.

5 Fees 2013/14

- 5.1 A consideration in setting fees will include an estimation of the number of Licences the Authority is likely to issue.
- 5.2 An assessment has been undertaken of all Scrap Metal Dealers and Motor Salvage Operators currently registered with the Authority and it is anticipated that the Authority will issue approximately ten new site and twenty new Collectors' Licences after 1st October 2013. It is, however, not possible to anticipate the number of applications that may be received from Scrap Metal Dealers that are either not currently registered or will enter the industry in the future.
- 5.3 Based on the assumptions made in 5.2 above and the cost of a licence stated in 4.5 below, it is possible that the Authority will receive over £7000 to cover the costs of administering the system.
- 5.4 In deriving the unit cost of each Licence, the cost will be affected by the total number of new Licences issued from October 1st 2013.
- 5.5 Based on the principles detailed in section 4 of this report and 5.1 to 5.4, fees for 2013/14 have been determined and are shown in the table below.

Licence Type	Site £	Collector £
New	385	165
Renewal	255	130
Variation	70	70
Replacement Licence	10.50	10.50

Table of fees 2013/2014

- 5.6 The fees shown in 5.5 above will be reviewed on an annual basis. The authority must be mindful that the total income generated through the collection of fees must not exceed the anticipated costs of issuing Licences or vice versa. It is intended to submit to Cabinet a proposed fee for the following financial year within the fees and charges appendix of the annual budget setting process based on this cost recovery methodology.

- 5.7 Should the accounts highlight any surplus or deficit then this amount will be transferred to the following financial year. It is necessary to retain the flexibility to amend fees part way through a financial year should there be very significant variances to service expenditure. In the unlikely event that this occurs a separate report to Cabinet will be produced at that time with recommendations as to a revised fee.

RECOMMENDATIONS FROM CABINET – 30TH SEPTEMBER 2013 RECOMMENDATIONS FROM THE GOVERNANCE COMMITTEE – 18TH SEPTEMBER 2013 - TREASURY MANAGEMENT ANNUAL REPORT 2012/13 AND MID-YEAR REPORT 2013/14	Agenda No: 9
Presented by: Councillor Bebb, Cabinet Member, Performance and Efficiency	
Background Papers: Public Report	

Minute Extract:

CABINET – 30TH SEPTEMBER 2013

40. **RECOMMENDATIONS FROM THE GOVERNANCE COMMITTEE – 18TH SEPTEMBER 2013 - TREASURY MANAGEMENT ANNUAL REPORT 2012/13 AND MID-YEAR REPORT 2013/14**

DECISION: That it be recommended to Council that the Treasury Management Combined Annual Report 2012/13 and Mid-Year Report 2013/14 be accepted.

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

CABINET
30th September 2013



Recommendations from the Governance Committee – 18th September 2013 - Treasury Management Annual Report 2012/13 And Mid-Year Report 2013/14	Agenda No:
Background Papers:	Public Report

Minute Extract:

GOVERNANCE COMMITTEE – 18TH SEPTEMBER 2013

**22. TREASURY MANAGEMENT ANNUAL REPORT 2012/13 AND MID-YEAR
REPORT 2013/14**

DECISION: That it be recommended to Cabinet that the Treasury Management Combined Annual Report 2012/13 and Mid-Year Report 2013/14 be recommended to Council for acceptance.

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

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

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

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

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

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

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

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

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

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

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

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

requirement relating to the scheme will be covered by the ultimate repayment of the cash advance.

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

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

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

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

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

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

Decision:

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

Purpose of Decision:

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

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

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

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

1. Background

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

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

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

2. Treasury Management Policy and Strategy

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

Policy Statement:

The Council defines its treasury management activities as:

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

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

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

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

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

3. Treasury Management Position at 31 March

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

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

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

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

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

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

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

4. Economic Background

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

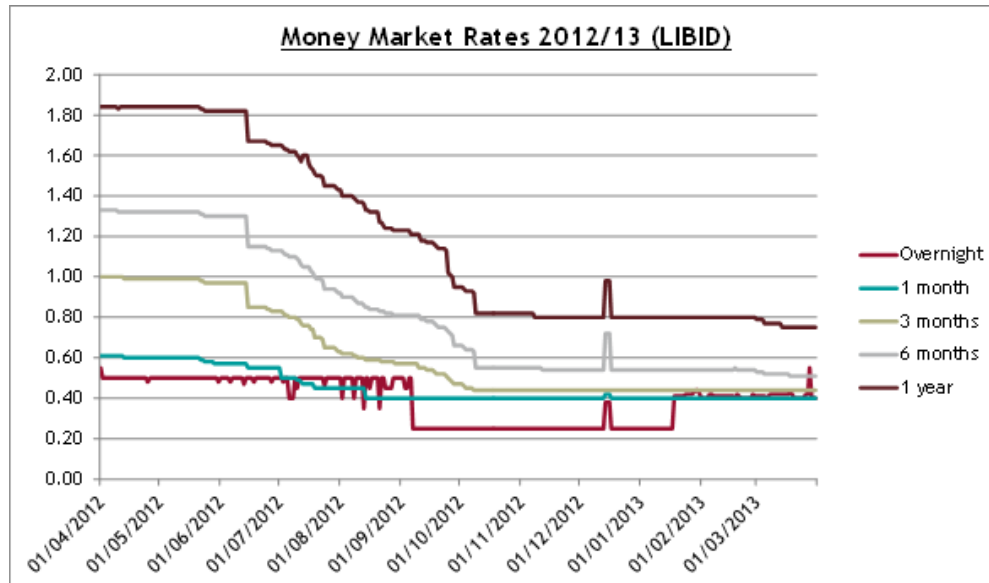
The Government's fiscal plans have extended the austerity drive into 2018. Low growth resulting in a lowering of the forecast for tax revenues means that borrowing will increase and gross debt is now expected to be above 100% of Gross Domestic Product by 2015/16. This position triggered a downgrade in the UK's sovereign rating from AAA to AA1 by Moody's, whilst the other major rating agencies have maintained a negative watch or outlook.

The Government's Funding for Lending Scheme commenced in August 2012, giving banks access to cheaper funding that could be passed on to the wider economy. The

consequence of this policy has been a reduction in market interest rates offered on deposits, including amounts borrowed from local authorities.

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

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



5. Capital Expenditure and Financing

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

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

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

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

Actual debt is greater than the CFR for two reasons:

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

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

6. Borrowing and Finance Lease Liabilities

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

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

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

7. Investment Activity

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

Investment priorities remain:

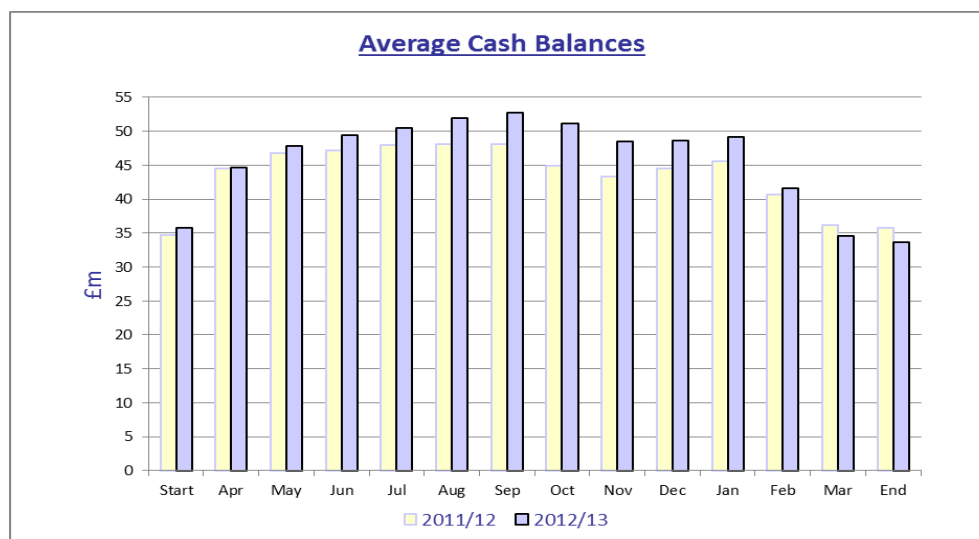
- Security – minimising the risk of cash not being repaid
- Liquidity - having cash available when it is required

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

Cash Balances

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

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



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

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

Investment Policy

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

Revision in May 2012:

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

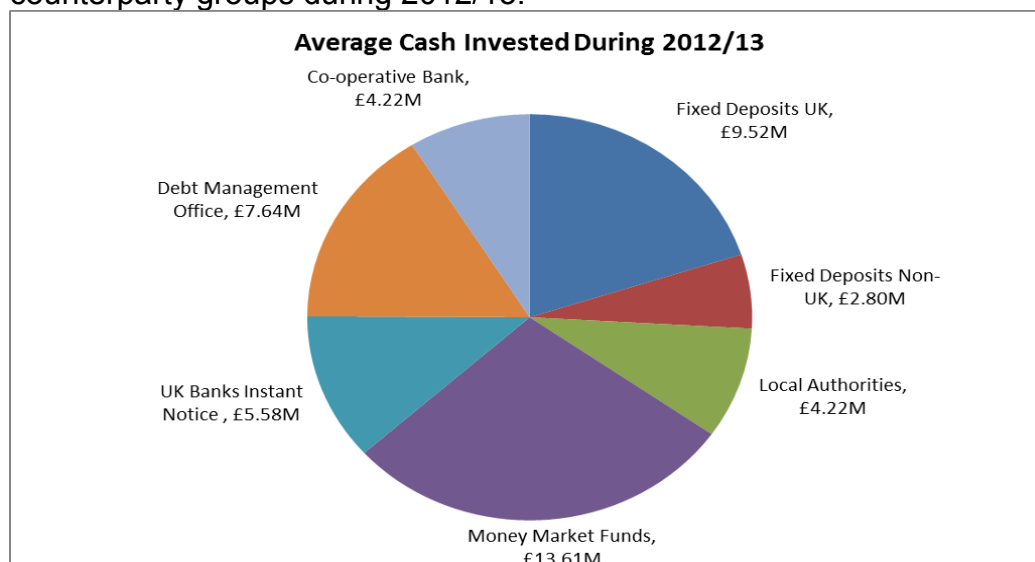
Revision in October 2012:

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

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

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

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



Investment Returns

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

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

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

Counterparty Credit Risk

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

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

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

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

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

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

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

- The wholesale downgrade of major UK and Non-UK banks by the credit rating agencies. With banks now being assessed more in relation to individual strength rather than carrying the implicit guarantee of government support. This follows on from governments stated intentions regarding any future failures with a greater prospect that “bail-ins” will occur, where depositors and bond holders bear a greater degree of risk. However, due to the Funding for Lending Scheme, credit quality of UK financial institutions have in general stabilised and liquidity improved helping to ease fears over further wide scale problems across the banking sector.
- The methodology used by Arlingclose for assessing credit quality of investments in money market funds has been altered from one based solely on the AAA “wrapper”, to one that considers the underlying credit quality of institutions with which funds have money deposited. In practice, most money market fund counterparties will not be AAA rated.

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

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

8. Treasury Management Policy 2013/14

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

Local Authority Mortgage Scheme (LAMS)

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

Investment Policy

The original investment policy approved in February 2013 amended and extended limits set around counterparty exposure from those applied in 2012/13. In light of the continued low interest rate environment, and anticipated cash balances over the medium term, an early review of investment policy was undertaken. This led to an approval by Council in July 2013 to an increase in limits on the use of Non-Specified investments from £5 million to £15 million. The increase will provide opportunity to use Pooled Funds which seek to enhance returns above cash, but at levels of increased risk (volatility) deemed acceptable to the Council; and the potential to invest with credit rated housing associations.

9. Update on Deposits at Risk

Landsbanki

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

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

Glitnir

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

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

Kaupthing, Singer and Friedlander (KSF)

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

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

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

9. Use of Treasury Management Advisors

Arlingclose Ltd continues to be retained to provide on-going treasury management advice and information. This service is separate to the services of brokers who occasionally are used to transact deposits. The contract with Arlingclose was reviewed in November 2011 and extended for a further three-year period to the end of October 2014.

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

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

11. Reporting on Treasury Management Activities

Reporting on treasury management activities has involved:

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

12. Treasury Management Training

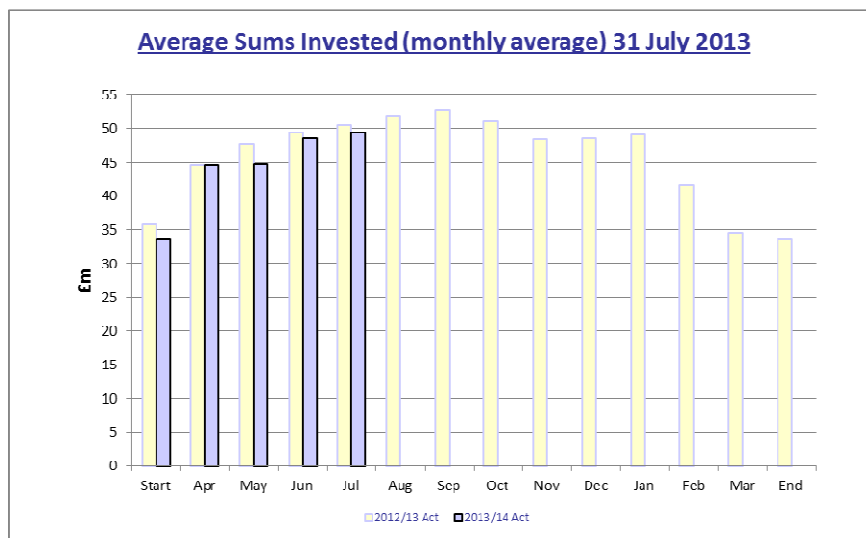
It is a professional requirement that the Corporate Director should ensure that members tasked with treasury management responsibilities, including the scrutiny of the treasury management function, receive appropriate training.

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

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

Treasury Management Monitor - July 2013

Cash Balances



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

Return on Investments

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

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

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

Market Interest Rates

LIBID rates for the year to date

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

Source: Arlingclose/ Bloomberg

Investment Activity during the Month

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

Investment criteria currently applied:

Investment Strategy approved at Council on 20 February 2013:

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

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

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

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

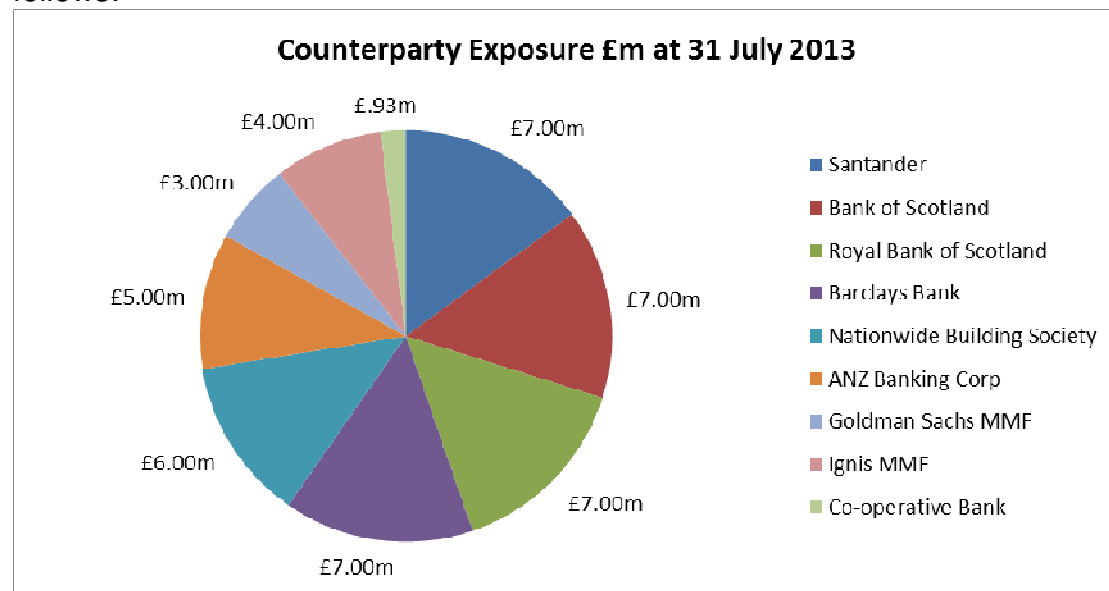
Certain classes of Non-specified investments*

* Subject to advice issued by Arlingclose Ltd

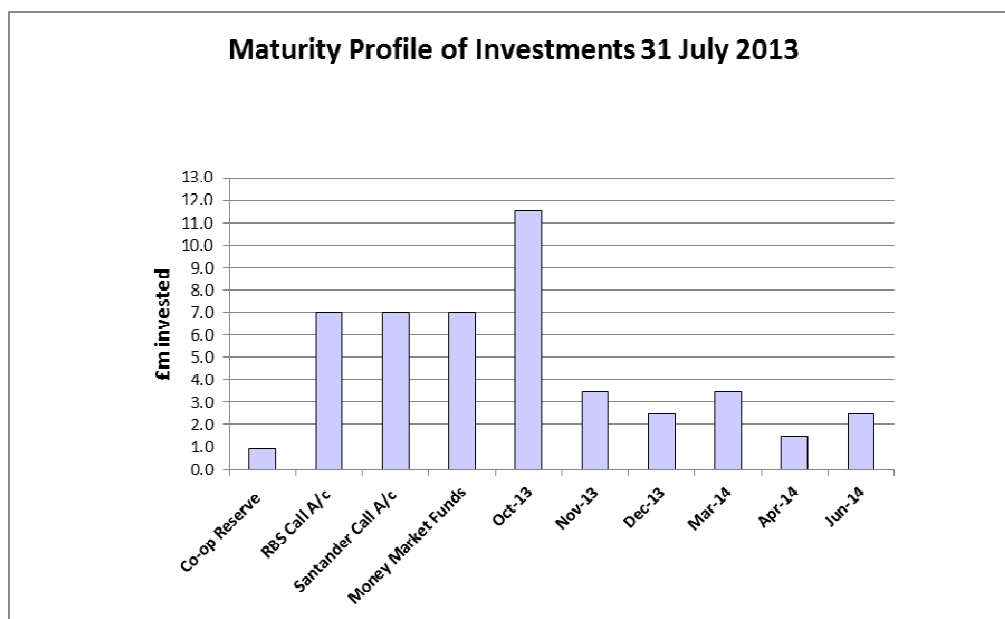
A revision to Investment Policy has been approved by Council increasing the aggregate limit on Non-Specified Investments from £5m to £15m. This provides opportunity to consider placing funds in Pooled Funds offering enhanced returns above cash, and also scope to invest with credit rated housing associations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

Counterparty Exposure and Maturity Profile

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



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



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

Money Market Funds (MMF)

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

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

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

AUM – Assets under management

WAM – weighted average maturity of the Fund

Geographic exposure of funds invested via Money Market Funds

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

Investment at Risk – Summary Update

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

Costs incurred to date amount to £30,008.16.

Borrowings

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

Budgetary Position

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

APPENDIX: SCHEDULE TO INVESTMENT MONITOR AT 31 JULY 2013

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

Referral from the Overview and Scrutiny Committee – 25th September 2013	Agenda No: 10
Task and Finish Group - Affordable Housing	
Presented by:	Councillor Barlow, Chairman, Task and Finish Group
Background Papers:	Public Report

Minute Extract:

OVERVIEW AND SCRUTINY – 25TH SEPTEMBER 2013

6. TASK AND FINISH GROUP - AFFORDABLE HOUSING

INFORMATION: Councillor Barlow, Chairman of the Task and Finish Group, Affordable Housing, presented the report and proposed the following amendments to the report which was seconded:

Executive Summary, Under third bullet point add: “Despite this “track” record there is still a significant shortage of units and the number of people in ‘housing need’ on the Council’s Housing Register consistently remains at over 1,000 households and thus demand for affordable housing in the district is still high”.

Additional Recommendation

12. That Cabinet considers meeting Saffron Building Society in order to gauge interest from that local building society in partnering the Council in offering different and more flexible mortgages.

Members agree to the inclusion of these points in the report.

DECISION:

1. That the report, the work of the Task and Finish Group and the recommendations be noted.
2. That subject to the inclusion of the following amendments the report be referred to Council and to Cabinet:

Executive Summary

Additional bullet point:

“Despite this “track” record there is still a significant shortage of units and the number of people in ‘housing need’ on the Council’s Housing Register consistently remains at over 1,000 households and thus demand for affordable housing in the district is still high”.

Additional Recommendation

12. That Cabinet considers meeting Saffron Building Society in order to gauge interest from that local building society in partnering the Council in offering different and more flexible mortgages.

REASON FOR DECISION: To consider the Task and Finish report reviewing affordable housing in the district.

The full report of the Task and Finish Group including the amendments from the Overview and Scrutiny Committee enclosed separately with this agenda.

Affordable Housing Task and Finish Group		Agenda No:
Corporate Priority:	Prosperity - Securing appropriate infrastructure and housing growth.	
Report presented by:	Cllr Barlow, Chairman Task and Finish Group	
Report prepared by:	Tim Lucas, Housing Research and Development Manager	
Background Papers:	Public Report	
Options:	Key Decision: NO	
Executive Summary:		
<p>Members of the Overview and Scrutiny Committee agreed to establish an Affordable Housing Task and Finish Group in autumn 2012 to explore how the Council might further support affordable and social housing in the district.</p> <p>The review was to include consideration for possible options in terms of shared ownership and shared equity.</p> <p>The members involved with the Affordable Housing Task and Finish Group were Cllr Barlow as Chairman and Cllrs Banthorpe, Cadman, Gibson, Horner, Kirby, Mann, Rose, Shelton and Shepherd.</p> <p>The group held its first meeting in November 2012 where the following project objectives were agreed:</p> <ul style="list-style-type: none">➤ Use existing resources to provide an indication as to the level of local housing need that could be met through forms of low cost home ownership;➤ Consult with stakeholders (housing associations, private developers, banks and building societies) as to the barriers to developing affordable housing, specifically properties for low cost home ownership, in the district;➤ Consider feedback and comments from stakeholders and what role BDC could take to mitigate barriers to new development;➤ Research and consider actions of other local authorities with regards to meeting local housing needs through local cost home ownership schemes; and➤ Provide a final report summarising the work undertaken by the group, findings and subsequent recommendations for how BDC could further support affordable housing in the district.		

The Affordable Housing Task and Finish Group Final Report details the work undertaken by the group and includes key messages arising from the study and subsequent recommendations. The background report attached provides a summary of this information.

Decision:

1. That the report, the work of the Task and Finish Group and the recommendations be noted
2. That the report be referred to Council and Cabinet.

Purpose of Decision: To consider the Task & Finish Group's Report and findings

Corporate implications

Financial:	None
Legal:	None
Equalities/Diversity	None
Customer Impact:	None
Environment and Climate Change:	n/a
Consultation/Community Engagement:	n/a
Officer Contact:	Tim Lucas
Designation:	Housing Research and Development
Ext. No.	2124
E-mail:	Tim.lucas@braintree.gov.uk

Background – Executive Summary from the Affordable Housing Task and Finish Group Final report

1.0 Executive Summary

With high property prices, affordability issues and an ageing population, housing is a significant issue for the district. The key considerations for meeting local housing needs include:

- The increased demand for a wider range of affordable housing options for those unable to afford to buy on the open market.
- The increased size of the private rented sector.
- The average age of new forming households increasing.
- Younger people migrating to areas where housing is more affordable.
- Increase in demand for a range of housing for older people across tenures, recognising the housing needs of older people vary extensively.
- Increase in the number of older person households under occupying.
- Increase need for housing related support services.

The Affordable Housing Task and Finish Group was set up in autumn 2012 to consider what direction the council could pursue in order to help meet existing and future housing needs locally. The following objectives were agreed by the group at the first meeting:

- **Use existing resources** to provide an indication as to the level of local housing need that could be met through forms of low cost home ownership.
- **Consult with stakeholders** (housing associations, private developers, banks and building societies) as to the **barriers to developing affordable housing**, specifically properties for low cost home ownership, in the district.
- Consider feedback and comments from stakeholders and what **role BDC could take to mitigate barriers** to new development.
- Research and consider **actions of other local authorities** with regards to meeting local housing needs through local cost home ownership schemes.
- Provide a final report summarising the work undertaken by the group, findings and subsequent **recommendations for how BDC could further support affordable housing in the district**.

Since the first meeting to agree the project plan in December 2013, the group held meetings with key stakeholders including the council's Finance Director, the Help to Buy Zone Agent for Essex and the Rural Community Council of Essex to consider opportunities for the council to further support the provision of affordable housing in the district.

Following meeting with various stakeholders, presentations and discussions, the key messages identified for consideration as part of formulating the final report include:

- The council has performed consistently well in enabling new affordable housing across the district
- The council already uses a range of methods to enable affordable housing and is forward thinking exploring new opportunities in this area.
- Demand for affordable housing in the district is high.
- The older person population in the district is expected to grow significantly over the next few years to 2021 therefore influencing the type of accommodation needed across the district.

Based on the research and study undertaken, the Affordable Housing Task and Finish Group identifies the following recommendations to help the council to further support provision of affordable housing across the district.

	Affordable Housing Task and Finish Group Recommendations
1	Develop a new Housing Strategy for the district for the period 2014 to 2019 that includes findings from the new SHMA 2013 and data and analysis from the Housing StatNav.
2	Explore what type of intermediate housing is needed locally to meet needs most effectively.
3	Discuss with the CHIP Board the potential for using the CHIP fund to facilitate land banking locally.
4	Develop cost benefit analysis with regard to investing council money, for example, how many households will benefit from a given investment.
5	Agree how information on BDC capital and other resources can be made available to members.
6	Work with Essex County Council to establish a method for appraising the true value of land i.e. in terms of benefits to the local community and to specific customer groups as well as red book valuations.
7	Pilot an equity share scheme based on council owned land. E.g. council puts forward land for a housing association to build out a scheme. A proportion of the units are sold for 60% of market value with the council retaining the

	remaining equity of the property. When the owner moves on, the equity can be recycled into further affordable housing or property can stay as equity housing.
8	Council to adopt a flexible approach to delivery of affordable housing through Section 106 where we may expect private rented units, gifted units or wheelchair units instead of pro-rata mix.
9	Agree methods for monitoring the effectiveness of the Local Authority Mortgage Scheme.
10	Engage with housing associations and developers to gauge how effective our role in enabling affordable housing is and consider how we compare to our comparator local authorities and whether there is best practice elsewhere.
11	Publish the Help to Buy newsletters produced by zone agent, Moat on the council's website.

LEADER'S REPORT TO COUNCIL

Agenda No: 11(i)a

Report covers activity ending 30th September 2013

]

1. Essex Leaders' Meeting – 1st August 2013

The Leaders of Essex Councils met in the Council Chamber of Chelmsford City Council.

The agenda included the following Items;

(i) South East Local Enterprise Partnership (SELEP) Future Governance Arrangements & Growth Strategy

Robert Overall (ECC) presented an update on progress of the Strategic Economic Plan (SEP) for SELEP and explained that this would be the principle document through which government investment in LEP areas would be secured.

The Essex contribution to the SEP was being co-ordinated through the Intergrated County Strategy (ICS) working group on a 'bottom up' basis to co-ordinate growth stories for each of the Essex economic sub-regions. SELEP had also contracted with Shared Intelligence to assist in the preparation of a SEP and help to ensure linkage with European funds.

The meeting noted that this was a competitive process and that a pitch was required to Government that delivered growth and securing the confidence of the Secretary of State that a coherent model of delivery was in place. All partners in the SELEP including the private sector, universities and the County Councils, needed to be on board with the aspirations of the SEP.

George Kieffer (Vice-Chair, SELEP) presented to the meeting some principles for the creation of a united SELEP Board together with a proposed membership. Mr Kieffer explained that such a Board would make the cases for investment as coherent as possible and maximise the amount of SELEP funding available. The proposed structure would be bureaucracy-light and would provide a model giving confidence to businesses as they would be charged with driving it forward.

Cllr David Finch (ECC, Leader) explained that there was urgency in putting forward a proposition that satisfied two things: businesses' need for coherence and clarity and secondly, Government's requirement for a simple and clear partnership structure into which they would have the confidence to invest.

A full and frank debate took place on the benefits and disbenefits of the proposed structure in the context of the existing four Essex economic sub-regions. Whilst some authorities, including Braintree District Council, supported the concept of a single united Board, a number of Leaders did not feel able to endorse the proposal. As such, there was currently no Essex-wide consensus on the issue and it was felt that following dialogue with the sub regions, a further meeting of Essex Leaders and Chief Executives may be required to give consideration to the issues and reach an agreement.

(ii) Spending Review Update

Joanna Killian (ECC, Chief Executive) presented an overview of Spending Round 2013 announcements and recent developments. Ms Killian explained that in Essex £3.8bn would be provided to support and reward the delivery of integrated NHS and social care services. The pooled funds would sit formally with local authorities and would bring together a number of existing NHS and social care funding streams.

Debate took place on top slicing of the New Homes Bonus to LEPs, the consultation options for the New Homes Bonus, business confidence and priorities and the LGA Conference messages about future changes in local government.

(iii) Essex Partnership Board Update

Joanna Killian (ECC) presented an update on the work currently being undertaken by the Essex Partnership Board. Sponsors for the work programmes would be attending future Board meetings to account for delivery of the aims of their programmes. Discussion had taken place with the Police and Crime Commissioner (PCC) on domestic violence and child sexual exploitation. The PCC would rework business cases with the assistance of an adviser from the Metropolitan Police to focus on targeting perpetrators, but also dealing with the needs of victims. Improving skills and fostering ownership of the aims of the work programmes were key objectives of the Board.

2. Meeting with Braintree Association of Local Councils (BALC) – 9th September 2013

I met with Parish Councillors Clark, Hayward and Bendall representing BALC.

A number of items of mutual interest were discussed including:-
Braintree District Council budget position
Localism Fund – future payments
Small Parish Council loans – update
Boundary Review
New Homes Bonus

3. Beckers Green Primary School – 27th September 2013

I attended the opening of a newly constructed garden in the grounds of Beckers Green Primary School in memory of the late Cllr Eric Lynch. A number of councillors and former councillors from all parties attended along with many local representatives. There was a short ceremony involving the pupils of the school and Mrs Lynch formally cut the ribbon to open the garden.

4. Essex Minerals Plan – 27th September 2013

Together with Cllrs Siddall, Lady Newton, Mrs Schmitt, Banthorpe, Barlow and Abbott I attended a press conference at the proposed site of mineral extraction at Rayne. The press conference reinforced the united opposition of the Council to the proposals for 56% of the County's future minerals extraction to be in the Braintree District.

The County Council's case will be subject to public examination in November. I have authorised resources to be made available for consultants to represent the Council at the hearing. We have also offered support to Rayne and Sliver End and Rivenhall Parish Councils in order that they may put forward the views of their local residents.

Cllr Graham Butland
Leader

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**REPORT TO COUNCIL - PORTFOLIO AREA OF PEOPLE
AND PARTICIPATION**

Agenda No: 11(i)b

The new Witham Leisure Centre.

The progress so far... Work is going very well and our contractors, Barr Construction, have formed the learner pool and the main pool. The concrete works will be completed by the end of September to allow the main structural steelwork to commence.

Construction of the outdoor tennis courts have begun and should be completed by the end of November 2013. You can monitor and watch the build progress of the new Witham Leisure Centre at www.witham-leisure-centre.co.uk The dedicated website features regular updates and photo galleries. Leisure Bulletin 7 has been distributed to members, stakeholders, partners and user groups at the Bramston Pool to keep everyone informed and up to date about the Witham Leisure Centre. The hoardings have been positioned around the construction site and offer a visual display of what the new facility will have to offer customers.

Improved facilities. £1.5m capital investment by the Council.

1. Braintree Swim Centre - New gym facilities – Completion 2014.
2. Braintree Leisure Centre - Additional gym facilities – **Completed.**
3. Halstead Swim Centre – Dry side improvements to sports hall, changing rooms and second floor “spin suite” and “dance studio”. Completion March 2014.

I will be working with Fusion Lifestyle, the Council’s leisure provider, to ensure a detailed communications plan for launching events for the refurbished leisure centres in Braintree and Halstead is co-ordinated with stakeholders and the local community.

The newly refurbished Braintree Leisure Centre has now been completed and is fitted out with state of the art, 21st century, health and fitness equipment. I would urge all members who have not, as yet, visited the Braintree Leisure Centre to do so and to see and experience the amazing transformation of the centre.

Over the past few months exercise classes at the Braintree Leisure Centre have risen from 30 classes per week to 90 classes per week demonstrating the rise and demand of fitness facilities within our district. Health and wellbeing is a key priority for Braintree District Council.

The Fusion Leisure Contract.

- Participation month-by-month since January 2013 has rapidly increased.
- Over 750 new Reward Cards have been issued since the new contract.
- Concessions are now available at all times and are not restricted.
- A new Community Sports Development Officer has been employed by Fusion.
- “Open Air” has launched taking fitness into parks and open spaces.
- Fusion working with Greenfields CH to use sport to tackle Anti-Social Behaviour.
- Fusion working with Health to develop a GP referrals scheme.
- Silver Sunday supporting the wellbeing of the elderly is on Sunday Oct 6th.

On the 3rd of August 2013 an “Inspired Sports Festival” took place at the Braintree Leisure Centre. The event was run from 9.30am – 4pm and included fun for all the family as well as taster sessions including athletics, pilates, zumba, golf, bowls and football. Over 300 young people from across the district took part. I was delighted to join in with the activities and to meet so many of our inspiring young people.

The Active Braintree Network.

Vision – *“The Active Braintree Network will use Sport and Physical Activity to ensure that the Braintree District is a place where individuals and communities have the opportunity to take part in their chosen activity and are inspired to achieve”.*

I’m pleased by the partnership working being demonstrated by the Braintree Active Network. Partners including Essex County Council, Braintree District Council Greenfields Community Housing, NHS and Fusion are working in collaboration with our communities, across the Braintree district, to deliver sports and wellbeing based projects. The projects benefit all age groups from across the district and include those with disabilities.

Health and Wellbeing Panel.

The Health and Wellbeing Panel have met for a second time. Much of the discussion was about how an integrated approach, across the partners, could support the five key health outcome priorities. These are: Reducing health inequalities. Reducing the number of obese adults. Increasing adult participation in exercise. Reducing the levels of hip fractures. Reducing the levels of smoking prevalence. It was agreed that each partner would make a presentation at the panel meeting demonstrating what part their organisation plays within the district to support the 5 key health outcome priorities. The initial discussions highlighted how much was already being carried out by each partner to tackle the five key priority outcomes but not necessarily through a joined up and integrated partnership approach.

On the 24th of September Public Health England published the latest Health Profile. Details can be found at: www.healthprofiles.info Priorities in the Braintree district include supporting elderly people to live independently, improving educational attainment and reducing levels of smoking in the local population.

I have been nominated to serve on the Essex County Council Essex Health Overview and Scrutiny Committee (HOSC). The committee meets on a monthly basis and will provide me with an opportunity to understand the wider issues regarding health and social wellbeing across Essex. I attended my first HOSC meeting in August. The meeting provided an overview of the work of the Committee. An away day has been organised for HOSC members and health partners across Essex. The away day helps to assist with setting the agenda for the Committee’s annual work programme. I was pleased to see many members of the public in attendance and using the public question time to raise health issues within Essex.

Member development.

Helen Krischock is continuing to work with the Member Development Working Group to map member development requirements. The aim of the mapping exercise is to actively encourage and involve members to build upon or acquire the skills, behaviours, capabilities and knowledge required to perform their Councillor role effectively. 60% of members have participated so far and the mapping report will be presented at the next Member Development Working Group. The mapping exercise will help to establish an improved and focussed Member Development Programme to commence from April 2014.

The Localism programme.

In July 2012 the Cabinet approved the approach to the Localism Framework and gave approval to proceed for 4 actions of work. I'm pleased to detail the current outcomes of each action to date.

1). The Witham Neighbourhood Budget. "Our Witham".

A prospectus setting out the ethos of the Witham Neighbourhood Budget and specific projects is being circulated to the community. A Community Hub for "Our Witham" has been established as a "pop up shop" in the Newlands Shopping Centre in Witham. The "pop up shop" opened on the day of the Witham Puppet Festival and attracted 500 visitors. "Our Witham" is about improving the life chances of young people in Witham by raising aspiration, attainment and health and wellbeing.

2). Community Builders.

As part of the Essex County Council Whole Community Budget – Strengthening Communities strand. Braintree District Council has been awarded £40,000.00 to support health outcomes in two areas of the district: Sible Hedingham and Humber road in Witham. The urban/rural approach allows the Council to build on and support the Witham Neighbourhood Budget "Our Witham" and the work of the Village Agent in Sible Hedingham.

3). Community rights. Government funding has been received to support with the new Community Rights in the Localism Act. Many communities are now coming forward to register community assets on the list of Assets Of Community Value. The list can be viewed on the Braintree District Council Website.

Safeguarding.

The safeguarding programme for Braintree District Council staff is progressing well. To date 463 of 466 staff have attended the face to face training. Cllr. Tattersley and I will be attending various staff workshops to gain an overview of the safeguarding work programme. Over the next 6 month period I will also be attending the pan-Essex adult and children safeguarding boards to understand the work programmes and to gain an insight into this complex and sensitive area of work.

Further information on the contents of this report can be obtained by contacting:
Cllr Joanne Beavis and Cllr Peter Tattersley.

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Designation:	Cabinet Member.
E-mail:	Cllr.jbeavis@braintree.gov.uk

**REPORT TO COUNCIL - PORTFOLIO AREA OF
PERFORMANCE AND EFFICIENCY**

Agenda No: 11(i)c

Performance

1. Council Tax and NDR collection

- Council Tax collection is 49.59% for the year to date compared to 50.05% for the previous year and the target for the year is 98.0%. Historically, August sees a reduction in collection. It is anticipated that the rate of decline in the collection rate will reduce in September.
- Business rates collection has increased to 50.80% for the year compared to 49.96% for the previous year and the target for the year is 98.5%. The overall amount collected in the year to month end is £310k up on the same period last year.
- The collection rate has been impacted by the number of council taxpayers opting to pay over 12 months rather than 10 months, an option which was introduced on 1st April 2013.
- Staff continue to contact those council taxpayers who have been affected by the various welfare reforms in an effort to find ways for them to be able to meet their council tax liability.
- Overtime working on Saturdays continues to help alleviate backlog of work

2. Financial Update 2013-14

The predicted outturn for 2013-14 is an overspend for the year of £197,000 (+1.0%) and is a combination of a net under-achievement of income of £198,000 offset partially by a small underspend against expenditure budgets of £1,000.

A total of £1.695million of savings/efficiencies and additional income is included in the budget for 2013/14. The majority of these have been or will be delivered in the year as planned.

3. Projects and key performance indicators

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

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

At the end of the first quarter, one project has been completed and 32 are on track.

There are delays to two projects which are being managed accordingly. Five performance indicators have met target, five performance indicators have missed target by less than 5% and two indicators have missed target by more than 5%. All underperforming indicators are being monitored and action plans are being developed to mitigate any down turn in performance.

Examples of good performance and success in projects:

- *Affordable Homes: A total of 55 affordable homes have been delivered against a target of 55 in the first quarter of the year. We are now expected to receive a total of 70 by the end of the year*
- *A NEET (not in education, employment or training) scheme called Green Team has been successfully developed recruiting five apprentices on the first cohort giving people the opportunity to gain a nationally recognised qualification and improved employment prospects.*
- *Number of empty homes returned to use: A total of 30 empty homes have been returned to use against a quarterly target of 14.*
- *Call answering times: exceeding our corporate target of 15 seconds to answer calls by averaging a call answering time of 9 seconds for the first quarter of the year.*

Human Resources

1. Staff Recruitment: 7 vacancies were advertised in August and September. Emma Goodings has been appointed as Interim Planning Policy Manager. Ian Hunt, new Head of Governance takes up his role on October 14th

2. Apprentices: Our apprenticeship scheme is entering its 5th year, and we are currently advertising for 8 new apprentices. To date we have 100% completion success rate and 100% success rate in either developing apprentices to at least Level 3 or aiding them into employment. Thus, 2 of our current apprentices have progressed to full time jobs in the County this year.

3. Employee engagement survey: a BDC employee engagement survey was conducted in early September with very encouraging pointers that staff are in general positive in their job roles. Thus of the 200 responses (42% response rate), 84% feel proud to tell people where they work, 95% feel that their manager enables them to do their job effectively and 82% feel that senior management are approachable and visible. The results are being evaluated by the Senior Management Team.

Local Authority Mortgage Scheme (LAMS)

A scheduled September 24th launch date for the BDC/ECC LAMS scheme, in conjunction with Lloyds Bank, was cancelled at the instigation of Lloyds Bank, which is currently in the intensive process of rebranding itself now that it has separated from TSB. Lloyds also inform us that they are awaiting further information shortly from the government on details of its phase two Help to Buy scheme which was scheduled to be launched from the new year, and now brought forward to early October.

Audit

The Council's external auditors completed their extensive audit of accounts 2012/13, signing them off as a true and fair opinion.

Consultation on top slicing of New Homes Bonus and the Local Growth Fund

In Spending Round 2013 the government announced that it intends to remove £400 million per annum from New Homes Bonus allocations to part-fund the Single Local Growth Fund, with effect from 2015/16. The £400million will be passed to Local Enterprise Partnerships (LEPs), with the intention that it is used for housing and local growth priorities.

An estimate of the Council's New Homes Bonus receivable in 2015-16 is £2.694million. The Government has proposed two methods for reducing local authorities New Homes Bonus from 2015-16. Under option 1 the Council's NHB would reduce by £944,000 and under option 2 the reduction would be £508,000.

Following consultation with the Corporate Director (Finance) and myself we have responded on behalf of the Council urging that district/borough councils should not be subject to any top slicing anyway, but that of the two options presented option 2 is preferred, as this ensures a lesser amount is taken away from the district where the new homes have been provided.

Business Rates Retention – Pooling

The Government has announced that the next opportunity for local authorities to enter into a pooling arrangement will be for the financial year 2014/15.

By local authorities in an area combining to operate a pooling arrangement it is possible to retain more of the additional funds from growth in business rates within a county wide area. The possibility of Pooling was considered in Essex for 2013/14 but was not pursued due to unrealistic deadline for submission.

It is proposed that this Council participates in the development of a pooling scheme for Essex that closely follows the Suffolk county model which has been operating since 1st April 2013, i.e. on the basis that no authority can be worse off in the pool than they would have been outside it, and minimises the amount of growth in business rates that is paid to the central pool.

Business Rates Retention scheme

Under the scheme, introduced for 2013/14 the Government calculated a baseline amount of business rates which it would allow local authorities to retain as part of its funding for local government. The Council's baseline figure for 2013/14 is £3,046,279. The actual amount to be retained for the year will depend on three key variables:

- Losses on collection;
- Growth or reduction in rateable businesses;
- Rateable values changed as a result of Appeal to the Valuation Office.

As at the end of July 2013 the gross yield had reduced by £426,000 to £47.299million, indicating that a number of appeals have been successful. Mandatory reliefs are £250,000 higher than estimated and this is mainly due to a number of schools in the district achieving Academy status (schools under Essex County Council are not entitled to rate relief). In addition the amount of relief for empty properties is also higher than estimated.

A full review of these key variables is currently in progress and the position at the end of September will be used to update the current year's estimate and to determine the expected amount of business rates to be retained in 2014-15.

Cllr David Bebb
Cabinet Member for Performance and Efficiency

Further information on the contents of this report can be obtained by contacting:

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**REPORT TO COUNCIL – PORTFOLIO AREA OF
PLANNING AND PROPERTY**

Agenda No: 11(i)d

INFRASTRUCTURE

A120 Improvement and Strategic Employment sites

Through the Haven Gateway Partnership, technical feasibility and economic impact studies have been commissioned, and are underway, to underpin the case for improvement (i.e. dualling) of the A120 from Braintree to the A12. Through Haven Gateway, we are also making representations to the South East Local Enterprise Partnership (SELEP), to ensure that these improvements are included as a priority in their Strategic Economic Plan which will enable the SELEP to access funding from the Government's Single Growth Fund. These representations include making the case for the development of an Enterprise Area based on this road corridor, and we have been working with the County Council, Colchester and Tendring to develop this proposition, which would include a site in Braintree District.

PLANNING

Replacement Minerals Local Plan Examination Update

Braintree District Council has made the decision to appoint consultants to represent the Council at the hearing and to advise and provide support to Parish Councils. Braintree Council has informed the ECC's Programme Officer that we wish to appear at the hearing on these matters and that we will have consultants representing us. The examination will open on the 5th November 2013 and is expected to last until Thursday 14th November 2013.

Pre Submission Site Allocations and Development Management Plan

The pre-submission draft Site Allocations, Development Management Plan and the Statement of Community Involvement was approved by Council on the 23rd September 2013 with some amendments. The next stage is to undertake a further 6 week public engagement before the document, the evidence base and all the responses received will be submitted to the Planning Inspector for an examination in public.

Cressing Neighbourhood Plan Area

A request was received from Cressing Parish Council regarding designation of the whole area as a Neighbourhood Plan Area. This has been published by the Council as required by the regulations and has appeared in the Council pages of the paper on the website. The closing date for representations was the 27th September. Only one representation has been received on the proposal.

National Grid Sub Station Proposals

The consultation feedback report was received on the consultation for the substation location which took place in April this year. National Grid's preferred approach continues to be a substation in the north of the District off the A131 near Bulmer. National Grid will need to undertake a further period of public consultation on the whole project.

ASSET MANAGEMENT

Land East of the High Street, Halstead

Following refusal of the Tesco planning application the Consortium of Vendors has now met to discuss what actions they now propose to take regarding this site. The Consortium has appointed Savills, a specialist residential land agent, to re-market the site as soon as the new Vendor Consortium Agreement has been completed. Tesco has now formally terminated their contract. Savills have had a pre-application meeting with Planners and are in the process of preparing a Planning Position Statement which will update the existing Development Brief.

HOUSING

Homelessness & Temporary Accommodation

The draft Homelessness Strategy and Review 2013 to 2018 was considered and approved by Cabinet on the 30th September 2013.

Staff in the Housing Service team are currently benefiting from some training that is funded by the government through the National Homelessness Advice Service & Shelter. This is being offered to housing officers in the Greater Haven Gateway who are involved in housing allocations, advice and homelessness work, as part of supporting authorities to achieve the 'gold standard' in this area of work. These ten challenging standards are set out in our Homelessness Strategy Delivery Plan.

At the end of August 2013 there were 59 homeless households in temporary accommodation arranged by the Council. This is the lowest number so far in 2013/14, the highest being 67 in May.

The Council will be working with partners again this year to carry out an estimate of the number of people sleeping rough in the district on a particular night in October. Last year the estimated figure was four.

Affordable Housing Development

The Greenfields development at Park Court, Sible Hedingham was advertised to housing applicants at the end of September and will be fully occupied during October. The scheme comprises:

- 4x 1 bedroom flats,
- 2 x 2 bedroom houses,
- 1 x 3 bedroom house and
- 1 x 4 bedroom house.

Funding of £250,000 from the Housing Capital Budget has been agreed for Colne Housing to purchase 10 properties on the open market. These will be mainly 2 bed homes, which are the highest demand properties. We hope they will be available for let during early 2014.

We also agreed to 'underwrite' Colne's purchase of the Crossman House site and proposed development of 20 flats. We are negotiating the provision of a supported housing scheme with Colne and Essex County Council but our commitment to fund up to £400,000 grant enables Colne to secure the site from Essex County Council.

The draft Strategic Housing Market Assessment (SHMA) has now been received from David Couttie Associates (DCA) and we have arranged both a partnership event where the report will be shared with stakeholders and a Member event with David Couttie as speaker. These will be held on 12th November 2013.

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REPORT TO COUNCIL - PORTFOLIO AREA OF PLACE

Agenda No: 11(i)e

OPERATIONS

Depot Relocation

Riverside Truck Rental Ltd. has submitted a planning application for the new vehicle maintenance workshop and co-located offices on land owned by the Council. Subject to this being approved, we anticipate the new facility being completed by early June 2014.

Cordons Farm

The Judicial Review period relating to the new Waste Transfer Station has expired without any appeals or representation from anyone. Construction is scheduled to begin in November 2013, with a completion date in the second half of 2014.

Trade Waste

Operations has been piloting a new Trade Waste Recycling Service for local businesses who want to dispose of their waste in a more sustainable way. To date, some 60 customers have signed up to the new service

Door-steppers

Over the past few weeks, a team of 8 Recycling Door-steppers have been out and about the District encouraging residents to recycle more of their waste and so reduce the amount of waste that gets sent to landfill. The door-steppers have been working since mid-August and have visited approx. 9000 properties, offering advice and guidance to residents. A total of 15,000 properties will be visited as part of this campaign, which will include follow up visits where necessary. Post-campaign participation monitoring will be undertaken after the door-stepping has finished, which will demonstrate how well the programme has worked. The outcome will be reported to a future Council meeting.

Flats Recycling

Since May, a new system for recycling has been trialled in two locations in Braintree, the largest of which is on the St Michaels Hospital estate where 6 recycling centres have been installed. To date, the new sites are working well with no complaints of contamination. Extending this to other flats in the District will be subject to a separate report and Business Case. Officers are also speaking to Greenfields with a view to extending the service to the flats they manage.

Anglia in Bloom

I was delighted to hear that at the recent Anglia in Bloom Awards, Halstead won a Gold as well as Best Town in their category and were announced Overall Winner for Anglia in Bloom 2013. This is a remarkable achievement for Halstead and is just reward for the volunteers as well as our own front line staff who worked tirelessly and put in a tremendous amount of effort to keep the town looking clean, tidy and well maintained.

COMMUNITY SAFETY

Community Safety Partnership

The Braintree Community Safety Partnership Action Plan and Terms of Reference have been refreshed and were distributed to partners for ratification at the CSP meeting in September. A monitoring and evaluation template has been designed for Lead Officers/Organisations of projects to provide quarterly reports for the CSP. Initial meeting with Safer Places to discuss the Cut it Out campaign have taken place and an action plan agreed. Safer Places are currently recruiting volunteers to work on the project and drafting the initial letter to be sent to the hairdressers and beauty salons in Braintree Town Centre. BDC have developed some initial designs and logos for promotional material for the campaign.

A meeting took place with Terry Martin from Alcohhelp to discuss alcohol prevention work in schools. The charity are looking at providing support to secondary school pupils with identified alcohol problems at home and have received funding from Awards for All. They are having issues establishing the relevant contact within the school so we will be assisting them with this along with a list of youth groups operating within the district.

Police & Crime Commissioner Public Engagement Event

The public event took place on Wednesday 14th August at the Council Offices. The Police & Crime Commissioner, District Commander and Chair of the Braintree Community Safety Partnership gave brief presentations. The event then focused on three topics: Dwelling Burglary, Domestic Abuse and Visibility and Response. There was also the opportunity for those in attendance to raise general concerns and issues.

Whole Essex Community Budget Domestic Abuse Pilot

- BDCs contribution to the Pilot is £10,089 and this has been paid to ECC
- The funding is a three way split between ECC, Essex Police and BDC
- The Staff needed for the Hub to cover Braintree & Basildon were recruited in June 2013 and commenced employment in the Police Central Referral Unit (CRU) early August.
- The Pilot work in the CRU specifically on the DA pilot went live 5th August. First week was spent on training and system familiarisation.
- To the end of August 9 High Risk and 9 Medium Risk victims have engaged that would not engage with the police.
- Given that the pilot is in the early stages, it is not yet possible to track the victims with regards to referrals and their sustained engagement.

ENVIRONMENTAL HEALTH

New Tattooing and Body Piercing Guidance launched

New Guidance has been launched to provide practical information to support both local authorities and businesses in England to adopt safe standards of practice in this area. Currently there are **no national standards** and there is a need to promote safety and consistency across the range of tattooing and body piercing practices, as health risks can arise from improper practice, particularly poor infection control practice - such as blood-borne viruses like hepatitis B, C and HIV.

Climate Change

Under the Government's new Renewable Heat Incentive (RHI), homeowners, private and social landlords and people who self-build properties will be entitled to tariff payments to meet the costs of renewable heat generation. The scheme, which has been running for the non-domestic sector since 2011, intends to boost uptake of renewable

heat technologies in homes. Households could be paid for generating heat through solar thermal panels, biomass boilers and heat pumps. Applicants will need to complete a Green Deal Assessment before submitting their application for funding and will be required to meet minimum loft and cavity wall insulation.

Disabled Facilities Grants

The District Councils' Network (DCN) and the Society of District Council Treasurers (SDCT) commissioned a research report into Disabled Facilities Grants (DFGs) in England.

The report is extensive but there are two key issues highlighted throughout the report; funding and delivery. The DCN is fully aware of the continuing financial restraints across the public sector, however, the report and the recommendations clearly show that system is in need of a fundamental review to address the underlying financial sustainability of DFGs and to improve service delivery to better utilise existing resources. The findings show that where DFG delivery is effective, districts (like BDC) have needed to make the best of a poorly designed and funded system. The DCN therefore wants to help create a system that works for both the client and for providers and the options for the future look more at integrating the DFG funding in to a pooled budget.

What is interesting is the announcement in the Spending Review that the national government budget for Disabled Facilities Grants will increase to £220m in 2015-16. However the DFG budget has only been announced for 2015-16. Again this indicates that the future will be about joining up budgets across health, social care and housing

Licensing

Consultation from the Home Office with respect to the Licensing Act 2003. - abolishing personal licences and introducing local alternatives.

The government is concerned that the system of personal licences may not always be the most proportionate or effective way to ensure alcohol is sold responsibly. The consultation published this month proposes enabling targeted, local alternatives to personal licences. The Home Office have estimated that their proposal could save businesses some £10 million a year, while keeping a focus on tackling crime and disorder at licensed premises. The government is seeking Councils views on whether it would achieve this. The consultation runs for 8 weeks from 12 September to 7 November.

Building Control

Tackling climate change

Changes are going to take place to the Building Regulations. These changes further cut carbon emissions, help tackle climate change and ensure the government is on track to deliver the commitment for zero carbon homes from 2016 in England. The measures coming into force in April 2014 mean new homes and non-domestic buildings will have to include energy saving features such as better fabric insulation and more efficient heating and lighting.

The small increase in construction costs will be heavily outweighed by subsequent energy savings. Buildings account for around half the UK's carbon emissions and cutting these is a significant part the government's commitment to tackle climate change. No changes are being made to rules on existing homes.

LANDSCAPE AND COUNTRYSIDE

Great Notley Vegetation Management

The public consultation has been completed and a meeting taken place with Grounds Maintenance. While some 106 funding is available, this is a finite sum and there are implications for the council once this is used. It is anticipated that work will commence this autumn using contractors and Grounds Maintenance. Similar vegetation management plans will be prepared for large areas of public open space in Black Notley and Marks Farm Braintree

Bramble Road Play Area

The plan to plant a new roadside hedge and 22 large trees has been finalised and work will commence in the autumn. This will enhance the area and give shelter

Cllr Wendy Schmitt
Cabinet Member – Place

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**REPORT TO COUNCIL – PORTFOLIO AREA OF
PROSPERITY AND GROWTH**

Agenda No: 11(i)f

Economic Development

Braintree District Economic Development Prospectus

Cabinet approved the draft Braintree District Economic Development Prospectus on 15th July 2013 as a basis for consultation and delegated responsibility to myself in consultation with the Prosperity Project Board, to sign off the Prospectus following consultation.

The consultation was launched at the District Business Showcase event on 1st July 2013. The draft was also presented for comment to the Ignite Board; Braintree District Business Group; and Halstead Town Council and was discussed as part of a Members Evening on 23rd July 2013 and a Strategy Workshop involving our two MP's and key Members and officers from Essex County Council on 28th June 2013. The draft Prospectus was provided for comment to: all District Council Members; Parish and Town Councils; the Haven Gateway Partnership; Essex County Council; neighbouring local authorities; the South East Local Enterprise Partnership; Braintree, Halstead and Witham Town Teams; and 285 key businesses. Details of the consultation were also provided on the District Council website.

The Prospectus identifies that the District's strategic location is its key economic asset, but identifies barriers to growth and three clear priorities to address those barriers:

- Infrastructure improvements including dualling the A120, rail and public transport improvements, bringing forward key employment sites, and improving broadband
- Business and Employment support
- Town and Rural Regeneration

As a result of the consultation, a number of changes have been made to the Prospectus to include:

- Improving the fabric of existing industrial estates to attract investment
- Improving express public transport links between Stansted Airport, Braintree, Witham and the rail network
- Improving information available to investors on commercial property and land
- Examining the future role of our town centres and stimulating development that will support that new role

Prosperity Project Board met on 25th September and endorsed the Prospectus with these additions, and I have now approved the Prospectus under my delegated powers. The next step will be to draw up a detailed Delivery Plan and an Investment Prospectus to help market the District and attract inward investment.

Regional Growth Plans

The South East Local Enterprise Partnership is currently developing its Strategic Economic Plan, which will be used as a basis for securing funding from the Government's Single Growth Fund. We are working through the Haven Gateway Partnership to ensure that the District's economic priorities are included, primarily the improvement of the A120 from Braintree to the A12, and the development of an associated Enterprise Area along that corridor. I attended the Haven Gateway AGM on the 4th September and met Peter Jones who is the new Chairman of the South East LEP, he said he was very impressed at the excellent cooperation he saw coming from the Councils of Colchester and Tendring and Braintree District and the work being done to raise the profile and importance of the A120.

Enterprise Units Springwood Drive

Development work on a suite of 12 new enterprise units with training and business support facilities at Springwood Drive continues. The project also has funding contributions from Growth Area Funding (£866,000) and the County Council (£300,000), and will be managed by Ignite Business Enterprise. Planning approval for the new units was secured in October, and a meeting has been arranged to finalise the tender documents. It is anticipated that the tender will be sent out in October.

Victoria Street, Braintree

Ignite Business Enterprise has taken out a lease on the former Community Centre in Victoria Street starting on the 1st October 2013, enabling them to provide additional enterprise and training space and retail space for a jewellery and craft market.

Business Support

A report was approved by Cabinet on 30th September setting aside £100,000 to be used for discretionary business rate relief in 2014/2015 and criteria for the use of that relief. Discretionary rate relief may be used to support significant inward investment or the expansion of existing businesses that will create new jobs. This must be on the basis of a business plan that demonstrates that those jobs will be sustained, and will not be offered where there is displacement, i.e. a firm moving from one part of the District to another.

We are in the process of developing a Business Leaders Group for the District, a small group of senior figures from strategic businesses that can work closely with the Council to actively support the delivery of the District Economic Prospectus. This will be complemented by a regular open business forum.

Regeneration

Backing Our Towns – Town Centre Improvement Proposals

I am pleased to advise that the first stage of creating a new gateway to Braintree Town Centre will begin in the next few weeks. Braintree District Council has now appointed demolition contractors to demolish the buildings: 75 & 77 South Street on the corner of South Street and Fairfield Road, to make way for a new gateway and road junction as part of the regeneration developments for Braintree town. The demolition works will take approximately 4 weeks and then the road junction works will commence in January 2014 and are due for completion by the end of February 2014. The Council in conjunction with the contractors are notifying residents and businesses in the area of these developments.

In addition we are also pleased to announce that the St. Michael's Fountain project, which seeks to improve the public realm including seating, paving and planting is due to commence at the end of October 2013.

Portas Pilot

Braintree, Witham and Halstead Town Teams

We continue to work with our Partners in each of the Towns to deliver the Portas Pilot aspirations. In Braintree the Town Team will be holding its first themed 'popup market' on the 12th October. This will feature 'Health and wellbeing' and the funds generated from the hire of the stalls are to be reinvested in the Braintree Town Team. In Witham, Priti Patel MP organised a meeting of strategic partners interested in regenerating the town. Bill Grimsey, who has recently produced an 'Alternative review of the High Street' report gave some interesting ideas on the future of town centres. The Halstead Town Team are working with web developers to produce their website which will promote shopping locally in the town and marketing the events which are held.

Pop Up Shop

Our ambition to create new businesses for Braintree town is now turning into reality, our first Popup tenant Tynska designs is planning to take up space in the newly created Jewellery and Craft Market in Victoria Street, and I am pleased to announce that Party Inspirations, the 2nd tenant in the popup, has now taken a 12 month lease on a retail unit in Fairfield Road. The 3rd tenant for the Pop Up Shop has now been selected. 'Milk and Cupcakes', who sell baby and toddler giftware are currently working with BDC and Ignite on their branding and marketing. They will be taking over the shop in mid-October.

Cllr Chris Siddall
Cabinet Member – Prosperity and Growth

Further information on the contents of this report can be obtained by contacting:

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LIST OF PUBLIC MEETINGS HELD SINCE COUNCIL MEETING OF 29TH JULY 2013		Agenda No: 11(iv)
Corporate Priority: Not applicable Report presented by: Not applicable Report prepared by: Alastair Peace – Member Services Manager		
Background Papers: Published Minutes of the meetings listed within the report below.		Public Report
Options: Report for noting		Key Decision: No
Executive Summary: <p>Since the Council meeting held on 29th July 2013, the following Minutes have been published for meetings held in public session:</p> <ul style="list-style-type: none"> (1) Council – 29th July 2013 (2) Planning Committee – 30th July 2013 (3) Planning Committee – 13th August 2013 (4) Planning Committee - 27th August 2013 (5) Planning Committee – 10th September 2013 (6) Licensing Committee – 11th September 2013 (7) Governance Committee - 18th September 2013 (8) Special Council – 23rd September 2013 (9) Planning Committee – 24th September 2013 (10) Overview and Scrutiny Committee – 25th September 2013 (copy to follow) (11) Cabinet – 30th September 2013 (copy to follow) (12) Braintree District Local Highways Panel – 3rd October 2013 (copy to follow) (13) Planning Committee – 8th October 2013 (copy to follow) <p><i>Note: Hard copies of minutes are sent to members of the relevant meeting. Copies are available for all members to view on the Council's website at http://www.braintree.gov.uk/meetings</i></p>		
Decision: <p>Members are invited to note the Minutes published.</p>		
Purpose of Decision: Not applicable		
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