

Cabinet AGENDA

Monday 9th July 2018 at 7:15pm

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

THIS MEETING IS OPEN TO THE PUBLIC
(Please note this meeting will be webcast and audio recorded)

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Members of the Cabinet are requested to attend this meeting to transact the business set out in the Agenda.

Membership:-

Portfolio

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

Invitees

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

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

A WRIGHT
Chief Executive

INFORMATION FOR MEMBERS - DECLARATIONS OF INTERESTS

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

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

Question Time

The Agenda allows for a period of up to 30 minutes when members of the public can speak. Members of the public wishing to speak are requested to register by contacting the Governance and Members Team on 01376 552525 or email governance@braintree.gov.uk no later than 2 working days prior to the meeting. The Council reserves the right to decline any requests to register to speak if they are received after this time. Members of the public can remain to observe the public session of the meeting.

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Documents

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We welcome comments from members of the public to make our services as efficient and effective as possible. If you have any suggestions regarding the meeting you have attended, you can send these via governance@braintree.gov.uk

PUBLIC SESSION	Page
1 Apologies for Absence	
2 Declarations of Interest	
To declare the existence and nature of any Disclosable Pecuniary Interest, other Pecuniary Interest or Non-Pecuniary Interest relating to items on the agenda having regard to the Code of Conduct for Members and having taken appropriate advice where necessary before the meeting.	
3 Minutes of the Previous Meeting	
To approve as a correct record the minutes of the meeting of Cabinet held on 14th May 2018 (copy previously circulated).	
4 Public Question Time	
(See paragraph above)	
5 OVERALL CORPORATE STRATEGY AND DIRECTION	
5a Leader's Update	
The Leader of the Council to give a brief update on key issues and activities.	
6 ENVIRONMENT AND PLACE	
6a Disabled Facility Grant Policy update	5 - 21
7 FINANCE AND PERFORMANCE	
7a Fourth Quarter and Annual Performance Management Report 2017-18	22 - 53
8 CORPORATE SERVICES AND ASSET MANAGEMENT	
8a Housing Company and Feasibility Fund	54 - 64

9 ECONOMIC DEVELOPMENT

**9a I-Construct Development and Financial Update and
Proposals - PUBLIC 65 - 91**

10 Cabinet Member decisions made under delegated powers 92 - 93

**11 EXCLUSION OF PUBLIC AND PRESS TO CONSIDER
REPORTS IN PRIVATE SESSION
for reasons set out in Paragraph 3 of Part 1 of Schedule
12(A) of the Local Government Act 1972.**

PRIVATE SESSION

12 ECONOMIC DEVELOPMENT

**12a I-Construct Development and Financial Update and
Proposals – PRIVATE**

Disabled Facility Grant Policy update		Agenda No: 6a
Portfolio	Environment and Place	
Corporate Outcome:	A sustainable environment and a great place to live, work and play	
Report presented by:	Councillor Mrs Wendy Schmitt, Cabinet Member for Environment and Place	
Report prepared by:	Colin Batchelor, Environmental Health Manager	
Background Papers:		Public Report
Grant Policy version 7 Delegated Decision taken by Councillor Mrs W Schmitt, Cabinet Member for Environment and Place on 2nd October 2015 – Amendment to the DGF Policy		Key Decision: No
Executive Summary:		
<p>The Grant Policy for Disabled Facilities Grants was last updated in 2014. There have been no legislative changes since then on this subject, however the landscape has changed with improved funding as well as a greater demand for the service which provides us with an opportunity to review our policy and approach to reflect current need.</p> <p>The Disabled Facilities Grant (DFG) Policy has been reviewed, using a number of sources of evidence including feedback from previous grant applicants, consultation with key stakeholders, research into other local authority policies and a review of national guidance. The revised Policy takes into account this evidence and also incorporates some previously agreed delegated decisions (greensward crossings and fees).</p> <p>The Policy also seeks to identify how we can make more effective use of the Better Care fund through the development of other initiatives that will support people with disabilities to live more independently for longer.</p> <p><u>Key Features:</u></p> <p>The updated policy includes a number of changing features, including:</p> <ul style="list-style-type: none"> • Adjustment to provision of Relocation Grants – Allowing someone to move to a new more suitable property (Section 6); • Provision of some adjustments for children who may live between two homes at their second home (Section 5); 		

- Simplifying the award of top up funding for up to £10,000 above mandatory levels of £30,000 (Section 3).

There is also further clarification regarding what can be applied for and what cannot be applied for and the specification levels to give greater guidance to potential applicants (paragraph 2.5).

The Policy provides for discretionary funding to be made available for other projects which set out to achieve similar objectives to the disabled facility scheme e.g Handyman Service (Section 3). This supports our corporate objective to support residents to be healthy and live well, as well as improving services to meet the needs of the older people of the District. The Policy has been attached below as Appendix A with key policy changes highlighted in **BLUE** text.

Recommended Decision

That Cabinet:

1. Approves the revised Grant Policy for Disabled Facility Grant Funding.
2. That the Grant Policy for Disabled Facility Grant Funding will come into effective from 10th July 2018.
3. Delegates authority to the Cabinet Member for Environment and Place to make minor policy amendments which do not affect the broad thrust of the Policy direction.

Purpose of Decision:

To ensure the Council has a robust policy to support the provision of grant funding for disabled people.

Any Corporate implications in relation to the following should be explained in detail	
Financial:	Funding for Disabled Facility Grants is provided from central Government through the Better Care fund. It is topped up by Braintree District Council. These changes will not impact upon the overall budget. Where funding for mandatory works is being stretched discretionary funding will be withheld.
Legal:	There is a legal duty to fund mandatory grants and this policy outlines what is carried out and when. It also provides guidance on when discretionary grants may be given.
Safeguarding:	Grant works are carried out by DBS checked contractors or those with a long history of working with the Council on this type of work.
Equalities/Diversity:	Service is provided according to recommendations and experienced staff deal sensitively with all customers. A full equalities impact assessment has been undertaken for this review of the policy.
Customer Impact:	Clarity of service provision, broader use of funds.
Environment and Climate Change:	None.
Consultation/Community Engagement:	Disability Working Group includes housing officers of the Council, Greenfields Housing, other interested housing associations and Occupational Therapists; Braintree District Council Access Group includes public representatives from the disabled community; Essex County Council Occupational Therapist managers and OT's, Greenfields Housing. Comments have been received and incorporated as appropriate, from Greenfields and OT's
Risks:	Legal challenge as to limitations of policy.
Officer Contact:	Colin Batchelor
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DISABLED FACILITIES GRANT POLICY DOCUMENT

Author: Colin Batchelor, Environmental Health Manager
Responsible Officer: Lee Crabb, Head of Service
Date: 10th July 2018(subject to Cabinet approval on 9th July 2018)
Revision: 8th Revision

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POLICY INTRODUCTION

This Policy document sets out the overarching framework by which Braintree District Council will administer and deliver mandatory and discretionary Disabled Facilities Grants (DFGs). DFGs are available to help meet the costs of adapting a privately owned or privately rented dwelling to enable a disabled person to live as independently as possible within their home.

This Disabled Facilities Grants policy document contains information on;

- Applicant eligibility for grant assistance,
- Eligible works
- Stakeholder obligations
- The grant approval process

PART 1 MANDATORY DISABLED FACILITIES GRANTS

1.0 Introduction

1.1 Braintree District Council, in its role as a local housing authority, is under a statutory duty by virtue of the provisions of the Housing Grants, Construction and Regeneration Act 1996 (the Act) to provide Disabled Facilities Grants (DFGs) for residential adaptations where the appropriate legislative conditions are met.

1.2 The purposes for which a DFG may be given are set out in the Act and can be summarised as follows:

- To remove or help overcome any obstacles which prevent a disabled occupant moving freely into and around a dwelling and enjoying the use of the dwelling and the facilities and amenities (including facilitating such access as is required to allow for a disabled occupant to provide care for a person who is normally resident),
- To make a dwelling safe for a disabled occupant and ,
- To facilitate the use by a disabled occupant of a source of power and light or heat.
- Where a Housing Association is the landlord the tenant should refer to their landlord for information relating to disabled adaptations with these dwellings in the first instance as consent would be required for any adaptation to be carried out.
- Common parts:- grant may be given for works to facilitate access to a dwelling through common parts of a building. This could only apply where landlords consent is given for such works. The landlord would be required to accept responsibility for the repair and maintenance of any fixtures and fittings provided by the grant.

1.3 Eligibility for Grant Funding

1.4 In order to approve DFGs, officers of Braintree District Council will work primarily with the Occupational Therapy Service at Essex County Council. Any submissions from an independent Occupational Therapist will in all cases be forwarded to the Essex County Council Occupational Therapy

service and no decision on grant eligibility will be made until their assessment and recommendations have been made.

- 1.5 The Occupational Therapy Service at Essex County Council will make referrals to Braintree District Council recommending work to be carried out which it considers is necessary and appropriate to meet the needs of their client.
- 1.6 The Council will also consider whether the proposed work is reasonable and practical to carry out having regard to the age and condition of the property. If proposed works are considered not to be reasonable and practical the Occupational Therapist and the applicant will be notified that Braintree District Council will be unable to provide grant funding.
- 1.7 The Council will in all instances have regard to the provisions of the Act and comply with its requirements. In addition to its statutory obligations the Council will adhere to this policy in the provision of DFGs where it sets out conditions and procedures not covered by the legislation.

2.0 Amount of Mandatory DFG Funding and Limitations.

- 2.1 The maximum amount of mandatory grant that the Council can pay for any single grant application is set by The Disabled Facilities Grants (Maximum Amounts and Additional Purposes)(England) Order 2008 and is currently £30,000. This amount is reduced by any contribution assessed as payable by the grant applicant (see section 9.0 on the Test of Resources).
- 2.2 The grant is repayable as described in the terms set out in section 12.1
- 2.3 Where two disabled applicants are resident at one property the maximum grant allowable will remain at £30,000 unless the works required for each applicant are distinctly separate to reflect the separate needs of the two applicants.
- 2.4 Grant works will only be undertaken where there is a clinical need as identified by the Occupational Therapy Service
- 2.5 The list below provides examples (although not exhaustive) of the types of works that can and works that cannot be funded by a disabled Facilities Grant.

i) Grant works can include;-

- Works specified as necessary and appropriate by Occupational Therapy Service at Essex County Council

Any work completed under an eligible grant will be finished to the following standard;-

- All new plasterwork will be sealed.
- **New timberwork will be primed, undercoated and gloss**

coated.

- Tiling of bathrooms as referred to in the specification by Occupational Therapy Service at Essex County Council.

ii) Grant works would not normally include;-

- Works not specified in the referral by Occupational Therapy Service at Essex County Council.
- Gloss coating of existing timber.
- Tiling of walls not specified in the referral.
- Other decoration within rooms affected by works. Eg. Wall papering
- Final decorative works, except the gloss coating of new timber as outlined above.
- Extended warranties to electrical apparatus beyond the manufacturer's warranty period, (usually one year).
- Provision for storage and charging of mobility scooters
- Provision of accommodation whilst grant funded works are undertaken
- Re-instatement of a property when the use of the adaptation is no longer required.
- Crossing of a greensward
- The fencing of rear gardens. It is expected that adequate fencing in such properties would be provided as part of their routine maintenance programme. Fencing to front gardens may be permitted where the recommendation from the OT requires security of a child between transfers from vehicle to the house.

PART 2 DISCRETIONARY DISABLED FACILITIES GRANTS

3.0 Introduction

- 3.1 In addition to providing mandatory DFG's, the Council has the power to offer discretionary financial assistance by virtue of the Regulatory Reform (Housing Assistance) (England & Wales) Order 2002. Using these powers, the Council has agreed to offer discretionary DFG's for private sector residential adaptations in limited circumstances. Discretionary funding would not normally be considered under the circumstances listed in section 4.6 below.
- 3.2 In owner occupier cases discretionary funding will be registered as a land charge against the property and is repayable upon sale or transfer of the property.
- 3.3 **Within the scope of discretionary grant funding the Council may develop schemes in partnership with others, such as the Clinical Commissioning Group, Essex County Council or any other partners, which set out to achieve similar objectives to the DFG scheme. Such schemes will be developed independently with their own policies and are subject to change at short notice and/or as resource availability requires.**

4.0 Top-Up to Mandatory Schemes

- 4.1 Where the cost of a scheme for mandatory works exceeds the maximum grant payable under current applicable legislation, the Council may provide assistance towards meeting all or part of the discretionary costs.
- 4.2 Through adoption of this policy the Head of Service is delegated to authorise approval of discretionary grants up to a maximum of £10,000. Any discretionary grants above this amount will be at the discretion of the Cabinet Member for Environment and Place.**
- 4.3 When determining any application for discretionary assistance the Council will consider any agreed Essex County Council funding plus the ability of the applicant to self-fund the identified additional costs. Subject to this assessment a discretionary award will potentially make up the difference between the maximum grant plus any additional partner funding, and the cost of eligible works.
- 4.4 If applicable any discretionary top-up will be repayable on the eventual sale or transfer of the subject property and will be recorded as a Land Registry charge. This will be in addition to any repayment liability under a mandatory DFG.
- 4.5 Any discretionary top-up will only be considered having regard to the amount of resources the Council has at the time the application is made.
- 4.6 Discretionary funding would not normally be considered under the following circumstances:
- **Where a means tested contribution is required.**
 - **Where the works are wholly discretionary.**
 - **For housing association (HA) properties (as there is an expectation that the HA will contribute towards the adaptation or make arrangements to relocate their tenant to a more suitable property) unless match funding is provided by the HA.**
 - **Where it is reasonable to expect the applicant to release equity to support the additional costs.**
 - **Where there are insufficient funds to support the application for discretionary funding having regards to the commitment for mandatory grant funding.**
 - **For works which would not qualify for mandatory funding.**
 - **Where there is no demonstrable clinical need.**
 - **Where the works are for a second home where a child has dual residency, but see section 5 below.**

There may be exceptions to the above criteria where justifiable circumstances permit.

5.0 Dual residency of a disabled child

- 5.1 Mandatory DFG can only be provided to the 'sole or main residence' of the disabled applicant and in circumstances covered by this section it would be assumed that one party would apply for mandatory grant on the basis that the child occupies the subject property as their sole or main residence. The main residence will be determined by which party receives child benefit. This property may or may not be within the Braintree District Council area and may be eligible for mandatory funding from the authority in which the property is located.
- 5.2 **In cases where families separate and a court order provides that residency of the subject disabled child is split between the mother and father (or other designated guardian) the Authority may consider the award of discretionary DFG to one property. The proposed adaptations will only be considered for discretionary assistance if they fall within those headings normally applied to mandatory schemes (see section 1.2).**
- 5.3 The Authority will consider the details of any court order and specifically the allocation of time spent with each parent in determining eligibility for assistance. No specific percentage split is proposed by this policy as each case will be reviewed on its own merits. Factors to be considered include the specific details of any order, likely time to be spent at each property, whether the child will stay overnight at the subject property and for what period etc.
- 5.4 In determining the works that might be considered as eligible for assistance the Authority will consider the suitability of the subject property for adaptation, the complexity and scope of the adaptations required and any observations or referral made by the Occupational Therapy service. The scope of any works will not necessarily mirror that to be undertaken at the sole or main residence.
- 5.5 Any assistance provided under this heading will be up to a maximum award of £10,000, but will not be subject to any form of means testing. Any award will be repayable to the Authority if and when the subject property is sold. The award amount will be recorded as a Land Registry charge.
- 5.6 Potential awards will only be considered having regards to the amount of discretionary funding the Authority has available at the time of application. Applications will be considered on an individual basis and having regards for priority need. Should the Authority not have sufficient discretionary funding available to meet its statutory obligations for mandatory funding and/or discretionary funding at a higher priority, the Council reserves the right not to approve any discretionary assistance to the applicant.

6.0 Relocation Grant

- 6.1 **A relocation grant may be available to provide an alternative option where it is not possible to adapt an existing property, where the applicant would otherwise qualify under the DFG scheme and the**

following criteria exist:-

- **adaptations to their current home through DFG are determined not to be reasonable and practical,**
- **the adaptations involve major work and it would be beneficial to the disabled person and more cost effective if they moved to a home more suitable to their needs,**
- **a landlord has reasonably refused to give consent to the adaptation work to a rented property.**

- 6.2 Applicants must be 18 or over on the date the application is made and, in the case of a disabled child, the parent(s) would make the application. Any application must be supported by a recommendation from the Essex County Council's Occupational Therapy Service.
- 6.3 The Council and the Occupational Therapist must be satisfied that the proposed property already meets the needs of the disabled person without further adaptation or are satisfied that it can be adapted at a reasonable cost (see section 6.6). The cost of the relocation grant together with the cost of any adaptations required to the new property must demonstrate value for money.
- 6.4 Applicants must be relocating within the Braintree district.
- 6.5 A grant of up to £8000 may be made available towards specific relocation expenses, which includes estate agent fees, legal costs, and removal costs.
- 6.6 Where a relocation grant is offered and further adaptation of the new property is required the combined cost of relocation and adaptation must not exceed the statutory maximum DFG, currently £30,000.
- 6.7 The Council will normally require two quotations from independent contractors that realistically reflect the cost of the works/service provided. In some circumstances, one estimate may be accepted if the Council is satisfied that the cost is reasonable.
- 6.8 All applicants will be required to complete the move within 12 months from the date of approval of their application. Valid invoices or receipts must be provided prior to payment.
- 6.9 If on sale of the applicant's existing property, a net equity of more than £10,000 is released, the Relocation Grant will only fund the physical removal costs. (Net equity refers to any funds released when the purchase price of the new property is less than the existing property's selling price). No grant will be offered if the net equity released is in excess of £50,000.
- 6.10 If the move is aborted through the fault of the applicant (to be determined by the grants officer) then costs will not be paid and any costs already paid may be reclaimed from the applicant. If the reason for the move failing through is no fault of the applicant then the costs will not be

recovered.

- 6.11 The new property must be the disabled person's main residence and no applicant will be awarded a Relocation Grant on more than one occasion.
- 6.12 The Relocation Grant scheme will be subject to the same Test of Resources as the mandatory Disabled Facilities Grant scheme unless the relocation is for a disabled child in which case no test will be applied.
- 6.13 If the disabled occupant moves from the new property within 5 years then the relocation grant must be paid back in full, except in exceptional circumstances.
- 6.14 Any Relocation Grant will be recorded as a land registry charge and will mirror those repayment conditions attached to mandatory DFG's that breach a £5000 threshold (see section 12.1).
- 6.15 Applications must be submitted prior to the relocation; grants cannot be paid retrospectively. Assistance will not be given towards the purchase price of the new property.

PART 3 GENERAL REQUIREMENTS & GRANT CONDITIONS

- 7.0** The following general requirements and conditions will apply to both mandatory DFGs and discretionary DFGs.

- 7.1 Applications For Grant**

An application for a disabled facility grant will only be accepted from an applicant, or on behalf of an applicant who is registerable as disabled and with referral from the Occupational Therapy Service at Essex County Council.

- 7.2 Braintree District Council will offer to undertake the preparatory work to enable the client to make an application with all the relevant documentation and builders quotes etc. The Council will charge an administration fee for this service which will be added to the grant. The applicant will be advised of the fee in advance and will be given the opportunity to decline this service and instead make their own application. In such instances the applicant would subsequently liaise with contractors and the Council throughout the construction process.
- 7.3 Where an applicant is required to make a contribution which is equal to or in excess of the cost of the works the applicant must confirm in writing their willingness to pay their contribution to the contractor on completion of the works or as the first interim payment if this is appropriate.

- 8.0 Cost of Work**

- 8.1 The Council uses public money to fund the provision of both mandatory and discretionary DFGs and as such it must take into account value for money and best practice.

- 8.2 When officers schedule the work to be carried out they will ensure it meets the needs of the applicant but at the same time they will only prepare a basic specification. If grant applicants wish to have a higher or more complex specification that incurs higher costs then they shall assume full responsibility for the additional costs.
- 8.3 The application requires at least two quotes for the cost of work. The grant will usually be approved on the basis of the cheapest quote unless there are extenuating circumstances. Where the applicant wants to use a contractor that will cost more than the quote that is deemed acceptable by the Council, the applicant will have to pay the difference direct to the contractor.
- 8.4 If a grant applicant has a preferred scheme of works that meets their assessed need to the same degree as the scheme proposed by the Occupational Therapy Service at Essex County Council. E.g. the provision of a ground floor extension in lieu of a vertical through floor lift installation, the Council will part fund the preferred scheme to the same value of the grant eligible works. Any extra costs associated with the clients preferred scheme, including unforeseen works, architects fees etc., must be met by the grant applicant. Evidence that sufficient funds are in place must be made available to the Council prior to works starting. The Occupational Therapy Service at Essex County Council will be consulted to ensure that the applicants preferred scheme meets their assessed need in full.

9.0 Means Tested Contributions

- 9.1 Applicants for DFG's will be required to complete a test of resources (means test) to determine whether any contribution is to be paid towards the cost of works by the applicant. The Council will undertake such means tests in line with the prevailing statutory provisions in force at the point of application. Where it is apparent that the applicant may not automatically qualify for a grant a Preliminary Test of Resources may be undertaken to provide the prospective applicant with an early indication of their likely contribution. Such preliminary tests will not be applied in urgent cases or where the client is in receipt of a passporting benefit. A passporting benefit is deemed as a confirmed qualifying entitlement to;

- Income support
- **Universal Credit**
- Housing Benefit
- Income based job seekers allowance
- Working tax credit where the assessed income is below a nationally set amount
- Child tax credit where the assessed income is below a nationally set amount

- 9.2 An applicant in receipt of one of these benefits is 'passporting' to a full grant and will not be required to make a contribution towards the cost of work providing that the cost of works do not exceed the maximum

amount. At present parents of disabled children and young persons are not subject to a test of resources.

- 9.3 Where the Council identifies that an applicant has not fully declared their income and savings it will consider prosecution and will withhold the grant or may demand repayment of any grant funds already paid.

10.0 Grant Approval

- 10.1 The Council is required to consult with and obtain confirmation from the Occupational Therapy Service at Essex County Council. that the works which are the subject of the application are necessary and appropriate to meet the needs of the disabled occupant.

- 10.2 The Council is required to approve or refuse a grant within 6 months of a valid grant application being made. A valid application is deemed to be made when the following documentation is submitted:

- A completed application form
- The appropriate certification together with proof of ownership or tenancy
- The appropriate evidence of financial resources in order that the Council can undertake the Test of Resources
- The appropriate number of quotes
- Evidence that the property owner consents to the adaptations
- Any other document deemed as necessary to enable a fair and consistent decision making process

- 10.3 Officers from the Council will assess the appropriate documentation submitted to ensure that it forms a valid application.

- 10.4 The Council will not usually approve an application for grant where the relevant work has already begun. It can approve however if it is satisfied that there were good reasons for beginning the works before the application was approved. Any grant offer may be reduced to reflect the works undertaken prior to approval.

- 10.5 The Council will not approve an application for a DFG if the relevant works have been fully completed.

11.0 Payment Of Grant

- 11.1 The legislation requires the Council to pay the grant on condition that the work has been carried out to its satisfaction. It also states that it is able to pay the contractor direct where it has advised the grant applicant prior to the grant being approved that this would be the method of payment.

- 11.2 The Council has resolved through this policy that it will pay the contractor direct and the grant applicant will be notified of this prior to the grant being approved.

- 11.3 The Council will inspect the works once completed and, if in their

professional opinion the work has been done satisfactorily, will pay the contractor direct to the value of the grant. Any other payments for which the grant applicant is responsible must be made by the applicant.

- 11.4 If the Council is not satisfied with the standard of work it will retain the grant money until such time as any works issues have been resolved at which point it will pay the contractor.
- 11.5 If the applicant is not satisfied with the standard of work, the Council will withhold the payment for those works deemed unsatisfactory until the builder makes good. It is important to note that the Council will not withhold payment unreasonably.
- 11.6 If an agreement on satisfactory completion cannot be reached the Council retains the right to make the final decision and release or withhold payments at its own discretion.

12.0 Grant Conditions Following Completion

There are certain grant conditions that run for a period of time following the completion of the grant (the grant condition period). These conditions will run from the certified date i.e. the date at which the Council has certified that the works have been carried out to its satisfaction.

12.1 Repayment in cases of disposal of the premises

- 12.1.1 The Council will demand repayment of mandatory DFG's by the applicant of such part of the grant that exceeds £5,000 (but will not demand an amount in excess of £10,000) if
 - (i) the grant recipient disposes (whether by sale, assignment, transfer or otherwise) of the premises in respect of which the grant was given within 10 years of the certified date; and
 - (ii) the Council, having considered the exemptions specified by the relevant legislation, is satisfied that it is reasonable in all the circumstances to require the repayment.
- 12.1.2 If a grant recipient is of the opinion that any of the exemptions may be appropriate then they will be required to submit written representations to the Council setting out their case in full. The decision on whether to waive either all, or a proportion, of the grant recovery will be made by the Head of Service.
- 12.1.3 This repayment condition will be applied as a local land charge and is binding on any person who is the owner of the dwelling or building. It will only be lifted upon full settlement of the charge.

13.0 Installation Of Equipment And Maintenance

- 13.1 Equipment which can be installed and removed without major disruption and does not require structural modification will not be funded by either a mandatory or discretionary DFG. The cost of supplying such equipment

will fall to Essex County Council and can include outdoor grab rails and stand-alone shower chairs.

13.2 Typically the type of equipment that can be funded by a mandatory DFG includes*

- Stair lifts
- Through floor lifts
- Rise and fall showering tables that are electrically powered,
- Rise and fall baths that are electrically powered
- Wash and dry toilets

*this is not an exhaustive list

13.3 Where the provision of equipment is funded by a mandatory DFG it is the responsibility of the applicant to take out the necessary insurances and maintenance agreements to ensure the equipment is properly maintained. The Council will not normally include the cost of a supplier's maintenance/service agreement beyond the manufacturers/installers own guarantee.

13.4 If a grant application is made for replacement of defective/obsolete equipment it will not be approved if it can be shown that the equipment can be repaired at a reasonable cost in comparison to renewal. In such cases the costs of the repairs will fall to the householder.

13.5 A grant may not usually be made for the replacement of equipment which has become defective through misuse by the applicant or in cases where the applicant has failed to ensure appropriate maintenance.

14.0 Contractual Relationships

14.1 Following the referral from the Occupational Therapy Service at Essex County Council, officers from Braintree District Council will draft the required schedule of works. The scheduled works will form the basis upon which the contractors will quote. As referred to above at paragraph 8.3 the grant applicant will need to obtain at least two quotes, however officers will source such quotes on behalf of the applicant where the applicant has requested that the Council acts as their agent. The Council reserves the right to charge a fee for this and associated services i.e. scheme design, producing plans and specification, release of interim payments, assistance with the completion of application forms, inspection of works, etc.

14.2 The agreement for works to be carried out at a property is a contractual agreement between the applicant and the building contractor.

14.3 Whilst work is being undertaken officers will wherever possible visit the property to ensure that the work is being undertaken as per specification and when the work is completed, the officer will carry out a final inspection to ensure it has been completed satisfactorily.

14.4 Grant applicants must be aware however that the Council is in no

way responsible for the work of the contractor and that there are no contractual obligations between the building contractor and Braintree District Council.

14.5 The purpose of the final inspection is simply to protect the public purse. All contractual relationships with respect to the carrying out of the work are between the grant applicant and the building contractor.

14.6 If there is a dispute between the grant applicant and the building contractor, the Council will endeavour to resolve the situation amicably but cannot be held responsible unless by act or default the Council has caused the issue which led to the dispute.

15.0 Complaints

15 Where Applicants are dissatisfied with the service they have received (including where a grant has been refused), they should contact the Environmental Health Manager (Housing & Pollution) at the main Council address. If the matter is not resolved to the Applicants' satisfaction they can make a formal complaint via the Council's adopted Customer Complaints procedure, https://www.braintree.gov.uk/info/200135/complaints/88/complaints_procedure.

16.0 Policy Amendments

16.1 The Cabinet Member for Environment and Place has delegated authority to make minor policy amendments which do not affect the broad thrust of policy direction.

Fourth Quarter and Annual Performance Management Report 2017/18		Agenda No:7a
Portfolio	Finance and Performance	
Corporate Outcome:	A high performing organisation that delivers excellent and value for money services	
Report presented by:	Councillor David Bebb, Cabinet Member for Performance and Finance	
Report prepared by:	Tracey Headford – Performance and Improvement Manager	
Background Papers: Fourth Quarter and Annual Performance Management Report 2017/18		Public Report
		Key Decision: No
Executive Summary: The purpose of the attached report is to summarise the performance of the Council at the end of the quarter (January 2018 to March 2018) and for the end of the year. As at the end of March 2018, a total of 44 projects have been completed and a further 15 projects are on track. Thirteen performance indicators have achieved or exceeded target, two have missed target by less than 5% and five have missed target by more than 5%. The performance indicator missing target by less than 5% relate to the tonnage of household waste not recycled and the number of affordable homes delivered. The performance indicators that have missed target by more than 5% are in relation to the percentage of household waste sent for reuse, recycling and composting, the number of visits to our Leisure facilities, participation of under 16’s in sport and health activities across the district, the number of passenger journeys on the community transport scheme and the time taken to process housing benefit/council tax benefit new claims. Full details can be found in the attached report.		
Financial Performance This part of the report provides the outturn financial position for the year. It examines spending on day-to-day service provision compared to the budget for the year. Also included is a summary of treasury management activities; movements on the General Fund balance; and a summary of spending on capital investment projects		
Summary Financial Position at the end of March <ul style="list-style-type: none">• An overall positive variance for the year of £782,000 (5.4%) against budget.• Income was overachieved by £492,000; with an overall underspend of £290,000 on Staffing and Other Expenditure.		

- This represents an increase in the overall positive variance from that reported at Quarter 3 (Q3) of £552,000, mainly as a result of changes in the final position on Staffing and Other Expenditure.
- A number of the variances were highlighted during the year and, as they were expected to be on-going, were included in the base budget approved for 2018/19.

For a detailed explanation of the financial performance, please refer to page 20 onwards of the full report.

Decision: To note and endorse the report.

Purpose of Decision: To inform the Cabinet of the performance of the Council.

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

FOURTH QUARTER PERFORMANCE MANAGEMENT REPORT

1st January 2018 to 31st March 2018



AND ANNUAL PERFORMANCE REPORT

2017/18

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Section 1: Introduction and Summary






Purpose of the Report

The purpose of the report is to demonstrate the performance of the Council at the end of the fourth quarter and the end of the year in relation to the publication of the 'Annual Plan 2017/18'. This sets out the key activities and measures used to check our performance for the year and along with the Corporate Strategy 2016-20 sets out the priorities we are working towards. Further detail is given in relation to a set of business performance indicators covering finances, customer focus, our people and health and safety.






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

Summary of the Corporate Projects current position for the end of the year

The following table provides updates for the end of the year in relation to the key activities in the 'Annual Plan 2017/18'.




Corporate Priorities	Status of projects and actions				
					
Environment and Place	7	1	0	0	0
Strategic Growth and Infrastructure	4	6	0	0	0
Economic Development	9	4	0	0	0
Health and Communities	9	4	0	0	1
Finance and Performance	10	0	0	0	0
Overall Strategy and Direction	5	0	0	0	0
TOTAL	44	15	0	0	1

KEY:




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

Summary of the Performance Indicators position for the end of the year

The following table shows the performance for the end of the year in relation to the quarterly and annually reported Performance Indicators that have targets set as defined in the 'Annual Plan 2017/18'.

Corporate Priorities	Status of indicators			
				Data Only
Environment and Place	3	1	1	0
Strategic Growth and Infrastructure	1	1	0	0
Health and Communities	3	0	3	0
Finance and Performance	6	0	1	0
TOTAL	13	2	5	0

KEY:

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

Summary Position

The Council has performed well throughout the year with 44 projects completed and a further 15 on track. Thirteen performance indicators have met or exceeded target at the end of the year with seven performance indicators missing target.

We are now half way through our four year Corporate Strategy. We have used the challenges we face as a catalyst to do things differently, such as exploring the development of Garden Communities and the viability of setting up a housing development company to deliver much needed homes. We are working with Essex County Council and Highways England to identify improvements to our roads leading to better journeys in and around the district. We are committed to assisting business start-ups by providing grow-on units and we continue to support local businesses by delivering a range of engagement events.

Our innovative investment in local health facilities has been recognised nationally and we continue to develop better ways of providing support to vulnerable, isolated and lonely residents whilst also working with a range of partners to deliver our Livewell campaign and to develop a dementia friendly community.

The Council faces a number of financial pressures which it is tackling head on by working smarter, thinking more commercially and investing in the future of the district. Our Digital Strategy will help us to focus on how we make the best use of technology to deliver better outcomes for our customers and by thinking more commercially, we will generate a good return on investments which can be ploughed back into front line services to benefit the community.

Some of our more ambitious projects will continue into next year enabling us to deliver better services to our customers, creating a district where people are happy to live, work and be healthy.



Environment and Place

Project description and comments	Target Date	Status
Continue to support the Essex Waste Management Partnership to reduce waste, increase recycling and participate in countywide campaigns		
A kerbside textile collection pilot continues to progress well and will run until May 2018. Data collated will be assessed to determine the success of the trial. The recycling team at Braintree is working alongside Essex County Council and the University of Essex to look at interventions that can minimise waste. All campaigns for 2017/18 have been achieved and we will continue to support the partnership and participate in further campaigns and initiatives in 2018/19.	March 2018	✓
Upgrade and improve recycling bring bank sites in the Braintree District to ensure they are fit for purpose and meet customer demand		
Surveys of the recycling bring bank sites have taken place to review the conditions of each site and note the size of containers required to meet customer demand. The project has been extended by one month to allow the analysis of the surveys to be presented.	April 2018	▶
Increase recycling by working with businesses to review their waste disposal requirements and provide a high quality commercial waste and recycling service		
The commercial waste service has been improved and crews are now equipped with handheld devices providing information on the type of business, their container and frequency of collection ensuring a high quality service is delivered to around 1200 businesses across the district.	March 2018	✓
Protect larger public open spaces in the District from unauthorised access, including illegal encampments, to maintain the quality of the local area and prevent disruption and inconvenience to local residents		
The scheduled protection works to nine sites across the District have now been completed providing fencing and bollards to protect them from illegal encampments. A further schedule of works to the remaining open spaces will start in the new financial year.	March 2018	✓
Organise energy switching schemes throughout the year for both residents and businesses in the District to lower the cost of their energy bills, to address fuel poverty		
The four energy switching schemes over the year generated over 5,000 registrations of which 2,000 switched saving an average of £182.	March 2018	✓
Work with other Essex Councils and the Environment Agency to tackle fly tipping in the District and across the County to keep the area clear of rubbish		
Through the Cleaner Essex Group, Braintree District Council worked in partnership with other local authorities to launch the campaign #crimenottocare raising awareness across Essex to the public over their responsibilities to dispose of rubbish correctly. Throughout the year, the council dealt with 767 fly tips which were cleared within 24 hours of receiving the report.	March 2018	✓
Maintain a focus on investigating and enforcing littering and dog fouling incidents to help keep the District looking clean and tidy		
Braintree District Council will continue to maintain a focus on investigating and enforcing littering and dog fouling incidents. A total of 64 fixed penalty notices have been issued in the year with twelve prosecutions have taken place in relation to litter and dog fouling.	March 2018	✓

Deliver a dog fouling campaign to change the behaviour of irresponsible dog owners		
Braintree District Council joined forces with Keep Britain tidy to launch the dog fouling campaign 'We're watching you' in December 2017 targeting areas where there is a known increase in dog fouling during the darker evenings.	March 2018	✓



Strategic Growth and Infrastructure










Project description and comments	Target Date	Status
Produce a Draft Local Plan to submit to Government for examination		
The evidence base to support the Local Plan has now been completed and is published to support the current consultation on the Draft Local Plan.	June 2017	✓
The Local Plan was submitted to the Planning Inspectorate in October 2017 and examination will take place in January 2018.	October 2017	✓
Continue to explore the development of Garden Communities alongside the decisions in the Local Plan to provide housing, employment and supporting infrastructure to address our long term housing and community needs		
In respect of the submission for the west of Braintree Garden Community, Braintree District Council, the first of three consultations on the development plan ended in January 2018 and the consultation responses have been processed and published. The comments received will be used to create a more defined plan which will then be subject to further public consultation.	November 2018	▶
The first of three consultations in respect of the submission for the west of Colchester Garden Community ended in January 2018 and the consultation responses have been processed and published. The comments received will be used to create a more defined plan which will then be subject to further public consultation.	November 2018	▶
Explore the viability of setting up a Housing Development Company to deliver new mixed-tenure homes across the District.		
A strategic Project Manager has been appointed to lead on the business plan for the Housing Development Company. They are currently working on the initial business case for the Housing Development Company and further work is underway to review the business case and agree a financial model.	March 2022	▶
Develop a new Homelessness Strategy for 2018 to 2023 to prevent and alleviate homelessness		
A workshop was held with partner organisations in October to enable officers to understand the key issues facing them, to share information about legislative changes and to consider strategic issues which need to be addressed when considering how best to deliver the service under the new legislation. This will also help to inform the Strategy Action Plan. An independent adviser is looking at the options for temporary accommodation and how we can improve access to the Private Rented Sector. The project has been extended by a month and a workshop with partners scheduled for April.	April 2018	▶
Work with partner agencies to continue to drive forward strategic improvements to the Braintree and Witham rail link		
A review meeting with Network Rail was held in November 2017 on the first phase of the Governance for Railway Investment Projects (GRIP) study. Braintree District Council continues to discuss the next steps and potential costs for the second phase of GRIP. The project will continue into next year.	March 2018	✓

Continue to work with Essex County Council and Highways England to identify and deliver improvements to the A120 and A12		
Essex County Council has been awarded £4.95m from the Government's National Productivity Investment Fund (NPIF) for the A120 Millennium Slip roads. Essex County Council is leading on the scheme, and has indicated detailed design will be completed by 2019/20 with construction starting in 2020/21. Officers at Braintree District Council continue to attend regular progress meetings with Highways England and Essex County Council.	March 2018	✓
Work with Essex County Council to tackle congestion at Springwood Drive and Panfield Lane		
Essex County Council continues to look at different options for the Springwood Drive roundabout and now has indicative costs. These options are being looked at in conjunction with the S106 requirements for the land West of Panfield Lane, Braintree. This project will continue into next year and the end date of the project has been revised.	March 2019	▶
A planning application has been submitted for the provision of a spine road at Panfield Lane and indicative costs have been received. Braintree District Council and Essex County Council are looking to work with the developer to bring forward the spine road. The developer has submitted a viability appraisal which the Planning Department will respond to. This project will continue into next year and the end date of the project has been revised.	March 2019	▶



Economic Development








Project description and comments	Target Date	Status
Improve existing industrial estates and business parks to retain businesses within the District and support business growth		
A meeting was held in March with Highways to talk through the project including signage regulations and positioning on the site. Revisions to the signs have been agreed and a revised planning application will be submitted to reflect the changes being made once a redraft of the plans has been received. This project will continue into next year and the end date of the project has been amended.	March 2019	▶
Attract investment to the District by delivering the Braintree Enterprise Centre grow-on space and securing at least one pre-let tenant from within one of the District's key sectors		
Construction commenced in January 2018 and the works are progressing well. The revised programme shows delivery of the four grow on units and car park in July 2018. The project end date has been extended to reflect this.	July 2018	▶
Secure the required funding package to deliver the Witham Enterprise Centre		
The Council is committed to the delivery of high-quality business premises, including grow-on units to promote business start-ups and growth, in Witham. A suitable site has been identified and will be acquired at nil capital cost to the public purse through the prudent use of the planning system. This commitment is underpinned by an allocation of £500,000 of funding to support the project via the District Investment Strategy.	March 2018	✓
Strengthen business engagement by delivering a programme of business events and monthly visits to ensure two way communications with businesses		
A survey was launched in March to gain insight from local businesses as to	March 2018	✓

how they want to be engaged and the support they require. The results of the survey will help to shape a new engagement programme and the future provision of business support to the local economy.		
Support the Haven Gateway Partnership in establishing a Sectoral Business Network that has strong engagement from Braintree businesses		
Research meetings for the Haven Gateway Economic study have taken place with industry experts answering questions and providing their views as to how authorities can help their sector to grow. Consideration and approval of the draft study by the Haven Gateway has been delayed and it is hoped this will be presented at a meeting in June. The end date of the project has been extended accordingly.	July 2018	
Launch an Employment and Skills Partnership Board to address educational attainment and employment skills needs within the District		
The Employment and Skills Partnership Board has been established and the first meeting held in June was attended by eight external stakeholders.	June 2017	
Ensure businesses understand the Apprenticeship Levy and utilise it for the best outcome for young people		
Detailed guides have been published and events held with businesses to raise awareness of the Apprenticeship Levy. The Braintree District Education and Skills Board will continue to work with employers on Apprenticeships.	September 2017	
Engage with schools to encourage students to realise the benefits of apprenticeships and vocational further education in STEM (Science, Technology, Engineering and Maths) subjects		
Officers have established good working relationships with the schools in the District and meet regularly through the Braintree Information, Advice and Guidance (IAG) Cluster group. Continued support will be provided and projects developed through the Braintree District Education and Skill Board.	March 2018	
Agree a vision and strategy for Braintree Town Centre to complement the regeneration of Manor Street and to enhance the appeal of the town centre to visitors		
The latest plans for the proposed development on the land between Manor Street and Victoria Street in Braintree were displayed at an exhibition in January 2018. The proposed development comprises of a new GP surgery, pharmacy, 70 bed hotel, 35 apartments, a new bus interchange, car park, café/restaurants and public realm improvements. Pre-application meetings have been held and a full business plan will be presented to Cabinet in May 2018.	March 2020	
In partnership with Essex County Council, deliver the regeneration schemes in Witham and Halstead		
In respect of the improvements for Halstead, spatial plans for the improvements have been prepared and issued to the Highways Authority for a principle decision which is currently still in progress. This project will continue into next year.	March 2018	
A series of studies and reports have been completed to look at the impact of the proposals on the highway network, market rights and other private rights that relate to the site area in Witham. A summary report recommending options to proceed has been prepared for a decision on the next steps. This project will continue into next year.	March 2018	
Deliver the business hub on the Premdor site in Sible Hedingham		
The business hub has now been constructed and is expected to be handed over to BDC in the new year to let the buildings.	December 2017	
Continue to work with Essex County Council on implementation of the Superfast Essex programme to increase superfast broadband coverage across the District		
Superfast Essex has invested up to £1.05 million in the Braintree District under Phases 1, 2 and 3 of the programme. Phase 2 is currently being deployed and Braintree District Council will continue to invest in the programme through Phase 4a supporting the district to reach 99% superfast broadband coverage by the end of 2020.	August 2017	



Health and Communities

Project description and comments	Target Date	Status
Introduce the 'Livewell Child' project in selected schools across the District to support children and families to make healthy lifestyle choices, with the ambition of halting the accelerated growth in childhood obesity		
Winners from the recipe competition have been announced from 24 entries received across 7 schools. There were 10 winners from different categories and prizes have been distributed. A successful workshop was held in March providing information on the work completed so far and asking stakeholders to comment and contribute ideas for the second year of the 'Livewell Child' project. The feedback received will assist with setting actions and projects for next year which aim to build on relationships established with communities to tackle the issue of childhood obesity. Other areas of work will focus on growing your own produce, looking up from a screen, getting together around the table and lunchbox heroes. In the next term, Livewell water bottles and lunchboxes will be delivered encouraging children to drink more water throughout the school day and make sure that they are having healthy snack choices in their lunchboxes.	March 2019	
Install state of the art disability access hoists at Halstead and Braintree swimming pools		
The disability access hoists are now installed at Halstead and Braintree Swimming Pools enabling easy access in and out of the water for individuals with reduced mobility.	August 2017	
Install a drainage system at the sports pitches in Deanery Gardens and King George V playing field to ensure the pitches can be used throughout the year		
This project has been transferred into next year's delivery plan as the installation of a piped drainage system needs to take place outside the football season to minimise the impact on residents using the facilities.	May 2017	
Improve the playing experience at Witham Sports Ground by replacing the artificial surface and installing a new 2G surface		
The artificial surface at Witham sports ground has now been installed providing clubs using the facilities with an improved playing experience.	September 2017	
Replace the safety surfacing where needed at various play areas across the District to provide a better and safer environment for visitors		
The safety surfacing at various play areas across the District has now been replaced providing a safer environment for visitors.	March 2018	
Recognise the contribution volunteers make to our District by holding a Community Awards event to celebrate success in this field		
More than 50 nominations were received highlighting people who make a great contribution to their communities. At an event held in April 2017, six winners were celebrated with one person crowned as the overall winner. A further event will be held in May 2018.	April 2017	
Continue to invest in local health facilities across the District by providing doctors surgeries that can meet current and future needs as the District grows including towns and rural areas, e.g. Witham and Sible Hedingham		
An option appraisal carried out by NHS has recommended a preferred location for a new healthcare facility in Witham. Designs and costs are being looked at	March 2018	

to assess the viability of the scheme. The project team will continue to monitor progress of this project.		
Braintree District Council continues to work with local surgeries and the NHS to build a new modern fit for purpose surgery at the Premdor site in Sible Hedingham. Architects and cost consultants will be appointed in April and a full business plan for the NHS will be submitted in September. This project is ongoing and the end date of the project has been amended.	March 2019	
Develop and deliver better ways of providing support for disabled and frail residents by improving the allocation of the Better Care Fund		
An advanced handy person scheme has now been agreed which will provide assistance to the more vulnerable residents in our District to allow them to live independently in their own homes.	March 2018	
Deliver an awareness campaign and initiatives to support isolated and lonely residents		
A new project called 'Halstead Connected' was piloted in January to address social isolation and loneliness. A 'Live Well, Keep Safe' event took place in January with 43 residents attending and supported by 17 partner organisations. 27% of people who attended stated that they had felt lonely in the last few months and 61% felt that attending these type of events helped them to feel less lonely. As the 'Halstead Connected' project did not start until half way through the year, the project has been extended until June 2018 to allow time for a final report to be received from the Young Foundation which is expected in May 2018.	June 2018	
Develop the Braintree District Community Transport Scheme Action Plan 2017-2019 to ensure we have a scheme to support our residents with their travel needs		
A number of improvements have been implemented following a review of processes and a further review is scheduled to start in the summer looking at the delivery options for the scheme and how we can use resources efficiently. Customer needs for the scheme are changing and the team are dealing with more customers who have complex or specific requirements increasing the need for specialist transport. The end date of the project has been amended to December to accommodate the review.	December 2018	
Deliver a range of 'age well' activities across the District to encourage inactive over 60's to become active again		
The 'age well' activities introduced across the District such as walking football, racket ball, chair based exercise, sports for confidence and a seated dance have been well received and the new activities are now part of the regular activities available at our Leisure facilities.	March 2018	
Support community groups to deliver local projects and activities through the Councillors' Community Grant Scheme		
The Councillor Community Grant scheme has enabled a variety of groups to begin new projects or maintain existing projects benefiting a large number of residents. Since the scheme began in April 2016, a total of £104,190.07 has been awarded through the scheme.	March 2018	
Work with the Braintree District Dementia Action Alliance to develop a dementia friendly community to raise awareness and transform the lives of people living with dementia		
A range of activities such as walks, tea dances and swimming have been introduced improving the quality of life for people living with dementia and their carers.	March 2018	



Finance and Performance





Project description and comments	Target Date	Status
Increase the amount of Council Tax collected by participating in an Essex wide initiative to compare data to help detect and address errors or possible fraud		
The system is fully operational with data from a number of sources being run and compared within the system on a monthly basis. Council Tax accounts identified as having conflicting information are investigated and an officer has been assigned to undertake the investigations.	March 2018	✓
Implement a new discretionary business rate relief scheme for charities and not-for-profit organisations which is clear and transparent to all applicants supporting the organisation's activities which directly benefit Braintree District residents		
The revised discretionary business rate scheme for charities has been implemented. Organisations which have completed the new application form have been assessed against the new scheme criteria and have been informed of their award and a revised bill issued during September. The new scheme is effective from 1st October 2017. Discretionary relief has been removed from this date from those organisations which have not completed the new application form.	October 2017	✓
Take a commercial approach to how we operate to protect front line services by maximising the potential to generate income		
The new Commercial Manager has started development of a new two year commercial programme centred around reviewing spend, management and relationship development with key suppliers, identifying opportunities to grow income or reduce costs and reviewing services across the Authority.	March 2018	✓
Support local businesses by offering sponsorship and advertising opportunities		
A unique range of sponsorship and advertising opportunities have been developed such as sponsoring roundabouts and advertising on vehicle billboards, in carparks and in publications. These opportunities offer maximum visibility across the district for local businesses. All income generated is reinvested into front line services.	March 2018	✓
Use our assets (e.g. land, buildings, money) to deliver value for money for taxpayers whilst seeking to generate a reasonable revenue return for reinvestment		
Following a meeting with the Council's treasury advisors in January 2018 it was agreed that a further sum of £1m would be invested in an equity fund. This was placed in February 2018 increasing the amount invested in pooled equity and property funds to £16m. The limit which can be invested in Pooled Funds was increased to £20m by Full Council in October 2017. The total amount of dividend received on pooled funds in 2017/18 was £730,161, which equates to a return of 4.84% for the year.	March 2018	✓
Improve customer focused services by delivering a programme of continuous improvement to maintain the Customer Service Excellence accreditation		
The Council has successfully achieved the Customer Service Excellence accreditation for a further year gaining full compliance in all areas assessed and nine areas of compliance plus. The certificate will be presented at Full Council in July.	July 2017	✓
Raise awareness of the services available on-line and support customers to be able to use them		
A Digital Strategy has been agreed which sets out the vision for digital services over the next 4 years. A Digital Plan has been set up which sets out the actions	March 2018	✓

the Council will undertake in 2018/19 to deliver the strategy and measure success.		
Improve our website and associated technologies to ensure they are convenient and easy for customers to use		
A business case to procure an online booking system was approved in February 2018 and a review of the current booking processes has been undertaken to understand where improvements are required. Funds will be made available from April 2018 to progress the project and implement an online booking system.	March 2018	✓
A review of a Customer Relationship Management (CRM) system to enable better engagement with customers has been completed and will now be picked up under the Digital Strategy project.	March 2018	✓
A new email service called 'tell me more' was launched in July with over 1700 subscriptions received from residents wanting to receive information that really matters to them such as refuse, recycling or street cleaning updates, planning news, health and well-being tips and events, job vacancies or event emergency alerts. The updates will help residents stay informed and be signposted to the growing range of services and information that is available online.	July 2017	✓
















Overall Strategy and Direction













Project description and comments	Target Date	Status
Deliver projects under the District Investment Strategy to achieve better outcomes for the District and a return for the taxpayers purse by: <ul style="list-style-type: none"> • Working in partnership to improve health provision across the District • Carrying out improvements to our three Town Centres • Providing increased opportunity for new business and employment • Identifying and delivering improvements to our most congested roads • Delivering investment opportunities that support growth and provide a return for the District Council 		
Braintree District Council continues to work in partnership to provide modern healthcare facilities in Witham, Sible Hedingham, and Braintree. Essex County Council is currently appraising the different options to improve the A120 and recommendations for a favoured option will be announced in Summer 2018. Essex County Council has been awarded £4.95m to move forward and deliver the Millennium Way slip roads to relieve congestion at Galleys Corner. Essex County Council is also looking at different options for the Springwood Roundabout working with developers to bring forward a spine road at Panfield Lane. An exhibition was held at the Town Hall in January displaying the latest plans for the proposed regeneration of Manor Street and a full business case will be presented to Cabinet in May. Works continue on plans for physical improvements to Halstead and Witham Town Centres. The District Investment strategy has allocated £500,000 of funding to support the delivery of high quality business premises in Witham. Projects under the District Investment Strategy are reported on throughout this report and will ensure a reasonable level of return.	March 2018	✓
Work effectively with Highways England, Essex County Council and other key partners to support the planned A12 widening scheme from Chelmsford to A120 and the campaign for improvements to		

the A120 (Braintree Town to A12) with the recommendation of a preferred option to be considered by Government for inclusion in the next Road Investment Strategy (runs from 2020 to 2025)		
ECC are currently appraising the different alignment options to improve the A120 between Braintree and the A12. Once these technical studies are completed, they are looking to recommend a favoured option to Highways England in summer 2018. ECC's aim is to get the A120 Braintree to A12 upgrade into the Government's Road Investment Strategy 2 (RIS2). This is money the Government sets aside for investing in strategic roads across the country between 2020 and 2025. This is expected to be announced in 2019.	March 2018	
To continue to work collaboratively with partner authorities (Tendring District Council, Colchester Borough Council and Essex County Council) and other public and private sector organisations to plan for and enable sustainable growth in homes and jobs in the north Essex area		
Braintree District Council continues to work with three other local authorities on proposals for North Essex Garden Community projects to deliver over 40,000 homes and 10,000 jobs in the north Essex area which includes a shared part one of the proposed Local Plan. North Essex has been shortlisted and could benefit from up to £100 million in the Governments Housing and Infrastructure fund designed to improve infrastructure to help build homes.	March 2018	
Create the conditions for economic growth by refreshing the Economic Growth Prospectus which sets out how we intend to grow existing businesses and attract new businesses in key sectors		
The Plan for Growth which sets out how the Council plans to deliver growth and prosperity to the District over the next five years was published in November 2017 and replaces the Economic Growth Prospectus.	March 2018	
Undertake a review in conjunction with Essex County Council to identify opportunities to enhance the visitor experience at Great Notley Country Park making full use of the leisure, recreational and natural facilities the park has to offer and to improve and sustain the Park financially for future generations to use and enjoy		
A briefing note was completed in January 2018 setting out the key issues in relation to the potential development of a David Lloyd (Multi-Adventure) Theme Parks based at Great Notley County Park. This was considered by the Leader and Deputy Leader and a decision taken not to actively pursue this option at that time.	March 2018	

Section 3: Managing the Business

Our Performance Indicators in Detail

Performance Indicator	2017/18									Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	Yearly Outturn	Yearly Target	Status at the end of the year	
Environment and Place										
Percentage of land that falls below cleanliness standards for litter	n/a	3%	1%	4%	6%		3%	6%		
Percentage of household waste sent for reuse, recycling and composting	54.57%	54.40%	49.39%	43.30%	44.80%		50.41%	60%		Over the 12 month period overall levels of recycling reduced by 2.55% (344 tonnes) reflecting the lower levels of recycling collected. The yearly target of 60% is an aspirational target Braintree District Council have signed up to as part of the joint municipal waste strategy for Essex and we are looking at waste minimisation initiatives to drive down residual waste and increase recycling
Tonnage of residual household waste not recycled	110kgs	113kgs	108kgs	115kgs	108kgs		446kgs	430kgs		Over the 12 month period the tonnage of residual waste increased by 1.95% (546 Tonnes). This is reflected nationally and includes growth in the District and lower level of waste being recycled.
Number and percentage of fly tips cleared within 24 hours of being reported	100% (163)	100% (203)	100% (184)	100% (217)	100%		100% (767)	100%		
Number of fuel poverty and domestic energy reduction installations carried out	Annually reported indicator						518	300		The outturn figure covers the period April to December. We are still awaiting the figures for the last three months of the reporting year.
Strategic Growth and Infrastructure										
Number of affordable homes delivered	34	2	65	23	46		124	130		This is lower than the previously forecast due to unexpected delays on Greenfields schemes in Kelvedon and the Crest/CHP scheme in Bakers Lane. Delivery of affordable homes over the 4 year period is still expected to be met.
Number of homes granted planning permission	279	420	1,099	512	250		2,310	845		

Performance Indicator	2017/18									Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	Yearly Outturn	Yearly Target	Status at the end of the year	
Health and Communities										
Percentage of substantial Disabled Facilities Grants approved within timescales	88%	86%	100%	95%	80%		90%	80%		
Percentage of critical Disabled Facilities Grants approved within timescales	100%	83%	100%	80%	80%		88%	80%		
Total number of visits to our Leisure facilities	217,193	229,306	204,938	246,824	280,095		898,261	1,041,121		The closure of Braintree swimming pool has impacted on overall participation levels. Targets set are based on Fusion's aspirational 5% increase however, the contract with Fusion requires only a 2% increase year on year which would be 923,654. This is 3% above this year's outturn and a drop in numbers was expected due to the closure of the pool. Fusion continues to develop campaigns and introduce new activities to attract and retain customers and Braintree District Council will monitor participation levels through regular reports and meetings.
Number of passenger journeys on the Community Transport Scheme	13,067	10,878	10,169	10,120	12,526		44,234	52,000		Customers' requirements for the service are changing. There is an increased need for specialist transport which impacts on the capacity for groups hiring minibuses. Two of the older minibuses have been replaced which will assist in meeting demand moving forward. The performance indicators used to measure the service have been reviewed to ensure we are capturing the right information to assist in a future review looking at the delivery options for community transport.
Participation of over 60's in sport and health activities across the District	16,154	17,388	16,398	20,513	15,000		70,453	60,000		
Participation of under 16's in sport and health activities across the District	36,931	41,226	40,076	48,800	62,400		167,033	249,600		The closure of Braintree swimming pool impacted on participation due to the loss of swim school, school swimming lessons, swimming club, children's pool parties and casual swim and not all customers from swimming lessons have returned. The target set did not take into

Performance Indicator	2017/18									Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	Yearly Outturn	Yearly Target	Status at the end of the year	
										account the impact of the closure of the swimming pool. Fusion are actively developing campaigns and activities to increase participation levels.
Finance and Performance										
Average call answer time in the Customer Service Centre	15 seconds	17 seconds	12 seconds	12 seconds	15 seconds		14 seconds	15 seconds		
Time taken to process housing benefit/council tax benefit new claims	17.68 days	18.31 days	20.49 days	20.46 days	18 days		19.24 days	18 days		The number of new claims processed has started to decrease following the introduction of Universal Credit in October. There are two elements impacting on the performance – claimants receiving universal credit still apply to the Council for Local Council Tax support and it is taking longer to receive information from the DWP about the amount of universal credit awarded to the claimant. Secondly, working age claimants in supported housing still receive housing benefit from the Council and historically these claims have taken longer to process.
Time taken to process housing benefit claim changes	6.1 days	6.16 days	4.5 days	4 days	6 days		5.19 days	6 days		
Percentage of Stage 1 complaints responded to within target	93%	97.65%	91.20%	95.45%	90%		94.55%	90%		
Collection rate for Council Tax	30.82%	59.25%	87.20%	98.39%	98.2%		98.39%	98.2%		
Collection rate for Business Rates	30.84%	58.07%	84.60%	98.92%	98.5%		98.92%	98.5%		
Percentage of invoices paid within 30 days of receipt	99.49%	99.66%	99.25%	99.20%	98.5%		99.40%	98.5%		

Complaints

The quarterly complaints analysis for the fourth quarter of 2017/18 and the end of the year is detailed below. This is compared with 2016/17 figures shown in brackets. The figures represent all three stages of the complaints process.

Complaint Category	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q4 2017/18	TOTAL
Justified	64 (112)	67 (52)	38 (46)	60 (63)	229 (273)
Not Justified	69 (72)	79 (104)	67 (73)	81 (62)	296 (311)
Partially Justified	27 (31)	31 (24)	22 (23)	17 (15)	97 (93)
Not known	0 (0)	1 (3)	3 (0)	0 (0)	4 (3)
Total	160 (215)	178 (183)	130 (142)	158 (140)	626 (680)

Comments

The number of complaints received in the fourth quarter of the year is higher than the number of complaints received in the third quarter of the year. Overall, at the end of the year, there is a downward trend in the number of complaints dealt with by Braintree District Council.

For the complaints received in the fourth quarter, the majority relate to missed waste collections due to the adverse weather conditions in March resulting in the unplanned suspension of garden waste to enable crews to focus on clearing refuse and food bins not collected. The service continues to monitor issues with missed waste collections and endeavour to return within 48 hours of the missed bin being reported.

In the fourth quarter of 2017/18, of the 158 complaints received:

- 154 are stage one complaints
- 4 are stage two complaints
- none are stage three complaints

A summary of Local Government Ombudsman cases:

In the fourth quarter of 2017/18, the LGO has received six new complaints. Two new complaints the LGO declined to investigate as there was no evidence of fault or injustice caused to the complainants. In respect of the other complaints received, the LGO are making their initial enquiries.

The LGO have also made a final decision on a complaint received in a previous quarter and decided not to investigate as the Ombudsman found no evidence of fault by the Council. One complaint received in a previous quarter is still being investigated by the LGO.

Our Organisation

The following is a selection of our people performance measures:

People: Indicators of Performance	Q1 17/18	Q2 17/18	Q3 17/18	Q4 17/18	Change on previous period	Yearly Target
Total headcount	467	468	468	466	- 2	-
Total number of posts	477	479	479	480	+ 1	-
Number of temporary staff	33	26	26	33	+ 7	-
Total staff FTE	421.71	423.41	423.68	421.45	- 2.23	-
Level of employee turnover	1.93%	2.56%	2.56%	1.93%	- 0.63	-
Number of leavers	9	12	12	9	- 3	-
Number of starters	12	16	12	7	- 5	-
Working days lost to sickness per employee	1.93 days	1.91 days	2.02 days	1.94 days	- 0.08	8.0 days
Percentage of staff with nil sickness	75.8%	61.9%	48.1%	37.1%	N/A	-
Number of learning hours	6329	7762	9087	8774	- 313	-
Number of delegates	221	243	389	395	+ 6	-
Number of apprentices **	11	17	17	16	- 1	-

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

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

Health & Safety

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

Health and safety is a crucial responsibility of everyone within the organisation. This information is used to improve the management of health and safety of staff, our customers, residents and other non-employees we come into contact with. Monitoring is undertaken by the corporate health and safety committee and action plans will be put in place where necessary.

Health & Safety: Indicators of Performance	Q1	Q2	Q3	Q4	
	(2016/17 figure in brackets)				
Total number of reported accidents/ incidents, calculated from:	10 (11)	10 (12)	26 (6)	13 (10)	
<i>Accidents/ incidents to employees</i>	8 (8)	8 (9)	20 (6)	12 (10)	<i>The high number of reported accidents was directly due to the icy conditions that prevailed for most of the fourth quarter</i>
<i>Accidents/ incidents to contractors</i>	1 (1)	2 (1)	5 (0)	0 (0)	
<i>Accidents/ incidents to non-employees</i>	1 (2)	0 (2)	1 (0)	1 (0)	
Time lost in days due to employee accidents/ incidents	0 (105)	20 (16)	8 (40)	28 (2)	
Number of reported verbal/ physical incidents to employees	0 (1)	2 (1)	1 (0)	0 (1)	
Number of near miss incidents	0 (0)	0 (0)	0 (1)	0 (1)	
Number of Accidents/ incidents registered resulting in insurance/ compensation claim	0 (0)	0 (0)	0 (0)	0 (1)	
Number of claims settled	0 (0)	0 (0)	0 (0)	0 (0)	

Financial Performance

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

Background

Full Council approved a budget of £14.389 million for the 2017/18 financial year. This included planned spending across all services totalling £11.964 million; corporate items amounting to £2.575 million; and an overall efficiency target to be achieved in-year of £150,000.

Financing of the budget was to be from a combination of: general government grants (£848,000); business rates (£4.611 million); and Council Tax (£8.930 million).

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

Summary Outturn Financial Position

- An overall positive variance for the year of £782,000 (5.4%) against budget.
- Income was overachieved by £492,000; with an overall underspend of £290,000 on Staffing and Other Expenditure.
- This represents an increase in the overall positive variance from that reported at Quarter 3 (Q3) of £552,000, mainly as a result of changes in the final position on Staffing and Other Expenditure.
- A number of the variances were highlighted during the year and, as they were expected to be on-going, were included in the base budget approved for 2018/19.
- During the year the Council has monitored its overall financial position with the following position reported at each quarter end:

	Quarter 1	Quarter 2	Quarter 3*	Outturn
	Reported Full-Year Projected Variance Adverse/ (Positive)			Actual Variance
Net Variance	(543)	(406)	(230)	(782)
Staffing	11	86	(25)	(155)
Other Expenditure	75	174	248	(135)
Income	(629)	(666)	(453)	(492)

*After a budget virement was agreed by Full Council to set aside £300,000 of overachieved planning income reported in previous quarters to a provision for potential future appeal costs

Revenue Spending

Service	Budget £'000	Actual Spend £'000	Adverse (Positive) variance against budget				RAG Status
			Staffing £'000	Other Expenditure £'000	Gross Income £'000	Total £'000	
Asset Management	(2,066)	(2,000)	(7)	79	(6)	66	A
Business Solutions	1,906	1,872	(30)	(3)	(1)	(34)	G
Community Services	376	367	2	(35)	24	(9)	G
Corporate Management Plan	1,263	1,234	(23)	(6)	-	(29)	G
Cultural Services	365	376	2	1	8	11	A
Environment	658	563	(53)	(12)	(30)	(95)	G
Finance	1,214	891	(147)	(134)	(42)	(323)	G
Governance	1,015	935	(23)	(15)	(42)	(80)	G
Housing Services	891	899	1	7	-	8	A
Human Resources	343	341	1	1	(4)	(2)	G
Leisure Services	(47)	(45)	-	10	(8)	2	A
Marketing and Communications	396	391	7	(6)	(6)	(5)	G
Operations	4,903	4,580	(112)	(24)	(187)	(323)	G
Sustainable Development	832	784	(63)	196	(181)	(48)	G
Service Total	12,049	11,188	(445)	59	(475)	(861)	G
Corporate Financing	2,490	2,419	140	(194)	(17)	(71)	G
Efficiency target	(150)	-	150	-	-	150	
Total	14,389	13,607	(155)	(135)	(492)	(782)	G

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

Staffing

Further details of the staffing budget variances are provided in the following table:

Service – Staffing Budgets	Budget £'000	Actual Spend £'000	Adverse/ (Positive) variance £'000	RAG Status
Asset Management	282	275	(7)	G
Business Solutions	1,110	1,080	(30)	G
Community Services	358	360	2	A
Corporate Management Plan	1,115	1,092	(23)	G
Cultural Services	163	165	2	A
Environment	1,314	1,261	(53)	G
Finance	2,381	2,234	(147)	G
Governance	440	417	(23)	G
Housing Services	773	774	1	A
Human Resources	287	288	1	A
Leisure Services	137	137	-	G
Marketing and Communications	327	334	7	A
Operations	5,022	4,910	(112)	G
Sustainable Development	1,912	1,849	(63)	G
Service Total	15,621	15,176	(445)	G
Corporate Financing	(245)	(105)	140	R
Efficiency target	(150)	-	150	
Net Total	15,226	15,071	(155)	G

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

Commentary on staffing variations:

Savings on staffing budgets have been achieved through a combination of retirements, vacant posts, reductions in contracted hours, appointments being made at lower grade/scale points, and through other service restructures and efficiency reviews. Overall, services have underspent by £445,000 against their staffing budgets, which is higher than reported at Q3 by £140,000.

The additional savings over that reported at Q3 were mainly in the area of **Finance** (+£52,000), with the balance spread generally across all other service areas.

The total service variance was offset by the following:

- **Capital salaries** - a reduction of £140,000 in staff costs attributable to time spent on capital projects (which would otherwise be funded from capital resources as opposed to being a charge against the General Fund revenue account). The original budget made an allowance for the value of this time which inevitably varies depending upon progress of capital projects and the nature of the works being carried out.
- **Corporate Efficiency Target** - the approved budget provided for a corporate efficiency target of £150,000 to be achieved from in-year staffing variances.

Taking these two items into account overall staffing budgets were underspent by £155,000.

Other Service Expenditure

Non-staffing expenditure was £135,000 below budget, a turn-round from the position reported at Q3 of a projected overspend of £248,000. The main service areas contributing to the final outturn were:

- **Finance** – an overall underspend of £134,000 – mainly relating to the net cost (after deduction of government subsidy) of Housing Benefit (HB) payments, which was £78,000 lower than budget. This represents a variance of 0.2% against the gross value of payments made in the year of £38.198million. Underspends were also made in terms of adjustments to prior year Council Tax Benefits (£25,000), and HB administration costs (£30,000).
- **Sustainable Development** – as reported in previous quarters, the service has experienced an increased number of planning applications (see comments under the income section below) which has resulted in the need to engage additional specialist planning consultants and staff resources resulting in spending being higher than budget by £130,000. Actual spending was higher in the Landscape Service (+£44,000) where the service has had to respond to an increased requirement for tree maintenance and compensation claims, as well as intervening where damage has been caused by storms.
- **Operations** – The Council incurred a significant increase gate fees payable to the Council's material recovery facility (MRF) operator. Under a revised contract, prices are linked to market indices which have been rising over the year in response to changes in the recycle markets. This resulted in expenditure being higher than budget by £148,000. However, the service has been able to contain this increased expenditure through other savings and underspends across the whole of Operations, resulting in a net underspend against non-staffing budgets of £24,000.
- **Corporate Financing** – There is an under spend of £192,000 of which £103,000 relates to a reduction on amounts set aside from revenue as provision for repayment of capital. Part of this (£51,000) relates to a temporary delay in acquiring new vehicles, with the balance relating to an internal voluntary arrangement on some recent investment property acquisitions. This latter element was removed from the 2018/19 budget as a corporate saving and, consequently, there is no requirement to make the provision in 2017/18. Having reviewed the outstanding service debt at the year-end and the level of provision required for potential bad debts, this had resulted in a credit back to the General Fund revenue account of £41,000. The Council also incurred £47,000 less expenditure than originally anticipated on pension fund contributions towards the costs of prior years' staff retirements.

External Income

A significant proportion of the Council's budget was reliant on external income. Grants and subsidies from government, alongside income from business rates are major elements, totalling over £49 million. These income streams are either fairly predictable as they are determined at the start of the year as part of the annual Local Government Finance Settlement; or variations

can be largely offset by commensurate changes in expenditure, e.g. subsidy received on housing benefits is related to the level of payments made.

The amount of business rates ultimately retained depends on the actual amounts collectable (taking into account changes in the Valuation List, exemptions and reliefs granted, and provisions for non-collection and rating appeals). Variances are accounted for via the Collection Fund and taken into account when determining future budgets and council tax setting. Fluctuations from those elements which have a direct impact on the General Fund revenue account, e.g. the levy payable on growth or government grants received to fund certain discretionary reliefs, are managed via the Business Rate Retention reserve.

As a participant in the Essex Business Rates Pool the Council is entitled to a share of the extra business rates retained "locally" which is rebated against the 2017/18 levy. The final determination and receipt of the Council's share will be made after year-end returns have been collated from each of the participating authorities. However, based on provisional returns, Essex County Council has advised that the estimated 2017/18 benefit share for Braintree is £634,770. Amounts received from the Pool are initially credited to the Business Rate Retention reserve pending decisions by the Council as to how the money will be used.

Other external income for which the Council budgeted £14.080million came from a variety of sources that are subject to external demands and other influences, meaning these are more susceptible to variations against budget. The outturn was an overall over achievement compared to budgets by a net £492,000, as shown in the table below:

Service	Updated Budget £000	Joint Financing & Other Reimburs.	Sales, Fees & Charges	Rents	Other Income	Total	RAG status
		4,912	5,109	2,815	1,244	14,080	
<i>Adverse (Positive) Variance £000 against Budget :</i>							
Asset Management	2,860	(6)	52	(42)	(10)	(6)	G
Business Solutions	50	(1)	-	-	-	(1)	G
Community Services	209	11	16	-	(3)	24	A
Corporate Management Plan	-	-	-	-	-	-	G
Cultural Services	(2)	-	14	-	(6)	8	A
Environment	784	1	(27)	-	(4)	(30)	G
Finance	2,579	(25)	-	-	(17)	(42)	G
Governance	18	(13)	(2)	-	(27)	(42)	G
Housing	51	(1)	(3)	4	-	-	G
Human Resources	5	(2)	(2)	-	-	(4)	G
Leisure Services	408	(3)	(2)	-	(3)	(8)	G
Marketing & Communications	107	28	(6)	-	(28)	(6)	G
Operations	4,960	(53)	(151)	30	(13)	(187)	G
Sustainable Development	1,523	(56)	(105)	(1)	(19)	(181)	G
Service Total	13,552	(120)	(216)	(9)	(130)	(475)	G
Corporate Financing	528	(1)	-	-	(16)	(17)	G
Total	14,080	(121)	(216)	(9)	(146)	(492)	G

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

Joint Financing & Other Reimbursements

The total budget for income from joint financing and other reimbursements was £4.912million, which was over achieved by £121,000. The main sources of income and outturn are:

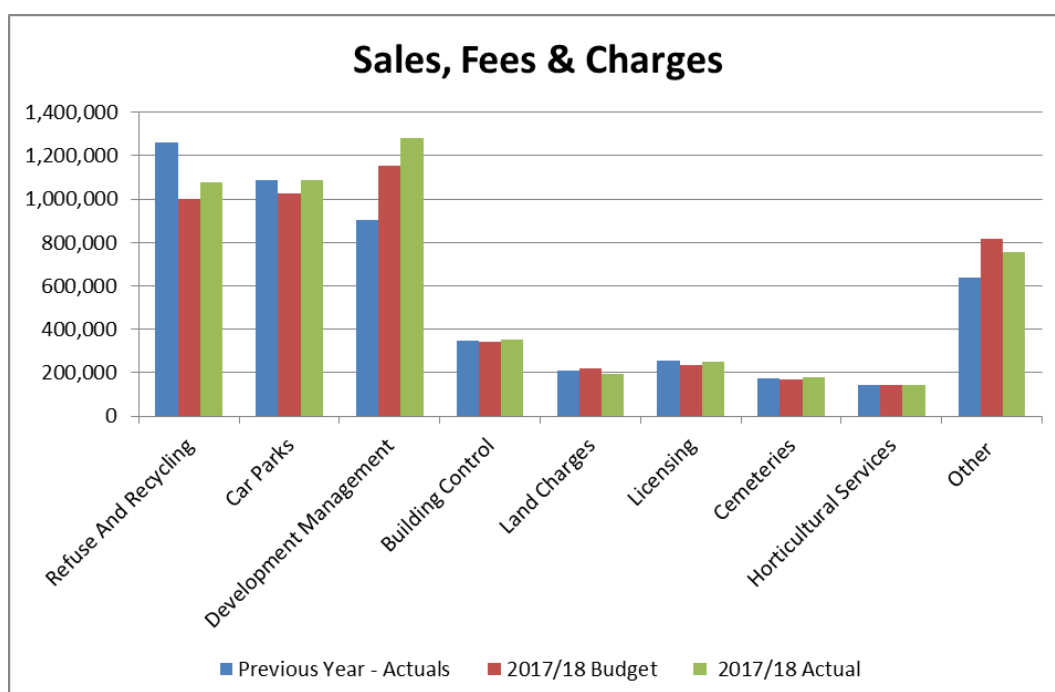
- **Essex County Council:** a £2.266million budget for contributions towards services such as community transport, horticultural services, food waste service, and recycling. An overall positive variance of £45,000 for the year, after the reduction in grant funding for community transport. Additional income was earned under the Waste Management Inter-

Authority Agreement; from verge maintenance; and recharges for the Highway Ranger service.

- **Procurement Hub:** subscriptions from participating authorities along with rebates receivable from the use by other organisations of the procurement frameworks set-up by the Hub gave a total budget of £468,000. Arrangements with the participating authorities provide for refunds (shown as expenditure) against their subscriptions based on the overall financial performance of the Hub in the year. The amount of rebates received from frameworks was lower than budgeted and whilst in the short-term this could be met from the Procurement Hub reserve, an agreement has been reached with Hub members to introduce a phased subscription requirement commencing from 2017/18.
- **Council Tax sharing and other collection investment arrangements:** £526,000 was provided in the budget as Braintree's share from the major precepting bodies of additional council tax being collected above an agreed baseline, which was achieved. In addition, the Council received £112,000 towards the temporary costs incurred in improving council tax collection arrangements, including prevention and detection of fraud, and partial funding towards the exceptional hardship fund.
- **Benefit overpayment & Council Tax costs recovered:** A total of £535,000 was recovered in the year, which was an additional £113,000 against the budget, and significantly higher than the amount achieved in 2016/17 of £396,000. Recovery costs in relation to Council Tax were £77,000 lower than budgeted, partly as a result of the introduction of pro-active measures which meant earlier intervention where non-payment arose and before the stage where normally additional costs are levied on taxpayers. This action has been beneficial and contributed to the total amount of Council Tax collected, with an improved performance rate for year, and achievement of the target set with precepting bodies under the Council Tax sharing agreement (see above).
- **Development Management pre-application advice:** Income was £46,000 higher than budget at £151,000 compared to a budget of £105,000. Whilst charges were increased from August, this does not appear to have impacted on the demand for the service. In previous years' income was £111,000 (2016/17) and £99,000 (2015/16).

Sales, Fees & Charges

The budget for income from sales, fees & charges was £5.109million and which was over achieved by a net £216,000. The following chart shows the main income streams:



Commentary on Fees and Charges:

- **Refuse & Recycling:** The budget for income was £998,000, which was significantly lower than that achieved in 2016/17 as the Council now pays a gate fee for the processing of its recycling material, whereas before the Council received income. Against this reduced budget the Council actually received £1.077million, an over achievement of £79,000. This was mainly due to increased income from trade waste and bulky waste collections where the service has been successful in increasing the number of customers.
- **Car Parks:** Against the budget of £1.051million actual income for the year was £1.113million an over achievement £62,000.
- **Development Management:** Planning application income received in the year was £1.283million compared to an updated budget of £1.152million. Based on monitoring of the income earlier in the year, it was agreed by Full Council to increase the budget by £300,000, and to use this extra income to top-up the existing reserve held to meet possible future costs arising from planning appeals. The higher number and complexity of applications received also meant an increase in the requirement to buy-in external support (see comments under Other Service Expenditure).
- **Other – Causeway House letting:** Following Essex County Council's vacation of part of the second floor in June, there was a period during which this area was void leading to an under recovery of service charges in the current year of £49,000. The vacated space was, however, fully let to new tenants by the end of the year.

Rental Income

The budget for rental income from land & property was £2.815million – comprising the Commercial and Other Property portfolio, markets, housing properties, and other let properties. The outturn for the year is a small net over achievement of £9,000, with a net over achievement of rental income from the Commercial and Other Property portfolio (+£42,000), partially offset by lower income (-£27,000) from market rents. In recent years' income from the Braintree market has seen a decline; however, the Council has recently introduced new street markets to enhance and revitalise the overall offering. Early indications suggest the initiative has been well received by both market traders and shoppers, and its impact on rental income will be confirmed during the 2018/19 financial year.

Other Service & Corporate Income

Total budgeted Other Income was £1.244million which comprised mainly the following streams:

- **Investment & Other Interest Income:** The budgeted amount was £813,000, which was over achieved by £135,000, mainly due to the Council's treasury management activities. In line with the agreed medium-term strategy, this overachievement was added to the Treasury Management Equalisation reserve, which is used to manage the fluctuations in investment returns from both varying levels of cash balances and changing financial market conditions.
- **Solar Panel Feed-in-Tariffs:** the budget provided for an expected £93,000 of income from investment in solar panels at various Council facilities, which was achieved for the year.

Treasury Management

The Council's treasury management activities for the year are summarised in the table below:

Amount Invested at start of the year	Activity for the year		Amount Invested at end of the year
	New Investments	Investments Sold or Matured	
£39.32m	£73.44m	£70.50m	£42.26m
Average amount invested for the period			£54.39m
Highest amount invested			£63.49m

An average of £15.09million was invested in long-term pooled funds spread across a mixture of property and equity funds. Remaining investments were in short-term instruments including call accounts and term deposits with UK and Non-UK financial institutions, deposits with other local authorities, and Money Market Funds (MMF).

Interest and dividends earned for the year total £881,000, which is equivalent to an annualised rate of return of 1.62%:

Investments	Average Amount Invested	Interest & Dividends Earned	Annualised Return %
Long-Term Pooled Funds	£15.09m	£730,000	4.84%
Short-Term	£39.30m	£151,000	0.37%
Total	£54.39m	£881,000	1.62%

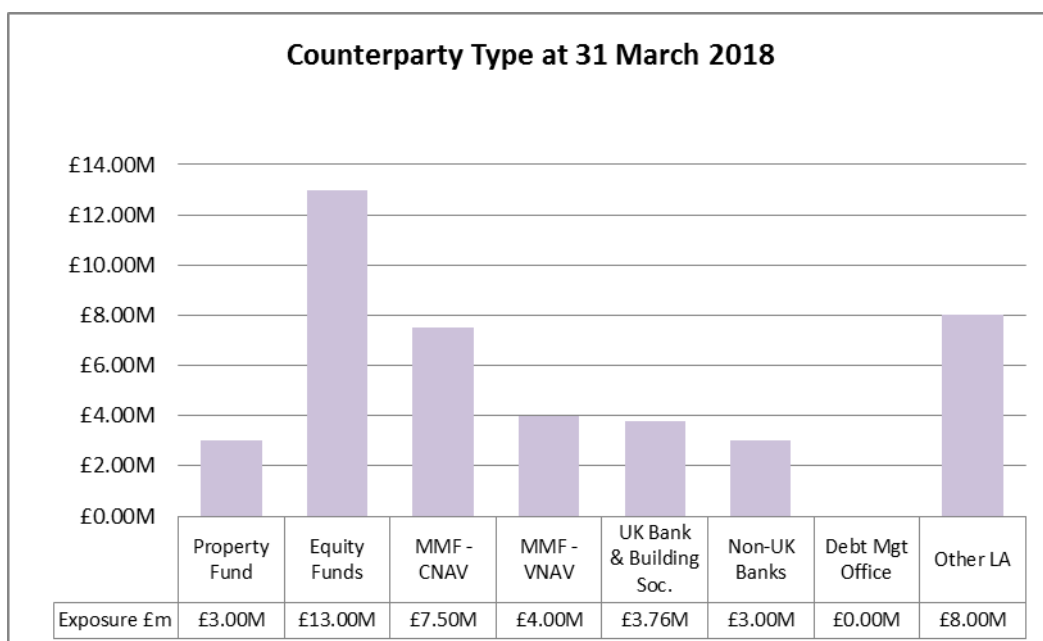
In February, a further £1million was added to the M&G Extra Income Fund taking the total invested in pooled funds to £16million. As these funds are exposed to equities and property, their value can fluctuate based on prevailing market conditions. At the end of the year the market valuation for all pooled funds was £16.93million, representing an unrealised gain of £0.93million.

Market commentary

The Bank of England's Monetary Policy Committee (MPC) increased the Bank Rate by 0.25% in November 2017. This was the first increase in ten years. The increase in Bank Rate was reflected in money market rates: 1 month, 3 month and 12 month London Inter-Bank Rates (LIBID) rates averaged 0.32%, 0.39% and 0.69%, and at 31 March 2018 were 0.43%, 0.72% and 1.12% respectively. The Financial Times Stock Exchange index (FTSE100) had a strong finish to the calendar year 2017, reaching a record high of 7688, before plummeting below 7000 at the beginning of 2018 in the global equity correction and sell-off.

Investment Portfolio

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



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

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

General Fund Balances

General Fund balances are held for the following reasons:

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

Based on the projected outturn set out above, the movement on the General Fund balance is estimated to be:

	£'000
Balance at 1 April 2017	2,036
Add:	
Budgeted addition	179
Actual budget variance for the year	782
Unused prior year carry forwards	49
Less:	
Budget carry forwards	(88)
Allocation to fund environmental insurance policy	(98)
Balance at 31 March 2018	2,860

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

- The budget approved by Council for 2017/18 included an anticipated addition to balances of £179,125.
- The outturn variance for the year is £782,000 addition, offset by £88,000 which services have requested as budget underspends to be carried over into 2018/19
- A review of prior year budget carry overs has identified a total balance £49,000 which is no longer required and has therefore been transferred back to the General Fund unallocated balance.

- An allocation from General Fund balances was approved by Cabinet in November 2017 to meet the costs of renewing the environmental insurance policy related to warranties made to Greenfields Community Housing as part of the housing stock transfer.

Risks and Assumptions

The outturn is subject to finalisation of the Council's Statement of Accounts which is scheduled to be completed by the end of May. The Council's external auditors, Ernst & Young LLP are expected to commence their audit in early June. The outcome of the audit could lead to changes in the outturn, details of which will be reported to the Governance Committee and Cabinet when receiving the audited financial statements.

The outturn will be reviewed to ensure that any on-going issues have either been/ will be addressed in the Medium Term Financial Strategy as detailed planning commences for the 2019/20 budget.

Capital Investment

In February 2017 the Council approved new capital projects totalling £2.252million. Taking into account projects which were in progress and carried forward from earlier years and in-year approvals, the overall programme totals £26.695million. The amount expected to be spent in 2017/18 was £6.543million:

	2017/18 Programme	Actual Spend	Budget Remaining	Spend at Year End
	£000	£000	£000	%
Braintree town centre regeneration	645	467	178	72%
Town centre improvements	12	12	0	100%
Springwood Drive "grow-on" units and parking	719	406	313	56%
Planned maintenance to Council operated premises	659	513	146	78%
Commercial and investment property acquisitions	542	543	-1	100%
Replacement vehicles and plant	861	842	19	98%
Sports and leisure facilities improvements	399	385	14	96%
Refurbishment of play areas and parks and open spaces	265	218	47	82%
Environmental improvements – Spa Road	145	13	132	9%
Paths, cycleways and other infrastructure	122	64	58	52%
Information technology systems	230	204	26	89%
Industrial estate improvements	143	27	116	19%
Operational equipment	13	17	-4	131%
Cordons Farm waste transfer station	63	13	50	21%
Grants to registered social landlords	410	0	410	0%
Grants to private home owners –disabled facilities and heating systems	911	860	51	94%
Capital salaries	404	268	136	66%
Total	6,543	4,852	1,691	74%

During the final quarter of the year, the programme for 2017/18 was increased by £164,000 due to the following changes:

Additions

- Three new IT projects totalling £71,000, including acquisition of a new server, digital customer platform, and development of a Livewell website.
- Acceleration of works to the Council's open spaces that was previously anticipated to be undertaken in 2018/19 (£40,000)
- Other various changes to the programme profile (Net +£53,000)

Total spend for the year was £4.852million leaving £1.691million of the programme budget remaining. Of this, £83,000 relates to projects that have either been completed or the scope of works changed, resulting in this amount no longer being required. The value of internal staff recharged to capital was also lower than budget by a net £136,000. This left a balance of £1.472million which is required to complete ongoing projects or meet future anticipated spend and will therefore be carried over into the 2018/19 programme.

Capital resources

The main sources of new capital resources anticipated for the year was from the sale of Council owned assets (£4.981million), preserved right-to-buy (RTB) receipts (£1million) and the Council's share of the VAT shelter operating in conjunction with Greenfields Community Housing (£350,000).

Greenfields has reported that 20 RTB sales were completed in the year generating £2.122million for the Council. This compares to 38 sales completed last year generating £3.907million.

VAT shelter monies due to the Council totalled £327,000, which is higher than the previous year's £296,000.

The Council received £876,000 grant from the Better Care Fund via Essex County Council to fund the majority of the Council's disabled facility grant programme. This was an increase of £458,000 against the budgeted sum of £418,000, and an increase of £146,000 over the amount received in 2016/17.

Conditional exchange of contracts has been obtained on the proposed sale of sites in Halstead and Witham, with the expectation that these will complete at a future date.

The Council also received £54,000 from the repayment of housing renovation grants and capital loans.

Housing Company and Feasibility Fund		Agenda No: 8a
Portfolio	Corporate Services and Asset Management	
Corporate Outcome:	A sustainable environment and a great place to live, work and play A well connected and growing district with high quality homes and infrastructure Residents live well in healthy and resilient communities where residents feel supported A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor J McKee, Cabinet Member for Corporate Services and Asset Management	
Report prepared by:	Benedict Binns, Strategic Project Manager	
Background Papers:		Public Report
Corporate Strategy 2016-2020 Agenda and Minutes for the Cabinet 23rd May 2016 Agenda and Minutes for the Cabinet 12th September 2016		Key Decision: Yes
Executive Summary:		
<p>To support the adopted Corporate Strategy 2016-2020, the Plan for Growth 2017-2022, which reaffirmed the Council's commitment to its District Investment Strategy, and September's 2016 Cabinet approval of developing a full business case relating to the creation of a Housing Development Company; it is proposed that the Council approve a twin track approach to the development of its Council sites at the same time as developing the Business Case for the set-up of the Housing Development Company.</p> <p>The proposed cost to design and develop approximately five of the Council's sites to a planning submission is estimated to be £495,980. In the event that the Council does not proceed with the Development Company, the Council can realise and increased return on its assets by selling land with planning permission. However, it is the intention that the sites are transferred and developed by the Council's Housing Development Company subject to future Cabinet approval anticipated in February 2019.</p> <p>It is proposed to utilise the resources and expertise of Red Loft, who have been appointed as external consultants to assist the Strategic Investment Team, to develop the Business Case for the proposed Housing Development Company for consideration by the Cabinet at its meeting in February 2019.</p> <p>Having recognised the significance of the key projects outlined above, the Leader has set up specific Member engagement arrangements to support the active development</p>		

and delivery of the projects. The Strategic Investment Programme Group (SPIG) will have overall oversight of the Council's investment programme and reporting into the SPIG will be individual projects which will have a specific Project Reference Group.

In this case the Housing Development Company Project Reference Group, will support the Portfolio Holder and relevant Officers in the management and development of the project providing advice and guidance as well as holding the project to account ensuring that the project is delivered in accordance with the agreed scope.

The timescales assume:

- July 2018: Procurement of consultants to commence after Council approval
- July-December 2018 Member's Reference Group Workshops
- September 2018: approval of consultants
- December 2018: Member Reference Group and Management Board approval of draft February Cabinet Report and Recommendations.
- February 2019: Cabinet and Council approval for the set-up of the Development Company and planning permission for Council sites

Adopting a twin track approach in submitting designs for development for planning on the basis that if the Council choose not to proceed with a Development Company the land with planning permission will add significant value to Council assets which can be sold for a surplus.

In addition it is proposed that a budget, of £80,000, is agreed to enable the design and costings for a health facility, on the former Premdor site Sible Hedingham, to be undertaken. The Council is to receive the land under a Section 106 Agreement.

Whilst a budget for Feasibility Studies, of £500,000, had been agreed in June 2014, this has been fully utilised over the past four years. A total budget of £575,980 is therefore requested to enable the above works to be undertaken.

It is proposed that funding is provided from:

- the Affordable Housing Budget in the 2018/19 Capital Programme for the housing schemes (£495,980); and
- £80,000 from the unallocated balance of New Homes Bonus.

Recommended Decision: Cabinet agrees that:

1. Housing schemes on approximately five of the Council owned sites, as listed in the attached report, should be designed and application for planning permission be made for each site;
2. Work be undertaken on the design and development of a health facility on the former Premdor site, Sible Hedingham;

That Cabinet recommends to Council:

- 3 That the estimated cost of developing housing schemes of approximately five council owned sites, of £495,980, be met from the Affordable Housing Budget in the 2018/19 Capital Programme; and.

- 4 That funding of £80,000 is allocated from the New Homes Bonus Balance for the design and development work on a health facility on the former Premdor site, Sible Hedingham.

Purpose of Decision:

Design and Feasibility Fund – To approve a twin track approach to fund planning applications on Council owned sites, to design and cost a health facility on the former Premdor site, Sible Hedingham, and to develop the Business Case for the Housing Development Company.

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

Financial:	<p>It is proposed that the budget allocation of £575,980 for the Design and Feasibility Fund be met from: £495,980 from the Affordable Housing Budget in the 2018/19 Capital Programme; and £80,000 from the unallocated balance of New Homes Bonus.</p> <p>It is anticipated that specialist VAT advice will be required on the development proposals.</p>
Legal:	<p>All professional team appointments have been made in compliance with the relevant procurement regulations.</p> <p>Members must be mindful that the decision to proceed with this redevelopment project including the submission of a planning application does not determine the approach the Council (through the Planning Committee) will take when determining the application which will be made in relation to relevant planning policy requirements.</p>
Safeguarding:	<p>All members of the professional team and the eventual main construction contractor are required to provide satisfactory safeguarding policies as a prerequisite for selection.</p>
Equalities/Diversity:	<p>All members of the professional team and the eventual main construction contractor are required to provide satisfactory equality and diversity policies as a prerequisite for selection.</p> <p>There are no indications that to proceed with this project would have an impact on the protected characteristics for any individuals.</p>
Customer Impact:	<p>The project will assist in creating high-quality employment and training opportunities for residents both in the District and beyond.</p>
Environment and Climate Change:	<p>Housing sites to be developed to at least minimum building regulations standard but to be reviewed by Member Reference Groups NHS require the Healthcare to attain a minimum of BREEAM Excellent</p>

Consultation/Community Engagement:	For all sites, the Council will undertake the usual and standard consultation requirements that are applicable for a development and planning process.		
Risks:	Item	Issue	Action
	Legal	Any risks on title deeds, rights of way and other legal issues may result in delays	To undertake relevant surveys before design development
	Ground conditions	Ground conditions may mean increased costs and reduce viability	SI and Geo tech Surveys required before design development
	Build cost inflation	May reduce viability	Once funding is committed to Council to keep to programme
	Economic conditions decline.	Sales values may decline	To review market rents and selling land with planning permission
	Planning not granted	This impacts the both options to develop and to sell the packaged Land	Council to ensure that planning policy adhered to and to appoint a planning consultant and undertake a pre-application before planning submission.
	Delay in set up of Development Company	Delay in generating income for council	To use Member's Reference Groups for guidance on strategy
	Under-utilise current transitional resources	If funding is not approved transitional resources are underutilised	If funding approved, council will maximise value from transitional resources
Officer Contact:	Benedict Binns		
Designation:	Strategic Project Manager		
Ext. No:	2584		
E-mail:	Benedict.binns@braintree.gov.uk		

1 Background

- 1.1 In September 2016, Cabinet agreed that a full business case relating to the creation of a Housing Development Company should be undertaken. An initial budget of £100,000 was approved but this was subsequently increased to £130,000 with a further allocation of £30,000 being agreed.
- 1.2 Initial work and site appraisals have been undertaken with the engagement of Grant Thornton; to provide an initial assessment of the case for the Council to establish a Housing Development Company, Arcadis; to provide a high level assessment of the sites owned by the Council for development, and Pinsent Mason; to provide initial legal and governance arrangements advice.
- 1.3 By necessity, work on the production of the business case for consideration by Members has been on hold as priority and time of the officers in the Strategic Investment Team have been on the design and development of the Manor Street Regeneration project and to the land purchase of employment land in Great Notley.
- 1.4 In February 2018 Cabinet approved the purchase of the Employment site at Great Notley and in May 2018 Cabinet approved the Manor Street Regeneration project and priority has now turned to the set-up of the Housing Development Company.

2 Develop the Full Business Case in collaboration with Member's Reference Groups for the set-up of a Housing Development Company

- 2.1 It is proposed to utilise the resources and expertise of Red Loft, who have been appointed as external consultants to assist the Strategic Investment Team, to develop the Business Case for the proposed Housing Development Company for a February 2019 Cabinet.
 - 2.1.1 Having recognised the significance of the key projects recently approved, the Council is setting up specific Member engagement arrangements to support the active development and delivery of the projects. The Strategic Investment Programme Group will have overall oversight of the Council's investment programme and reporting into the Strategic Investment Programme Group will be individual projects which will have a specific Project Reference Group.
 - 2.1.2 In this case the Housing Development Company Project Reference Group, will support the Portfolio Holder and relevant Officers in the management and development of the project providing advice and guidance as well as holding the project to account ensuring that the project is delivered in accordance with the agreed scope:
 - Member oversight of the Housing Development Company project, and to report on progress to the Strategic Investment Programme Group.
 - To receive reports from Officers on the project and to monitor progress.
 - To challenge and support Officers in the delivery of the project and to ensure project delivery in line with the approved project scope.

- To act as a point of consultation for Portfolio Holders or Corporate Directors making delegated decisions in relation to the project.
- To make recommendations to the Strategic Investment Programme Group, Cabinet and Council in respect of key decision milestones and or on variations to the project.

2.2 Red Loft as part of their scope and commitment of resources to the Council will undertake the following for the review by the Member's Reference Group:

- Review and critique the Grant Thornton, Arcadis and Pinsent Mason reports provided to the Council
- Facilitate at least five half day workshops for the Member's Reference Group to review the vision, long-term rental income versus short term capital receipts, policy compliance, governance, financials and final recommendations.
- Update the development proposals, costs and value assumptions for in principle sites to be taken forwards
- Update the detailed financial model for the proposed commercial funding structure
- With guidance from the Member's Reference Group to develop the business case for the Development Company with a target date of February 2019.

2.3 In addition to the work on producing the business case it is proposed to adopt a twin track approach in submitting designs of development for planning on the basis that if the Council chooses not to proceed with a Housing Development Company that the land with planning permission will add significant value to Council assets which can be sold for a surplus.

3 Proposal details: a Twin Track Approach

3.1 It is proposed to proceed with the design and development to planning submission of approximately five Council sites.

3.2 In the event that the Council does not proceed with the Development Company, the Council can realise and increased return on its assets by selling land with planning permission. However, it is the intention that the sites are transferred and developed by the Council's Development Company subject to future Cabinet approval in February 2019.

3.3 This work will cover the following specific tasks:

3.3.1 Procurement of consultants through one of the following routes:

- OJEU
- An existing framework
- The set-up of a specific framework for the Council's Housing Development Company

- 3.3.2 The design and development to planning submission of the Council sites in the first phase of development. The table below identifies the shortlist of Council sites for development that are the most suitable.
- 3.3.3 The 2017 Arcadis report on the council sites provided figures on the development costs, GDV and surplus. The projected cost of a planning submission is based on 3% of the development costs as reported in the Arcadis report of approximately five sites developing in region of 80 dwellings. The estimated cost of submitting a planning application is £495,980.
- 3.3.4 The above costs assumptions assume:
- All surveys
 - Consultant fees to submit a planning application
- 3.3.5 Exclusions include:
- BDC Project management costs
 - Legal costs
 - Significant abnormals e.g. contamination

Name of site	Location	Number of Units
Church Road	Stambourne	2
Little Hyde Lane	Great Yeldham	1
Cambridge Way	Bures	38
New Park	Castle Hedingham	8
New Street	Halstead	6
John Barr House	Panfield	5
Conrad Road	Witham	10
Blunts Hall Road	Witham	10
Harkilees Way	Braintree	11
Trotters Field	Braintree	23
Silks Way	Braintree	12
Chapel Hill	Braintree	46
Stubbs Lane	Braintree	12
Total Housing		184

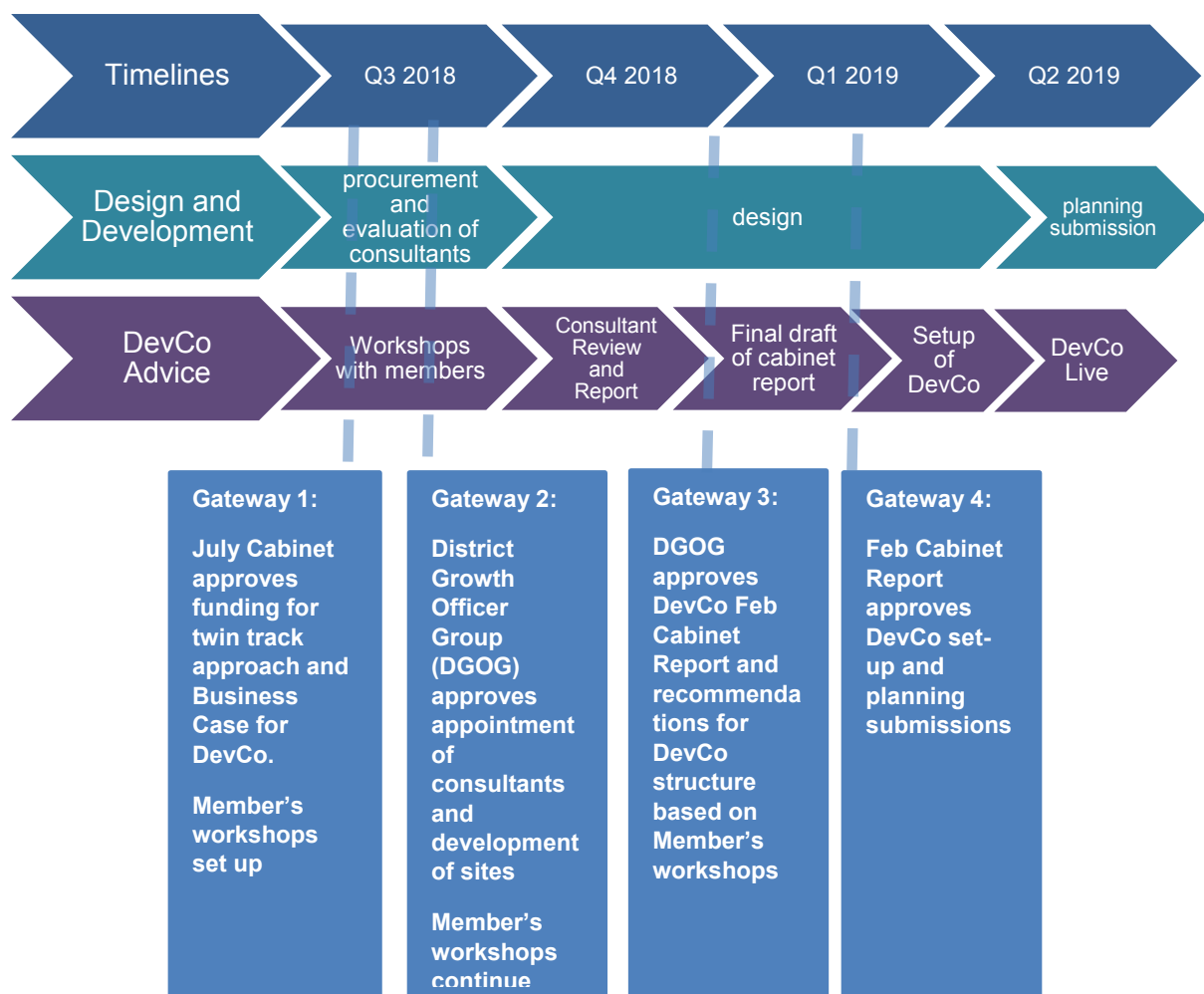
- 3.3.6 In undertaking the work, it is proposed:
- To obtain up to date quotes before procuring consultants to stress test the above figures
 - To ensure economies of scale are obtained through the use of house types rather than separate designs for each scheme
 - To prioritise schemes that generate the best return for the Council within the proposed budget envelope.
 - It is also proposed to apply for funding from The Housing Advisers Programme from the Local Government Association.

3.3.7 Whilst a budget of £500,000 was agreed, in June 2014, for feasibility studies/project development this has been fully expended and therefore a new budget allocation is requested to fund this work.

4 Timescales: Design and Feasibility Fund

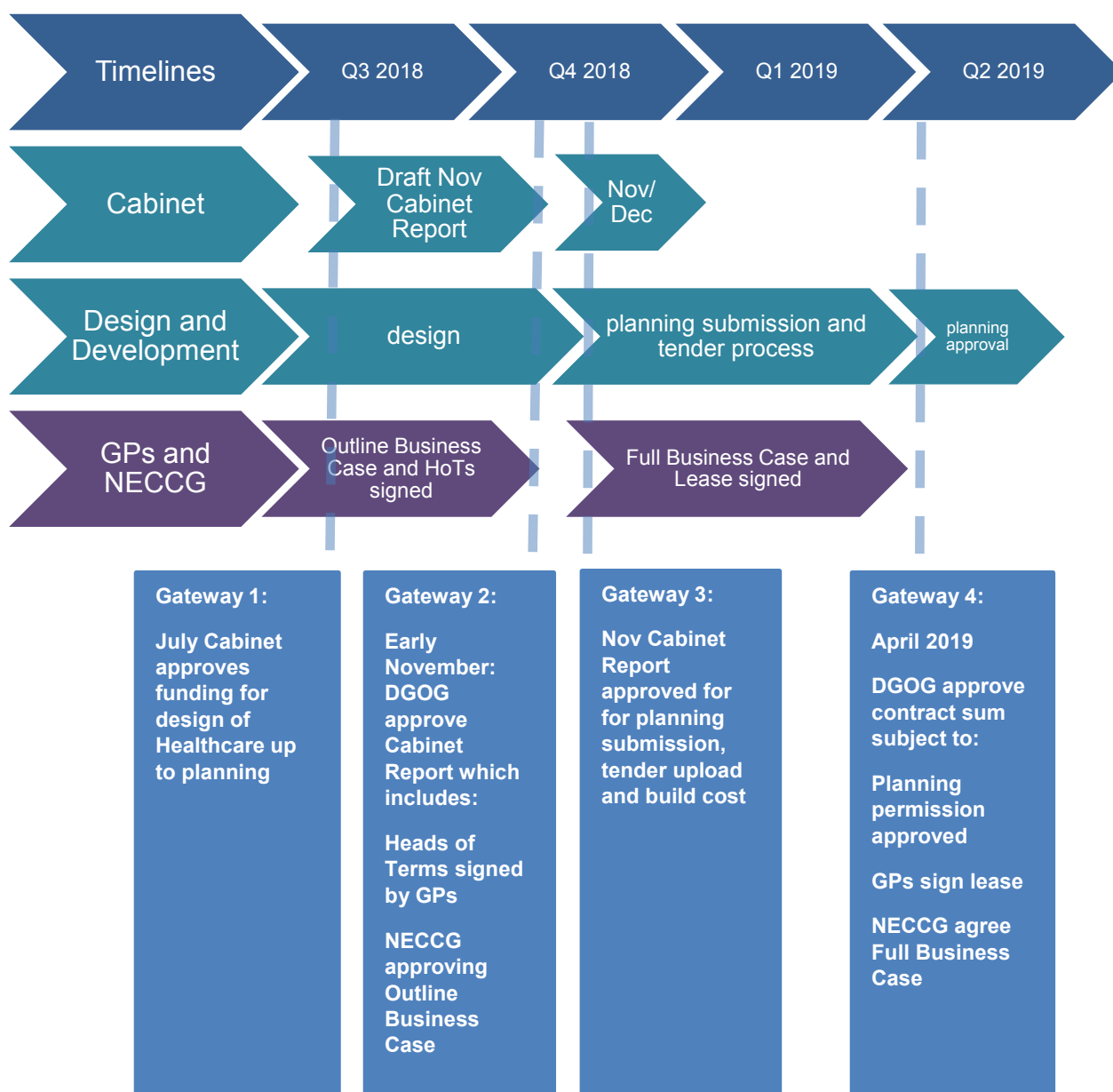
4.1 The timescales are summarised below and assumes on approval from Cabinet four key gateways:

- July 2018: Procurement of consultants to commence after Council approval
 - July-December 2018 Member's Reference Group Workshops
- September 2018: approval of consultants
- December 2018: Member Reference Group and Management Board approval of draft February Cabinet Report and Recommendations.
- February 2019: Cabinet and Council approval for the set-up of the Development Company and planning permission for Council sites



5 Healthcare Centre – Sible Hedingham

- 5.1 The Council is to receive land, under a Section 106 Agreement, on the former Premdor site in Sible Hedingham for the provision of a health facility. With this requirement for the land use there is the option of the Council building and leasing a health facility which is being explored.
- 5.2 A request for a budget allocation of £80,000 is therefore also requested to engage consultants to design and develop a planning submission for a healthcare facility on the land to be transferred.
- 5.3 It is proposed that a further Cabinet Report will be submitted in November 2018 for approval to proceed with a planning submission, tender submission and to approve funds for the contract sum for the build. These approvals will be subject to key gateways including the Heads of Terms being signed and the eventual leased being signed.



6 Summary of Financial Requirements

- 6.1 The total value of the funding to design and develop approximately five sites to a planning submission and to develop the Business Case for the Council's Housing Development Company is £495,980.
- 6.2 The budget requested to design and develop a health facility on the former Premdor site is £80,000.
- 6.3 It is proposed that the Council funds the request for a Design and Feasibility budget of £575,980 from the following two sources:
- 6.4 £495,980 from the Affordable Housing Budget (total budget allocation in 2018/19 is £1.16million); and £80,000 from the unallocated balance of New Homes Bonus.

I-Construct Development and Financial Update and Proposals		Agenda No: 9a
Portfolio Corporate Outcome:	Economic Development A sustainable environment and a great place to live, work and play A well connected and growing district with high quality homes and infrastructure A prosperous district that attracts business growth and provides high quality employment opportunities Residents live well in healthy and resilient communities where residents feel supported A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor Tom Cunningham, Cabinet Member for Economic Development	
Report prepared by:	Benedict Binns, Strategic Project Manager	
Background Papers:		Public Report
Corporate Strategy 2016-2020 Agenda and Minutes for Cabinet - 23rd May 2016		Key Decision: Yes
Executive Summary:		
<p>The Council's participation in this £7.5million project originally required funding of £750,000 on the basis that Essex County Council (ECC) would also be a contributor to the project of the same amount. ECC declined to fund the project on a grant basis and two alternative loan options were offered to the Council.</p> <p>Officers reviewed both options along with two further options: the Council borrowing the additional £750,000 or using an additional £750,000 from the Business Rates Pool.</p> <p>It is proposed to proceed with the project by increasing the Council's contribution from the Business Rates Pool ensuring rental incomes were maintained. Cabinet Approval was obtained for £750,000, but as the Council is now committed to increase funding it was agreed to re-submit this Cabinet Report for approval.</p> <p>The Council now propose to provide capital funding of £1,500,000 towards the I-Construct (Innovation in Construction) European Regional Development Fund (ERDF) project and reconfiguration of Ignite House as well as in-kind support of £160,000 ensuring compliance with the ERDF Grant Agreement conditions in relation to the lifetime of the asset and monitoring net revenue generation.</p>		

Using the Corporate Investment Evaluation Tool as a guide for this project the proposed investment has produced a weighted score of 5.8. As this project has significant scores in Corporate Strategy Priorities and Customer/Stakeholder Impacts in providing new jobs, products, business support and start-up opportunities to a priority business sector, it is recommended for approval.

The I-Construct project represents an opportunity for Braintree District Council (the Council) to work in partnership to deliver a flagship Innovation Centre with ERDF capital. The Centre will provide a focal point for business support, job creation and product development in the construction sector and will have reach across the South Essex Local Enterprise Partnership (SELEP) region.

The project contributes to the delivery of the Council's Plan for Growth and will assist in meeting the objectives of the current Corporate Plan. By promoting innovation in construction, it is expected that I-Construct will assist in enabling the delivery of over 14,000 homes required by the Local Plan and the 43,000 homes via North Essex Garden Communities.

I-Construct fits with the Council's overall strategy to invest in employment sites in the District, in order to stimulate business start-up and growth, deliver high-quality jobs and attract inward investment. Other current and pipeline projects include Witham Enterprise Centre, Osier House Rural Business Hub, Braintree Enterprise Centre Phase 2 and Great Notley Employment site.

The I-Construct project will be led by Haven Gateway Partnership (HGP) with ECC as the Accountable Body with the Council, Building Research Establishment (BRE), Colchester Institute and Daedalus Environmental as delivery partners. HGP will set up a dedicated I-Construct project team which will be based in Braintree and led by a project manager who will ensure effective programme management and co-ordination throughout the project. HGP will employ a full time communications and marketing manager and establish a budget to implement the project's marketing strategy which will focus on generating leads and enquiries. HGP, supported by Delivery Partners, will deliver awareness-raising and networking events to ensure the project is supported by recommendations from the Growth Hubs, local business organisations and Local Authority Economic Development teams to direct businesses to the project.

The I-Construct project, if successful in gaining funding from ERDF, will join the ten existing ERDF projects in the SELEP area, including the £5.7 m TALE project which is also being led by the HGP and aims to support the development of the logistics sector across SELEP and NALEP. Current similar ERDF projects focussed on supporting SMEs, which Essex County Council is leading or involved as a Delivery Partner, include the Low Carbon in the South East (LoCASE), South East Invest and South East Business Boost projects.

The Council's delivery will include the design and development of a BREEAM Excellent 629m² Innovation Centre on the Council owned Braintree Enterprise Centre which will be rebranded as an Innovation Park. The Council will act as a delivery partner of the project with specific responsibility for managing the development of the Innovation Centre building and acting as landlord to the project, once the building is completed. The Council will also own and operate the Innovation Centre once the project is completed. The Innovation Centre will act as the new main entrance for the rebranded

Innovation Park with Ignite House to be reconfigured to increase office space.

The Council's funding of £1,500,000 (£1,400,000 towards the Innovation Centre and £100,000 towards the reconfiguration of Ignite House) is to be met from the Business Rates Pool reserve and, if the bid is successful, a further £800,000 from ERDF will be provided.

A Project Board for the ERDF project will be established and consist of the Council, HGP, delivery partners and ECC who will provide scrutiny of the ERDF project and targets in their role as an accountable body to Ministry of Housing, Communities and Local Government (MHCLG).

The ERDF project will be led by the HGP's project management team (with ECC acting as the Accountable Body). A Service Level Agreement (SLA) will be in place between the Council and HGP via ECC, the Accountable Body, within three months of the main contract which will outline the agreed services and responsibilities of the Council to the project.

It is proposed that the council will approve key decisions in four Gateways on funding, design, tender, cost and legal implications of the I-Construct project before committing to the next stage. The final gateway is in January 2019 where the Council will sign the Contract Sum subject to ERDF funds being awarded.

Recommended Decision:

That Cabinet reaffirms the decisions taken on the 23rd May 2018 to affirm:

1. The principle of the proposed development as set out in the report, and approval for the implementation of the proposed development.
2. The following delegations to the Corporate Director (Sustainable Development) in consultation with the Cabinet Member for Economic Development and Regeneration to:
 - 2.1 Approve the project key decision gateways outlined in the report.
 - 2.2 Approve the submission of a full planning application, provided that the terms set out in the report are met;
 - 2.4 Approve final terms for the "in-kind" land, assets and office space in line with the terms set out in this report subject to the financial constraints set out in these recommendations;
 - 2.5 Approve supplementary legal agreements relating to land, access and the management of third party interests in the site within the budget for the project;
 - 2.6 Approve entering into necessary service contracts for ongoing maintenance and management of the site within the budget for the project;

That Cabinet agrees to the following recommendations:

3. That Cabinet approve the proposal for Braintree District Council to fund and deliver the Innovation Centre as part of the I-Construct programme, together with a recommendation to Council to approve a capital budget of £1,500,000 towards the project scheme for all professional, construction and associated scheme development costs.
4. Delegation to the Corporate Director (Sustainable Development) in consultation with the Cabinet Member for Economic Development and Regeneration, to approve revised scheme costs with the ability to vary costs based on a 5.00% variation to the total scheme costs
5. That the recommendation 2.3 in the report of the 23rd May 2018 be amended to read: "Approve the commencement of a tender process for construction contracts;" removing the requirement for a planning application to be submitted in advance.

That Cabinet recommends to Council:

6. That Council notes the principles of the decisions of Cabinet and approves a capital budget of £1,500,000 towards the project scheme for all professional, construction and associated scheme development costs.
7. The approval to commit £1,500,000 from the Council's Business Rate Pool Reserve.

Purpose of Decision:

To agree the development delivery proposals and financial arrangements for the I-Construct Scheme to enable this project to move forward following the change in funding arrangements.

Any Corporate implications in relation to the following should be explained in detail.	
Financial:	<p>It is proposed that the I-Construct scheme is funded with an allocation of £1,500,000 from the Council's Business Rate Pool reserve (this is money generated by the Council from its participation in the Essex Business Rate Pool, which has resulted in savings on the levy that would otherwise have been paid to Government as a result of business rate growth in the District)</p> <p>Subject to obtaining further specialist VAT advice, the initial intention is for the Council to opt to tax the development in order that the VAT on the construction works and associated costs is recoverable.</p> <p>The Council has applied its Corporate Investment Evaluation Tool to this option which evaluates and scores key investment criteria to provide an overall score for the proposed investment which can be measured against other alternative investment opportunities. Officer and councillor evaluation of this option has produced a weighted score of 5.8.</p>
Legal:	<p>Agreement of all lease documents, determination of Title and agreement of the eventual construction contract are being undertaken by the Council.</p> <p>All professional team appointments have been made in compliance with the relevant procurement regulations.</p> <p>Selection of the eventual main construction contractor will be via a competitive tender process, compliant with the requirements of the 'Official Journal of the European Union' (OJEU) procurement rules.</p> <p>The main contractor will be engaged on the basis of an appropriate and robust design and build contract to reflect risk and protect the Council's interests.</p> <p>Members must be mindful that the decision to proceed with this redevelopment project including the submission of a planning application does not determine the approach the Council (through the Planning Committee) will take when determining the application which will be made in relation to relevant planning policy requirements.</p>
Safeguarding:	<p>All Members of the professional team and the eventual main construction contractor are required to provide satisfactory safeguarding policies as a prerequisite for selection.</p>

Equalities/Diversity:	<p>The new buildings will comply with all relevant disabled access requirements.</p> <p>All Members of the professional team and the eventual main construction contractor are required to provide satisfactory equality and diversity policies as a prerequisite for selection.</p> <p>There are no indications that to proceed with this project would have an impact on the protected characteristics for any individuals.</p>
Customer Impact:	<p>The project will assist in creating high-quality employment and training opportunities for residents both in the District and beyond.</p> <p>Further details on the project's customer impact are provided at section 'Impact Assessment'.</p>
Environment and Climate Change:	<p>The Innovation Centre will be built to BREEAM Excellent standard, in accordance with ERDF requirements.</p>
Consultation/Community Engagement:	<p>HGP along with their partners have begun a process of extensive engagement with the business community to understand business needs for the project.</p> <p>The public have a statutory right to comment on the proposals via the planning process.</p> <p>Prior to submission of planning, engagement will be undertaken with current users of the Braintree Enterprise Centre.</p>
Risks:	<p>Please see section 6 'Risk Assessment' and <u>Appendix 1</u> 'Risk Plan'.</p>
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1 Background

- 1.1 The Council's participation in this £7.5million project originally required funding of £750,000 on the basis of that ECC would also be a contributor to the project of the same amount. ECC declined to fund the project on a grant basis and two alternative loan options were offered to the Council.
- 1.2 ECC offered a loan at rates that could be obtained by the Council themselves which offered no financial advantage. An alternative loan option was also considered in which ECC would retain an equity option in the Innovation Centre. Officers reviewed both options along with two further options: the Council borrowing the additional £750,000 or using an additional £750,000 of the Business Rates Pool.
- 1.3 Both ECC options would reduce rental income to the Council and were not recommended. The Council borrowing the additional £750,000 itself also reduced rental income and was also rejected. Instead, it is proposed to proceed with the project by increasing the Council's contribution from the Business Rates Pool ensuring rental incomes were maintained.
- 1.4 The Council's proposed new commitment to the project for approval is as follows:
 - 1.4.1 The Council's funding of £1,500,000 (£1,400,000 towards the Innovation Centre and £100,000 towards the reconfiguration of Ignite House)
 - 1.4.2 If the ERDF bid is successful, £800,000 from ERDF.
 - 1.4.3 £160,000 of in-kind revenue funding through donating the value of the land to the project for three years
 - 1.4.4 Management of the design and build of the Innovation Centre
- 1.5 The Council's Corporate Strategy and its Plan for Growth have a number of objectives:
 - 1.5.1 Enabling suitable employment sites and premises
 - 1.5.2 Providing support to help businesses to start and grow
 - 1.5.3 Support existing businesses through ensuring access to business advice, access to finance, and business energy advice
 - 1.5.4 Identify businesses with innovation potential and support collaboration with higher education
 - 1.5.5 Stimulate inward investment
- 1.6 It is in the context of these opportunities that the Council's participation in the £7.5million I-Construct ERDF project is proposed.
- 1.7 The I-Construct bid is a multi-partner project to provide a business support programme to encourage innovation in construction within the SELEP region

with a proposed new 629m² Innovation Centre on the Council's owned Braintree Enterprise Centre acting as a hub and centre of excellence for construction innovation.

- 1.8 The I-Construct project is led by HGP with ECC, the Council, BRE, Colchester Institute and Daedalus Environmental as partners. An initial bid submitted to the MHCLG who administer ERDF bids, was successful and passed through to the full business case round which is due to be submitted after cabinet and council approval.
- 1.9 Provided funding is secured from ERDF, the Council's key benefits of being part of this project are:
 - 1.9.1 A flagship asset for a contribution of £1,500,000
 - 1.9.2 New BREEAM Excellent flagship asset
 - 1.9.3 Reconfigured Ignite House to increase the number of offices to let
 - 1.9.4 Within the SELEP region:
 - 1.9.5 350 SMEs in the construction supply chain provided with business support
 - 1.9.6 130 new jobs
 - 1.9.7 The launch of 150 new products or services to the market.
- 1.10 Cabinet Approval was obtained for £750,000, but as it is now proposed to increase funding it was agreed to re-submit this Cabinet Report for approval for the £1,500,000 of funding from the Council's Business Rate Pool reserve and to provide the land for the duration of the three year project as part of the in-kind contribution.
- 1.11 Using the Corporate Investment Evaluation Tool as a guide for this project the proposed investment has produced a weighted score of 5.8. The table below provides a summary of the score with the full details found in appendix 3.
- 1.12 As this project has significant scores in Corporate Strategy Priorities and Customer/Stakeholder Impacts in providing new jobs, products, business support and start-up opportunities to a priority business sector, it is recommended for approval.

Scoring Categories	Costs and Benefits	Score	Weighted score
Financial	<ul style="list-style-type: none"> Cost of implementation: £1,500,000 Revenue Impact: Increased rental income after 3 years but restrictions on sale and tenancy for 12 years 	3	1.05
Corporate Strategy	<ul style="list-style-type: none"> BREEAM Excellent Innovation Centre Showcase of sustainable built environment technologies Construction supply chain development Supporting innovation and acceleration of delivery via off-site construction; Provide new premises – Innovation Centre Job creation of 130 new jobs in SELEP 150 new products in SELEP Provide business support Generation of business rates 	9	2.25
Impact Assessment	<ul style="list-style-type: none"> Significant and positive impact on the Council's reputation, stated Corporate Strategy objectives and future income streams. support the Council's Plan for Growth to increase GVA per capita by enhancing Infrastructure, Skills and Business Support 	7.5	1.5
Risk	<ul style="list-style-type: none"> Risks regarding the European Funding have been minimised. The two key risks are: <ul style="list-style-type: none"> not attracting tenants to the Innovation Centre which will be mitigated through careful design and review of the SLA with HGP to ensure the building is attractive to a wide range of tenants; ERDF do not fund the project. In this case the project has been designed to ensure that gateways are timed to halt the project before a contract sum is agreed. The design costs are covered by an ECC grant which mitigates against the projected aborted costs if ERDF do not fund the project. 	5	1.0
	TOTAL SCORE		5.8

1.13 The proposed I-Construct project is part of the Council's overall strategy to invest in employment sites in the District. The other current projects can be summarised as follows:

- 1.13.1 Witham Enterprise Centre: a new 1.5 hectare business park close to the A12, providing commercial premises to allow for the creation of new jobs and the retention and growth of companies. The required land has been secured via a Section 106 Agreement and is likely to be transferred to the Council ownership within the next two years, subject to residential sales completions on the site;
- 1.13.2 Osier House, Sible Hedingham: a new rural enterprise hub, providing six office spaces and ancillary communal facilities has reached completion. The legal transfer to the Council is underway and the Asset Management team is actively marketing the units. The new building has been delivered at zero capital cost to the Council, via a Section 106 Agreement;
- 1.13.3 Braintree Enterprise Centre Phase 2: construction is underway of four new grow-on units on the Council-owned land at the rear of the existing Enterprise Centre. This project assists in meeting an identified shortage for such grow-on units, allowing the growth and retention of local SMEs. The units will reach completion in summer 2018;
- 1.13.4 Great Notley Employment Site: Cabinet approval has been secured to acquire 63 acres of employment land. This project represents the largest development of employment land in the District and will generate circa 2,000 new jobs. A full business case is now being produced and will be presented for approval in autumn 2018.
- 1.14 Subject to approval and delivery, the I-Construct project would bring the total investment in new employment facilities at the Braintree Enterprise Centre since 2015 to £4.3 million

2 I-Construct

- 2.1 The project will be led by the Haven Gateway Partnership, who will set up a dedicated I-Construct project team which will be based in Braintree and led by a project manager who will ensure effective programme management and co-ordination throughout the project. The project manager will manage operational activities including collaboration with the Delivery Partners and reporting to the HGP Management Team who will provide management and leadership support to the project team and fully participate in the business support programme.
- 2.2 The project has budgeted for a full time communications and marketing manager and a budget to implement the project's marketing strategy which will focus on generating leads and enquiries. This will include formal launch and PR activities, project branding, digital and printed promotional materials, a project website and social media channel development. Budget has also been included for advertising, web site optimisation, Innovation Hub branding and marketing and attending networking events, conferences and joining existing membership organisations in the sector so that the project can reach the target beneficiaries efficiently.
- 2.3 The project has also been designed to provide an offer to SMEs which is

focussed on giving them a long term commercial advantage in order to attract companies to the project. Awareness-raising events and networking along with a marketing campaign, will be the route to signing up eligible businesses to participate in the project. The Haven Gateway Partnership and the Delivery Partners have contacts with a range of SMEs across SELEP and, together with recommendations from the Growth Hubs, business organisations and Local Authority Economic Development teams, SMEs will be directly invited to attend these events and receive marketing communications. The project also has two Business Support Facilitators whose role it is to network, attend business events, follow up enquiries and then to work with SMEs to identify their support needs in 1:1 meetings and help them to access the project's support.

- 2.4 If successful in winning the ERDF funding, the I-Construct project will join the ten existing ERDF projects in the SELEP area, including the £5.7 m TALE project which is also being led by the Haven Gateway Partnership and aims to support the development of the logistics sector across SELEP and NALEP. Current similar ERDF projects focussed on supporting SMEs, which Essex County Council is leading or involved as a Delivery Partner, include the Low Carbon in the South East (LoCASE), South East Invest. South East Business Boost projects. I-Construct has been designed to complement these existing projects and address a specific market need as there are no existing business support programmes to support the construction sector and its supply chain, even though it is by far the largest priority sector in the SELEP area and faces significant structural and productivity challenges which need to be overcome through innovation.
- 2.5 The purpose of I-Construct
 - 2.5.1 I-Construct is a targeted business support programme which will improve productivity in the construction sector in the SELEP area, in order to accelerate the delivery of high quality and sustainable housing and infrastructure (including Ministry of Housing Communities and Local Government supported Garden Community sites) and to generate economic growth in construction and related priority growth sectors in the supply chain such as ICT, Advanced Manufacturing and Engineering and Renewable Energy.
 - 2.5.2 I-Construct will achieve this by enhancing the competitiveness of 350 SMEs operating within, or supplying to, the construction industry by promoting entrepreneurship and increasing SME growth capacity and capability in line with the ESIF/ERDF Operational Programme, SELEP ESIF Strategy and in support of national and local SEP targets for sustainable economic growth and housing delivery. Outcomes and results will include the creation of 130 new jobs in SELEP and the launch of 150 new products or services to the market.
 - 2.5.3 The project's business support is specifically designed to meet the needs of SMEs both in the construction sector itself and in other priority growth sectors in SELEP which offer the technological, manufacturing and process innovations needed by the construction sector to accelerate delivery and achieve sustainable growth.
 - 2.5.4 The SELEP region is ideally placed to lead this agenda as it has the largest proportion of construction companies amongst all LEPs and has the priority

sectors of: Energy and Environmental Technologies; ICT and Digital; Ports and Logistics; and Advanced Manufacturing and Materials; which if linked to the Construction sector will enable truly sustainable and high-quality growth and enhance the productivity of participating SMEs across multiple sectors in the Construction supply chain.

2.6 I-Construct Partners

I-Construct is led by the HGP project management team, with ECC acting as the accountable body.

2.6.1 HGP

HGP will be responsible for:

- Project leadership and project management
- Recruitment and management of central project team
- Communications and marketing management
- Financial and compliance management working with the ECC Finance Partner;
- Innovation network and business support delivery
- Grant programme management
- Co-ordination of delivery partner activity
- SELEP HDG strategy alignment
- Homes England and LA sites identification
- ERDF claim management
- Performance management
- Compliance monitoring and liaison with MHCLG.

2.6.2 ECC

ECC as the Accountable Body for the project will be responsible for:

- Financial management support including creating project cost centre in HGP budget;
- ERDF claim submission to MHCLG
- Procurement compliance gateway checks
- ERDF re-distribution to SMEs and partners
- Procurement and payment of suppliers via HGP
- Financial reports
- HR services
- Legal advice
- Participation in innovation network and links to other ECC activity e.g. innovation or housing delivery
- Submission of claims for ECC staff time
- Participation in Audit; compliance monitoring and internal management reporting

2.6.3 Braintree District Council

As a Delivery Partner, the Council will assume specific responsibility for managing the development of the Innovation Centre and acting as landlord to the project, once the building is completed.

The Council are providing significant match and in-kind funding and will also own and operate the Innovation Centre once the project is completed, ensuring compliance with the ERDF Grant Agreement conditions in relation to the lifetime of the asset and monitoring net revenue generation.

Specifically, the Council will contribute to:

- General project management activity via contributing to the Steering Group
- Raise awareness of the project amongst SMEs
- Innovation Centre build delivery and development of materials and events related to the build to support SME engagement
- Provision of agreed level of match funding
- Operation of the Hub as landlord through facilities management and service charge
- Project management via the Steering Group and Grants Panel
- Participation in the innovation network
- Submission of claims and participation in Audit
- Compliance monitoring and internal Council management reporting

2.6.4 The Buildings Research Establishment

BRE is a world leading multi-disciplinary building science centre with a mission to improve buildings through research and knowledge generation. BRE will act as a delivery partner providing strategic input and advice and linking the project to BRE's wider activities and Innovation Park Network.

2.6.5 Colchester Institute (CI)

CI will act as a delivery partner supporting the innovation network through knowledge exchange activity, providing expertise in construction and support for entrepreneurship activity involving students, employers and other FE providers in the SELEP area. CI's technical team will also advise on the specification of the equipment in Innovation Centre's Lab and provide guidance and support to users of the Lab, offering regular hands-on sessions and remote technical support. CI is a provider of high quality vocational education throughout north Essex, operating across campuses in Colchester, Braintree and Clacton and provides training to a wide range of sectors including the construction industry.

2.6.6 Daedalus Environmental

Daedalus Environmental, located in Kent, is a specialist SME not for profit consultancy with expertise in the application of renewable energy and storage technologies, off site construction methods and planning and design for expansion of electric vehicle infrastructure and improving housing sustainability standards. Daedalus Environmental will support our Supply Chain development work to engage SMEs in business opportunities around new technologies, sustainability and around major development sites.

2.7 Project Details

2.7.1 I-Construct will create a permanent physical and virtual Innovation Centre and construction supplier and innovation network which will enable innovation, collaboration and jobs growth across construction supply chains, in order to

create the capacity in the sector to accelerate the delivery of housing and infrastructure in line with SELEP growth targets.

2.7.2 The hub and network will focus on three areas:

1. Supply chain development - creating market opportunities for SME suppliers and entrepreneurs by connecting them with commissioners from the public, housing and private sectors and large industry contractors and working with SMEs on awareness of the development pipeline and procurement readiness;
2. Innovation-based growth strategy development – encouraging and supporting the development or adoption of new construction methods, technologies, business models or service offers into SME business growth strategies;
3. Increasing entrepreneurship - supporting entrepreneurs to launch new products and services into the construction market and coaching students at FE and HE to develop start-up ideas for the construction market

2.3.2 Areas of work within the project include:

- Building awareness of the need for innovation in the sector and raising awareness of the support that is available for SMEs via the project and the Growth Hubs
- Working with partners in SELEP to build awareness of long term development pipeline and to develop supply chain capacity for delivery of larger scale projects
- Working with major site promoters and commissioners in the public sector to provide routes to market for SMEs, to give them scale-up opportunities and shared risk opportunities for innovation by adopting new technology or new methods;
- construction supply chain development including SME procurement readiness and opportunities for SME consortia;
- Supporting innovation and acceleration of delivery via off-site construction and modular build;
- Supporting innovation and improved quality of delivery via promoting adoption of BIM, ICT, renewables;
- Support for R&D and new product/service launches via technology readiness advice and support to showcase and market test innovations
- Generating opportunities for job creation via market opportunities and business strategy, including considering apprenticeships as a route to additional capacity or capability
- Student entrepreneurship – promoting the opportunities in the construction sector for FE and HE graduates and start-ups.
- Start-up support to access construction markets

3 Design Scheme Proposals for Innovation Centre

3.1 AHR are appointed as the multi-disciplinary designers for this project and are appointed to RIBA Stage 2. AHR have designed a number of award winning state of the art facilities that provide flexible managed workspace for small businesses and start-ups including:

3.1.1 Poole Innovation Centre which is managed by Plymouth University in a joint venture with Cornwall Council. The building provides shared meeting, conference and social spaces which encourage collaboration and knowledge sharing. Design focused, the building achieved high standards of internal environmental quality and comfort utilising natural ventilation and day light.

3.1.2 Innovation and Enterprise Centre, University of Leeds: set to open in autumn 2018, the centre will provide flexible office, laboratory, seminar and lecture theatre space. The ground floor boasts a central atrium area for exhibitions and a cafe, a large lecture theatre and a number of flexible seminar suites for conference facilities. It will be a hub for the growing innovation community in Leeds, creating new jobs and investment.

3.2 Current design

The current design proposals include the following:

- A state of the art BREEAM Excellent Innovation Centre
 - 629m2 Gross Internal Area
 - Lobby
 - Exhibition area
 - Technology Suite
 - Conference facilities
 - Offices
- Reconfigured Ignite House
 - Change of conference and reception area to offices
 - Connection to Innovation Centre

3.3 Current Costs:

The detailed design proposals have been costed by the Council's quantity surveyor, Potter Raper Partnership (PRP) and are within the current budget envelope as suggested below.

3.4 (This table is part of the Private Report Only)

3.5 Operations

- 3.5.1 The management of the asset as well as the current Braintree Enterprise Centre (to be renamed as an Innovation Park) will be undertaken by the Council. I-Construct ERDF business support including seminars, workshops and grant funding to SMEs will be managed by HGP and their delivery partners.
- 3.5.2 The Council will continue to collect the rental income and a service charge from the existing and new tenants from the newly renamed Innovation Park. The operation of the rest of the Innovation Park will be unaffected, and there will be no specific requirement for changes in tenant sector mix and the site will remain open to all businesses. Given the presence of the Innovation Centre it is expected that there may be a gradual shift towards businesses and start-ups within the target sectors.
- 3.5.3 For the ERDF project, the parcel of the council's land will be provided to the project for duration of the three year project as "in-kind" match funding. Once the Innovation Centre is built, ERDF state aid rules are that the building must be let on the open market with HGP via ECC as the Accountable Body applying to be a tenant. An independent valuation has stated that the market rental value of the whole Innovation Centre excluding service charges and VAT is £61,000 per annum.
- 3.5.4 Any tenant that secures the lease will result in the operation costs of the building being covered by rental and service charges including VAT.
- 3.5.5 Any catering or café provision within the Innovation Centre will have to be tendered using OJEU rules. Once the ERDF project is completed provided the Innovation Centre area does not make a surplus for the next ten years all income from the Centre can be kept by the Council.
- 3.5.6 Once the three year ERDF project is completed, ERDF rules stipulate that the Council must lease the spaces in the Innovation Centre to SMEs at market rent for the next 7-9 years. In addition there are restrictions in being able to sell the asset. Although these are restrictions, the Council already targets SMEs for its office and industrial units and would prefer to retain the asset for the long term. In addition, it is not clear how EU rules will apply post Brexit.

3.6 Fit Out

- 3.6.1 The fit out (including furniture) of the innovation centre will be funded from the capital budget. As it will be a BREEAM Excellent building, Solar PV, Heat Pumps, Battery Storage and other renewable technologies will be designed to ensure the running costs will be lower than average with heating costs kept to a minimum.
- 3.6.2 ERDF funding has been ring-fenced in the I-Construct capital budget outside the build budget to fund equipment to facilitate innovation for SMEs in construction. Examples of technology being considered are 3D printers,

robotics and BIM software allowing SMEs to access, at low cost, such technology to assist their projects.

4 Governance

- 4.1 A project board for the ERDF I-Construct project will be established and consist of the Council, HGP, other delivery partners and ECC who will provide scrutiny of the ERDF project and targets in their role as an accountable body to MHCLG, to ensure they are met as stated in the business case, budget and programme contained in the funding agreement with MHCLG. The Project Board will be supported by Project Teams overseeing the detail of the delivery of the capital and revenue elements of the programme separately.
- 4.2 The proposed ERDF project will be led by the HGP's project management team (with ECC acting as the Accountable Body). A Service Level Agreement (SLA) will be in place between the Council and HGP via ECC as the Accountable Body within three months of the main contract with MHCLG and will outline the agreed responsibilities of the Council as detailed in 2.2.3 to the project in relation to ERDF funding. These responsibilities are primarily:
- project manage the detailed design works for the I-Construct Innovation Centre using architects and contractors from existing or newly established OJEU-compliant frameworks
 - delivery of the Innovation Centre building
 - operation of the Innovation Centre
- 4.3 A draft SLA will be circulated for approval by the Council before the contract sum for the Innovation Centre is signed. The Contract Sum will only be approved once it is confirmed that ERDF funding is in place.
- 4.4 In the proposed ERDF bid, the governance arrangements state that HGP will lead a team to deliver the 3 year ERDF business support, provide ERDF project management, reporting and monitoring as well as undertaking the networking and business support across the SELEP area. HGP will be supported by various delivery partners with procured expert support which along with the HGP team.

5 Financial Requirements

- 5.1 The total value of the I-Construct Capital Project – the Innovation Centre - is as shown below. The funding of the Innovation Centre will now include:
- £1,500,000 from the Council (£1,400,000 for the Innovation Centre and £100,000 for the reconfiguration of Ignite House)
 - £160,000 in kind funding from the Council
 - £800,000 from ERDF
 - £250,000 Design Grant from ECC
- 5.2 There is no funding commitment required from the Council for the revenue

costs.

5.3 The table below highlights the funding sources and allocated budgets.

5.4 (This table is part of the Private Report Only)

Note the Council match includes £100,000 earmarked for the reconfiguration which is not part of the ERDF project.

5.5 Project Cost and Funding

5.5.1 The detailed design proposals have been costed by the Council's quantity surveyor, Potter Raper Partnership (PRP) and are within the current ERDF budget envelope.

5.5.2 The assumed funding is set out in the Table above. It is proposed that the Council fund its contribution of £1,500,000 from the Council's Business Rate Pool reserve.

6 Risks and Liabilities

A full risk plan is attached as Appendix 1 which considers all risks associated with the project, together with the Council's long-term liabilities in relation to ERDF funding. All risks are reported through the District Growth Officers Group and it is proposed that the Council approve key decisions in four Gateways on funding, design, tender, cost and legal implications before committing to the next stage.

4.3 and 4.4 are the key risks. Once the three year ERDF project is completed, ERDF rules stipulate that the Council must lease the spaces in the Innovation Centre to SMEs at market rent for the next 7-9 years. In addition there are restrictions in being able to sell the asset. Although these are restrictions, the Council already targets SMEs for its office and industrial units and would prefer to retain the asset for the long term. In addition, it is not clear how EU rules will apply post Brexit.

6.1

Category	Risk	Impact	Severity	Actions	Ownership
2.2 Legal and Statutory Controls	SLA with HGP on ERDF roles and responsibilities is not agreed	Delay to the programme.	A	Draft SLA to be agreed by October 2018 in Gateway 3	BDC & HGP
4.2 Operational	ERDF business support for Revenue project does not hit targets	ERDF audit and possible financial clawback from accountable body	A	Haven Gateway to review and ensure ERDF business support plan is robust. BDC to sign off in Gateway 1 and SLA in Gateway 4	HGP
4.3 Operational	Assets to be for approved use only for useful economic life:	ERDF audit and possible financial clawback	B	To ensure that the definition for use during the economic life of the asset is broad enough BDC to sign off in Gateway 4	BDC
4.4 Operational	Disposal of assets	ERDF audit and possible financial clawback	B	To ensure that the operation of the Innovation Centre is in line with ERDF Compliance requirements. BDC to sign off proposal in Gateway 1 and SLA in Gateway 4	BDC & HGP
5.2 Comms	Poor public relations If the project doesn't meet ERDF targets	ERDF financial clawback	A	Ensure that ERDF bid is robust. BDC to sign off in Gateway 4	BDC
9.1 Financial	ERDF funding is rejected	Innovation Centre cannot be built	A	Ensure ERDF bid submission is robust. BDC to sign off in Gateway 4	HGP

7 Impact Assessment

The scheme design and proposed uses have been developed to align closely with the Council's current Corporate Strategy and the individual objectives contained therein:

Corporate Strategy Objective	Direct Impact of Proposed Scheme
A sustainable environment and a great place to live, work and play	<ul style="list-style-type: none"> • BREEAM Excellent Innovation Centre • Showcase of sustainable built environment technologies
A well-connected and growing District with high-quality homes and infrastructure	<ul style="list-style-type: none"> • Construction supply chain development including SME procurement readiness and opportunities for SME consortia; • Supporting innovation and acceleration of delivery via off-site construction and modular build;
A prosperous District that attracts business growth and provides high-quality employment opportunities	<ul style="list-style-type: none"> • Provide new premises – Innovation Centre • Job creation of 130 new jobs in SELEP • 150 new products in SELEP • Provide business support to 350 SMEs in SELEP
A high performing organisation that delivers excellent value for money	<ul style="list-style-type: none"> • Scheme delivers a positive return on investment in the long-term • Rental income provides a long-term revenue stream and delivers positive effect on annual net general fund income • Generation of business rates • Significant high-quality asset added to Council's portfolio

- 7.1 The Districts Plan for Growth identifies Construction as one of the strongest sectors in the District and one of the key sectors that public sector support should be targeted at. This is particularly the case in construction where a proliferation of small and medium sized firms may lack the capacity and resources to innovate by themselves. Any advances in residential construction methods which speed up the completion of housing will also contribute to the Councils meeting its housing needs as set out in the submission draft Local Plan (2017)
- 7.2 The Overview and Scrutiny Committee have recently completed a review into Employment land and premises in the District, the recommendations of which are being considered by Cabinet in May. The recommendations include to look for new investment opportunities in the District and to be braver in our investments including promoting specialist clusters and providing employment opportunities locally for new inhabitants. It is considered that this project would help the Council to achieve both these recommendations

8 Consultation

- 8.1 The genesis of the scheme design has been a consultative process, with the Project Team meeting monthly since inception, regular liaison on key operational issues with appropriate Council colleagues and regular updates to Management Board, Portfolio Holders and Cabinet.

9 Member Engagement

- 9.1 The project team will maintain engagement with Cabinet and Council at key points in its development. This report sets the framework to enable the key delivery elements and delegations which are required.
- 9.2 To date there has been regular engagement with the relevant portfolio holders through an informal Member working group. This has allowed the project to be developed to this point with a strong steer from key Members.
- 9.3 If this report is approved by Members an application will be submitted for planning permission, as this is a site owned by the Council it will be determined by the Planning Committee. The Committee will consider the application on its planning merits rather than on the basis of any commercial interests that the Council has in the proposed scheme.

10 Programme and Decisions Gateway

- 10.1 The Decision Gateway is attached as Appendix 2.
- 10.2 Subject to Cabinet and Council approval, the tender process will be commenced in June 2018. This submission is dependent upon the following gateways:

10.3 Gateway 1: June 14th 2018

Council sign off of:

- BDC contribution of ERDF bid to be submitted subject to Council approval
- Stage 2 drawings and cost plan and all supporting documents approved by Corporate Director and Cabinet Member for Economic Development and Regeneration;
- Tender documents for upload
- The full tender pack will be completed by the project team. PRP has advised on the timeframes based on statutory requirements in the OJEU legislation, which as a public body, the Council is required to follow.

10.4 Gateway 2: August 2018

Council sign off: of: Pre-Construction Services Agreement (PCSA) subject to Council approval

The time period to conclude negotiations with a contractor from this is approximately 2 months and is expected that a will be signed in early August 2018.

10.5 Gateway 3: October 2018

Council sign off of:

- planning application
- Draft SLA

10.6 Gateway 4: January 2019

Council sign off of:

- The build contract subject to:
 - confirmation that the ERDF bid has been successful
 - an agreed SLA

11 Value for Money

11.1 Demonstrating that the proposed investment provides the Council with value for money is a key objective of the project.

11.2 The total capital contribution from the Council is £1,500,000, with in-kind support of £160,000 through making land available.

11.3 The project has been assessed via the Council's Corporate Investment Evaluation overall score for the proposed investment which can be measured against other alternative investment opportunities. Officer evaluation of this option has produced a weighted score of 5.8.

11.4 The Council's procurement procedures have been adhered to in order to appoint appropriate consultants. The eventual main contractor will be selected through a competitive OJEU process, assessed on the basis of value for money, alongside appropriate quality measures. As the cost consultant, PRP will be required to assess the tender returns and confirm that the successful return is competitive, reflects prevailing market conditions and represents value for money.

12 Communications and PR

12.1 The Council's Communications team are aware that the I-Construct project will need to meet the ESIF Funds Publicity Requirements which include ensuring that all publicity materials and digital communications acknowledge the support given to I-Construct by ERDF and display the logos in accordance with the guidance.

12.2 The I-Construct project programme manager and marketing manager will meet with each Delivery Partner and run through their responsibilities with regard to ERDF publicity requirements as part of the wider project compliance briefing meetings with delivery partners at the start of the project.

13 Summary

13.1 I-Construct is part of the Council's overall strategy to invest in employment sites in the District, in order to stimulate business start-up and growth, deliver high-quality jobs and attract inward investment. Other current and pipeline projects include Witham Enterprise Centre, Osier House Rural Business Hub, Braintree Enterprise Centre Phase 2 and Great Notley Employment site.

13.2 The key benefits to the Council include:

- the design and development of a BREEAM Excellent 629m2 Innovation Centre
- An independent valuation has stated that the market rental value of the whole Innovation Centre excluding service charges and VAT is £61,000 per annum.
- Rebranding of the Braintree Enterprise Centre as an Innovation Park.
- Reconfiguration of Ignite House to increase office space.
- Extensive business support by enhancing the competitiveness of 350 SMEs operating within, or supplying to, the construction industry by:
 - promoting entrepreneurship
 - increasing SME growth capacity
 - National and local SEP targets for sustainable economic growth and housing delivery.
- Outcomes and results will include the creation of 130 new jobs in SELEP and the launch of 150 new products or services to the market.

Appendix 1

Appendix 2

Appendix 3

Risk Plan

Programme Gateways

Investment Appraisal Tool

PROJECT RISK REGISTER I CONSTRUCT

APPENDIX 1

Severity Code	Key: Severity
A	Major impact on project objectives - Unacceptable increases to time, quality or cost objectives (A)
B	Serious impact on project objectives - Likely increases in time, quality or cost objectives (B)
C	Moderate impact on project objectives - Within tolerance increases in time, quality or cost objectives (C)
D	Minimum impact on project objectives – acceptable increases in time, quality or cost objectives (D)

Key: Progress	Current Status
There has been no progress or there are no defined mitigation actions	3
Some progress but it has not been in accordance with the agreed action or behind schedule	2
Progress has been in accordance with the previously agreed direct action	1
Progress completed: RISK CLOSED	0

1. Quantify likelihood and impact of each risk – High, Medium, Low
2. Register automatically assigns severity to each assessed risk from the ‘Look up’ table (A-B-C-D)
4. Identify the control method and or control actions together with key delivery dates
5. Identify the risk owner
6. (Optional) assign cost impact to risk if failure to manage
6. Assign a current status traffic light and progress assessment (0-1-2-3)
7. Update the progress of any actions being undertaken to manage / mitigate the risk.
8. Do not enter any text or values in 'Severity' or 'OPEN/CLOSED' columns - these are automated

Rev	Description	Date	Circulation	Intls.
A	Stage 1	01.11.17	Client & Design Team	BB
B		16.04.18	Client & Design Team	BB
4 rev A				

LOOKUP TABLE			
LIKELIHOOD	IMPACT		
	H	M	L
H	A	B	C
M	A	B	D
L	B	C	D

PROJECT	I Construct
DATE OF LAST REVIEW	16.04.18
RISK REGISTER OWNER	Ben Binns



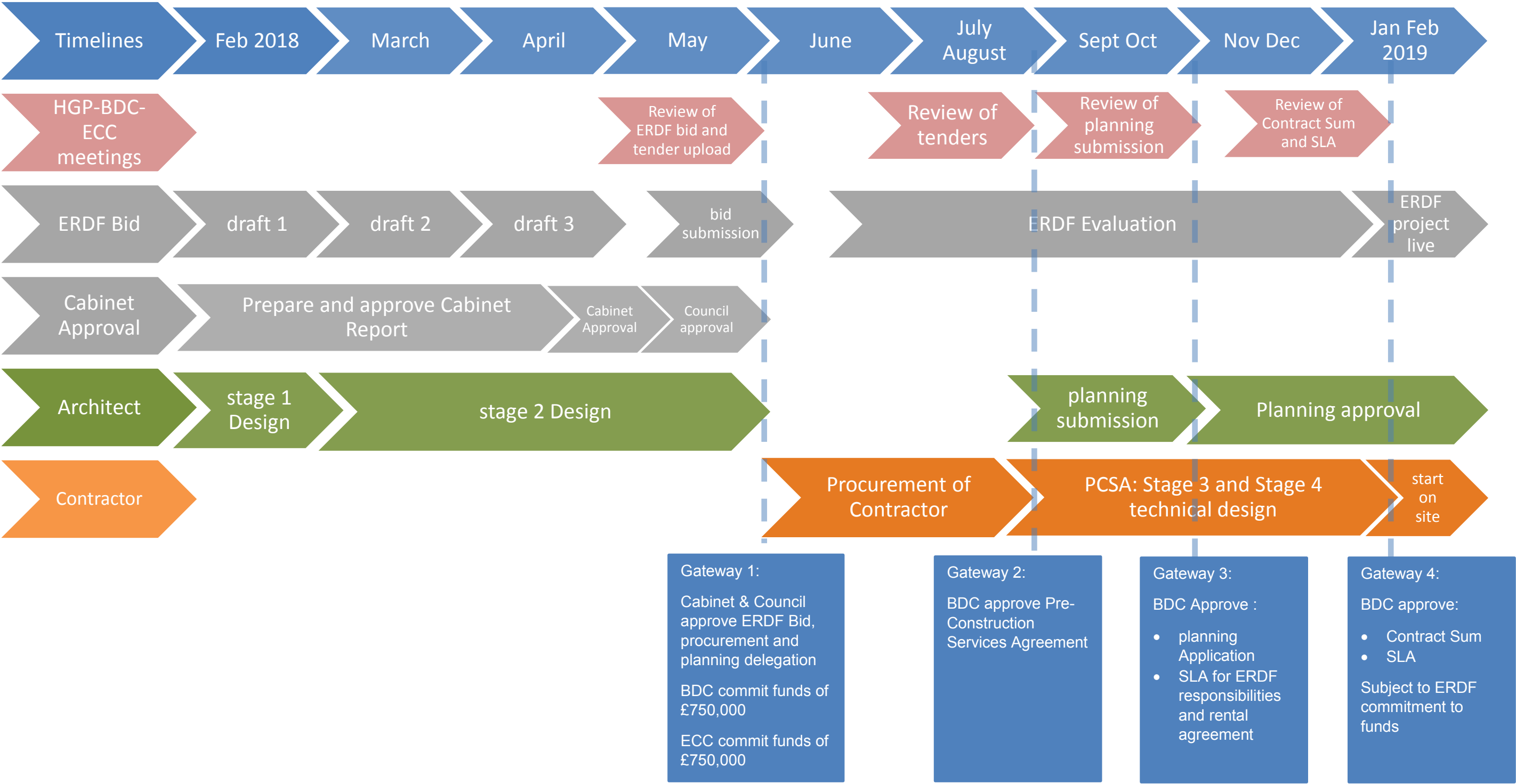
Category Ref.	sub category ref	Category	Risk Identification	Impact or Implication	Likelihood	Impact	Severity	Current Status	Action	Progress	Ownership	OPEN / CLOSED?
1	0	1.0 Project Development	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
1	1	1.1 Project Development	Changes in design brief	Delay to programme and abortive work increasing cost	L	L	D	1	Design brief issued	Stage 1 completed. Stage 2 in process.	BDC	CLOSED
1	2	1.2 Project Development	Clarity on brief for innovation centre	Delay to programme and abortive work increasing cost	L	H	B	1	budget clarity required	Stage 1 cost plan provided	BDC	OPEN
1	3	1.3 Project Development	Delay in design team consultants being appointed	Delay to start on site and project completion. Could lead to increased costs.	L	H	B	1	AHR and Potter Raper appointed via AHR for stage 1 vis framework	completed	BDC	CLOSED
2	0	2.0 Legal and Statutory Controls	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
2	1	2.1 Legal and Statutory Controls	Planning not granted	Changes to the design required at additional cost and creating a delay.	M	M	B	1	Liaise closely with Planning Case Officer to address Planning matters before submitting planning application.	pre-app to be part of tender brief	BDC	OPEN
2	2	2.2 Legal and Statutory Controls	SLA with HGP on ERDF roles and responsibilities is not agreed	Delay to the programme.	M	H	A	3	Draft SLA to be agreed by October 2018 in Gateway 3	not started	BDC & HGP	OPEN
2	3	2.3 Legal and Statutory Controls	OJEU processes not followed	Could delay programme and/or lead to clawback	L	M	C	2	Liaise closely with procurement to capture and conclude on any design change.	procurement strategy reviewed	ALL	OPEN
3	0	3.0 Construction	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
3	1	3.1 Construction	Delays in construction due to design changes	Disruption to programme and late availability of new facilities with increased costs	M	M	B	3	Liaise closely with the design team /client to capture any design change early.	To be carried out throughout the design stages.	Contractor	OPEN
3	2	3.2 Construction	No fault delays, especially inclement weather	Disruption to programme and late availability of new facilities	M	M	B	3	Clerk of Works required on site to monitor progress and report any potential delay that can be foreseen. Suggest weekend working / extended hours to be included in tender.	not started	BDC	OPEN
3	3	3.3 Construction	Delays caused by ERDF tours	site visits could cause delays	M	M	B	3	build into programme and procurement	To be discussed with Contractor prior to commencement on site.	Contractor	OPEN
4	0	4.0 Operational	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
4	1	4.1 Operational	Conflict between facilities management of Innovation Centre is not clarified	poor service management and duplication	L	M	C	1	Draft SLA to be agreed by October 2018 in Gateway 3	not started	BDC & HGP	OPEN
4	2	4.2 Operational	ERDF business support for Revenue project does not hit targets and potential risk to BDC	ERDF audit and possible financial clawback from accountable body from HGP/ECC	M	m	B	3	BDC SLA with HGP/ECC will only include ERDF liability for capaital project. Draft to be signed in Gateway 3 and final SLA in Gateway 4.	not started	BDC & HGP	OPEN
4	3	4.3 Operational	Assets to be for approved use only for useful economic life:	ERDF audit and possible financial clawback	M	M	B	2	To ensure that the operation of the Innovation Centre is in line with ERDF compliance requirements. BDC to sign off their commitment to the ERDF bid in Gateway 1 and SLA in Gateway 4.	In process	BDC	OPEN
4	4	4.4 Operational	Disposal of assets	ERDF audit and possible financial clawback	M	M	B	2	To ensure that the operation of the Innovation Centre is in line with ERDF compliance requirements. BDC to sign off their commitment to the ERDF bid in Gateway 1 and SLA in Gateway 4.	In process	BDC	OPEN

PROJECT RISK REGISTER I CONSTRUCT

Braintree District Council

Category Ref.	sub category ref	Category	Risk Identification	Impact or Implication	Likelihood	Impact	Severity	Current Status	Action	Progress	Ownership	OPEN / CLOSED?
5	0	5.0 Comms	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
5	1	5.1 Comms	BDC PR does not comply with ERDF Comm rules	Adverse effect on BDC and ERDF financial clawback	L	M	C	3	Ensure that ERDF comms procedures are provided to BDC	not started	BDC & HGP	OPEN
5	2	5.2 Comms	Poor public relations If the project doesn't meet ERDF targets	ERDF financial clawback	M	H	A	1	To ensure that the operation of the Innovation Centre is in line with ERDF compliance requirements. BDC to sign off their commitment to the ERDF bid in Gateway 1 and SLA in Gateway 4.	in process	BDC	OPEN
6	0	6.0 Health & Safety/CDM	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
6	1	6.1 Health & Safety/CDM	Failure of Project Team including Contractors Team to perform duties under the Regulations.	Exposing whole team and site workforce to risks associated with construction H&S management.	L	H	B	1	Exposing client to risks associated with construction H&S management.	Ensure that Principal Designer is involved and liaises with the design team/client/contractor.	Contractor	OPEN
6	2	6.2 Health & Safety/CDM	Failure to produce Pre-Construction Information and Designers Risk Assessment, Method Statements/H&S Plan required under the HSE. Leading to F10.	Inadequate H&S Pack. Insufficient time for principal contractor to produce H&S Plan. Delayed start on site.	L	H	B	1	Inadequate H&S Pack. Insufficient time for principal contractor to produce H&S Plan.	Ensure that Principal Designer is involved and liaises with the design team/client/contractor.	ALL	OPEN
7	0	7.0 People	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
7	1	7.1 People	Absence due to leave or sickness of key members	Project performance disrupted	L	M	C	1	Discuss project with Line Manager throughout the project to ensure that issues are known for temporary cover.	To be dealt with promptly upon knowing member is sick or on leave	ALL	OPEN
7	2	7.2 People	Change of personnel.	Lack of consistency and disruption to the project.	M	M	B	1	Any change over of personnel must have a thorough handover well in advance of the change.	Notify early when changes to personnel are anticipated	ALL	OPEN
8	0	8.0 Procurement	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
8	1	8.1 Procurement	insufficient time allowed to procure contractor and consultant resulting in non OJEU compliance	Programme disrupted, ERDF funds not released	L	M	C	1	consultant and contractor framework proposed; all commissions to be OJEU compliant	in process	BDC	OPEN
9	0	9.0 Financial	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
9	1	9.1 Financial	ERDF funding is rejected	Innovation Centre cannot be built	M	H	A	1	Ensure ERDF bid submission is robust. BDC to sign off their commitment to the ERDF bid in Gateway 1 and SLA in Gateway 4.	in process	HGP	OPEN
9	2	9.2 Financial	ECC funding is rejected	Innovation Centre cannot be built	H	H	A	1	ECC asked for commitment. BDC to sign off their commitment to the ERDF bid in Gateway 1.	In process	ECC	OPEN
9	4	9.4 Financial	Budget is not confirmed	VE of project which may impact ERDF funding	M	M	B	1	Monitor cost thoroughly and process for monitoring to be in placed.	Budget to be confirmed by BDC	BDC	OPEN

Appendix 2: Gateways For I-Construct



Investment Evaluation Tool - Template

		I Construct project		
Financial	Cost of implementation	£1500000 is the council's contribution to the project to leverage in £800,000 from ERDF. This funding is from the Business Rate Pool Reserve.		
	Revenue Impact	After the three year ERDF project is completed potential rental income is £61,000 per annum according to independent advice. During the three years of the project, the council will receive a rental income and service charge from the Innovation Centre and the additional offices created in Ignite House due to reconfiguration of approximately £60,000 per annum. A service charge of £35/m2 will also be levied to cover the majority of operational costs which should mean the rental income is net of operational costs. The investment appraisal assumes that the Innovation Centre (£1.3m) and reconfigured element of the Ignite Centre (£0.6m) will generate a capitalised rental value of £1.9 m.		
	Confidence level	Low		
	Score	3		
	Weighting	35%	35%	1.05
Corporate Strategy	Priority	A sustainable environment and a great place to live, work and play Direct Impact: <ul style="list-style-type: none">• BREEAM Excellent Innovation Centre• Showcase of sustainable built environment technologies A well-connected and growing District with high-quality homes and infrastructure Direct Impact: <ul style="list-style-type: none">• Construction supply chain development including SME procurement readiness and opportunities for SME consortia;• Supporting innovation and acceleration of delivery via off-site construction and modular build; A prosperous District that attracts business growth and provides high-quality employment opportunities Direct Impact: <ul style="list-style-type: none">• Provide new premises – Innovation Centre• Job creation of 250 new jobs in SELEP• 170 new products in SELEP• Provide business support to 350 SMEs in SELEP A high performing organisation that delivers excellent value for money Direct Impact: <ul style="list-style-type: none">• Scheme delivers a positive return on investment in the long-term• Rental income provides a long-term revenue stream and delivers positive effect on annual net general fund income• Generation of business rates• Significant high-quality asset added to Council’s portfolio		
	Fit with objectives	Strong		
	Targets/Success measures	Scheme completed new Innovation Centre, Business Support, rental income long term		
	Score	9		
	Weighting	25%	25%	2.25
Impact Assessment	Customer	The project will assist in creating high-quality employment and training opportunities for residents both in the District and beyond. Businesses in the District will benefit from the business support which is essential for delivering the Council's <i>Plan for Growth</i> . The project aims to assist businesses in the local area to innovate, diversify and gain capacity in order to capitalise on the future opportunities in construction, particularly Housing and the Garden Communities. Businesses will be able to benefit from the support in off site construction, robotics and other developments that are taking place in the construction supply chain.		
	Organisational (Staff, governance, members)	Successful delivery of this scheme will have a significant and positive impact on the Council's reputation, stated Corporate Strategy objectives and future income streams. This project will support the Council's <i>Plan for Growth to increase GVA per capita by enhancing Infrastructure, Skills and Business Support working in partnership with work in partnership with bodies such as the Haven Gateway Partnership as well as Essex County Council and SELEP</i>		
	Environmental	The Innovation Centre will be built to BREEAM Excellent standard, in accordance with ERDF requirements.		
	Stakeholder	There is no plan to formally engage with local communities, given the nature of the project. The public have a statutory right to comment on the proposals via the planning process. The Council has engaged extensively with Haven Gateway Partnership and Essex County Council. HGP are undertaking pre marketing activities liaising with business in the supply chain of construction		
	Legal	Agreement of all lease documents, determination of Title and agreement of the eventual construction contract are being undertaken by the Council. All professional team appointments have been made in compliance with the relevant procurement regulations. Selection of the eventual main construction contractor will be via a competitive tender process, compliant with the requirements of the 'Official Journal of the European Union' (OJEU) procurement rules. The main contractor will be engaged on the basis of an appropriate and robust design and build contract to reflect risk and protect the Council's interests.		
	Score	7.5		
	Weighting	20%	20%	1.5
		Identified risks	Mitigation	Likelihood/Impact
Risk		Full assessments have been undertaken to consider both all risks associated with the design, planning and construction phases of the project, together with the Council’s long-term scheme liabilities. A full risk plan is attached. All risks are monitored through the Project Team and reported through the District Growth Officers Group. The risk plan details each risk, its probability, impact and therefore rating, along with responsibility and mitigation. Risks regarding the European Funding have been minimised. The two key risks are: 1) not attracting tenants to the Innovation Centre which will be mitigated through careful design and review of the SLA with HGP to ensure the building is attractive to a wide range of tenants; 2) ERDF do no fund the project. In this case the project has been designed to ensure that gateways are timed to halt the project before a contract sum is agreed. The design costs are covered by an ECC grant which mitigates against the projected aborted costs if ERDF do not fund the project.		
	Identified risks			D3
	Score	5		1
	Weighting	20%	20%	

Total Score5.80

Cabinet Member Decisions made under delegated powers		Agenda No:10
Portfolio		See body of report
Corporate Outcome:		
Report presented by:		Not applicable – report for noting
Report prepared by:		Chloe Glock, Governance Business Officer
Background Papers:		Public Report
Cabinet Decisions made by individual Cabinet Members under delegated powers.		Key Decision: No
Executive Summary:		
<p>All delegated decisions taken by individual Cabinet Members are required to be published and listed for information on next Cabinet Agenda following the decision.</p> <p>Since the last Cabinet meeting the following delegated decisions have been taken (details as at time of decision):</p> <p>Councillor John McKee - Cabinet Member for Corporate Services and Asset Management. Decision taken on 29th May 2018</p> <p>That the existing lease granted to Rivenhall Playing Fields Association (RPFA) in respect of Rivenhall Village Hall, be surrendered and that new 25 year leases be granted to RPFA and Riventots Nursery School, on the reported terms.</p> <p>Cabinet Decisions made by individual Cabinet Members under delegated decisions can be viewed on the Access to Information page on the Council's website. www.braintree.gov.uk</p>		
Recommended Decision:		
For Cabinet to note the delegated decisions.		
Purpose of Decision:		
The reasons for decision can be found in the individual delegated decision.		

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

Financial:	None arising out of this report.
Legal:	None arising out of this report.
Safeguarding:	None arising out of this report.
Equalities/Diversity:	None arising out of this report.
Customer Impact:	None arising out of this report.
Environment and Climate Change:	None arising out of this report.
Consultation/Community Engagement:	None arising out of this report.
Risks:	None arising out of this report.
Officer Contact:	Chloe Glock
Designation:	Governance Business Officer
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E-mail:	chloe.glock@braintree.gov.uk