

# Cabinet AGENDA

**Monday, 14<sup>th</sup> May 2018 at 7:15 PM**

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

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

## **Membership:-**

### Portfolio

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

## **Invitees**

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

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](mailto:governance@braintree.gov.uk) by 3pm on the day of the meeting.

A WRIGHT  
Chief Executive

## **INFORMATION FOR MEMBERS - DECLARATIONS OF INTERESTS**

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

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

### **Question Time**

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# **AGENDA**

<b>No</b>	<b>Title and Purpose of Report</b>	<b>Pages</b>
<b>1</b>	<b>Apologies for Absence</b>	
<b>2</b>	<b>Declarations of Interest</b> 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.	
<b>3</b>	<b>Minutes of the Previous Meeting</b> To approve as a correct record the minutes of the meeting of Cabinet held on 12th March 2018 (copy previously circulated).	
<b>4</b>	<b>Public Question Time</b> (See paragraph above)	
<b>5</b>	<b>OVERALL CORPORATE STRATEGY AND DIRECTION</b>	
<b>5a</b>	<b>Leader's Update</b> The Leader of the Council to give a brief update on key issues and activities.	
<b>6</b>	<b>ECONOMIC DEVELOPMENT</b>	
<b>6a</b>	<b>Braintree Town Centre Regeneration Scheme Development and Financial Update and Proposals - PUBLIC</b> This Item will include a presentation from Cabinet Members and Officers.	<b>6 - 52</b>
<b>6b</b>	<b>I-Construct Development and Financial Update and Proposals - PUBLIC</b>	<b>53 - 74</b>
<b>7</b>	<b>CORPORATE SERVICES AND ASSET MANAGEMENT</b>	

<b>7a</b>	<b>Chapel Hill Access Land Purchase - PUBLIC</b>	<b>75 - 86</b>
<b>8</b>	<b>ECONOMIC DEVELOPMENT</b>	
<b>8a</b>	<b>Phase 4a Superfast Broadband Funding</b>	<b>87 - 97</b>
<b>8b</b>	<b>Overview and Scrutiny Committee Scrutiny Review - Employment Land and Premises in the District</b>	<b>98 - 121</b>
<b>8c</b>	<b>Task and Finish Review in to Tourism Potential in the Braintree District</b>	<b>122 - 126</b>
<b>9</b>	<b>HEALTH AND COMMUNITIES</b>	
<b>9a</b>	<b>The Bewell Strategy – Increasing levels of activity in the Braintree District</b>	<b>127 - 142</b>
<b>10</b>	<b>FINANCE AND PERFORMANCE</b>	
<b>10a</b>	<b>Council’s 2017-18 Accounts Closure</b>	<b>143 - 150</b>
<b>11</b>	<b>OVERALL CORPORATE STRATEGY AND DIRECTION</b>	
<b>11a</b>	<b>Appointments to Outside Bodies</b>	<b>151 - 156</b>
<b>12</b>	<b>Cabinet Member Decisions made under delegated powers</b>	<b>157 - 159</b>
<b>13</b>	<b>URGENT BUSINESS AUTHORISED BY THE CHAIRMAN</b>	

- 14 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.

## **AGENDA – PRIVATE SESSION**

<b>No</b>	<b>Title and Purpose of Report</b>	<b>Pages</b>
<b>15</b>	<b>ECONOMIC DEVELOPMENT</b>	
<b>15a</b>	<b>Braintree Town Centre Regeneration Scheme Development and Financial Update and Proposals - PRIVATE</b>	
<b>15b</b>	<b>I-Construct Development and Financial Update and Proposals - PRIVATE</b>	
<b>16</b>	<b>OVERALL CORPORATE STRATEGY AND DIRECTION</b>	
<b>16a</b>	<b>Chapel Hill Access Land Purchase - PRIVATE</b>	

**Braintree Town Centre Regeneration Scheme  
Development and Financial Update and Proposals**

**Agenda No:6a**

<b>Portfolio</b>	<b>Economic Development and Regeneration</b>
<b>Corporate Outcome:</b>	<p>A sustainable environment and a great place to live, work and play</p> <p>A well connected and growing district with high quality homes and infrastructure</p> <p>A prosperous district that attracts business growth and provides high quality employment opportunities</p> <p>Residents live well in healthy and resilient communities where residents feel supported</p> <p>A high performing organisation that delivers excellent and value for money services</p> <p>Delivering better outcomes for residents and businesses and reducing costs to taxpayers</p>
<b>Report presented by:</b>	<b>Councillor Tom Cunningham, Cabinet Member for Economic Development</b>
<b>Report prepared by:</b>	<b>Andrew Hull, Interim Head of Projects</b>

**Background Papers:**

Reports and Minutes of Cabinet: [Cabinet 9<sup>th</sup> June 2011](#), [30<sup>th</sup> November 2015](#), [18<sup>th</sup> July 2016](#), [23<sup>rd</sup> May 2016](#)

[Corporate Strategy 2016-2020](#)

[The Manor Street Regeneration, Braintree - Design Development and Options Report](#)

**Public Report**

**Key Decision: Yes**

**Executive Summary:**

This report sets out the extensive work undertaken in bringing forward the key Braintree Town Centre site at Manor Street and follows the approval in July 2016 for the Council to terminate the Contract with Henry Boot and take on direct delivery of this key site.

Once the Council had terminated the contract with Henry Boot and the appointed the professional team it was clearly apparent that the proposed project was unviable, undeliverable and it would be highly risky to proceed with it.

A commercial assessment and review of the opportunity was undertaken and a revised scheme developed consisting of a healthcare facility, pharmacy, residential, hotel, bus interchange and a café/restaurant.

The new proposals for the site take into account the local market, the Council's ambition for Braintree Town Centre and other stakeholders' requirements. Critically, the proposals support delivery of the Council's 'Plan for Growth' and 'Braintree Town Centre Vision'.

Whilst there are risks associated with this project, through the work undertaken in the past 18 months, the proposed scheme is deliverable.

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"> <li>• Delivery of high-quality, low-cost in use buildings</li> <li>• Delivery of high-quality new homes, 30% of which will be delivered as affordable housing</li> <li>• Improved public realm at the heart of the town centre</li> <li>• Potential new café</li> <li>• New 70 room hotel, with associated food and beverage offer</li> </ul>
A well-connected and growing District with high-quality homes and infrastructure	<ul style="list-style-type: none"> <li>• Delivery of high-quality new homes</li> <li>• Provision of new bus interchange, with capacity to accommodate proposed Local Plan growth</li> </ul>
A prosperous District that attracts business growth and provides high-quality employment opportunities	<ul style="list-style-type: none"> <li>• Job creation</li> <li>• Provision of new pharmacy, café/retail unit</li> <li>• Delivery of new hotel rooms, complementary to business and tourism offer</li> <li>• Importation of national brand (Major Budget Hotel Company) into District</li> </ul>
Residents live well in healthy and resilient communities where residents feel supported	<ul style="list-style-type: none"> <li>• Delivery of purpose-built, modern primary healthcare facility</li> <li>• Delivery of associated purpose-built pharmacy</li> </ul>
A high performing organisation that delivers excellent value for money	<ul style="list-style-type: none"> <li>• Rental income provides a long-term revenue stream and delivers positive effect on annual net general fund income</li> <li>• Generation of business rates</li> <li>• Significant high-quality asset added to Council's portfolio</li> </ul>

## **Recommended Decision:**

That Cabinet approves:

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 the Cabinet Member for Asset Management to:
  - 2.1 Approve the submission of a full planning application, provided that the terms set out in the report particularly regarding design having been agreed with Mid Essex Clinical Commissioning Group and/or NHS England, and hotel operator;
  - 2.2 Approve the commencement of a tender process for construction contracts subject to the planning application being submitted and validated by the planning authority;
  - 2.3 Approve the acceptance of relevant contracts for the construction of the projects provided that: there are completed legal agreements in place for the healthcare facility and hotel operator;
  - 2.4 Approve final terms for leases and associated agreements of the spaces within the development in line with the terms set out in this report subject to the financial constraints set out in these recommendations and satisfactory credit checks on the proposed leaseholder;
  - 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 the formation of legal structures including corporate entities to ensure that there is appropriate risk management between commercial residential and public elements of the scheme, provided that ownership and control of the site remains vested in the Council;
  - 2.7 Approve entering into necessary service contracts for ongoing maintenance and management of the site within the budget for the project;
  - 2.8 Approve a disposal scheme for the disposal of the housing units subject to this being within the scheme viability parameters, and to enter into relevant contracts, leases and transfers in accordance with that scheme.
3. That Cabinet approve the proposal for Braintree District Council to fund and deliver the Braintree Town Centre Regeneration Scheme, together with the recommendation to Council to approve a capital budget set out in the accompanying Private report for all professional, construction and associated scheme development costs, including capitalised interest.

4. Delegation to the Corporate Director (Sustainable Development) in consultation with the Cabinet Member for Asset Management, Cabinet Member for Finance and Performance and the Corporate Director (Finance) to approve revised scheme costs with the ability to vary costs based on a 5.00% variation to the total scheme costs set out in the accompanying Private report.

That Cabinet recommends to Council:

5. That Council notes the principles of the decisions of Cabinet and approves a capital budget set out in the accompanying Private report for all professional, construction and associated scheme development costs, including capitalised interest with the ability to vary the budget by up to 5.00% if a decision is made under decision 4 above.
6. The use of the sums set out in the accompanying Private report from the District Investment Strategy reserve, addition to the £3 million already approved.
7. The approval to the required borrowing as detailed in the set out in the accompanying Private report (Section 5.4), in addition to the £8.555 million borrowing already approved.

**Purpose of Decision:**

To agree the development delivery proposals and financial arrangements for the Braintree Town Centre Regeneration Scheme to enable this project to move forward.

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

**Financial:**

Recognising that the private sector was unable to deliver the regeneration of the Manor Street site and achieve an acceptable level of commercial return, the Council's intervention can be justified on the basis of two key reasons:

1. In the long-term the scheme makes a positive financial impact on the Council's General Fund Revenue account; and
2. The scheme secures wider non-financial benefits to the town centre

The specific financial implications of the proposed scheme are as follows:

Capital

An element of the scheme is 35 residential apartments which are being built for a mix of private and affordable sales. Specialist advice has been obtained which has confirms the amount that sales will generate in capital receipts to the Council, which will contribute towards the overall funding of the project. Essex County Council (ECC) has provided £250,000 towards design costs. It is proposed to meet the balance of funding required, from a mixture of the Council's reserves (using the District Investment Strategy Reserve) and prudential borrowing.

During the development phase of the project temporary borrowing will be required for the peak debt, before realising residential sales. Interest costs associated with borrowing during the development phase is to be capitalised and is included in the total scheme cost.

General Fund Revenue Account

The proposed scheme is expected to have varying impact on the Council's General Fund revenue account depending on the phase of the project.

Development Phase (estimated 01/01/2019 to 31/12/2020)

During the development phase the project will potentially impact on three service areas of the Council where it has existing facilities that will either close and/ or have some level of activity which might be disruptive: existing car parks at Manor Street and Victoria Road,

	<p>Town Hall Centre, and public toilets. The financial appraisal has provided for a reduction in income from both car parking and Town Hall Centre bookings based on assessments made by service management. However, in the lead up to commencement of the development phase, and working in conjunction with the appointed contractor, services will be exploring strategies that can be adopted, including a Town Centre parking plan, which may mitigate the reduction in income suffered by promoting use of other Council-owned car parks (George Yard and Station Approach). Furthermore, the Council's Marketing and Communications team have commenced work with Town Hall management to ensure strategies are in place to promote continued use of the facilities throughout the construction period.</p> <p>The closure of the public toilets is expected to lead to future operational savings; however, options for alternative provision both in the short and long-term are being explored which may require some initial one-off funding, with on-going annual payments in future.</p> <p>As it is proposed to increase the use of the Council's reserves applied to the scheme there will be a reduction in interest income from treasury management.</p> <p><u>Post Practical Completion (estimated from 01/01/2021)</u></p> <p>The proposed scheme includes a number of commercial elements for which the Council is in the process of agreeing lease terms with prospective tenants. These leases will, in the main, provide a long-term source of revenue income to the Council, with periodic upward only rent reviews. The scheme will also provide new multi-use parking facilities which will generate income through a combination of permits/ vouchers as well as some pay and display use.</p> <p>The proposed draft lease agreements incorporate service charge provisions which will allow the Council to recover the majority of the on-going management and maintenance costs associated with the site. A provision has been made for an element of costs to be borne by the Council, along with the operating costs of the new car parking facilities. Management and enforcement of the new car park is expected to be covered under the existing arrangement with the North Essex Parking Partnership.</p> <p>As a consequence of prudential borrowing, the Council will be required to set aside Minimum Revenue</p>
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	<p>Provision (MRP) – an annual amount to be charged to the General Fund revenue account for the future repayment of the borrowing incurred on the scheme, based on an estimated asset life of 40 years. In addition, the Council would also have to meet the annual interest charge, which for the financial appraisal has is based on a project rate of 2.9% per annum, and assumes borrowing is on the basis of Equal Instalment of Principal whereby the Council is committed to repaying an amount every 6-mths. Whilst this is the project baseline assumption, the Council will consider the appropriate source and type of borrowing to be used based on its overall treasury management position, and which could include using temporarily the Council's own cash or short-term borrowing, with a view to reducing the overall cost of borrowing incurred by the scheme.</p> <p>A major element of the annual revenue income is derived from the commercial leases, and which for the purposes of the financial appraisal is based on the amortised minimum lease rental income, taking into account the initial lease rental amount, any minimum increase allowed at rent review dates in the draft terms, lease premiums receivable/ payable where these need to be amortised, and any initial rent free periods. This means there is potential for future growth in income, as well as inflationary/ tariff changes on car parking income, offset partially by increases on annual operating costs not recoverable through service charges.</p> <p><u>Sensitivity analysis</u></p> <p>A number of different scenarios have been assessed through the financial model to demonstrate the financial risks from changes in a number of key elements:</p> <ul style="list-style-type: none"> <li>• Increase/ decrease in construction costs</li> <li>• Increase/ decrease in residential sales values</li> <li>• The combined effect of the above</li> <li>• Variations in borrowing costs on development interest and long-term financing</li> <li>• Potential rental growth and other inflationary adjustments on the revenue account.</li> <li>• Delay in completion of residential sales on peak debt and interest costs</li> </ul> <p>The potential effects of the above are contained in the main report.</p>
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	<p><u>VAT and other tax implications</u></p> <p>In order to ensure full recovery by the Council of all VAT incurred on the scheme, and also to protect future VAT recovery in relation to its on-going VAT exempt activities, the Council intends to exercise its option to tax the whole site. The grant of the respective commercial leases for the hotel, healthcare, pharmacy, retail, and bus interchange will be liable to VAT, which has been set out in the draft Heads of Terms. With the exception of a healthcare facility, it is expected that tenants would be able to recover this VAT.</p> <p>The option to tax, and therefore ability to recover all VAT on construction costs, is based on the assumption that any residential sales are either freehold or long leases (i.e. more than 21 years). In the event that short-term leases were being proposed, further analysis would be required to assess what other exempt activity the Council is undertaking, and also whether or not any potential breach of the partial exemption limit would be accepted by HMRC as a one-off occurrence.</p> <p>As the Council is undertaking the scheme directly and not via a separate legal entity there are no corporation tax issues for the Council.</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. The evaluation of this option has produced a weighted score of 6.05: the minimum score to progress an investment project is 6.0.</p>
<p><b>Legal:</b></p>	<p>Agreement of all lease documents, determination of Title and agreement of the eventual construction contract are being undertaken by Dentons Solicitors. The scheme solicitors were selected following a competitive procurement process led by the Council's Governance Team.</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</p>

	<p>appropriate and robust design and build contract to reflect risk and protect the Council's interests.</p> <p>Given that this is a mixed-use scheme, there are various statutory rights for tenants, including rights of first refusal of the immediately superior interest should it be disposed of. There are also issues related to the management of service charges which are also impacted by the structuring of the legal ownership of the site. It is considered that there is benefit in creating a holding corporate structure with ownership and control vested in the Council to manage these risks. This is still subject to detailed work and it is proposed that the final determination is delegated to the Corporate Director subject to the appropriate delegation (Recommended Decision 2.6).</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>
<b>Safeguarding:</b>	<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>
<b>Equalities/Diversity:</b>	<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>An Equality Impact Assessment (EIA) has been completed for the project. This concludes that the scheme will make numerous positive impacts across the range of statutory protected groups. The analysis has not identified any material negative or potentially negative impacts on any of the protected groups which cannot be managed or mitigated.</p>
<b>Customer Impact:</b>	<p>The scheme will have a significant beneficial impact on customers, including access to primary healthcare for existing and future residents. The hotel, café, retail and new homes will increase footfall in Braintree Town Centre, potentially generating trade for local businesses.</p>

	Further details on the project's customer impact are provided at section 4.0 'Impact Assessment'.
<b>Environment and Climate Change:</b>	<p>The new buildings will be built to at least comply with prevailing Building Regulations and all current environmental and climate change requirements.</p> <p>The healthcare facility will meet as a minimum the BREEAM 'Very Good' standard, in accordance with NHS England requirements.</p>
<b>Consultation/Community Engagement:</b>	A number of consultation events have been undertaken, most recently in January 2018. The public will be given further opportunity to comment through the planning application process.
<b>Risks:</b>	Please see section 6.0 'Risk and Liabilities' and <u><a href="#">Appendix 1</a></u> 'Risk Register'.
<b>Officer Contact:</b>	Andrew Hull
<b>Designation:</b>	Interim Head of Projects
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<b>E-mail:</b>	<a href="mailto:andhu@braintree.gov.uk">andhu@braintree.gov.uk</a>

## 1.0 Background

1.1 Members will be aware of the long history relating to the Braintree Town Centre Regeneration project. This is a key location for the town and presents an opportunity to deliver a transformative project to serve the needs of current and future residents. At the Cabinet meeting on the 18th July 2016, Members were provided with an update of scheme proposals which had been developed by Henry Boot Limited and approved the following recommendations:

- That Members approve the termination of the existing contract with Henry Boot Developments Limited and negotiation of Intellectual Property rights transfer;
- That Members approve the option for the Council to fund and deliver the Braintree Town Centre Scheme together with the recommendation to Council to approve a capital budget of £11,555,000 for all professional, construction and associated scheme development costs;
- That Cabinet recommend to Full Council the approval of funding for the scheme from balances (£3,000,000) and borrowing (£8,555,000), being part of the funds identified for the District Investment Strategy; That powers are delegated to the Director of Sustainable Development and Director of Financial Services in consultation with the Cabinet Member for Economic Development and Cabinet Member for Finance and Performance to agree the final detailed scheme design and specification and final agreed financial arrangements provided that the scheme cost does not exceed the approved capital budget.

1.2 The proposed scheme can be considered a first phase of the Council's ambitions for the wider improvement of Braintree Town Centre. As the regeneration site represents the Council's only significant landholding in the area, the proposed physical regeneration scheme will act as a catalyst for wider enhancements.

1.3 The Council has led on the development of a 'Braintree Vision' for the Town Centre, with the support of specialist consultancy Design South East. A partnership, comprising elected Members and officers of both the Council and Essex County Council, local businesses and other town centre stakeholders have created the following shared vision for Braintree Town Centre: *'Braintree is a modern market town; superbly located; set in a rich productive landscape, this is a place to come for great local produce and products; made in Braintree, grown in Braintree and sold in Braintree. The independent retail and cultural heart of Essex, this is an historic place, with a townscape formed through centuries of industry and trade. Braintree is living history, brought to life by a thriving specialist food market for local produce and independent retailers in the people centred High Street, a short walk to the new cultural quarter around the beautiful Town Hall. An inclusive place, Braintree welcomes people of all ages but this historic weaving town has always been and always will be a place for industry, invention and innovation, now home to a new generation of twenty first century makers and producers'.*

1.4 The Project Team is working closely with the partnership undertaking the wider vision. The District Landscape Architect, acting as the Council's lead officer, has commented: *'Braintree District Council, in partnership with Essex Country Council and stakeholders from across the town centre, has created a vision statement for the future of the town. The vision helps in two ways; by defining a positive and strong future for the town, and as a unifying device that the whole town can work towards. A key vision concept is to refocus the town centre as a destination that appeals to a wide audience and broadens the town centre purpose with a rich mix of cultural, leisure, heritage, retail and service attractors; of which the development at Manor Street is a significant step towards'*.

1.5 At the point of approval, the proposed scheme comprised:

- Healthcare Facility/Pharmacy: 1,384m<sup>2</sup> net area at first floor and part ground floor
- Restaurants: Four units totalling 1,267m<sup>2</sup> net area at ground floor level
- GP car parking: 40 spaces
- Public car parking: 146 spaces (currently 157 spaces on site)
- Bus interchange: Six bay self-contained bus interchange
- Enhanced public realm

1.6 In line with the Cabinet approval, the development contract with Henry Boot Developments Limited was terminated on 20th August 2016, allowing the Council to directly deliver a key town centre regeneration site which the private sector had been unable to deliver, due to commercial viability. The Council is able to take a long-term view to deliver its economic, social and environmental ambitions and any capital receipt can be recycled to fund the development.

## 2.0 Site and Market Analysis

2.1 In order to ensure diligent and robust delivery of the project, the Council procured the following professional team:

Company	Role
AHR Global	Architect
Potter Raper Partnership	Cost consultant & project management
Connisbee	Structural and civil engineer
Max Fordham	Mechanical and electrical design
RPS CGMS	Planning consultant
Red Loft	Residential housing consultant
Dentons	Solicitor
GCW	Commercial agent

2.2 It became apparent at an early stage that the scheme proposed by the previous developer, including a significant restaurant element, was undeliverable. A report from GCW, in October 2016, identified no interest in these units and demonstrated that, if built, the Council would be at risk of financial and reputational harm, given the difficulty of securing suitable tenants on commercial terms.

- 2.3 It was therefore decided to review the site capacity and constraints and create a new brief based on robust market engagement and alignment with the Council's Corporate Strategy objectives. This demonstrated that additional capacity and better use of the land was possible, whilst maintaining the key elements of a healthcare facility, car parking and bus interchange.
- 2.4 Further market engagement undertaken by GCW demonstrated potential demand for the scheme's location from the following users:
- Budget hotel providers
  - Discount retailer
  - Gym operators
- 2.5 Following further engagement with our third party consultant and relevant Council colleagues, the inclusion of the identified uses was analysed. The results of this analysis are summarised as follows:

Option	Benefit	Drawback	Proceed Y/N
Budget Hotel Provider	Economic development need for quality hotel rooms Market level income Inbuilt food and beverage offer Synergy with Town Hall and tourism offers Positive impact on town centre vibrancy and night-time economy Robust design allows efficient change of use if required Job creation	Significant design commitment required prior to contract with operator Alternative residential housing use could deliver greater financial return	Y
Discount Retailer	Contribution to town centre retail offer Market level income Job creation	Difficult to change use efficiently if required in future Significant design commitment required prior to contract with operator Little impact on night-time economy Difficult to accommodate alongside other uses due to design and servicing requirements	N
Gym	Synergy with Council's 'Live Well' objectives Market level income Potential positive impact on town centre vibrancy and night-time economy if 24 hour Robust design allows efficient change of use if required Job creation	24 hour gyms based on franchise model with high failure rates Sector undergoing significant consolidation Model is often largely unstaffed, therefore few jobs created	N

- 2.6 Consideration was also given to a no scheme position. Whilst there is no essential requirement for development (the buildings and structures could be retained) the failure to engage in a redevelopment proposal on this site would substantially restrict the Council's ability to drive regeneration of the town centre and derive the benefits of the scheme. It was considered that this was a basis for driving the proposal forward and continuing to develop the proposals.

### 3.0 Scheme Proposals

- 3.1 Following the site analysis and in response to the commercial advice, along with the aspirations contained within the Council's 'Corporate Strategy' and 'Economic Development Plan for Growth', a revised brief was developed.
- 3.2 Site due diligence was undertaken, including measured, topographical and ground condition surveys, deduction of title and identification of third party legal rights. Scheme design and work to this point are based on thorough due diligence and has involved an array of professional.
- 3.3 Details of each scheme as follows:

Use	Detail
Healthcare Facility	Approx. 1,598m <sup>2</sup> GIA First-floor and part ground-floor 12 parking spaces dedicated 25 parking permits (on a first-come, first-served basis)
Pharmacy	Approx. 174m <sup>2</sup> GIA Ground-floor
Hotel	Approx. 2,717m <sup>2</sup> GIA 70 rooms Restaurant (open to non-guests)
Residential Units	35 apartments (inclusive of 30% affordable housing) comprising: 13 1-bed 20 2-beds 2 3-beds
Bus Interchange	9 stands
Car Park	110 spaces of which: 12 spaces dedicated for healthcare facility 63 spaces for the general public (includes 25 permit spaces for the healthcare facility on a first-come, first-served basis) 35 spaces dedicated for residential
Public Realm	Primarily to rear of Town Hall Shared design language with wider Town Centre vision
Café/Retail Unit	Approx. 179m <sup>2</sup> GIA
Retail Unit	Approx. 96m <sup>2</sup> GIA

- 3.4 The current design proposals can be viewed on the [Council's website](#).
- 3.5 In contrast to the Henry Boot scheme, the proposals represent a strong commercial proposition. Detailed negotiations are well-advanced with end users for the various elements of the building.
- 3.6 The rationale and approach to each of these elements, together with the summary of lease terms, are detailed in turn below:

- 3.7 **Healthcare Facility:** A new healthcare facility was included as part of the original scheme, the provision of this facility forms an integral part of the project and directly supports the planned housing and population growth in the District. Located on the first-floor of the building fronting Manor Street, the facility is served by its own stairwell and lifts and accessed either from the car park or from a purpose-built ground-floor entrance on Manor Street.
- 3.8 The proposed building delivers in excess of 1,500m<sup>2</sup> (gross internal floor area) of primary healthcare space. The Council is working in close partnership with Mid Essex Clinical Commissioning Group (MECCG) and NHS-England to shape the precise services to be provided at the new facility. Discussions currently suggest a combination of primary services, including additional GP capacity, community and out of hospital services.
- 3.9 The proposal is for a 20-year lease.
- 3.10 **Pharmacy:** To complement the healthcare facility a pharmacy is proposed. There has been significant market interest in this opportunity, all of which is conditional upon the healthcare facility being delivered.
- 3.11 The pharmacy will be on the Manor Street frontage, with its own entrance from the street, along with an entrance from the ground floor healthcare facility's foyer.
- 3.12 The proposed lease term is 20-years.
- 3.13 **Hotel:** GCW were tasked with identifying a suitable hotel provider and agreeing commercial terms. Detailed negotiations have taken place and a brief and specification provided along with Heads of Terms.
- 3.14 Consequently, the scheme delivers a Major Budget Hotel Company's requirement for a 70 bed hotel along with a restaurant and ancillary spaces.
- 3.15 **Residential Units:** AHR Global identified the potential for the inclusion of new housing, both within a central, multi-use block and in a standalone block at the south of the site. This standalone block represents the retention and refurbishment of the existing Drill Hall, together with a new purpose-built residential building. The retention of the Drill Hall serves to retain and improve a notable, quality building and provide a buffer between the existing residential housing on Victoria Road and the new scheme.
- 3.16 The decision to pursue new housing as part of the scheme was based on a number of factors:
- Initial studies demonstrated that the scheme could accommodate high-quality, well-designed new homes;
  - The generation of capital receipts from sales would assist scheme financial viability by reducing the council's borrowing requirements;
  - Construction of new homes would contribute to the Council's requirement to deliver over 14,000 new homes to 2033;
  - New homes will enhance the vibrancy of the town centre;
  - Positive advice received from a local estate agent and specialist residential consultant on demand and achievable values.

- 3.17 Residential consultants, Red Loft, were tasked with providing an overview of sales values, marketing and levels of demand for residential units on the site. Following this analysis, the architects have added 35 (13 1B2P flats, 20 2B4P flats and two 3B6P flats) residential units to the scheme
- 3.18 The scheme will deliver 30% affordable housing, in accordance with Council planning policy. The intention is to deliver all affordable units for shared ownership. Written confirmation has been received from the Council's Housing team accepting the proposed affordable housing mix.
- 3.19 It should also be noted that the current government backed Help-to-Buy scheme offers purchasers an equity loan of up to 20%, this would be available on all private sale units (subject to purchaser qualification) and is parallel with shared ownership in terms of affordability.
- 3.20 Bus Interchange: The professional team have reviewed the current bus interchange provision and future requirements, working closely with Essex County Council's (ECC) Highways and Passenger Transport teams.
- 3.21 The proposed bus interchange includes provision for nine on-site stands. Design work and options appraisals demonstrate that this is the maximum number of bays achievable on-site. The proposal represents an increase from the current six on-site stands and negotiations are on-going with Essex County Council in respect to their approval of this proposal.
- 3.22 In addition to on-site provision, alternative options are also being considered, for example the provision of additional stops at the train station.
- 3.23 There are currently no legal agreements with Essex CC in relation to the existing use as a bus station. It is proposed, therefore, that as part of the new scheme a formal lease and service charge agreement is put in place.
- 3.24 Public Car Park: There will be 110 spaces in total, comprising 12 dedicated spaces for the healthcare facility, 63 car parking spaces for public use (including 25 permits issued to the healthcare facility on a first-come, first-served basis) and 35 for the residential units. Hotel users will be given vouchers, enabling them to park in any Council-owned Town Centre car parks, on a first-come-first-served basis. The healthcare facility will also benefit from vouchers on this basis. There will be a policy compliant number of six wheelchair spaces
- 3.25 The proposed scheme includes parking over two floors: at basement and ground-floor levels. The parking layout has been tested by specialist transport consultants and includes provision for delivery vehicles to the various uses.
- 3.26 The proposed estimated net income (after deduction of direct operating costs), is £64,985 per annum, which has been calculated after consultation with relevant Council officers in Operations and Finance. It is assumed that the central management and enforcement, including that provided by the North Essex Parking Partnership, would continue at the same level and cost as the existing Manor Street and Victoria Road car parks.

- 3.27 Café and Retail Unit: Expressions of interest in the proposed café unit has been received from two existing local operators and negotiations are continuing on specification, rent levels and lease terms. An estimated net rent has been assumed in the scheme financial appraisal and it may prove necessary to agree a more flexible lease in-line with economic development objectives to support new and smaller businesses.
- 3.28 The retail unit does not have a tenant identified currently and no income is assumed in the financial appraisal. An initial use has been identified as a sales and marketing suite for the residential units.
- 3.29 Public Realm: It has been an aspiration for the project to support activity at the Town Hall. Therefore the frontage to the Town Hall and library and land use in between has been considered carefully. The proposed design proposes a quadrangle of open space, bounded by the new buildings, the rear of the Town Hall, the library and, to Manor Street, the existing, listed brick wall.
- 3.30 The area will be fronted by the café, which will have doors and windows opening out on to the external area. This new public realm will be a mix of high-quality hard and soft landscaping, designed by a specialist landscape architect, as part of the commission with AHR Global.
- 3.31 In order to ensure synergy with the wider Town Centre Vision and future enhancements of Braintree's public realm, the scheme designers will work closely with the Council's Landscape Architect. To create consistency, the public realm strategy will develop a specific 'design language', applicable to any future Town Centre improvements.
- 4.0 Impact Assessment: The Benefits to Braintree
- 4.1 The Project Team has made an assessment of the impact of the proposed scheme across a range of factors:
- Customer: Delivery of this scheme will have a significant beneficial and positive impact on existing and future residents, Town Centre businesses. The delivery of new homes will assist in meeting the District's Local Plan housing delivery targets, generate significant capital receipts and increase the stock of affordable homes;
  - Organisational Implications: 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;
  - Environmental: An important, high profile Town Centre site would be regenerated providing a modern and attractive healthcare facility, new homes, hotel and enhanced car parking together with high quality public realm. Access to public transport will be enhanced via the delivery of a modern bus interchange with increased capacity. All new buildings will be constructed to prevailing regulations and standards as a minimum. It is expected that the healthcare facility will meet BREEAM 'Excellent' certification for environmental performance. A number of electric vehicle charging points will be provided in the new car park;

- Stakeholders: The key stakeholders (residents of the District, Town Centre users and businesses, health service users) will greatly benefit from this new scheme through improved health provision, public transport connectivity, delivery of new homes and provision of improved public realm. There will also be a hotel offer, which is currently lacking in the town;
- Legal: Dentons Solicitors have been appointed to negotiate the legal agreements with the various users of the building. A robust, industry standard design and build contract will govern construction, reflecting risks and protecting the Council's interest. The negotiation of the contract will be led by PRP.

4.2 Impact on Corporate Strategy Objectives: 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"> <li>• Delivery of high-quality, low-cost in use buildings</li> <li>• Delivery of high-quality new homes</li> <li>• Improved public realm at the heart of the town centre</li> <li>• Potential new café</li> <li>• New 70 room hotel, with associated food and beverage offer</li> </ul>
A well-connected and growing District with high-quality homes and infrastructure	<ul style="list-style-type: none"> <li>• Delivery of high-quality new homes, 30% of which will be affordable</li> <li>• Provision of new bus interchange, with capacity to accommodate proposed Local Plan growth</li> </ul>
A prosperous District that attracts business growth and provides high-quality employment opportunities	<ul style="list-style-type: none"> <li>• Job creation</li> <li>• Provision of new pharmacy, café/retail unit</li> <li>• Delivery of new hotel rooms, complementary to business and tourism offer</li> <li>• Importation of national brand (Major Budget Hotel Company) into District</li> </ul>
Residents live well in healthy and resilient communities where residents feel supported	<ul style="list-style-type: none"> <li>• Delivery of purpose-built, modern primary healthcare facility, with capacity to serve &gt;18,000 users</li> <li>• Delivery of associated purpose-built pharmacy</li> </ul>
A high performing organisation that delivers excellent value for money	<ul style="list-style-type: none"> <li>• Rental income provides a long-term revenue stream and delivers positive effect on annual net general fund income</li> <li>• Generation of business rates and council tax</li> <li>• Significant high-quality asset added to the Council's portfolio</li> </ul>

- 4.3 Impact on Economic Development Plan for Growth: The Plan for Growth was approved by Cabinet in November 2017 and includes Town Centre regeneration as one of the key priorities. In the draft Plan this includes delivery of the Manor Street regeneration scheme. This will also link in with other priorities to deliver an increased footfall and spend in the Braintree Town Centre.
- 4.4 Impact on Delivery of the Local Plan: The 2017 Draft Local Plan allocates the site as a regeneration area. Policy LPP10 states that: '*The improvement and regeneration of the town centres will be promoted and the regeneration of the following locations [including the Manor Street site] is proposed to meet the identified need for additional retailing, community facilities and services and other main town centre uses*'. The redevelopment of the site for the uses proposed is therefore in accordance with the emerging Local Plan.
- 4.5 Braintree Town Centre Parking Plan: The existing Manor Street car park will cease to operate once construction on site starts. New parking facilities provided as part of the scheme will provide fewer public car parking spaces than exist currently (157 existing, 63 proposed). In order to ensure the Town Centre has adequate parking for users, businesses and residents in both the short-term (during construction) and long-term (post-construction) it is intended to create and implement a Town Centre parking plan, which will maximise parking availability across the Town Centre and consider other factors such as promoting modal shifts.
- 4.6 Provision of Public WCs: There are existing Council-owned public conveniences located on the Manor Street site. The design proposals do not include re-provision of public conveniences. However, work has commenced to explore alternative provision of toilets available for public use within the new development and the wider Town Centre.
- 5.0 Financial Appraisal
- 5.1 Financial modelling has been undertaken to test the project viability, investment return and impact on the Council's finances. This is a two-stage process, involving close working between the Strategic Investment and Finance Teams:
- The project has been modelled by the Strategic Investment team using development industry standard 'Argus Developer' software, in order to create investment appraisals;
  - The financial impact of the project on the Council's balances, financing, development period interest and General Fund revenue account has been undertaken by the Finance Team;
- 5.2 The financial appraisal takes into account the following:
- Build Costs
    - The detailed design proposals have been costed by the Council's quantity surveyor, Potter Raper Partnership (PRP). The current cost plan is a full elemental break down based on the scheme as

designed, with input from the professional team, including mechanical and electrical engineers and structural engineers;

- Revenue Streams:
  - Rental incomes from tenants are based on ‘agreed in principle’ Heads of Terms for the main commercial leases taking into account proposed rent free periods, lease incentives and premiums, and minimum rental uplifts (where these are contained in the draft terms). The gross rental income is adjusted by a 5% allowance to reflect estimated non-recoverable maintenance costs that cannot be included in a RICS standard service charge. To assess the scheme on a commercial basis, the financial appraisal uses a 4.7% assumed net yield to produce a capitalised valuation of the long-term rental.
- Residential sales values are based on reports from three independent consultants: Red Loft, Arcadis and Joscelyne Chase.
  - A blended rate for current values has been used in the appraisals;
  - Internal review and consultation on estimated parking income;
  - Financing costs including:
    - VAT assumptions;
    - Cost and amount of borrowing.
  - Amount of funding required from the Council’s own resources;
  - Industry standard assumptions on:
    - Sales and marketing fees; consultant fees; and in-house project management fees;
    - Contingency (5.00%);
  - Affordable housing requirements;
    - 30% of total residential units to be delivered as affordable;
  - Council fees on planning;
  - Equivalent Section 106 contributions;
  - Inflation:
    - The latest cost plan was issued in January 2018 (Q1 2018). PRP have assumed the costs are current and have made no allowance for future price movements;
    - No inflation is built into the appraisal but sales values will change in the future and the scenarios in [4.14] and [4.15] demonstrate the impact of both upward and downward movement in values which may occur in response to changing economic conditions and/ or other influences (e.g. Brexit or Crossrail opening in spring 2019).

5.3 The internally prepared appraisal has been reviewed by PRP for cost accuracy and consistency with the cost plan.

5.4 The financial impact on Council’s finances will vary at different stages of the project life:

Project Phase	Financial impacts
Prior to main construction (Period up to end Dec 2018)	During this phase the costs incurred, principally in relation to design and other professional fees,

	<p>will be capitalised (along with those incurred in 2016/17 and 2017/18). These costs will be funded from the Council's own capital resources, using funding set aside in the District Investment Strategy (DIS) reserve. The Council has also received £250,000 from Essex County Council which has been used towards funding design costs.</p>
<p>During construction— (Currently anticipated Jan 2019 to Dec 2020)</p>	<p>During the construction phase there will be financial implications for both the Council's capital resources and the General Fund revenue account:</p> <p><u>Capital:</u> The Council will incur the majority of the capital costs during this phase. This will utilise the Council's own funding that is proposed to be allocated towards the scheme from the DIS reserve, leaving a balance to be met from a mixture of capital receipts from residential sales and prudential borrowing. At certain times in the development period the amount of prudential borrowing required will exceed the anticipated long-term borrowing requirement, pending completion of residential sales. This will require either temporary use of the Council's own cash (internal borrowing) or undertaking short-term external borrowing.</p> <p>A project rate of 2.9% has been assumed for the cost of borrowing, and a change in the Council's accounting policy is also necessary to allow development interest to be capitalised. This policy will define the nature of projects where the Council will capitalise interest and will have to be applied consistently thereby establishing a precedent for future projects. The rate is based on current Public Works Loan Board (PWLB) rates available to local authorities for long-term debt. Therefore, where short-term or internal borrowing is used this could reduce the actual rate charged based on current interest rates.</p> <p>The capital profile assumes a portion of residential sales are completed during the construction phase. If these receipts are delayed this will increase the peak debt with consequential revenue cost implications, as interest cannot be capitalised once the project has reached practical completion.</p> <p><u>General Fund Revenue Account:</u> There are a</p>

	<p>number of areas of impact:</p> <ol style="list-style-type: none"> <li>1. <u>Car Parking Income</u>: During the construction phase the existing car parks at Manor Street and Victoria Road are likely to be non-operational (subject to discussion with the appointed contractor) leading to a potential reduction of net income to the Council of £73,000 per annum (with a part-year impact in 2018/19). However, this is also subject to the impact of the Town Centre parking plan referred to in Paragraph 4.5.</li> <li>2. <u>Town Hall Centre Bookings</u>: As well as the Council car parks, the rear of the Town Hall may become unusable during the construction period and in the longer term will be used for the public realm aspect of the scheme. The service management have assessed those current users that potentially rely upon parking in close proximity, either for access to and/or to attend functions/events, and whom may cease bookings leading to a reduction in income. The amount of income potentially at risk has been assessed by the service at £98,000 (full-year) out of a total income budget of £120,000. However, service management is looking at possible mitigation strategies, including the Town Centre parking plan, which could reduce this risk. Therefore, for the purposes of the financial impact analysis, it has been assumed that action taken will reduce this potential downturn in income by 50%.</li> <li>3. <u>Public Conveniences</u>: During the period of construction it is expected that the existing public conveniences will be closed and no public conveniences will be provided in the new scheme. Currently a review is being undertaken as to the potential for introducing a Community Toilet Scheme (as referred to in Paragraph 4.6). Savings will be made on the current operating costs which are around £20,000 per annum. However, it is anticipated that during the transition phase this will be offset by one-off payments towards facility improvements by businesses, with further ongoing payments to secure continued public access. Part of the potential saving is on staffing costs which will be addressed using the Council's normal 'Management of</li> </ol>
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	<p>Change' process. For the purposes of the financial appraisal, the assumption is that the financial impact will be broadly neutral in the short-term but leading to annual savings from 2021/22 of £11,500 per annum.</p> <p>4. <u>Opportunity Cost of Council Funds</u>: To the extent that the scheme is funded by the Council from its own resources there is an opportunity cost from reduced Interest income on this money. Currently it is expected that this impact will be on the Council's short-term investments and as such the cost is estimated at a nominal 0.5% interest per annum. Part of this cost has already been reflected in the Council's budget based on the previous approval to use £3million from the DIS reserve. The cost included in the financial appraisal is based on the estimated additional funding to be applied from the Council's own resources.</p>
Operational phase (From Jan 2021)	<p>Practical completion and operation is expected in Q4 2020/21. It is from this date that the General Fund revenue consequences of the following will have an impact (with a part year effect basis in 2020/21):</p> <ul style="list-style-type: none"> <li>• <u>Lease rental income</u> will become due based on the amortised rental profile of each lease. In respect of the lease for the pharmacy a premium is expected to be paid to the Council which under accounting rules will be recognised in full at the outset giving a one-off revenue gain in 2020/21. In some instances the proposed lease agreements make provision for uplift in rents at periodic intervals, above the minimum that has already been allowed in the financial appraisal. There is, therefore, opportunity for some future rental growth that is not yet reflected in the financial assessment at this stage.</li> <li>• <u>Car Parking</u> - the new car parking facilities will become operational generating income from a mixture of permits, vouchers and pay and display.</li> <li>• <u>Long-term borrowing</u> will need to be established resulting in annual interest costs. To the extent that residential sale receipts are still anticipated there will be additional short-term funding that is needed incurring additional interest (or a reduction in</li> </ul>

	<p>investment income where the Council temporarily uses its own money).</p> <ul style="list-style-type: none"> <li>• <u>Management and Maintenance</u> - provision needs to be made for the ongoing management and maintenance costs, including business rates, where these are not expected to be recovered by service charges. Existing costs in relation to the management and enforcement of car parking are assumed to continue at their current level. Estimates have been provided by a service charge consultancy, with some validation through review by internal services. These estimates will need to be refined as the project progresses and further details on the operational requirements of the site are confirmed.</li> <li>• <u>Town Hall Centre</u> - the estimated short-term reduction of income to the Town Hall Centre is assumed to cease. However, it is difficult to quantify whether income levels would revert immediately to levels pre-construction (if indeed there has been some reduction experienced). In the longer-term there may be opportunities to generate additional income as a result of synergies with new scheme.</li> </ul>
<p>Long-Term Borrowing Repayment (From 2021/22 financial year)</p>	<p>The Council will need to commence setting aside amounts from revenue (referred to as Minimum Revenue Provision or MRP) to meet future loan repayments on any long-term borrowing for the scheme. Irrespective of the borrowing type (e.g. the PWLB offer three main loan types: Equal Instalment of Principal or EIP, Annuity, or Maturity loans) the annual amount set-aside from revenue will need to reflect a reasonable estimate of the expected life of the asset retained by the Council. The financial impact assessment currently assumes a 40 year life. The maximum that the Ministry of Housing, Communities, and Local Government recommends in its statutory guidance to local authorities is 50 years. The shorter the period used for MRP the higher the annual charge to revenue (and vice versa). The implication of using a 40 year period is that this extends well beyond the initial contractual commitment expected from leaseholders (the main leases are 20 to 25-years, with the retail/ café leases likely to be of only short duration).</p> <p>For the purposes of affordability and sustainability there needs to be confidence that</p>

	<p>either leases will be secured beyond these initial periods on at least similar terms, or alternatively the site would retain value that could be realised and used to redeem any outstanding debt if necessary. The alternative would be to reduce the period over which MRP is made in line with the initial leases. However, this would have a negative impact on the General Fund revenue account.</p> <p>The financial appraisal is based on the Council adopting the EIP type loan which would require contractual semi-annual repayments of principal. Consequently, annual interest reduces year-on-year as debt is gradually repaid. If an alternative loan type is used there would be higher annual interest costs, although this could be partly offset by the cash retained from the need to make MRP.</p>
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5.5 Other Sources of Capital Funding: With the exception of the £250,000 design grant provided by ECC, the financial modelling of the project assumes no third party additional grant funding. However, the Project Team is actively pursuing the input of additional funding:

- From capital grants: the Council will continue to bid for capital grants after the unsuccessful HIF bid. We have flagged this project with Homes England and will continue to regularly discuss grant funding for the residential units throughout the pre-contract and construction periods. From recent discussions with Homes England, we are aware that a number of 'successful' HIF bids have been rejected following due diligence. Therefore, it is likely that there will be slippage in the HIF programme. Once the proposed scheme secures planning consent, it will be in a strong position to take-up slippage grant;
- Contributions from Section 106 Agreement payments on other appropriate residential sites to fund the capital cost of the bus interchange, as this is essential.

5.6 Other Financial Benefits: Whilst not reflected in the above financial analysis, the scheme will increase business rate income and for which the Council is able to retain an element under the current Business Rate Retention Scheme.

5.7 The residential element will have an impact on the Council Tax base, and whilst there will be increased service requirements, the growth in households will contribute towards achieving the target for generating New Homes Bonus.

5.8 VAT and Other Tax: In order to ensure full recovery by the Council of all VAT incurred on the scheme and also to protect future VAT recovery in relation to its on-going VAT exempt activities, the Council intends to exercise its option to tax the whole site. This option will be in place for a minimum of 20 years. Advice has been obtained from the Council's tax advisors,

Pricewaterhousecooper LLP, on the VAT implications for both the Council and prospective tenants of exercising this option to tax.

- 5.9 The grant of the respective leases for the hotel, healthcare, pharmacy, retail, and bus interchange will be liable to VAT, which has been set out in the draft Heads of Terms. With the exception of a GP Surgery, it is expected that tenants would be able to recover this VAT.
- 5.10 The option to tax, and therefore ability to recover all VAT on construction costs, is based on the assumption that any residential sales are either freehold or long leases (i.e. more than 21 years). If leases are granted which are less than 21 years the leases will automatically be treated as exempt supplies and any VAT incurred in relation to those leases (including a proportion of the development costs) will count towards the Council's VAT partial exemption limit and may result in irrecoverable VAT. In the event that short-term leases were being proposed, further analysis would be required to assess what other exempt activity the Council is undertaking, and also whether or not any potential breach of the partial exemption limit would be accepted by HMRC as a one-off occurrence.
- 5.11 Work is ongoing to explore whether there is any benefit in creating a holding corporate structure with ownership and control vested in the Council to manage the risks associated with the commercial interests. Part of this work will be consideration of the impact of potential legal structures on the Council's exposure to Corporation Tax. This is still subject to detailed work and it is proposed that the final determination is delegated to the Corporate Director subject to the appropriate delegation (Recommended Decision 2.6).
- 5.12 Sensitivity Analysis: A number of scenarios have been modelled, with their impact analysed in terms of the change to funding required from either the Council's own capital resource or borrowing. The extent to which any adverse movement on the funding required is to be met from increased borrowing is limited by the affordability on the General Fund revenue account.
- 5.13 The changes to funding requirements have been modelled for changes in the value of capital receipts generated from residential sales and/ or variation in overall construction costs.
- 5.14 The draft terms for the commercial leases provide for periodic rent reviews. Where these have a stated minimum increase this has already been taken into account in the financial appraisal. Modelling has been undertaken on the impact on the Net Cost/ (Income) generated by the Scheme of an assumed 2% per annum, compounded, increase at each of the future rent review dates. This also provides for 2% annual growth/ inflation in parking income and operating costs, as well as on the annual non-recoverable management and maintenance allowance.

## 6.0 Risks and Liabilities

- 6.1 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.
- 6.2 A full Risk Register is attached as Appendix 1. 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.
- 6.3 The proposals represent a complex development project, the risks on the project are dynamic and there are inter-relationships between each area. Set-out below are the key risk areas:
- End Uses Risks: The project includes a number of different uses. At this stage there is no legal commitment from any of the parties. Therefore, they could still potentially withdraw from the project. The Council is working on the basis of securing Heads of Terms and entering into Agreements to Lease with each user. Gateway points are included within the programme to ensure the scheme does not move forward until the agreements are in place. The Council cannot eliminate the risk that once a contract is entered into it will be breached, or a party will decide not to trade within a space, however the Council is securing the greatest level of protection that it reasonably can in all the circumstances. Progress with each user is shown below:

Use	Current Status	Key Risks
Healthcare Facility	<p>Mid Essex Clinical Commissioning Group has provided a written legally-binding commitment to the key terms, including lease term and rental value. It also underwrites the rental for a period of 20 years.</p> <p>Should they withdraw from the scheme; the Mid Essex Clinical Commissioning Group will have to pay abortive costs to the Council.</p>	At present there is no committed operator for the facility, however the CCG and NHS England are committed to securing an appropriate operator. The build contract will not be let until binding agreement in place for healthcare facility.
Hotel	Heads of Terms have been agreed with Major Budget Hotel Company and the project was approved by Major Budget Hotel Company's Board on 12 <sup>th</sup> December 2017, subject to final agreement of terms.	Risk of Major Budget Hotel Company pulling out. Potential to identify alternative provider or if unable to do so scheme can be delivered as residential. Negotiations on Agreement to Lease will need to be considered prudently to ensure there are not

		<p>obligations that the Council cannot meet.</p> <p>The Council will not enter into the lease until a satisfactory credit check has been received in respect of the proposed leaseholder.</p>
Café	Discussions are taking place with an existing local operator looking to use as a restaurant.	<p>No agreement in place as yet. Unlikely to be demand from a chain provider (e.g. Costa) as advised by GCW.</p> <p>The Council will not enter into the lease until a satisfactory credit check has been received in respect of the proposed leaseholder.</p>
Pharmacy	Heads of Terms have been agreed with a local pharmacy operator.	<p>Assuming the GP surgery is secured, there is a significant interest from pharmacy operators. The identified operator is paying a premium, which may not be achievable, should they withdraw. Should the site be used for a healthcare facility, which is not a primary provision there is a risk that this proposed user will not materialise.</p> <p>The Council will not enter into the lease until a satisfactory credit check has been received in respect of the proposed leaseholder.</p>
Retail Unit	No user identified for small unit to front Manor Street. Initially this will be used as a marketing suite for the residential units. No income assumed in financial model.	<p>No user so potentially an empty unit, by assuming no income there is potential to offer the unit at a low rent to obtain an appropriate user proving the viability of the space and establishing a market to secure market rents in due course.</p> <p>The Council will not enter into the lease until a satisfactory credit check has been received in respect of the proposed leaseholder.</p>
Bus Interchange	Position reached by design team which meets policy need for ECC Passenger	<p>Bus operators have the ability to call in a planning decision. Therefore essential an agreement</p>

	transport sign-off.	is reached prior to application.
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- Residential Sales Risks: It is proposed that the Council will directly deliver the private housing. It is essential that the product and quality of these new homes meet the requirements of the market and are attractive and saleable.
- An inherent risk in delivering housing for sale is the local and national housing market. The scheme as proposed has been reviewed by the Council's residential development consultant and local agents, including comparison with relevant local developments and advice on specification, and the values assumed are based on this intelligence. The scheme on-costs include an allowance for sales and marketing, based on standard market norms.
- Open market values and the local and national housing markets will be reviewed at quarterly intervals throughout the project. Should the market change significantly during the development, the Council will have the ability to consider alternative tenure options. These could include delivering units for rent, affordable and/or sub-market housing.
- Costs Risks: The build cost estimate has been provided by PRP and represents a detailed measured elemental breakdown of the costs of the scheme as currently designed based on current day costs. The ability to secure a contractor to deliver a scheme at this price is subject to a number of external factors. Potter Raper will produce regular updates and continue to monitor the construction market and real costs on other projects.
- Securing a contractor with the necessary skills and experience will be key to ensuring this project is successful. There would be significant reputational and financial risk for the Council if the project resulted in a poorly constructed building.
- Should there be a delay in commencing the build phase of this project then it is anticipated that there will be an upward pressure on the build costs. Therefore, the project team are closely monitoring the project to ensure that the timetable is secured and that there are limited risks to the project timescales.
- Planning Risks: The scheme does not currently have a planning permission. The work undertaken to date has included pre-application meetings with Council Planning Officers, as well as engagement with other statutory consultees to ensure compliance with relevant policies and mitigate against potential objections.
- Procurement Risk: Potter Raper has been appointed to lead on the procurement strategy. Due to the size of the Contract a full OJEU process will need to be followed. As part of the strategy early engagement and soft market testing will be undertaken to ensure there is appetite and interest from the market for this opportunity.
- Reputational Risks: As Braintree's first major development in many years, it is key for the reputation of the Council not only with its residents but also

wider stakeholders and government that this project is a success, delivers the desired outputs, on time and to budget. The ability to do this will provide confidence and raise Braintree's profile locally, regionally and nationally.

- Securing Vacant Possession: The majority of this site is in the ownership of the Council. There are a number of areas that need to be resolved before work could start - obtaining vacant possession of the Drill Hall, relocation of substation, and access agreements. Dentons solicitors are instructed on these items and a tracker of all items is used to record progress and provide oversight to Senior Officers at the District Growth meeting. The management of existing tenants of the Drill Hall and adjacent building is being undertaken directly by the Council's Asset Management team, in close liaison with the project team.
- Third Party Rights: There are a number of third party rights over the site; including rights to light and potential party wall issues. These are being addressed through the design of the building and the planning process. The Council's professional team is aware of these risks and is working to ensure that they are mitigated and managed.

6.4 As part of each for the proposed lease arrangements it is key for the Council's ongoing liabilities operationally to be understood and accounted for within the financial appraisal.

6.5 The table below sets out the liabilities as identified to date:

Issue	Risk	Impact	Mitigation
General Lease Issues	Leases have clauses that state liquidated damages if completion does not happen to programme	Financial cost to Council in case of delays	Realistic programme to be agreed with contractor and enshrined in contract with obligation for damages passed to contractor
	Tenants not signing Heads of Terms	Proposed uses unviable	Build contract not signed until binding agreements in place with end users
Parking	Clarity required on parking income and number of spaces	Inaccurate figures for appraisal	Review with Parking and Finance Teams
	Decision required on parking for residential. Currently as an additional cost to buyers	Could act as a disincentive for potential buyers	Residential parking allocation to comply with expert sales and marketing advice
Buses	Clarity on maintenance liabilities.	Need to calculate liabilities and what proportion is recoverable	Service charge consultant commissioned and report issued. Recoverable

		by the Council	<p>proportion to be agreed with ECC</p> <p>The appraisal and financial review does not take into account the projected operating costs as this is assumed to be recoverable. If this is not the case, this will adversely impact the council's revenue position</p>
Service Charge	The Council is unable to add any life cycle costing (wear and tear) to the service charge. Windows, doors, roof etc will fall under Council's liability	Adverse effect on scheme financial performance	Included in appraisal as 5% of rental income the Council will manage the risk within this funding and its wider funding base.
	The Council will not be able to recover costs from healthcare facility relating to the repair and maintenance of the roof, structure and foundations. Also if windows and external doors and plant items such as the boiler require replacement then the Council would be responsible for replacing these items. All other repair or replacement costs should be recoverable from Major Budget Hotel Company and the pharmacy via the service charge	Need to calculate liabilities to Council and what is recoverable	Service charge consultant commissioned and report issued. Recoverable proportion to be agreed with end users
	Under NHS guidelines, the healthcare facility's lease will exclude service charge items such as the roof, green roof and solar PV	Need to calculate liabilities to BDC and what is recoverable	Service charge consultant commissioned and report issued. Recoverable proportion to be agreed with end users
	Big ticket liabilities (lifts and M&E) which are part of the repairing	Without sign off, Council could be deemed as	Specifications need to be reviewed by tenants and Council

	leases are accepted in full by the tenants these specifications need to be signed off by all tenants	liable for these components	Operations before leases are signed
	The refuse strategy is specific to each tenant, must not be forgotten in the design with and requires separation of refuse strategy for the residential and healthcare facility/pharmacy. Access for a refuse truck is essential	If refuse strategy does not match tenant requirements a redesign will be required with BDC incurring costs	Refuse strategy to be reviewed by tenants and Council Operations before leases are signed
	The public realm and bus interchange service charge is essential and may be apportioned to the tenants as the private and public space is blurred in this development. So long a justification can be made the Council have a better chance of it not being challenged	Need to calculate liabilities to the Council and what is recoverable	The Council commissioned a service charge consultant and report issued.

## 7.0 Consultation

- 7.1 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.
- 7.2 A successful exhibition, including specific sessions for Cabinet, Members, key stakeholders, the media and public occurred on 15<sup>th</sup> June 2017. A further exhibition, to show the detailed design proposals, was held on the 10<sup>th</sup> January 2018.
- 7.3 Specific consultations have been undertaken with the following bodies:
- Historic England – 2<sup>nd</sup> November 2017
  - Pre-application with Council Planners, including ECC Historic Building Advisor – 20<sup>th</sup> June, 4<sup>th</sup> October 2017 and 16<sup>th</sup> January 2018
  - Public Exhibition – 15<sup>th</sup> June 2017 and 10<sup>th</sup> January 2018
  - Essex Highways – Regular meetings with formal advice received 3<sup>rd</sup> November 2017
  - Essex Passenger Transport – 7<sup>th</sup> March 2017, 24<sup>th</sup> July 2017, 11<sup>th</sup> October 2017 and 12<sup>th</sup> December 2017
  - Mount Chambers surgery – 2<sup>nd</sup> May 2017, 1<sup>st</sup> June 2017 and 26<sup>th</sup> October 2017

- Chairman of Braintree District Hackney Carriage Association – 12<sup>th</sup> June 2017
- Essex Police Secured by Design Officer – 14<sup>th</sup> November 2017

## 8.0 Member Engagement

- 8.1 The project 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.
- 8.2 To date there has been regular engagement with the relevant Portfolio Holders through a Member Steering Group. This has allowed the project to be developed to this point with a strong input from key Members.
- 8.3 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 Planning 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.
- 8.4 Once there has been a grant of planning permission, a specific Leader appointed Member Reference Group, will commence work in supporting the project to deliver the project. This group has a range of Members appointed drawing on skills across the Council.

## 9.0 Programme and Decisions Gateway

- 9.1 Subject to Cabinet and Council approval, a planning application will be submitted in June 2018. The application is dependent upon:
- Terms being agreed with Major Budget Hotel Company;
  - Terms for design being agreed with NHS England;
  - Agreement with ECC Passenger Transport;
  - Sign-off of planning application and all supporting documents by Corporate Director and Cabinet Member for Asset Management.
- 9.2 The Planning Application will be determined by the Council in its capacity as planning authority. In doing this the Council will have to have regard to material planning policies and frameworks, and will not have regard to the Council acting in its capacity as landowner or promoter.
- 9.3 Once the planning application has been submitted the procurement process can begin. 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. The process involves a notice being placed, which requires potential contractors to formally express interest and request a Pre-Qualification Questionnaire.
- 9.4 Concurrently the full tender pack will be completed by the project team. Full tender documents are expected to be issued to up to five contractors in July 2018. The time period to conclude negotiations with a contractor from this is

approximately 6 months and is expected that the construction contract will be let in early-2019.

- 9.5 A build contract would not be let prior to the grant of an acceptable planning permission and obtaining a clear vacant possession of the site. Also without agreements to lease being in place for the key elements of the scheme particularly the Hotel Provider.

#### 10.0 Value for Money

- 10.1 Demonstrating that the proposed investment provides the Council with value for money is a key objective of the project.
- 10.2 On a commercial basis the value created, measured as Gross Development Value, is less than total capital costs incurred; however, the Council can justify intervention for two key reasons:
- the scheme makes a positive financial impact to the Council in the long-term
  - the scheme secures wider non-financial benefits created through regeneration of this part of Braintree
- 10.3 The financial impact analysis demonstrates that the project will make a positive contribution to net general fund income.
- 10.4 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. The evaluation, undertaken by the Manor Street Steering Group, produced a weighted score of 6.05 (the minimum score to progress an investment project is 6.0).
- 10.5 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.
- 10.6 The final agreed lease terms, including rental levels and the final open market values of the residential units will be confirmed by an independent valuer in compliance with RICS 'Red Book' methodology.
- 10.7 The Council is exploring opportunities to secure further capital, via third party grant funding and the input of Section 106 Agreement financial contributions from other residential developments. If any further funding is secured, the Council's capital outlay would reduce and release funding to deliver other projects.

## 11.0 Communications and PR

- 11.1 The Project Team is working closely with Marketing & Communications Team to produce a Communications Strategy. The Strategy is also being shaped by close partnership working with other stakeholders, notably the CCG and Hotel operator, to ensure a consistent, positive message is portrayed across the life of the project.

## 12.0 Summary

- 12.1 The revised proposals for the Manor Street Regeneration are well considered, the scheme has the potential to provide a catalyst for wider improvements to Braintree Town Centre. Risks have been identified and mitigated where possible and significant work has been undertaken to ensure the scheme is deliverable.

### Appendices:

Appendix 1	Risk Register
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Item	Risk	Description	Probability	Impact	Rating	Mitigation	Responsibility
<b>1.0 COSTS</b>							
1.1	VAT	Eliminate VAT on the development land purchase price. Not applicable if BDC already own the land.	1	1	Low	BDC have indicated that they own all the land	BDC
1.2	Residential Market Conditions Change	1. Over supply in Braintree. 2. Braintree Market depressed. 3. Changed mortgage market leaves units unsold. 4. Market around Braintree will not support values required. 5. Economy enters Deflationary period. 6. Threat to viability of scheme.	3	5	High	Continue to undertake ongoing local market monitoring.	GCW/BDC
1.3	Build Costs / Cost Plan not viable	Due to unknown's, costs are high. Specifications currently not agreed. Material cost increase/build inflation not as predicted.	3	4	Medium	Detailed cost plan produced based upon measured drawings.	All
1.4	Value Engineering	Review of elements within the design / budget costs with a view of reducing quantities, specification, increasing build / delivery /efficiency times and reducing costs back to feasible levels.	0	0	No Risk	VE workshops held and VE completed - Risk Closed.	All
1.5	Procurement & Tendering Strategy	Failure to choose a suitable procurement route. Unable to find a sufficient number of tenderers.	2	3	Low	OJEU process agreed on 29/08/17. BDC's legal advisors have confirmed that the PQQ and ITT stages can be separate. It is also noted that it is acceptable to limit down to five bidders at tender stage. Soft Market Testing from 05/02/18 to 09/02/18.	PRP/BDC
1.6	Provisional Sums	Provisional Sum items identified during pre-contract phase and therefore leaving the risk with BDC.	5	3	High	Full design to be issued at tender stage.	PRP / AHR
<b>2.00 PLANNING/CONSERVATION</b>							
2.1	Conservation Area/Listing	Existing buildings are within a conservation area or are listed and the proposals have the potential to have a direct impact on the significance (character and appearance) of the Conservation Area.	4	2	Medium	RPS CGMS appointed to prepare a heritage statement. Meeting held with Historic England - feedback awaited.	CGMS
2.2	Lack of local resident buy in / Local Stake Holders oppose the proposals.	1. Poor / inconsistent communications. 2. Aspirations too high / not managed. 3. Fear of change. 4. Planning Delays.	2	3	Low	Early engagement. Regular meetings and communications. Continue to talk to local residents/stakeholders and seek solutions that offer more for residents that are affordable.	BDC

Item	Risk	Description	Probability Impact Rating			Mitigation	Responsibility
2.3	Planners not happy with development	1. Policy. 2. Interpretation of policy.	1	5	Low	Pre Planning meetings have taken place with feedback incorporated into the design.	BDC/CGMS
2.4	Rights to Light -	Risk of Rights of light compensation.	4	2	Medium	Initial assessment received indicating compensation may be payable. Final report to be prepared following issue of final drawings. Rights of Light insurance. Right of Light Consulting appointed.	RLC
2.5	Daylight / Sunlight	Daylight and sunlight not planning compliant.	4	3	Medium	Early involvement daylight and sunlight specialist. Right of Light Consulting appointed.	RLC
2.6	Planning Delays / Refusal,	1. Risk of refusal and associated cost/time delays for appeal. 2. Risk of planning refused at appeal.	2	3	Low	Discussions held with Planners and other Planning Stakeholders to ensure that designs are developing in line with expectations. Last pre-app meeting was positive.	AHR / CGMS
2.7	Planning Discharges / Objections	1. Risk of onerous/"unreasonable" planning conditions. 2. Obligations not being met.	2	3	Low	Monitor through planning consultation. Monitor obligations through regular meetings. S106 Tracker to be included within reports.	AHR / CGMS
2.8	Planning fees	Risk of increased cost on planning fees due to requirements of planning performance agreements and non-assignment of existing reports/surveys.	2	1	Low	CGMS to monitor.	CGMS
2.9	Judicial review Challenge	Risk of potential cost/time delays from a challenge within the judicial review period.	2	5	Medium	Manage through public consultation and adherence to the Planning Pre-App.	CGMS
2.10	Section 106 obligations	Risk of increased S106 contributions imposed by LBL	1	1	Low	No Section 106 Agreement.	BDC
2.11	Community Infrastructure Levy	Risk of CIL payment not being transferred to contractor	1	1	Low	No CIL payments expected.	BDC
2.12	Section 278 Issues	Check any Section 278 Issues and how they may impact on the development and building programme including lead in times.	3	3	Medium	A schedule detailing the works to be done and shown on appropriate plans to be identified. The extent of the improvements and any land to be conveyed to the Local Highway Authority (dedicated land) to be identified. Details of a bond or surety to be identified.	AHR / BDC
<b>3.00 LEGAL</b>							

Item	Risk	Description	Probability Impact Rating			Mitigation	Responsibility
3.1	Vacant possession - buses	Re-provision of the bus terminal could cause delays to programme through a lack of understanding of the approvals required.	4	5	High	Continue negotiations with bus company and Essex Highways.	BDC / Systra
3.2	Vacant possession - other	1. Resistance of tenants. 2. Resistance of Leaseholders. 3. Temp lettings made secure. 4. Threat to the viability of the project commencement.	3	4	Medium	1. Start negotiations with leaseholders immediately. 2. Review cost of leaseholder buy out and cost of delay to programme. 3. Issue all relevant notices to tenants. 4. Proceed with CPO. 5. Ignite Business Enterprise vacating in good time following notice.	BDC
3.3	Issues with reports on land titles.	1. Lack of clarity in land title. 2. Reduction in density.	0	0	No Risk	Reports on title received and checked. Risk Closed.	BDC
3.4	Boundary Disputes	Ensuring that accurate boundaries are agreed ASAP. Risk of topographical survey showing accommodation cannot be provided on the site area.	0	0	No Risk	Topographical survey obtained with redline overlaid. Risk Closed.	AHR
3.5	Party Wall Awards	Risk of prolonged Party Wall and Boundary Wall matters; Avoid Party Wall notice procedure not being followed in accordance with the Act and objections being received which affect progress.	3	4	Medium	Early identification of potential party wall awards and obtain correct ownership details. Condition surveys to be undertaken. To be updated in spend profile. Monies only allowed for surveyors and legal fees. Allow sufficient timescales to deal with statutory periods with the Awards.	AHR
3.6	Easements	Risk of consultation for services & other parties claiming; Time and cost issues included within statutory services budget.	3	3	Medium	Allow adequate due diligence on sale. Check report on title. Substation access and ownership issues to resolve?	BDC
3.7	Services diversions and build over licences	Risk of services diversions and build over licence required on storm drains	1	4	Low	Based on current construction plans the public sewer is greater than 3m away, Build over licence is not required from Anglia Water.	Conisbee
3.8	Contract Amendments	Delay in issuing standard amendments.	1	5	Low	BDC to advise PRP of contract amendments.	BDC / PRP
3.9	Local Training and Employment Obligations	Local Training and Employment Obligations that are set out within BDC guidelines, including that of the planning conditions and ER's may not be met.	2	1	Low	Mitigated through Planning & S106. Contractor to comply with ER's.	BDC / PRP
3.10	Road/Footpath closures	Costs in association with stopping up orders for construction period.	5	2	Medium	Evaluate as soon as possible, review with phasing, build/construction statement.	BDC

Item	Risk	Description	Probability Impact Rating			Mitigation	Responsibility
3.11	Access Agreements.	Risk of anticipated access arrangements being rejected.	2	5	Medium	Regular communication with adjacent owners and consultation to agree access arrangements and establish key dates for any disruptions to boundaries and timescales for any work to be undertaken.	BDC
3.12	Squatter Issues	Risk of delays to the building works if squatters occupy vacant possessions.	3	2	Low	Decant and site possession to be sequenced to avoid prolonged empty buildings.	BDC
<b>4.00 LEASES</b>							
4.1	Substation Lease	Check any lease agreements in particular for the supplies to the adjacent buildings.	4	5	High	To be part of Dentons' appointment.	Dentons
4.2	Liquidated Damages Under Heads of Terms of Lease	Leases contain clauses that invoke the payment of liquidated damages if Practical Completion is not achieved by the programmed date.	3	4	Medium	Build in contingency period for agreed date of practical completion.	Dentons
4.3	Residential Parking	Offering parking to residents at an extra cost may put off potential purchasers	4	3	Medium	Redloft to review residential parking strategy and potential alternate incentives and agree proposals with BDC.	Red Loft
4.4	Lifts and M&E liabilities	Big ticket liabilities (lifts and M&E) which are part of the repairing lease are accepted in full by the tenants. These specifications need to be signed off by hotel operator and the healthcare facility and other tenants. Without sign off, BDC could be deemed as liable for these components.	3	4	Medium	Specifications need to be reviewed by tenants and BDC operations before leases are signed.	PRP/AHR
4.5	Refuse	The refuse strategy is specific to each tenant and requires separation of refuse strategy for the residential and healthcare/Pharmacy. Access for a refuse truck is essential. If refuse strategy does not match tenant requirements a redesign will be required with BDC incurring costs.	2	4	Medium	Refuse strategy to be developed and reviewed by tenants and BDC operations before leases are signed.	AHR
4.5	Agreement of Bus Station Heads of Terms/Lease	Failure to agree the Heads of Terms/Lease Agreement with ECC renders the bus station element of the scheme redundant and/or may lead to a planning objection.	3	5	High	BDC to begin discussing terms with ECC as early as possible. Systra to ensure bus station design and transport strategy meets ECC's needs.	BDC
4.6	Compliance with Bus Station Heads of Terms/Lease	Failure to comply with the requirements of the Heads of Terms/Lease leads to the imposition of penalties or ECC no longer occupying the site and a potential redesign/repurposing of the space.	2	5	Medium	Lease agreement and other ECC requirements/specifications made available to the Design Team for incorporation in the design and ERs. Contractor made responsible for complying with the relevant lease requirements. Contractor compliance with relevant terms closely monitored.	AHR

Item	Risk	Description	Probability Impact Rating			Mitigation	Responsibility
4.7	Bus Station Maintenance Liabilities	Uncertainty over maintenance liabilities for the bus station and what is recoverable could lead to incorrect cost assumptions.	3	4	Medium	BDC commissioned a service charge consultant. BDC to agree maintenance liabilities with ECC.	BDC
4.8	Agreement of hotel Heads of Terms/Lease	Failure to agree the Heads of Terms/Lease Agreement with hotel operator renders the hotel unviable and necessitates a redesign to residential accommodation.	3	5	High	BDC to begin discussing terms with hotel operator as early as possible. AHR to ensure hotel design meets hotel operator's needs. Residential scheme design and consideration has been undertaken.	BDC
4.9	Compliance with hotel Heads of Terms/Lease	Failure to comply with the requirements of the Heads of Terms/Lease leads to the imposition of penalties or hotel operator no longer occupying the site and a conversion to residential use.	2	5	Medium	Lease agreement and other hotel operator requirements/specifications made available to the Design Team for incorporation in the design and ERs. Contractor made responsible for complying with the relevant lease requirements. Contractor compliance with relevant terms closely monitored.	AHR
4.10	Agreement of Pharmacy Heads of Terms/Lease	Failure to agree the Heads of Terms/Lease Agreement with the preferred pharmacy operator leads to delays whilst another operator is found or necessitates a change in use.	3	4	Medium	BDC to begin discussing terms with the preferred operator as early as possible. Design Team to ensure that the design meets the operators needs. Consideration given to other retail/commercial uses for the space.	BDC
4.11	Compliance with Pharmacy Heads of Terms/Lease	Failure to comply with the requirements of the Heads of Terms/Lease leads to the imposition of penalties or pharmacy operator no longer occupying the site leading to a further negotiations with a new operator or change of use.	2	4	Medium	Lease agreement and other pharmacy requirements/specifications made available to the Design Team for incorporation in the design and ERs. Contractor made responsible for complying with the relevant lease requirements. Contractor compliance with relevant terms closely monitored.	AHR
4.12	Agreement of healthcare facility Heads of Terms/Lease	Failure to agree the Heads of Terms/Lease Agreement with the healthcare operator leads to delays whilst another operator is secured or necessitates a change in use.	4	5	High	BDC to begin discussing terms with MECCG and NHS as early as possible. Design Team to ensure that the design meets the healthcare needs. Early consideration given to other potential uses for the space.	BDC
4.13	Compliance with healthcare facility Heads of Terms/Lease	Failure to comply with the requirements of the Heads of Terms/Lease leads to the imposition of penalties or healthcare operator no longer occupying the site leading to a further negotiations with a new operator or change of use.	3	5	High	Lease agreement and other NHS or operator specific requirements/specifications made available to the Design Team for incorporation in the design and ERs. Contractor made responsible for complying with the relevant lease requirements. Contractor compliance with relevant terms closely monitored.	AHR

Item	Risk	Description	Probability Impact Rating			Mitigation	Responsibility
4.14	Agreement of Cafe Heads of Terms/Lease	Failure to agree the Heads of Terms/Lease Agreement with the preferred café operator leads to delays whilst another is secured or necessitates a change in use.	3	3	Medium	BDC to begin discussing terms with preferred operator as early as possible. Design Team to ensure that the design meets the operators needs. Consideration given to other potential retail/commercial uses for the space.	BDC
4.15	Compliance with Cafe Heads of Terms/Lease	Failure to comply with the requirements of the Heads of Terms/Lease leads to the imposition of penalties or the preferred operator no longer occupying the site leading to a further negotiations with a new operator or change of use.	2	3	Low	Lease agreement and other cafe requirements/specifications made available to the Design Team for incorporation in the design and ERs. Contractor made responsible for complying with the relevant lease requirements. Contractor compliance with relevant terms closely monitored.	AHR
4.16	Agreement of Small Retail Heads of Terms/Lease	Failure to agree the Heads of Terms/Lease Agreement with the preferred retail operator leads to delays whilst another is secured or necessitates a change in use.	3	3	Medium	BDC to begin discussing terms with preferred operator as early as possible. Design Team to ensure that the design meets the operators needs. Consideration given to other potential retail/commercial uses for the space.	BDC
4.17	Compliance with Small Retail Heads of Terms/Lease	Failure to comply with the requirements of the Heads of Terms/Lease leads to the imposition of penalties or the preferred operator no longer occupying the site leading to a further negotiations with a new operator or change of use.	2	3	Low	Lease agreement and other cafe requirements/specifications made available to the Design Team for incorporation in the design and ERs. Contractor made responsible for complying with the relevant lease requirements. Contractor compliance with relevant terms closely monitored.	AHR
<b>5.00 SERVICE CHARGES</b>							
5.1	Life Cycle Costing	BDC is unable to add any life cycle costing (wear and tear) to the service charge. i.e. windows, doors, roof etc. will fall under BDC's liability. No budget for Life Cycle costing.	4	3	Medium	Included in appraisal as 5% of rental income	BDC

Item	Risk	Description	Probability	Impact	Rating	Mitigation	Responsibility
5.2	Cost Recovery - Healthcare facility	The Council will not be able to recover costs from healthcare operator relating to the repair and maintenance of the roof, structure and foundations. Also if windows and external doors and plant items such as the boiler require replacement then the Council would be responsible for replacing these items. All other repair or replacement costs should be recoverable from hotel and the Pharmacy via the service charge.  The healthcare facility lease will also exclude items such as the roof, green roof and solar PV from the service charge.	4	3	Medium	BDC commissioned a service charge consultant to calculate liabilities to BDC and what is recoverable.	BDC
5.3	Public Realm & Bus Station	The public realm and bus station service charge is essential and may be apportioned to the tenants as the private and public space is blurred in this development. So long a justification can be made BDC have a better chance of it not being challenged.	3	3	Medium	BDC commissioned a service charge consultant to calculate liabilities to BDC and what is recoverable.	BDC
<b>6.00 PROGRAMME</b>							
6.1	Programme - pre-contract	General delays outside the control of the project team e.g. Planners, stakeholders, statutory bodies.	4	4	High	Project team meeting target dates. Good communication and monitoring of risk.	All
6.2	Programme - cost impact	Risk of delayed start and increased exposure to build inflation.	4	4	High	Outline pre contract programme issued. Monitor inflation . Risk with BDC until JCT signed.	All
6.3	Programme - NHS Sign off	Delays in healthcare facility sign-off of layouts.	3	3	Medium	Regular meetings.	PRP/AHR
6.4	Programme - Hotel operator Sign off	Delays in hotel operator sign-off of layouts.	3	3	Medium	Regular meetings with hotel operator's consultant.	AHR
<b>7.00 DESIGN</b>							
7.1	Flood Risk	Risk of flooding to site	1	5	Low	Draft report issued to design team, flood risk is low.	Conisbee

Item	Risk	Description	Probability	Impact	Rating	Mitigation	Responsibility
7.2	Unforeseen Ground Conditions	Increased costs if uncertainty of ground conditions are not identified.	1	4	Low	Infiltration test completed, proposed soakaway volume unchanged. Flow control to be used to match green field rate. Approval sought from Essex LLFA. The SI report identifies the contamination risks below ground and these have reviewed by the design team and client. A provisional sum has been allocated in the cost plan based on the QS's understanding of those risks identified in the report.	Conisbee
7.3	Specification	Agreeing and co-ordinating the specification for each building type:- 1. Healthcare facility. 2. Pharmacy 3. Hotel 4. Retail 5. Residential	3	4	Medium	1. Healthcare Facility. Liaise with MECCG/operator. 2. Pharmacy. BDC seeking pharmacy providers. 3. Hotel. Specification from operator. 4. Retail. BDC to advise on specification and size. 5. Residential. PRP to distribute specification for each tenure type.	AHR/ BDC/ PRP
7.4	Acoustic specification	Risk of sound transference between various occupancies	1	3	Low	Noise impact assessment issued 03/10/17. Acoustic Report issued 25/10/17 sets out the design criteria including insulation of walls and floors together with control of reverberation within acoustically sensitive spaces and building services acoustic design.	MLM
7.5	Micro-climate implications	Risk of wind tunnels being introduced.	0	0	No Risk	No survey required. - Risk Closed.	Max Fordham
7.6	Secured By Design	Full compliance expensive. Late requests by CPO.	2	2	Low	Discussions held with the Architectural Liaison Officer on 14/11/17 and minutes prepared by AHR. Target 'silver' or better standard.	AHR
7.7	Wheelchair units	Lack of wheelchair units on scheme and uncertainty of designation, compliance and allocations.	2	2	Low	Advice from BDC on units which will be wheelchair accessible or adaptable to meet Building Regulations M4(3). As a minimum all units will be M4(2) compliant.	BDC
7.8	Landscaping design / Open space	Rejection of Landscaping design at planning stage if landscape strategy is not clear and agreed with BDC, consultation and agreement with local residents not achieved, not compliant with SBD principles and exceeds cost budget and has excessive maintenance costs.	2	3	Low	AHR to ensure open space is aesthetically pleasing and affordable to build and maintain and the residents committee is consulted and agreeable with the principle designs. Regular meetings and cost appraisals and engagement with the SBD Officer.	AHR

Item	Risk	Description	Probability Impact Rating			Mitigation	Responsibility
7.9	BREEAM	Achieving BREEAM Very Good for healthcare facility.	2	4	Medium	BREEAM pre-assessment tracker and action list provided by MLM and information requested from design consultants by 08/12/17 so pre-assessment can be undertaken. Currently achieving a score of 51.2%, score of 55% targeted (Very Good).	MLM
7.10	Retaining Walls and Design Coordination	Stability and use of retaining walls. BDC preference to use the drop in level as the lower deck car space.	0	0	No Risk	Design developed - Risk Closed.	Conisbee
7.11	Environmental Impact Assessment. Ecology / Protected species	Ecology Survey results. Need to clear site of animals. Risk of having to be redone on habitat survey. BAT survey.	1	4	Low	RPS appointed. Survey received 26/04/17. Bat survey recommended. Swift nesting boxing required. Any ecological matters will be addressed during 2018 -no impact on programme.	CGMS
7.12	Parking Spaces	Failure to agree a parking strategy with each of the main stakeholders. Lack of certainty over number of spaces and therefore incorrect assumptions relating to income.	1	2	Low	A smart parking management system is essential. The healthcare facility will need spaces during the day and hotel at night. Consider Zipcar car-sharing company. Risk lowered as car parking strategy is agreed with spaces confirmed for each use.	AHR/BDC
7.13	Bus Interchange	Bus station layout unresolved.	3	4	Medium	Positive negotiations with ECC with expectation of agreement.	Systra
7.14	Interface between structures and car park	Unable to find an agreeable design for ingress and egress to/from each car park.	2	3	Low	Principles now accepted.	Systra
7.15	Existing Taxi Rank	Rank remains in current position.	3	4	No Risk	Design developed. No requirement to move rank - Risk Closed.	Systra
7.16	Isolated soft spots under	Localised soft spots under building footprint.	2	5	Medium	Site investigation shows a general likely hood of soft spots to be low. However there is an area to the west of the site with a potential for a soft spot. To minimise this latent risk additional SI is required to this area.	Conisbee
7.17	Listed Brick Wall	Agreement to deconstruct and reassemble brick wall	3	4	Medium	To be agreed with Historic England	Conisbee
7.18	Retaining wall	Construction of retaining wall next to Manor Street. To the rear of public footpath (within confines of the site)	5	2	Medium	To be agreed with Essex Highways	Conisbee

Item	Risk	Description	Probability	Impact	Rating	Mitigation	Responsibility
7.19	Existing building	Structural survey of existing Community centre	4	3	Medium	Visual survey completed - Intrusive survey required	Conisbee
7.20	Soakaway Design	Soakaway test results where less than expected	3	4	Medium	Update design to taking account of survey results	Conisbee
7.21	Amend design	Party wall agreement with (Job Centre)	2	4	Medium	Undertake party wall agreement with neighbours affected.	Conisbee
<b>8.00 SERVICES</b>							
8.1	Energy Strategy - Strategy, Billing, Metering, Liability	Billing, metering and tariff strategy not determined. No clear delineation of ownership and maintenance.	2	3	Low	Max Fordham have produced diagrams showing how the services will be connected schematically and how these will be metered.	Max Fordham
8.2	Substation - existing	Failure to maintain existing substation and associated supplies until completion of the new substation.	2	3	Low	Ownership and scope to proposed construction methodology/phasing now established.	Max Fordham
8.3	Substations - new	Failure to identify suitable location (if required).	0	3	No Risk	Substation location now identified - risk closed.	Max Fordham
8.4	Services (Electric, Gas, Water, Thames, BT, Virgin media)	Statutory services, supplies and capacity. Risk of unforeseen supplies, routes, insufficient capacities, service diversions; Statutory service drawings; Existing substation main runs adjacent buildings.	2	3	Low	Max Fordham have had initial discussions with the relevant utilities, which have not highlighted any abnormal risks. More detailed discussions to be had as the design develops.	Max Fordham
8.5	Existing Services	Unknown existing below ground services.	2	4	Medium	A below ground services scan has been undertaken. This was reviewed on site against visible above ground services/scans in the landscape and appears to be ok, however a risk still remains. The main risk is likely to be associated with the existing substation so could be mitigated through the sequencing of the construction works to allow time to deal with unexpected electrical services.	Max Fordham
<b>9.00 PROCUREMENT</b>							
9.1	No Market Interest	There is no interest from contractors in constructing the scheme.	2	5	Medium	PRP to undertake soft market testing prior to tender to establish interest. Widely promote the ITT.	PRP
9.2	Tender Documents	The tender documentation is insufficiently detailed and/or incorrect leading to the Contractor delivering a scheme that does not meet end user needs/requirements.	3	5	High	Meeting to be held on 09/01/18 to discuss level of detail required for tender documents.	PRP/AHR
<b>10.00 ABNORMALS</b>							

Item	Risk	Description	Probability Impact Rating			Mitigation	Responsibility
10.1	Asbestos	Surveys required prior to tender.	5	2	Medium	Existing survey information provided by BDC. Any asbestos in the ground will be identified in land contamination report.	Main Contractor
10.2	Archaeology	Risk of onerous planning conditions relating to an archaeological interest on the site; Desk top study to be provided.	0	0	No Risk	CGMS confirmed archaeological report not required.	CGMS
10.3	Unexploded ordnance	Risk of UXO discovery on site, Survey required. Risk of costs/time delays owing to finds not included in tender price.	1	4	Low	Survey not undertaken as risk is low. No sign of any damage on historical maps. No further action required.	Conisbee
10.4	Japanese Knotweed	Risk of remediation for Japanese knotweed. Remediation excluded from construction price as seen as no risk.	0	0	No Risk	Survey undertaken. No knotweed. Risk closed.	AHR
10.5	Arboriculture Reports	Incorrect trees are removed, existing trees die during building works due to incorrect foundations designs or lack of protection to trees in close proximity of the works.	2	2	Low	Survey undertaken. Trees minimal.	AHR
10.6	Transport Survey Report	Scope of survey creeps	3	3	Medium	Transport statement under development. Data awaited from ECC.	Systra
10.7	Traffic Management	One way roads, relocation of bus depot and deliveries will create congestion on surrounding roads.	3	4	Medium	Systra/BDC discussions with ECC ongoing. Transport strategy under development. No concerns raised by ECC Highways currently.	BDC/Systra
10.8	Air Quality Assessments	Risk of Planning refusal if concerns arise if the development is likely to generate air quality impact in an area where air quality is known to be poor or is likely to adversely impact upon the implementation of air quality strategies and action plans and/or, in particular, lead to a breach of EU legislation.	1	5	Low	Phlorum appointed to carry out an air quality assessment. Awaiting data from ECC/Systra so assessment can be undertaken.	Phlorum
<b>11.00 DURING CONSTRUCTION</b>							
11.1	Naming and numbering	Risk of delay if naming and numbering not agreed. Postcode required for MPAN number	2	2	Low	Contractor Responsibility in ER's. Initial meeting to be held with officer at BDC. Names suggested and in for confirmation with BDC and Royal mail for postcodes.	BDC / PRP
11.2	Over sailing	Risk of over sailing licenses required during construction.	2	2	Low	Construction methodology passed to Contractor in ER's. Use Luffer cranes where possible.	PRP

Item	Risk	Description	Probability Impact Rating			Mitigation	Responsibility
11.3	Quality Control	Ensuring that the end product meets the quality requirements of the BDC Asset Management and Sales.	3	3	Medium	1. Appoint Design Guardian. 2. Appoint PRP as Clerk of Works Inspector.	BDC
11.4	Performance of Statutory Authorities	Services not being connected on time, connections being made during 'rush' months when other schemes are being delivered	4	5	High	Early involvement of all Statutory Authorities. Monitor Main Contractor performance. Max Fordham to investigate use of third party assisting organisation e.g. Poweron	Max Fordham
11.5	Security and Pedestrian Safety	Risk of damage to site and buildings and theft of items.	2	4	Medium	Adequate site security must be maintained and traffic management may be required due to the amount of pedestrians in the area.	BDC/ Contractor
11.6	N3 Fibre cable for the delivery of secured firewalled NHS email.	Service not being connected on time. Can take up to 6 months.	4	4	High	Early involvement of all Statutory Authority.	Contractor
11.7	Contractor enters administration	Contractor enters administration during construction.	3	5	High	Check Contractor accounts as part of tender process. Consider use of a Performance Bond, Parent Company Guarantee and/or insolvency cover under NHBC (or equivalent) warranty.	PRP/BDC
11.8	Reputational damage	Risk of reputational damage to BDC due to the scheme not being delivered, delayed or of poor final quality.	3	5	High	Close monitoring of Contractor's compliance with ER's, other contract documents and construction programme. BDC to develop suitable messaging and PR should issues arise.	PRP/BDC

<b>I-Construct Development and Financial Update and Proposals</b>		<b>Agenda No: 6b</b>
<b>Portfolio</b>	<b>Economic Development</b>	
<b>Corporate Outcome:</b>	<b>A sustainable environment and a great place to live, work and play</b> <b>A well connected and growing district with high quality homes and infrastructure</b> <b>A prosperous district that attracts business growth and provides high quality employment opportunities</b> <b>Residents live well in healthy and resilient communities where residents feel supported</b> <b>A high performing organisation that delivers excellent and value for money services</b> <b>Delivering better outcomes for residents and businesses and reducing costs to taxpayers</b>	
<b>Report presented by:</b>	<b>Councillor Tom Cunningham, Cabinet Member for Economic Development</b>	
<b>Report prepared by:</b>	<b>Benedict Binns, Strategic Project Manager</b>	
<b>Background Papers:</b>		<b>Public Report</b>
<a href="#">Corporate Strategy 2016-2020</a> <a href="#">Agenda and Minutes for Cabinet - 23<sup>rd</sup> May 2016</a>		<b>Key Decision: Yes</b>
<b>Executive Summary:</b>		
<p>The I-Construct (Innovation in Construction) project represents an opportunity for Braintree District Council (the Council) to work in partnership to deliver a flagship Innovation Centre with European Regional Development Fund (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.</p> <p>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.</p> <p>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</p>		

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 Essex County Council (ECC) as the Accountable Body with the Council, Building Research Establishment (BRE), Colchester Institute and E3 as delivery partners.

The Council's delivery will include the design and development of a BREEAM Excellent 629m<sup>2</sup> Innovation Centre on the Council's 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 propose to provide capital funding of £750,000 towards the I-Construct ERDF project and reconfiguration of Ignite 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.

The Council's funding of £750,000 (£680,000 towards the Innovation Centre and £70,000 towards the reconfiguration of Ignite House) is to be met from the Business Rates Pool reserve. Discussions are taking place with ECC to provide a £750,000 grant to match the £750,000 from the Council to leverage, if the bid is successful, £800,000 from ERDF.

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 approves:

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;
  - 2.3 Approve the commencement of a tender process for construction contracts subject to the planning application being submitted and validated by the planning authority;
  - 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;
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 £750,000 towards the project scheme for all professional, construction and associated scheme development costs subject to an ECC grant of £750,000.
  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.

That Cabinet recommends to Council:

5. That Council notes the principles of the decisions of Cabinet and approves a capital budget of £750,000 towards the project scheme for all professional, construction and associated scheme development costs.
6. The approval to commit £750,000 from the Council’s Business Rate Pool Reserve.

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**Purpose of Decision:**

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

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

<p><b>Financial:</b></p>	<p>It is proposed that the I-Construct scheme is funded with an allocation of £750,000 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 6.15: the minimum score to progress an investment project is 6.0.</p>
<p><b>Legal:</b></p>	<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>

<b>Safeguarding:</b>	All members of the professional team and the eventual main construction contractor are required to provide satisfactory safeguarding policies as a prerequisite for selection.
<b>Equalities/Diversity:</b>	<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>
<b>Customer Impact:</b>	<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>
<b>Environment and Climate Change:</b>	The Innovation Centre will be built to BREEAM Excellent standard, in accordance with ERDF requirements.
<b>Consultation/Community Engagement:</b>	<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>
<b>Risks:</b>	Please see section 6 'Risk Assessment' and <u>Appendix 1</u> 'Risk Plan'.
<b>Officer Contact:</b>	Benedict Binns
<b>Designation:</b>	Strategic Project Manager
<b>Ext. No:</b>	2584
<b>E-mail:</b>	Benedict.binns@braintree.gov.uk

## 1 Background

1.1 The Council's Corporate Strategy and its Plan for Growth have a number of objectives:

- Enabling suitable employment sites and premises
- Providing support to help businesses to start and grow
- Support existing businesses through ensuring access to business advice, access to finance, and business energy advice
- Identify businesses with innovation potential and support collaboration with higher education
- Stimulate inward investment

1.2 It is in the context of these opportunities that the Council's participation in the £7.5million I-Construct ERDF project is proposed.

1.3 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 629m<sup>2</sup> Innovation Centre on the Council's owned Braintree Enterprise Centre acting as a hub and centre of excellence for construction innovation.

1.4 The I-Construct project is led by HGP with ECC, the Council, BRE, Colchester Institute and E3 Ltd 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.

1.5 The Council's participation in this £7.5million project requires:

- The Council's funding of £750,000 (£680,000 towards the Innovation Centre and £70,000 towards the reconfiguration of Ignite House)
- Discussions are taking place with ECC to provide a £750,000 grant to match the £750,000 from the Council to leverage, if the ERDF bid is successful, £800,000 from ERDF.
- £160,000 of in-kind revenue funding through donating the value of the land to the project for three years
- Management of the design and build of the Innovation Centre

1.6 Provided funding is secured from ECC and ERDF, the Council's key benefits being part of this project are:

- A flagship asset for a contribution of £750,000
- New BREEAM Excellent flagship asset on Springwood Drive
- Reconfigured Ignite House to increase the number of offices to let
- Within the SELEP region:
  - 350 SMEs in the construction supply chain provided with business support
  - 200 new jobs
  - The launch of 170 new products or services to the market.

- 1.7 Cabinet Approval is required to apply £750,000 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.
- 1.8 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:
- 1.8.1 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;
- 1.8.2 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;
- 1.8.3 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;
- 1.8.4 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.
- 1.9 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 over £4.3 million.

## 2 I-Construct

### 2.1 The purpose of I-Construct

- 2.1.1 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.

- 2.1.2 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 200 new jobs in SELEP and the launch of 170 new products or services to the market.
- 2.1.3 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.
- 2.1.4 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.

## 2.2 I-Construct Partners

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

### 2.2.1 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.

### 2.2.2 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
- To be confirmed and subject to ongoing discussions match funding provider (to the Council) of £750,000
- 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

### 2.2.3 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

### 2.2.4 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.

### 2.2.5 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.

#### 2.2.6 E3 Ltd

E3 Ltd, 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. E3 will support our Supply Chain development work to engage SMEs in business opportunities around new technologies, sustainability and around major development sites.

### 2.3 Project Details

2.3.1 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.

2.3.2 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

### 2.3.3 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
  - Dry Lab
  - 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.

### 3.4 Operations

- 3.4.1 The management of the asset as well as the current Springwood Industrial Estate (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.
- 3.4.2 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.
- 3.4.3 For the ERDF project, the parcel of the council's land will be provided to the project for duration of the 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.
- 3.4.4. Any tenant that secures the lease will result in the operation costs of the building being covered by rental and service charges including VAT.
- 3.4.5 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 Fit Out

- 3.5.1 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.
- 3.5.2 Part of the 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 approximately £2.5m as shown below. The funding of the Innovation Centre will include:

- £750,000 from the Council (£680,000 for the Innovation Centre and £70,000 for the reconfiguration of Ignite House)
- £160,000 in kind funding from the Council
- £750,000 from ECC (subject to further discussions)
- £800,000 from ERDF

5.2 There is no funding commitment required from the Council for the revenue costs.

### 5.3 Project Cost and Funding

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.

The assumed funding is set out in the Table above. It is proposed that the Council fund its contribution of £750,000 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.

Category	Risk	Impact	Severity	Actions	Ownership
<b>2.2 Legal and Statutory Controls</b>	SLA with HGP on ERDF roles and responsibilities is not agreed	Delay to the programme.	<b>A</b>	Draft SLA to be agreed by October 2018 in <b>Gateway 3</b>	<b>BDC &amp; HGP</b>
<b>4.2 Operational</b>	ERDF business support for Revenue project does not hit targets	ERDF audit and possible financial clawback from accountable body	<b>A</b>	Haven Gateway to review and ensure ERDF business support plan is robust. <b>BDC to sign off in Gateway 1 and SLA in Gateway 4</b>	<b>HGP</b>
<b>4.3 Operational</b>	Assets to be for approved use only for useful economic life:	ERDF audit and possible financial clawback	<b>B</b>	To ensure that the definition for use during the economic life of the asset is broad enough <b>BDC to sign off in Gateway 4</b>	<b>BDC</b>
<b>4.4 Operational</b>	Disposal of assets	ERDF audit and possible financial clawback	<b>B</b>	To ensure that the operation of the Innovation Centre is in line with ERDF Compliance requirements. <b>BDC to sign off proposal in Gateway 1 and SLA in Gateway 4</b>	<b>BDC &amp; HGP</b>
<b>5.2 Comms</b>	Poor public relations If the project doesn't meet ERDF targets	ERDF financial clawback	<b>A</b>	Ensure that ERDF bid is robust. <b>BDC to sign off in Gateway 4</b>	<b>BDC</b>
<b>9.1 Financial</b>	ERDF funding is rejected	Innovation Centre cannot be built	<b>A</b>	Ensure ERDF bid submission is robust. <b>BDC to sign off in Gateway 4</b>	<b>HGP</b>
<b>9.2 Financial</b>	ECC funding is rejected	Innovation Centre cannot be built	<b>A</b>	ECC asked for commitment. <b>BDC to sign off in Gateway 1</b>	<b>ECC</b>

## 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"> <li>• BREEAM Excellent Innovation Centre</li> <li>• Showcase of sustainable built environment technologies</li> </ul>
A well-connected and growing District with high-quality homes and infrastructure	<ul style="list-style-type: none"> <li>• Construction supply chain development including SME procurement readiness and opportunities for SME consortia;</li> <li>• Supporting innovation and acceleration of delivery via off-site construction and modular build;</li> </ul>
A prosperous District that attracts business growth and provides high-quality employment opportunities	<ul style="list-style-type: none"> <li>• Provide new premises – Innovation Centre</li> <li>• Job creation of 250 new jobs in SELEP</li> <li>• 170 new products in SELEP</li> <li>• Provide business support to 350 SMEs in SELEP</li> </ul>
A high performing organisation that delivers excellent value for money	<ul style="list-style-type: none"> <li>• Scheme delivers a positive return on investment in the long-term</li> <li>• Rental income provides a long-term revenue stream and delivers positive effect on annual net general fund income</li> <li>• Generation of business rates</li> <li>• Significant high-quality asset added to Council's portfolio</li> </ul>

- 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: May 24<sup>th</sup> 2018

Council sign off of:

- BDC contribution of ERDF bid to be submitted subject to ECC commitment to funding and to Council approval
- stage 2 drawings and cost plan and all supporting documents 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)

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 **£750,000**, 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 7.5: the minimum score to progress an investment project is 6.0. This is subject to approval from the Strategic Investment Group.

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 Springwood Drive Industrial Estate 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 200 new jobs in SELEP and the launch of 170 new products or services to the market.

Appendix 1  
Appendix 2

Risk Plan  
Programme Gateways

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



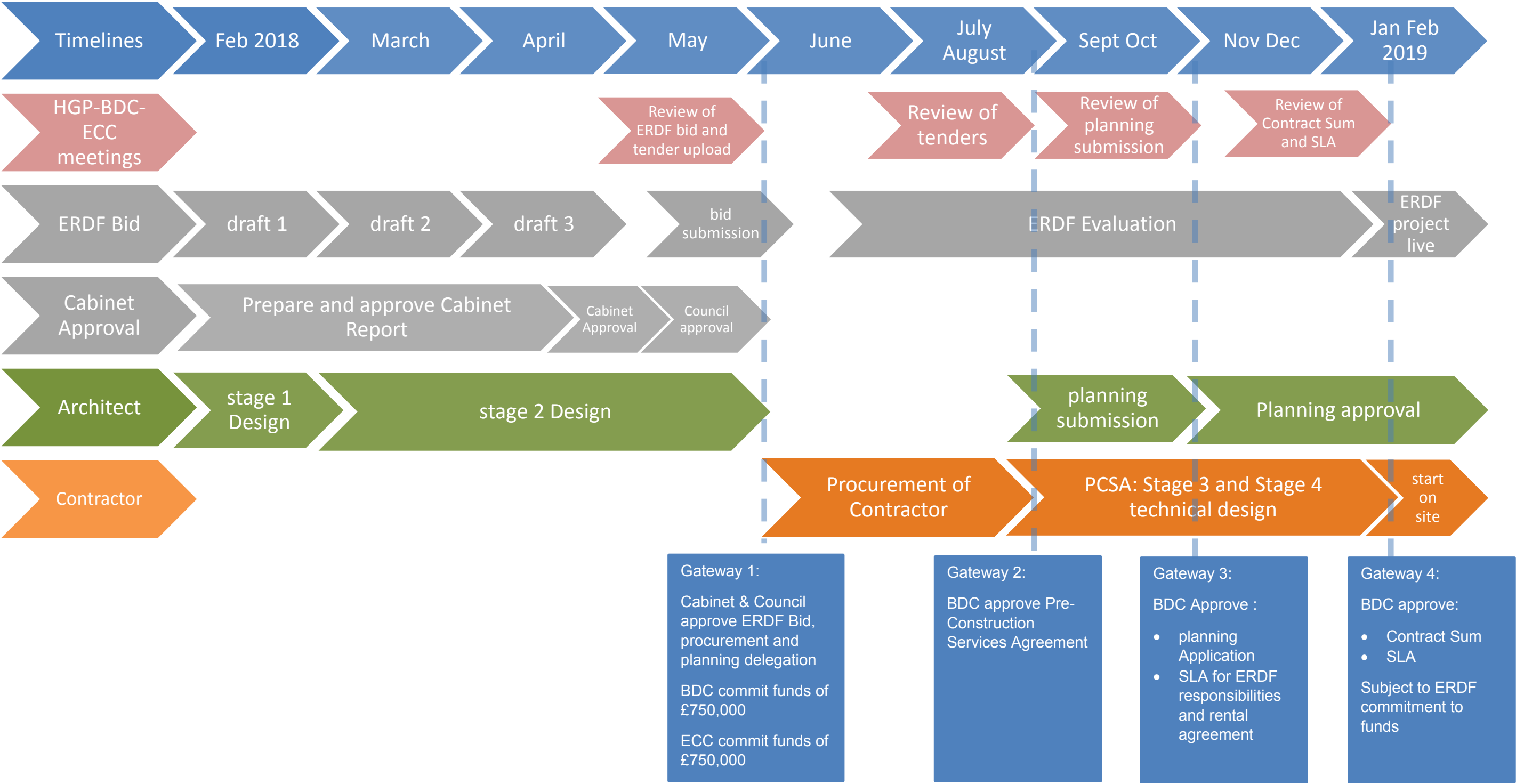
Category Ref.	sub category ref	Category	Risk Identification	Impact or Implication	Likelihood	Impact	Severity	Current Status	Action	Progress	Ownership	OPEN / CLOSED?
1	0	1.0 Project Development	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below	See Below
1	1	1.1 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



Chapel Hill Access Land Purchase		Agenda No: 7a
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 A prosperous district that attracts business growth and provides high quality employment opportunities Residents live well in healthy and resilient communities where residents feel supported A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor John McKee, Cabinet Member for Corporate Services and Asset Management	
Report prepared by:	Benedict Binns, Strategic Project Manager	
Background Papers:		Public Report
<a href="#">Corporate Strategy 2016-2020</a> Agenda and Minutes of Cabinet - <a href="#">26<sup>th</sup> March 2012 (New Homes Bonus)</a> , <a href="#">31<sup>st</sup> March 2014 (The South East Local Enterprise Partnership – Growth Deal and Strategic Economic Plan)</a> and <a href="#">2<sup>nd</sup> June 2014 (New Homes Bonus Investment in Major Infrastructure Projects)</a>  <a href="#">Agenda and Minutes of Full Council – 16<sup>th</sup> April 2012</a>		Key Decision: Yes
Executive Summary:		
<p>The Chapel Hill purchase of the Essex County Council (ECC) land was identified as land that could stimulate housing growth and item 4.7 of the Cabinet Report: New Homes Bonus Investment in Major Infrastructure Projects 2<sup>nd</sup> June 2014 states: <i>Land or assets purchased through the fund could then be sold on and/or redeveloped generating a return which could be re-invested in further acquisitions.</i></p> <p>Acquisition of the land was subsequently completed via approved delegated authority with the intention of the council undertaking the residential development of the site.</p> <p>To achieve this aim of generating a return on investment on the former ECC land, development of the site requires access – through land owned by the Millennium</p>		

Veterinary Practice - to allow sufficient volume of traffic to any proposed development that is deemed policy compliant by Highways and the planning authority.

Since 2016, the Council have engaged Fenn Wright to liaise with the Millennium Vets with the view of gaining access to the Council owned land. Those negotiations have now led to an agreed purchase price.

At the same time as negotiations, Ardent, a Civil Engineering consultancy, have been appointed to review a road access to the land and to liaise with ECC on the opportunities and constraints via a pre-application meeting. Through this work an acceptable design layout has been achieved.

A bid has been submitted to Homes England as part of the Accelerated Construction Fund to assist with the development of this project.

The intervention of the Council will fast-track the development of much needed good quality housing land onto the market. It will provide the Council two options: to sell the assembled land or for the Council to develop the sites by setting up a Housing Development Company.

Following the acquisition of the Access Land, the Council will own a significant property asset if it decided to dispose of the assembled land on the open market with planning permission. This current market value has been assessed by an external valuation consultant, for the HCA Accelerated Construction bid.

The Council could chose to emulate other councils and establish a Housing Development Company to develop the sites. The purpose of this option would be to have more control of the development and to retain any surplus gained from the site.

### **Recommended Decision:**

1. That Members approve the purchase using funds received back from the growth element of the Community Housing and Investment Partnership Fund (CHIP fund) of the Chapel Hill Access land owned by Millennium Vets on the terms set out in this report, subject to contract and due diligence, and on such other terms and conditions as agreed by the Corporate Director (Sustainable Development) in consultation with the Cabinet Member for Corporate Services and Asset Management and the Corporate Director (Finance).
2. That Cabinet recommends to Council:
  - 2.1 The approval to commit from the share of the growth element of the Council's Community Housing and Investment Partnership Fund the sum set out in the Private report for the purchase.

**Purpose of Decision:**

To enable the Council to acquire the Chapel Hill Access Land to facilitate the housing development of land already owned by the council to provide the Council with a reasonable rate of return on its investment in the future.

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

The Council's valuation consultant has confirmed that the consideration payable by the Council for the land represents a fair market value for each interest and has been based on current market values and costs.

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 7.05: the minimum score to progress an investment project is 6.0.

**Legal:**

The purchase of this land will be subject to Cabinet and Council approval, subject to Contract and subject to satisfactory planning consents and land investigations. The Council's Legal Service and Asset Management Service will act on Council's behalf in respect of the exchange of contracts and completion of the purchase and will seek to ensure the Council's interests are protected at all times.

**Safeguarding:**

This report raises no safeguarding issues.

**Equalities/Diversity:**

Equalities issues with respect to the future use of the location will need to be considered within the scheme design and through the planning process.

The employment of staff on the development land will need to comply with all equalities and diversity legislation.

The principle of acquiring this land for development purposes raises no specific equality issues in relation to any of the prescribed characteristics.

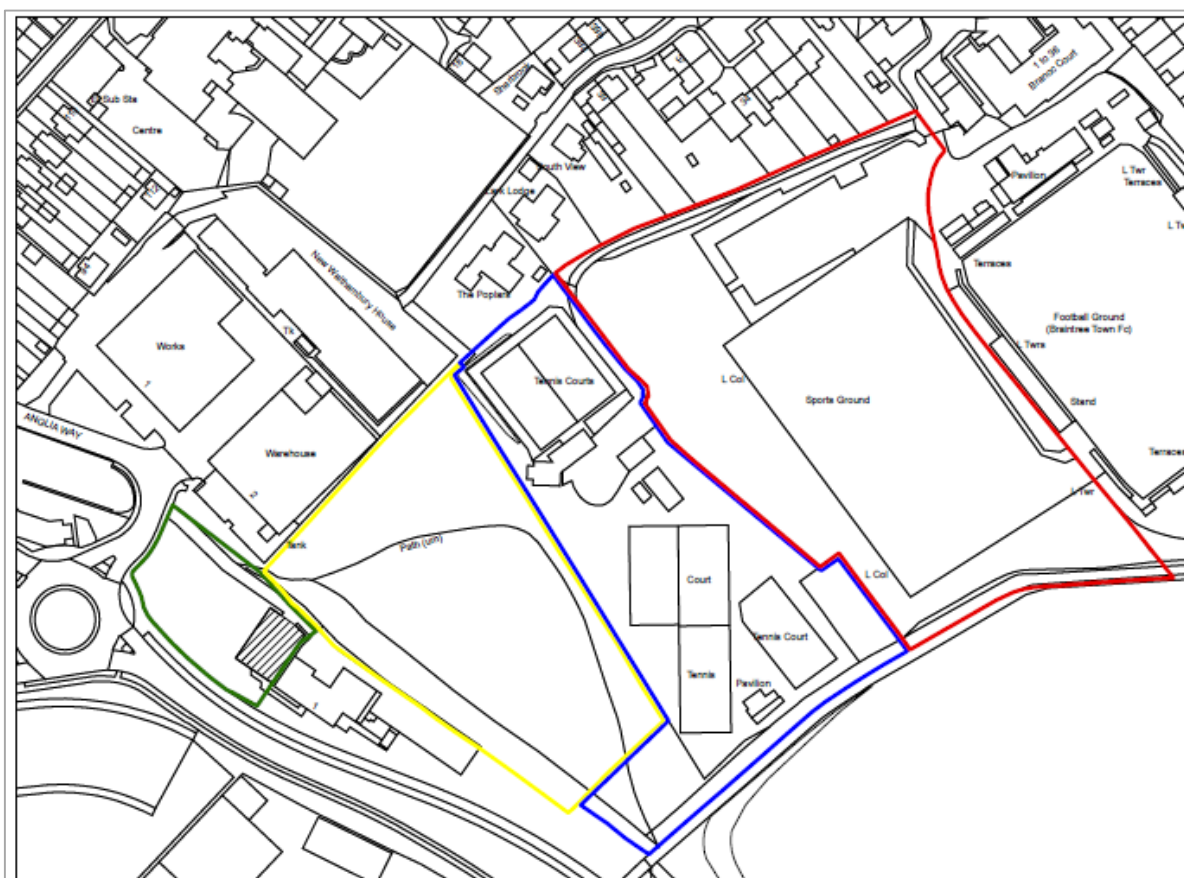
<b>Customer Impact:</b>	The development of the Chapel Hill Land will provide opportunities to develop Housing for the District, support economic growth and also realise a return on investment revenue to help fund Council services.
<b>Environment and Climate Change:</b>	Any newly constructed buildings will need to comply with current environmental and climate change requirements.
<b>Consultation/Community Engagement:</b>	Management Board and Cabinet Members have been consulted on the principle of acquiring the access land with the aim to enable the development of housing on the land Appropriate public consultation will take place when planning applications are submitted.
<b>Risks:</b>	<ul style="list-style-type: none"> <li>1) Delays in purchase will mean the owner is likely to consider alternative options</li> <li>2) Economic conditions decline.</li> <li>3) ECC delay access agreement for access road</li> <li>4) Planning permission is not granted</li> </ul>
<b>Officer Contact:</b>	Benedict Binns
<b>Designation:</b>	Strategic Project Manager
<b>Ext. No:</b>	2584
<b>E-mail:</b>	<a href="mailto:Benedict.binns@braintree.gov.uk">Benedict.binns@braintree.gov.uk</a>

## 1 Current Situation

1.1 The plan below highlights the four separate land plots:

- Red – owned by the Council and on a 15 year lease with Braintree Football Club. Note that there is no intention to develop this land.
- Blue – owned by the Council and on a long lease for 50 years from 1996 to Braintree Tennis Club
- Yellow – owned by the Council purchased from Essex County Council (ECC) in 2014.
- Green – owned by the Millennium Vets – the Access Land

1.2 Chapel Hill Land:

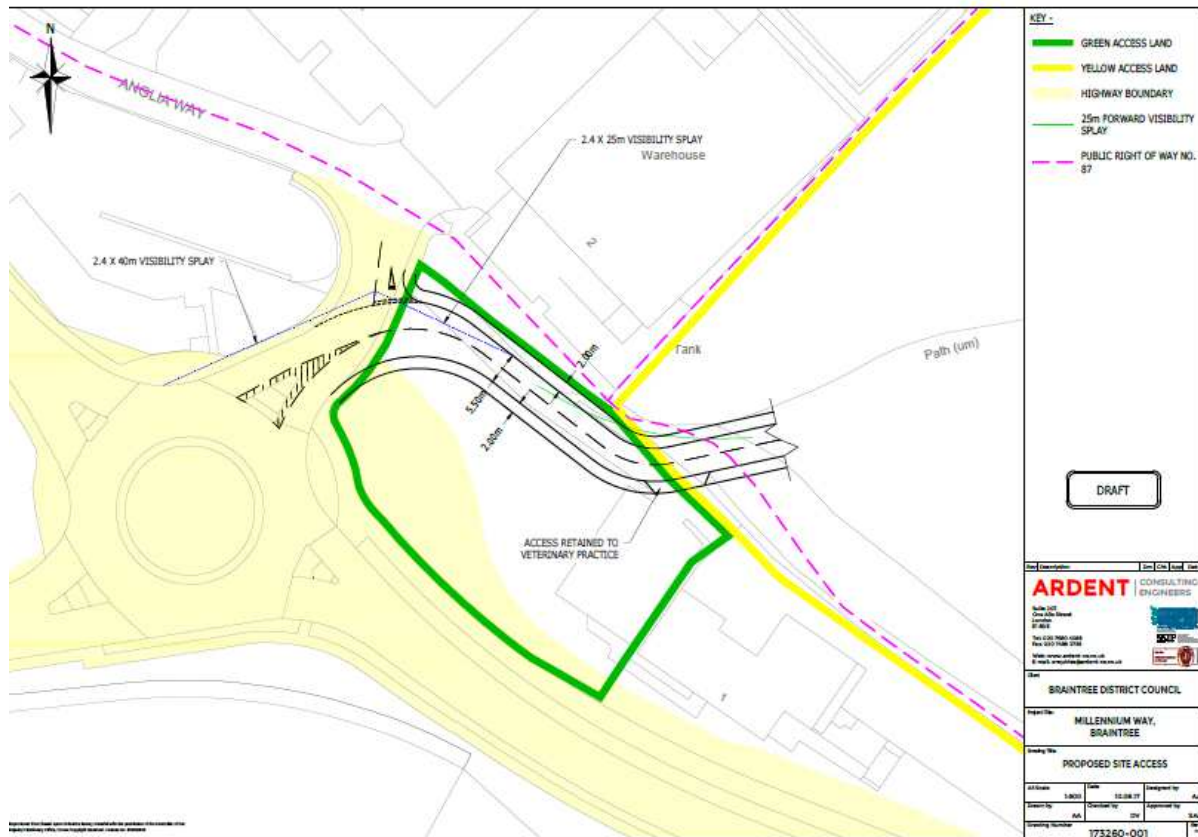


1.3 In 2014 Cabinet approved the purchase of the highlighted area in yellow in the map above from Essex County Council and item 1.4 in the Cabinet Report identified the need to *use funding to invest in schemes which will deliver wider improvements for the whole District and support development proposed in the Core Strategy, and where possible to provide a return for further investment (in the form of future NHB payments, National Non-Domestic Rates growth, Community Infrastructure Levy or commercial income)*. Two forms of investment were identified:

1. *Major infrastructure projects (e.g. transport infrastructure, growth, Broadband);*
2. *Stimulating housing growth (e.g. investing in affordable housing schemes,*

*bringing empty homes back into use).*

- 1.4 The Purchase of the ECC land at Chapel Hill was identified as a site that could stimulate housing growth and item 4.7 of the Cabinet states: *Land or assets purchased through the fund could then be sold on and/or redeveloped generating a return which could be re-invested in further acquisitions.*
- 1.5 To achieve this aim of developing the former ECC land, development access is required to allow sufficient volume of traffic to any proposed development that is deemed policy compliant by Highways and the planning authority.
- 1.6 Access to the former ECC land and Tennis Club land is restricted from the north due to poor road links and therefore the Council are unable to develop a planning compliant and viable scheme. Since 2016, the Council have engaged Fenn Wright to liaise with the Millennium Vets with the scope of gaining access to the Council owned land sites.
- 1.7 Initial discussions and negotiations focused on access based on percentage of a future development land value. Further discussions and negotiations moved towards a simpler outright land purchase. Discussions have since developed and reached a consensus on the price, terms and overage for the purchase of the Land as annotated in green.
- 1.8 At the same time as negotiations, Ardent, a Civil Engineering consultancy, have been appointed to review a road access to the land and to liaise with ECC on the opportunities and constraints via a pre-application meeting. Ardent also reviewed the utilities provisions for the land.
- 1.9 Ardent confirmed that ECC had a strong preference for Option 1 which is shown below. A short section of footway/cycleway is required to be introduced on the south side of the new access road to tie-in with existing provision along the B1018.
- 1.10 ECC would seek improvements to the closest bus stops to the land and residential travel information packs as Conditions to a future consent. However, a new access road is considered to be a realistic proposition if the land from the Millennium Vets is purchased which in turn will unlock the ECC and Tennis Club lands for development and allow the stimulation of housing growth.



- 1.11 Other due diligence across the ECC and Access Land included
  - 1.11.1 Title Deeds  
There are no reported issues.
  - 1.11.2 Utility connections  
There are no reported issues or significant risks
  - 1.11.3 Geotechnical Investigation Survey  
There is some contamination, but not significant and good design can ensure this is minimised.
- 1.12 Development Appraisals  
Two development appraisals to understand the financial impacts of developing the land sites in green, yellow and blue have also been undertaken,
- 1.13 Homes England bid  
A bid has been submitted to Homes England as part of the Accelerated Construction Fund to assist with the development of this project.

## 2 Benefits of Acquiring the Chapel Hill Access Land

2.1 The intervention of the Council will fast-track the development of much needed good quality housing land onto the market. It will provide the Council two options: to sell the assembled land or for the Council to develop the sites by setting up a Housing Development Company (DevCo).

### 2.2 Option 1: to sell the assembled land

2.2.1 The land sites would have been assembled as a whole package with access available to what was a landlocked land site. The Council would be in a position to dispose of the packaged land as a developable unit to a housebuilder and realise an earlier return on its investment.

2.2.2 Following the acquisition of the Access Land, the Council will own a significant property asset (green, yellow, blue and red) if it decided to dispose of the assembled land on the open market with planning permission. This current market value has been assessed by an external valuation consultant, for the Homes England Accelerated Construction bid.

### 2.3 Option 2: Development through a future Housing Development Company (DevCo).

2.3.1 The Council could choose to emulate other councils and establish a DevCo to develop the sites. The purpose of this option is to have more control of the development and to retain benefits from the site.

2.3.2 Using information provided by:

- In house capacity study of density
- Third party consultant appraisals
- A blended cost from various third party cost consultants
- Blended revenue projections from various third party valuers reports

Up to 70 units based on a density capacity study on the green, yellow and blue lands has been assumed for an appraisal undertaken in house and demonstrates that the Council could potentially receive the following return from the development of the land via its proposed DevCo:

- A capital surplus after allowing for the following payments to the Council:
  - Payment to the council for the land purchase of the former ECC land (yellow)
  - Payment to the council to support the relocation of the Tennis Club
- 25%-30% affordable housing provision

2.4 Appointed consultants will develop the design and costs for the development and liaise with the planners to bring forward a planning compliant submission.

2.5 Braintree Tennis Club

It should be noted that the Tennis Club is in a secure long lease that runs for a term of 50 years from March 1996 with no break clauses giving the Council or the Club rights to terminate the lease prior to the end of the contractual term. Discussions have been ongoing with the Tennis Club to ensure that in the event that the Council wishes to sell the packaged land with planning permission to a developer or to develop the land themselves via a DevCo a suitable and alternative site will be found for the club.

2.6 Braintree Football Club

It should be noted that Braintree Football Club is in a secure 15 year lease that expires in 2030. There are no plans to develop this site.

2.7 Millennium Veterinary Practice

It should be noted that the Millennium Vets will be unaffected by this land purchase and any development that may follow.

3 Proposed Heads of Terms for the Purchase of the Chapel Hill Access Land

3.1 Vendor.

Millennium Vets

3.2 Purchaser.

Braintree District Council

3.3 Property

Land at Millennium Way, Braintree as shown edged green on attached Plan

3.4 Purchase Price

The Purchase Price will be payable in full on legal completion. A deposit equating to 10% of the Purchase Price will be payable to the Seller's Solicitor on exchange of contracts to be held as stakeholders.

3.5 Permitted Use of the Land

The Property will be sold on the basis of full vacant possession on completion subject only to the grant of a licence to the Seller on terms to be agreed for the use and enjoyment of the Seller's existing car parking spaces in order to ensure continuity of the Seller's business.

3.6 Overage payments

The land shown edged red on Plan (the Red Land) is currently owned by the Buyer but is subject to a long lease to Braintree Football Club. In the event that the Buyer (or its successors in title) secures planning permission for redevelopment of the Red Land which takes access from or over any part of the Property, the Buyer will pay to the Seller an overage payment for each unit of the permitted development.

3.7 Title

The Vendor will be selling the freehold with vacant possession subject to any existing covenants and restrictions and retention of a right of way for agricultural purposes only to the vendors retained land along such roads and/or route to be agreed with the Purchaser.

### 3.8 VAT

The Seller may elect to charge VAT on the sale of the Property. The Buyer will pay to the Seller the full amount of VAT in addition to the consideration if the Seller elects to charge VAT prior to exchange of contracts subject to the Purchase Price being reduced by a sum equivalent to the additional Stamp Duty payable by the Buyer on the VAT element of the Purchase Price.

### 3.9 General Conditions

- a) The Purchase is subject to registration of Title to the footpath adjoining the northern boundary of the Sellers Retained Land and the Property
- b) The Council to receive from its External Surveyor a valuation report supporting the proposed acquisition
- c) The Council's Formal Cabinet Approval

### 3.10 Specific Car Park conditions

The Buyer will re-provide any car parking spaces that may be lost or become incapable of normal use at its own cost and at its discretion as to location either on the Property or on the Seller's Retained Land

#### 4 Risks

Item	Issue	Action
Delay in purchase of Access Land	The owners of the Millennium Vets have indicated that they will pursue other options if the purchase is not completed	Cabinet report for May Cabinet submitted to purchase Access Land
No purchase of Access Land	This would make the current the Council lands worth less in value as development will be extremely difficult without access.	Cabinet Report for May Cabinet submitted to purchase Access Land
Delays in obtaining agreed access from ECC for proposed road	This will delay development by Council	Early engagement with ECC already undertaken
Economic conditions decline.	This may mean the council may wish to pursue a less risky option	Purchase of Access Land will mean the overall land is more attractive to sellers on open market.  Not purchasing will mean the overall land will not attain the potential value and could make a loss for the council.
Failure to facilitate the relocation of Tennis Club	This may impact on the viability of the options for the Council	Council to develop design that allows two phases of development
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.

#### 5 Timescales – Land Acquisition

5.1 The current indicative project timescales are as follows:-

- 14<sup>th</sup> May 2018 – Cabinet Meeting
- 4th June 2018 – Full Council Meeting
- Summer 2018 – Exchange contracts to purchase Access Land
- Winter 2018/2019 – Submission of planning application by Council

## 6 Summary

- 6.1 The intervention of the Council will fast-track the development of much needed good quality housing land onto the market. It will provide the Council two strategy options: to sell the assembled land or for the council to develop the sites by setting up a Housing Development Company.
- 6.2 Following the acquisition of the Access Land, the Council will own a significant property asset (green, yellow, blue and red). The Council's two options suggest:
- Realise a capital asset if it decided to dispose of the assembled land on the open market with planning permission
  - Or the Council could if they chose to emulate other councils and establish a Housing Development Company to develop the sites.
- 6.3 Both options provide additional key non-financial benefits to the Council:
- Up to 70 new homes with 30% affordable tenure
  - Regenerates land that is under utilised
  - Improved public realm
  - Improved Tennis Club facilities
  - Stimulating housing growth by unlocking land for housing
  - Regenerates land that is under utilised

Phase 4a Superfast Broadband Funding		Agenda No:8a
<b>Portfolio</b>	<b>Economic Development</b>	
<b>Corporate Outcome:</b>	<b>A well connected and growing district with high quality homes and infrastructure</b> <b>A prosperous district that attracts business growth and provides high quality employment opportunities</b>	
<b>Report presented by:</b>	<b>Councillor Tom Cunningham, Cabinet Member for Economic Development and Councillor Kevin Bowers, Deputy Cabinet Member for Economic Development</b>	
<b>Report prepared by:</b>	<b>Danielle Putt, Economic Development Officer (Business Engagement)</b>	
<b>Background Papers:</b>		<b>Public Report</b>
<a href="http://superfastessex.org">superfastessex.org</a>		<b>Key Decision: No</b>
<b>Executive Summary:</b>		
<p>In line with Braintree District Council's Plan for Growth, infrastructure and connectivity priority and delivery of the Digital Strategy are a priority. Essex County Council (ECC) and the Council are working in partnership to deliver the Superfast Essex programme, investing public subsidy to drive deployment of superfast broadband infrastructure to areas not served by commercial operators. The programme's overall objective is to reach as many premises in Essex as possible with the subsidy funds available. Government established the New Homes Bonus a number of years ago to provide local authorities the opportunity to invest into areas which had experienced housing growth. It is proposed to use some of the New Homes Bonus to fund further investment into broadband provision in the District.</p> <p>Superfast Essex has already invested in Braintree District under its Phase 1, 2 and 3 delivery programmes and this investment is on track to lift coverage to 97% by the end of 2019. This substantial improvement includes an investment made by the Council of £250,000 through the District Investment Strategy under Phase 2 of the programme.</p> <p>However, ECC forecasts that at the end of the current Superfast Essex rollout, some 2,200 premises (mix of residential and business, particularly in rural locations) in Braintree District will remain without superfast broadband provision. ECC is now preparing a Phase 4 deployment programme, but has advised that the public funds available for further investment are very limited (around £1.2million) and will be prioritised the areas of the County with the poorest connectivity.</p> <p>Against this background, Superfast Essex invited Districts and Boroughs to express an interest in investing local funding in Phase 4 in order to reach 99% District/Borough</p>		

coverage. The Council responded to this call and shared a Letter of Intent with Superfast Essex, expressing an interest at this stage, to invest up to £450,000, subject to confirmation of the deliverables following a commercial tender and further value for money considerations.

This Cabinet report explores the outcome of the procurement conducted by Superfast Essex, providing details of the commercial offer received and proposes the award of a contract to the bidder at a revised cost to the Council of £356,000. The proposed contract will bring an overall new investment of £1.8 million to Braintree District and lift overall superfast broadband availability in Braintree District to reach 99% of all premises.

#### **Recommended Decision:**

- 1) That Cabinet agrees the investment of £356,000 as match funding towards phase 4a of the Superfast Essex Broadband programme.

That Cabinet recommends to Full Council approval of:

- 1) The investment of £356,000 to provide match funding to reach 99% superfast broadband coverage and leverage £1.8m of new investment to the Braintree District, and
- 2) That the funding is allocated from the unallocated balance of New Homes Bonus.

#### **Purpose of Decision:**

To enable the Council to support the development of required infrastructure to deliver its corporate responsibilities including the Digital Strategy and Plan for Growth, whilst delivering services that are cost effective and value for money.

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

<b>Financial:</b>	<p>If the Districts coverage falls below Essex's average coverage as a result of not investing in Phase 4a, then the £250,000 previously invested by the Council may not retain the value for money achieved from the initial investment. There is also a risk of higher costs associated with any support made during Phase 4b if a re-tender has to be submitted if offer not taken up for Phase 4a.</p> <p>There are options for the funding of the proposed investment of £356,000: unallocated balances of either the Business Rate Retention reserve or New Homes Bonus reserve. It is proposed that the unallocated New Homes Bonus is used. The proposed contract shows that funding will be required between quarter 3 2019/20 to quarter 2 2020/21.</p>
<b>Legal:</b>	The recommendation would result in the signing of a legal contract with the providers and superfast Essex.
<b>Safeguarding:</b>	None
<b>Equalities/Diversity:</b>	Following a cross section analysis of premises, it is estimated 2/3 of the premises proposed to receive coverage through the investment are rural businesses inclusive of homeworkers (as per Companies House data) and coverage will therefore support economic growth in the District.
<b>Customer Impact:</b>	There are 4,000 premises (inclusive of the % of Braintree District coverage) which are currently within the threshold of County Broadband services and are therefore ineligible to receive state aid funding under Phase 4a proposals. As depicted within this report, there have been some instances of premises that have been unable to register for the services with this existing provider and have had to be re-categorised to receive state aid. The full extent of this risk is unknown as it is dependent on the take up from these premises and the failure of County Broadband to deliver the service jointly with Superfast Essex being made aware of the discrepancy. In the instance of premises requesting a re-categorisation, an unspecified subsidy over an unspecified duration from Superfast Essex will be made on a case by case basis to provide Superfast Broadband.
<b>Environment and Climate Change:</b>	None
<b>Consultation/Community Engagement:</b>	None

<b>Risks:</b>	Phase 4 is the final phase of the county rollout and therefore there will be no further opportunities for Braintree District Council to receive match-funding, which could raise cost per premise for future roll out. The figures are not reflective of any new build proposals within the District and therefore will require infrastructure to maintain levels of forecasted coverage in line with building development premise figures.
<b>Officer Contact:</b>	Danielle Putt
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## 1. Current Position

- 1.1 The provision of high speed and reliable broadband is highlighted within the District's Plan for Growth as a priority and is a key part of the Digital Strategy, being an essential driver for sustainable and inclusive economic growth. Building on its existing competitive advantages for businesses to start up, relocate and grow, infrastructure that can enable such outcomes needs to be appropriate to the demands of residents and the business community, whilst future proofing the District for further technological advances. The Braintree District has seen housing growth and has consequently attracted New Homes Bonus payments from Central Government. This additional funding is being reinvested back into our existing communities to strengthen the infrastructure and services current residents can access, such as Superfast Broadband. This District Council has previously invested £250,000 of New Homes Bonus.
- 1.2 In Braintree District, Superfast Essex has already delivered substantial broadband deployment. Some 7,500 premises were enabled under the Phase 1 programme completed in 2016; a further 8,300 (including 2,500 funded by BDC) have already been delivered under Phase 2 with a further 6,000 planned, and Phase 3 will add 2,800 more premises. Overall, and taken together with the networks built by commercial operators, the programme is on target to reach 97% superfast broadband connectivity in Braintree District by the end of 2019.
- 1.3 Take-up of the service rolled out within the District has currently reached 55%, with the current Essex average achieving a 51.6% take-up. In comparison to how this sits nationally, the average take-up is 40% from commercial deployment and 47% in the BDUK areas. This reflects the demand in the District for Superfast Broadband.
- 1.4 The table below shows the progress of the Essex-wide Superfast Essex programme to date and the forecast coverage across the County once Phases 2 and 3 are completed, broken down by District/Borough.

### Current coverage and forecast

District	Complete	Complete and SFE Planned
	(including Under Review)	(including Under Review)
Castle Point District (B)	94%	99%
Tendring District	87%	98%
Rochford District	88%	98%
Basildon District (B)	93%	98%
Colchester District (B)	92%	97%
Braintree District	83%	97%
Harlow District	96%	96%
Epping Forest District	90%	96%
Brentwood District (B)	84%	96%
Uttlesford District	76%	96%
Southend-on-Sea (B)	96%	96%
Chelmsford District (B)	84%	94%
Maldon District (B)	80%	94%
Thurrock (B)	93%	93%
Essex	89%	96%

- 1.5 ECC is currently planning a Phase 4 rollout programme, which will utilise the remaining ECC programme funds (around £1.2 million) to boost superfast coverage in the most poorly served areas of the county. ECC does have an ambition to reach 99% superfast connectivity county-wide by December 2021, however current funds will not be sufficient enough to reach this.
- 1.6 Three District/Boroughs Councils, including Braintree District Council, registered their interest to explore a commitment to invest in Phase 4 in order to boost local broadband coverage as soon as possible, and also recognising the imminent expiry of the Department Cultural Media and Sport (DCMS) offer of new grant to complement local match funding, Superfast Essex embarked on an early procurement exercise under its Phase 4 programme (Phase 4a) to secure new grant from DCMS where local match funding is committed now and also to ensure that local funding can be translated into a delivery programme at the earliest opportunity. Phase 4a covers the administrative areas of Braintree and Epping Forest Districts and Basildon Borough, who each provisionally indicated their interests to invest local funds with a target of reaching 99% coverage.
- 1.7 ECC plans to follow on with Phase 4b later this year and will use the remaining ECC programme funds (around £1.2 million) to boost superfast coverage in the most poorly served areas of the county. Phase 4b will not be able to attract DCMS grant funding, as the national Broadband Delivery UK (BDUK) programme has now reached its country-wide target of 95% coverage. Superfast Essex is continuing its discussions with District Councils, Borough Councils and other organisations seeking to identify further investment for potential addition to Phase 4b.

## **2. The proposed contract**

- 2.1 The Phase 4a procurement has identified the preferred bidder for the proposed Phase 4a contract for Braintree District. There was only one bidder in the procurement. The offer presented to ECC has been reviewed and assessed by the ECC team (with participation of Braintree Officers; Economic Development and Finance) who were supported by independent technology consultants Analysis Mason. In addition the submission was assessed for Value for Money as well as State Aid compliance by the national BDUK team. A consensus has been reached by all parties that the bidder proposal complies with State Aid regulations. It is therefore proposed that a contract should be awarded in line with the tender received.
- 2.2 Superfast Essex will work with the Council to safeguard the value for money of any investment made as part of Phase 4a. It will be agreed within the contract that should there be any underspend as a result over performance of the bidder from the investment made by the Council (inclusive of grant attraction), this will exclusively be reinvested in the Braintree District in the delivery of Phase 4b.
- 2.3 The proposed new contract will deliver the following benefits for Braintree District, primarily within the rural locations:

### **Deliverables**

- A total of 1,668 additional premises will be enabled to access superfast broadband with download speeds of more than 30Mbps. Current internet speeds available at these premises are between 1 and 15 Mbps.
- Some 60% of the newly enabled premises will go beyond superfast and gain access to full-fibre services providing speeds of 330 to 1,000 Mbps.
- Once delivery begins, the deployment will be completed within 9 months with all premises ready for service and orders by September 2020.
- The technical solution is a future proof network, with an extremely high proportion of full fibre, already recognised as industry leading, with planned investment in next generation fibre products such as G.Fast

### **Investment and Deployment**

- The £356,000 investment from Braintree District Council will unlock new DCMS grant of £356,000 as well as a £1.05 million investment in the project by the delivery partner.
- The total investment as a result of this contract will be £1.8 million, with all deployment taking place within the boundaries of Braintree District.
- In addition to the substantial investment, working with the bidder will bring skills, experience, know-how and extensive existing network infrastructure, which will be leveraged to deliver the project efficiently.
- The bidder has an excellent track record in working on broadband deployment in Essex. The Superfast Essex programme is currently running three months ahead of its contracted delivery timescales.

## Economic Benefits

- More local employment. This contract will enable the recruitment of even more local people across the Contractor's field and desk based workforce, apprenticeship programme, and wider supply chain.
- The targeting of the specified rural areas to receive Superfast Services will help rural businesses including homeworkers to grow their businesses through their requirements of suitable and relevant digital infrastructure.

### 3. What would happen if we didn't invest?

- 3.1 If the proposed investment by the Council of £356,000 is not committed under the proposed contract, the matching DCMS grant of £356,000 could not be secured. As the DCMS grant scheme is currently being closed, there will not be a future opportunity to secure this grant funding.
- 3.2 If a decision was made to not invest £356,000 into this match-funded project, the Braintree District's average coverage will fall below the average of Essex. ECC have advised that priority spending of the £1.2m funding under Phase 4b will be used to invest in areas with the poorest connectivity. While some of this investment may still fall into Braintree District, it would be significantly less and there is no indication of what would be invested.
- 3.3 It is likely that if the current proposed contract is not awarded, the deployment cost under a future tender will be higher than in the present proposal, due to the smaller number and more dispersed nature of the premises to be enabled.
- 3.4 If the proposed Phase 4a contract for Braintree is not awarded, any potential future broadband investment funded under the wider Superfast Essex programme would result in a significantly later deployment timescale, likely to complete in 2021.
- 3.5 If the District's coverage falls below Essex's average coverage as a result of not investing in Phase 4a, then the £250,000 previously invested by the Council may not retain the value for money achieved from the initial investment.

### 4. Analysis of Investment

Strengths	Weaknesses
<ul style="list-style-type: none"><li>• 99% district coverage</li><li>• Above county average coverage</li><li>• Reinforcement of the Digital Strategy and Plan for Growth through suitable infrastructure delivery</li><li>• 1668 further premises to be provided fibre access at &gt;30Mbps</li></ul>	<ul style="list-style-type: none"><li>• The figures are not reflective of any new build proposals within the District and therefore will require infrastructure to maintain levels of forecasted coverage in line with building development premise figures. New build sites that have 25 premises or more will receive BT cabinets to deliver superfast broadband capability without further</li></ul>

<ul style="list-style-type: none"> <li>• 66 structures and 1350 premises to receive Gigabit speed Full Fibre, 12 structures and 318 premises to receive Full Fibre &gt;30Mbps</li> <li>• An uplift of service to superfast speeds for 1151 premises currently receiving speeds below 15Mbps of which 41 premises currently receive below 2Mbps</li> <li>• Following a cross section analysis of premises, it is estimated 2/3 of the premises proposed to receive coverage through the investment are businesses (as per Companies House data) and coverage will therefore support economic growth in the District.</li> <li>• Roll out of coverage will be achieved sooner than those not part of Phase 4a.</li> </ul>	<p>cost to the development as part of development regulations.</p> <ul style="list-style-type: none"> <li>• Only 1 bid submitted for no comparison.</li> <li>• Phase 4b £1.2m funding will be used to sub other areas below the county average without any priority to those who have made additional investments.</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Infrastructure for future proofing will be introduced.</li> <li>• Local employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• There have been reports of premises categorised as being able to access a superfast service, but cannot in practice. These premises are not be eligible to receive state aid to correct the categorization unless directly highlighted by the service user</li> <li>• Risk of higher costs associated with any support made during Phase 4b if a re-tender has to be submitted if offer not taken up for Phase 4a.</li> </ul>

## 5. State Aid rules and ability to invest public funds

5.1 In compliance with EU State Aid and procurement rules and in consultation with BDUK, the DCMS agency tasked with overseeing UK broadband schemes, ECC has conducted a State Aid consultation in preparation for its Phase 4 investment programme.

5.2 The State Aid consultation is a legal requirement and its objective is to identify all areas within the potential investment area where commercial operators operate now or plan within the next three years to deploy broadband networks that meet the technical requirements for a Next-Generation-Access (NGA) service. NGA means superfast broadband of appropriate quality.

- 5.3 Under the 2017 State aid consultation, Superfast Essex received responses from fibre operators BT, Virgin Media and Gigaclear, independent business connectivity operator Warwicknet and fixed wireless broadband operator County Broadband. All submissions were reviewed against the NGA requirements and found to meet the NGA standard. As a result, areas where these companies operate their networks are not eligible for public intervention and the deployment of subsidised networks. The Superfast Essex programme can only invest in the 'not spots' identified by the Public Consultation, the areas where none of the above networks exist.

## **6. Inaccessibility Implications**

- 6.1 The forecasted 97% Braintree premise coverage for completion of Phase 3 includes 4,000 premises that are able to obtain superfast broadband through existing provisions. Superfast Essex has received feedback from service users that some of these premises have been unable to take up the service due to inaccessibility of the premise such as geographical limitations and signal obstruction by trees.
- 6.2 Superfast Essex has recognised the risk that this could affect the average coverage across the District and have consequently made provision for capturing such cases and for the impacted properties to become eligible for public investment. However, it is expected that the number of such cases will be small.

## **7. Financial**

- 7.1 The proposed contract shows that the Council's investment would be required between Quarter 3 2019/20 and Quarter 2 2020/21.
- 7.2 Funding of the investment could be made from unallocated balances on either of the Business Rate Retention Reserve or the New Homes Bonus Reserve. As the majority of the 2,200 premises are residential it is proposed that the unallocated balance New Homes Bonus Reserve is used to fund the investment.

## **8. Conclusion**

- 8.1 In support of the Council's Digital Strategy and Plan for Growth, investment in Phase 4a is currently identified as the most cost effective route to achieving a competitive economy for businesses to start up, innovate and grow.
- 8.2 Cost per premise has seen an increase as per Phase 4a in comparison to previous phases due to the rural location of the remaining premises; however the likelihood of the costs increasing further should investment not be made is high.
- 8.3 Nonetheless, the bid for Phase 4a includes the introduction of infrastructure for future proofing the District's growing demands to remain competitive and capable to support the economy.

## **9. Recommendations**

- 9.1 1) That Cabinet agrees the investment of £356,000 as match funding towards phase 4a of the Superfast Essex Broadband programme.

That Cabinet recommends to Full Council approval of:

- 1) The investment of £356,000 to provide match funding to reach 99% superfast broadband coverage and leverage £1.8m of new investment to the Braintree District, and
- 2) That the funding is allocated from the unallocated balance of New Homes Bonus.

<b>Overview and Scrutiny Committee Scrutiny Review - Employment Land and Premises in the District</b>		<b>Agenda No: 8b</b>
<b>Portfolio</b>	<b>Economic Development</b>	
<b>Corporate Outcome:</b>	<b>A prosperous district that attracts business growth and provides high quality employment opportunities</b>	
<b>Report presented by:</b>	<b>Councillor Tom Cunningham, Cabinet Member for Economic Development</b>	
<b>Report prepared by:</b>	<b>Emma Goodings, Acting Head of Planning Policy and Economic Development</b>	
<b>Background Papers:</b>		<b>Public Report</b>
<a href="#"><u>Overview and Scrutiny Report presented at Full Council on the 26th March 2018</u></a>		<b>Key Decision</b>
<b>Executive Summary:</b>		
<p>Overview and Scrutiny Committee has completed a report into Employment Land and Premises in the Braintree District. This was considered by Council on the 26<sup>th</sup> March 2018. In line with the corporate process, Council requested Cabinet to respond to the Committee’s recommendations.</p> <p>The Cabinet Member for Economic Development has considered these in the context of the Plan for Growth (Appendix 1) and has provided a response to each of the recommendations put forward by the Overview and Scrutiny Committee.</p> <p>Cabinet is requested to consider the responses to the recommendations contained within this report and if in agreement, request Officers to take forward the recommendations.</p>		
<b>Recommended Decision:</b>		
<p>Cabinet approves this response put forward by the Cabinet Member for Economic Development and delegates any actions to the Corporate Director and/or relevant Heads of Service to take forward.</p>		
<b>Purpose of Decision:</b>		
<p>To consider and respond to the recommendations made by the Overview &amp; Scrutiny Committee to Full Council.</p>		

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

<b>Financial:</b>	The financial implications of investment decisions would need to be considered on a case by case basis. There are no immediate financial implications from the report
<b>Legal:</b>	Legal risks associated with individual land or building purchases would need to be assessed on a case by case basis
<b>Safeguarding:</b>	None arising from this report
<b>Equalities/Diversity:</b>	None arising from this report
<b>Customer Impact:</b>	The development of employment land and availability of employment will have an impact on customers in the District
<b>Environment and Climate Change:</b>	None arising from this report
<b>Consultation/Community Engagement:</b>	Consultation with local stakeholders took place through the Overview and Scrutiny Committee process
<b>Risks:</b>	Risks associated with individual land or building purchases would need to be assessed on a case by case basis
<b>Officer Contact:</b>	Emma Goodings
<b>Designation:</b>	Acting head of Planning Policy and Economic Development
<b>Ext. No:</b>	2511
<b>E-mail:</b>	Emma.goodings@braintree.gov.uk

## The Cabinet Response

- 1.1. The Cabinet wishes to thank the Overview & Scrutiny Committee for its comprehensive report on Employment Land and Premises in the Braintree District and notes the recommendations made by the Committee.
- 1.2 Cabinet also wish to thank those local businesses, agents, landowners and other stakeholders who provided evidence to the Overview and Scrutiny committee, whether that be meeting directly with Members, presenting to the committee or responding to the business survey that was sent out.
- 1.3 Responses to the recommendations are set out in the table below in the order in which they were presented in the original report.

<b>Recommendation:</b>	<b>Cabinet Response:</b>
1: For Braintree District Council Cabinet to confirm the land that has been identified for commercial development in the district.	Councillors are directed to the Submission Draft Local Plan (2017) policies LPP2 to LPP6 which set out all the land allocated for employment land in the District. A copy of these policies and the support text are included as Appendix 2 to this report.
2: To ensure that commercial premises owned by Braintree District Council are fit for purpose and in a condition to attract existing users to grow and new users to locate there. This includes the overall layout and design of employment areas and provision of fibre broadband.	<p>The asset management team manage commercial premises owned by the District Council to a high level. Testament to this is the high level of demand and limited vacancies the Council has in its stock.</p> <p>Layout and design of new employment areas within the Councils control such as the Great Notley employment site will be carefully managed to ensure an attractive environment which is practical to the users and is in line with planning policies for such uses which are contained within the Local Plan.</p>
3. That Braintree District Council look for further opportunities for investment over and above the Great Notley employment site, including those offered by sites in the North of the District and in the Garden Communities.	Officers will continue to consider all opportunities for investment in employment land across the District and will make recommendations to the Strategic Investment Programme Group (STPG) as appropriate.

<b>Recommendation:</b>	<b>Cabinet Response:</b>
<p>4. That this Council should review its priorities for commercial development and be braver in its investments such as purchasing land and then developing industrial/retail/office units to encourage more businesses from outside of the District, including promoting specialist clusters and providing employment opportunities locally for new inhabitants moving to the District occupying the increased housing stock being built under the proposed Local Plan. This could include new models of purchase and rent.</p>	<p>Officers will continue to consider all opportunities for investment in employment land and premises across the District and will make recommendations to the SIPG as appropriate. Historically investments have been in occupied premises which provide a more certain return. The purchase of a significant area of new employment land to be developed in a way which furthers the Councils corporate priorities and the Plan for Growth such as that a Great Notley is an example of the 'braver' investments that are already been made.</p> <p>The Economic Development team is reinvigorating a programme of business support which will concentrate on the key sectors and promoting clustering of these as appropriate. An economic strategy for North Essex is underway which will provide further evidence as to how housing growth can be complemented by employment land and the key sectors that will contribute to that growth.</p> <p>Strategic growth sites in the District will be contributing employment provision which will help to ensure a mix of jobs and homes, together with the provision of superfast broadband to facilitate working from home. The Council has already secured land to form a new Enterprise Centre at a large housing led development in Witham which will provide start up and grow on space for local residents and businesses.</p>
<p>5. To encourage businesses in privately owned employment areas to form partnerships to help improve the appearance, security and services within their employment areas for the benefit of the existing businesses and in order to attract new businesses.</p>	<p>The Economic Development team will provide support as appropriate for business partnerships in private areas to come together to form informal groups or formal groups such as Business Improvement Districts.</p>

Recommendation	Cabinet Response
<p>6. To investigate with partners the opportunities for forward funding of infrastructure which would help unlock new employment areas.</p>	<p>The Council will continue to discuss with key stakeholders such as Essex County Council the demands for infrastructure and the funding of which we might unlock new employment land. This is already been taken forward in the largest employment allocation at the District at Great Notley.</p>



# BRAINTREE PLAN FOR GROWTH

APRIL 2017-2022

# INTRODUCTION

The Braintree District Plan for Growth is a refreshed Economic Prospectus. It sets out what has been achieved since the original document’s publication in 2013; what we have learned about the Braintree District economy since then; what the future plans to support growth are and, how the Council is seeking to help deliver them between 2017-2022. Annual delivery plans and further five-year plans will be published in the future.

The Council is fully aware that it cannot deliver growth on its own. To this end, this Plan for Growth is intended to be delivered in partnership with other public sector organisations and, crucially, the private sector.

The refreshed Prospectus is based upon new economic data which continues to inform and sometimes shift our priorities and measure our performance against targets.

The Council continues to focus on its Corporate Strategy priority of Infrastructure and Economic Development and to invest its resources to deliver as well as seek to attract external funding. The Plan for Growth remains the key component of our delivery of 9,000 jobs by 2026.



## COMPETITIVE ADVANTAGE – LOCATION



*The Braintree District has one significant competitive advantage – its location. Lying between the regional growth centres of Chelmsford and Colchester; Cambridge as a global technology research and development centre; and the international transport hubs of Stansted Airport and the Haven Ports, the district enjoys a superb location to attract and grow businesses. London is 45 minutes away by rail; and the A120 and A12 trunk roads cross the district giving access to the Haven and Thames ports; Stansted and Southend airports; and, the M11, London and the M25.*

This locational advantage is complemented by a high quality natural and historic environment and a supportive and entrepreneurial business environment where employment land is competitively priced. The Council and its partners are serious about enabling investment and helping businesses establish and grow.

This competitive advantage provides Braintree District with a 'head start' compared with other places seeking to grow the economy and provides a positive context for overcoming the challenges and barriers to growth highlighted within this Prospectus. Working with our private and public sector partners, the Council needs to create the conditions for the effective delivery of interventions if it is to deliver on its job growth targets and ensure growth in the district is sustainable and complimentary to this prime location.

Braintree District is bordered by what a recent Localis report, "The Making of an Industrial Strategy", called 'stuck' and 'stifled' Local Authority areas. Babergh, in terms of its economic demographics has been identified as 'stuck' in its ability to grow whereas Colchester's growth, it is argued, has become 'stifled' due to its geographic constraints. The impact of our neighbouring authorities being identified in these ways is potentially beneficial insofar as at some point there could be business overspill from Colchester, if the appropriate infrastructure is in place, but is also potentially negative as there is a constrained economy to the north. The district is currently neither 'stuck' nor 'stifled' and this Plan for Growth is aimed at sustainable growth to ensure it does not become so.

## INDUSTRIAL STRATEGY

*In January 2017, Central Government published its "Building Our Industrial Strategy Green Paper" which seeks to enhance UK economic growth through a focus on productivity and innovation, providing support to those functions which encourage both skills and infrastructure as well as support to the commercialisation of innovation.*

Braintree District Council submitted a response to the Green Paper highlighting how the proposed Garden Communities, and the intention to exploit new technology to support communities living within them to be resilient and self-reliant, helps the Government to deliver its Industrial Strategy. The Council has made the case that, in order for the new communities to be delivered and successful, significant investment is required from the public sector in infrastructure, skills and economic growth. The Council has committed to work in partnership with Central Government, other public sector bodies and the private sector to encourage sustainable, productive economic growth within the district. However, Government funding schemes outlined within the Green Paper, such as the Housing Infrastructure Fund and National Challenge Fund, need to be as targeted to areas such as Braintree District as they are to, for example, the Northern Powerhouse and the Midland's Engine for Growth.

delivery of  
9,000 jobs  
by 2026



# BRAINTREE'S ECONOMIC PROFILE

Braintree District's economic performance since 2013 has continued in a positive trajectory. It has, like much of Essex, performed relatively well during the economic recovery though, as with the rest of Essex, this recovery is fragile and there are systemic issues that will need to be addressed in the coming years if the full growth potential is to be realised.



## Overall Economic Statistics for Braintree <sup>1</sup>

The District's Gross Value Added (GVA) is £2.7bn, representing 10% of the Essex County Council area's total GVA. This represents an increase for Braintree of £390m since 2013. The working age population has increased by 1,000 since 2013 at 94,400 whilst jobs have increased by almost 7,000. The unemployment rate for Braintree has fallen by 1,200 since 2013 leaving the District with low unemployment levels at 1.1%. In employment terms, the overall net out commuting rate for residents is -13.9%. This has fallen from -16% in 2013 though it is projected to rise again to -15.5% by 2022 with no intervention to reverse the trend. These figures for 2017 show that Braintree businesses are providing more employment opportunities than there are unemployed people to work in them, a positive trend. It is fair to say, however, that in terms of productivity these are not necessarily high-skilled, high-quality employment opportunities. The main rise in employment has been seen in Construction and Professional Services (defined as occupations requiring special training the arts or sciences and include the services of lawyers, accountants, architects and engineers).

	2013	2017	2022
GVA (millions £s)	2,222.2	2,723.3	2,935.9
Working Age Population	93,000	94,400	96,400
Unemployment (000's)	2,300	1,100	1,100
Net Out -commuting	-16%	-13.9%	-15.5%

1 East of England Forecasting Model

# PRODUCTIVITY

In the "Building Our Industrial Strategy Green Paper" the ambition is to improve the UK economy equitably through improved productivity levels. The UK's global position in terms of productivity (producing more value for each hour of people's time and thereby increasing their earning power) is significantly behind France, Germany and the US with workers in those countries producing more in four days than workers in the UK do in five . The Green Paper highlights the imbalance within the UK economy in terms of productivity levels and, as part of this analysis, ranks the East of England as fourth in the UK in terms of productivity. What this statistic hides is the fact that Essex ranks second from bottom out of the six counties in the 'old' East of England region:

## Productivity as per Labour Productivity (County-level) <sup>3</sup>

County	2013	2017	2022
Bedfordshire	£50,200	£53,900	£57,150
Cambridgeshire	£50,300	£52,300	£55,670
Greater Essex	£46,700	£49,140	£52,440
Hertfordshire	£51,350	£53,880	£56,920
County	2013	2017	2022
Bedfordshire	£50,200	£53,900	£57,150
Cambridgeshire	£50,300	£52,300	£55,670
Essex	£46,700	£49,140	£52,440
Hertfordshire	£51,350	£53,880	£56,920

Productivity in the Braintree District is lower than the Greater Essex average. As of 2017, at £41,200 Labour Productivity, Braintree is ranked 6th in Greater Essex which shows the relatively low-skilled employment and job opportunities within the district. This compares with the highest productivity level in Greater Essex, in Braintree's neighbouring district, Uttlesford, which has £52,100 Labour Productivity. The common link with these high productivity levels seen in neighbouring districts and counties is the high-tech business dominance of Cambridge which has spread to neighbouring areas and the impact of life sciences, principally Uttlesford and Stevenage in Hertfordshire. There will also be an impact from London, which in itself has high-tech excellence amongst other sectors, though the spread of influence does not seem to impact on all of its neighbouring districts, including Braintree which does export its workforce to London.

## Productivity as per Labour Productivity (District level) <sup>4</sup>

District	2013	2017	2022
Braintree	£38,700	£41,200	£44,500
Cambridge	£41,600	£43,000	£45,600
Stevenage	£46,800	£49,500	£53,400
Uttlesford	£50,100	£52,100	£56,400

2 Building Our Industrial Strategy, Green Paper January 2017

3 East of England Forecasting Model

4 East of England Forecasting Model

# BARRIERS TO GROWTH

Braintree's economy is broadly made up of Micro businesses (0-9 employees) with 89.5% of the total business base. Small and Medium Enterprises (10-249 employees) make up 10% of the economy with businesses employing over 250 staff making up around 0.3% of the business base. This is broadly in line with the East of England average.

The district has, as can be identified from the productivity levels highlighted in the previous table, a low skills attainment average. In terms of NVQ1 and NVQ2 levels, Braintree is generally on a par with the East of England and UK averages but there is a drop from NVQ3 onwards, with Braintree lagging behind the regional and UK averages. This correlates to the percentage of people employed in Managers, Directors and Senior Official roles than the East of England and UK average as well as residents employed in the Professional Occupations.

## Skills Attainment Levels <sup>5</sup>

	Braintree	East of England	UK
NVQ1	88.7%	84.9%	84.9%
NVQ2	71.8%	71.5%	73.6%
NVQ3	45.2%	53.5%	57.4%
NVQ4	27.4%	33.6%	37.1%
Senior Roles	6.4%	10.3%	10.4%
Professional Occupations	12.3%	19.0%	19.9%

Braintree does buck trends in the following employment categories:

## Braintree Skills Strengths <sup>6</sup>

	Braintree	East of England	UK
Associated Professional and Technical	18.4%	14.7%	14.1%
Skilled Trades	15.6%	11.3%	10.5%
Process Plant & Machine Operatives	9.9%	6.5%	6.4%

The data does not interrogate these categories in enough detail to show whether or not these are skilled employment opportunities in growth sectors or declining sectors which could affect the future stability of the Braintree economy if the latter. The data is, however, reflective of the skills required in one of the largest sectors of the Braintree economy, the Advanced Manufacturing and Engineering sector which employs nearly 7,500 staff. <sup>7</sup>

The median salary for Braintree residents is almost £600 per week which could be reflective of the levels of out-commuting, probably to London, as the median wage of employees within the district is £514, lower than the Essex and UK average (£520 and £529 respectively). <sup>8</sup>

Whilst, as can be seen, the Braintree economy is prosperous and growing, there continue to be challenges and barriers to growth.

*The district economy will, barring any further major external economic shocks, potentially continue to grow at an average rate without significant public sector investment. It will not, though, reach its full potential without intervention by the public sector.*

## Ageing Population

Braintree District does face barriers to growth which require public and private sector intervention to overcome. One such barrier is an ageing population which will, in future years, inhibit growth due to a decreased workforce. By 2025, it is anticipated that the over 65's age group will increase by 30% and represent almost a quarter of the Braintree District population. This ageing population will place a greater demand on health, social care and housing needs. Whilst, by 2025, the working age population (identified as age 16-64) will see a moderate 3% decrease, the demands of housing from an increased overall population will create a greater demand for employment in the district. In order to meet the demands of an ageing population and provide for the workforce required to generate economic growth, there is a need to create additional, adequate, housing.

## Infrastructure and Connectivity

In order to meet the demands of businesses and new housing, improvements to the District's infrastructure is a necessity. The A120 is only dualled from Stansted to Braintree and the A12 is above capacity with both suffering serious peak hour congestion; the rail connection from Braintree to the East Coast mainline at Witham is single track, limiting the frequency of service.

The rural parts of the district in particular lack access to superfast broadband – essential if we are to foster innovative Micro businesses and SME's.

## Skills

A further requirement of economic growth is a skilled workforce that meets the needs of employers. As has been highlighted, Braintree district communities do not enjoy particularly high skills levels, particularly over NVQ2 Level which is evident in the economy and its productivity levels. Very often, high skills attainment is linked with prosperous households whereas on average, children from areas of deprivation tend to have low levels of skills attainment.

At Key Stage 2, Braintree District exceeds the Essex and East of England average attainment level slightly. Generally, the trend of disadvantage and low attainment is true for the Braintree District, though there are exceptions. The district does not, however, perform as well in County or Regional averages for GCSE attainment. The district has closed the percentage gap in recent years but only two of the nine secondary schools saw a higher percentage of pupils achieving A\*-C GCSE's than the average attainment levels seen for Essex and the East of England. There is, however, no clear correlation between disadvantage and low GCSE attainment levels. Indeed, the worst performing school has the lowest level of pupils who were deemed to be disadvantaged. This lower level of skills attainment, as has been seen above, leads to relatively low productivity levels and employment in senior management and professional occupations which could be a deterrent for businesses locating to the district. The existing businesses in Braintree District could also struggle to grow through the lack of a skilled workforce and could, therefore, choose to move out of the area. We need to better understand the low attainment levels to work with our partners in overcoming it.

5 Greater Essex Employment & Skills Board research  
6 Greater Essex Employment & Skills Board research  
7 Greater Essex Employment & Skills Board research  
8 East of England Forecasting Model

Skills Attainment <sup>9</sup>

	Braintree	East of England	UK
Key Stage 2	82%	81%	79%
	Braintree	Essex	East of England
GCSE	52.3%	58.4%	58.2%

Economic Sectors

We need to stimulate our businesses to grow, particularly in key economic sectors. We know that the strongest sectors of the Braintree economy are Construction; IT, Digital and Creative; Advanced Manufacturing and Engineering; Health and Social Care; and, Logistics. We need to understand more about these businesses to ensure that public sector support for them is targeted to best meet their needs. By growing them, we know that the supporting sectors of Professional Services; Retail; and, Accommodation and Food will also grow and generate further employment and growth.

Town Centre and Rural Regeneration

In order to support increased housing and employment opportunities, we need to continue Town Centre and Rural Regeneration to strengthen the role of our key towns and villages in providing services and the cultural and social heart of the district. This would also be supported by a coherent Tourism offer that will, in addition, provide employment and support the positive image of the district.

Employment Sites

A further inhibitor to growth is the lack of grow-on office space for businesses and general employment premises and sites that are at the point of being delivered. The result of this lack is that businesses already in the district either do not grow in order to remain within their manageable spaces, or leave the district to grow elsewhere. This also represents a significant barrier to attracting businesses from outside the area to locate in Braintree.



9 Greater Essex Employment & Skills Board Research

ACHIEVING GROWTH

Braintree District Council and its public and private sector partners want to realise the ambitious plans for growth, particularly to increase the economy. The most fundamental route to achieve this is for more businesses to operate sustainably in the district to employ people and create a supply chain that, in turn, employs more people still. The delivery of infrastructure improvement requires an economic impact to secure funding and the development of housing requires an end user who is generally in employment and therefore in a position to afford the property for developers to deliver.

This employment creation can be delivered through assisting the existing business base to grow and expand within the district and to attract businesses from outside the district, in.

Indigenous Growth

The growth of businesses already located within the district is one of the most sustainable and preferable ways to grow the economy in the first instance. In order to do this, as well as access to a ready market, businesses need:

- A skilled workforce
- Suitable premises

Businesses within the district are, as outlined above, therefore currently constrained as there is a lack of a highly-skilled workforce and suitable grow-on space to accommodate growth.

Inward Investment

The principal requirement for companies when considering whether to relocate or expand in another area to their current domicile is whether or not they can do business in that area and therefore improve the balance sheet of the

company. In order to satisfy that question, the evidence required, in no particular order, is:

- Skilled workforce
  - Appropriate business premises
  - Adequate/good infrastructure
  - Good quality housing stock availability
  - Lifestyle opportunities
- As can be seen from the barriers to growth highlighted above, currently the Braintree District cannot answer many of these key questions adequately. There is a real opportunity to capture certain businesses from London and Cambridge so action has to be taken to genuinely deliver the above evidence requirements in order to ensure this is realised for the benefit of sustainable economic growth. We cannot, therefore, create a comprehensive inward investment proposition without addressing the problems highlighted.
- Growth in itself, however, is not enough for a strong and sustainable economy. It needs to be a targeted growth, in key sectors, that improves levels of productivity. In order to realise such growth, therefore, there is a need for the public and private sectors to intervene, particularly in the following areas:
- Encouraging businesses in growth sectors to flourish in the district through targeted business support programmes
  - Creating a high-skilled workforce that is fit-for-purpose for the requirements of business
  - Creation of employment sites and a range of office accommodation that are fit-for-purpose for business needs
  - Upgrading of key infrastructure and connectivity (road, rail and broadband)
  - Delivery of identified residential sites

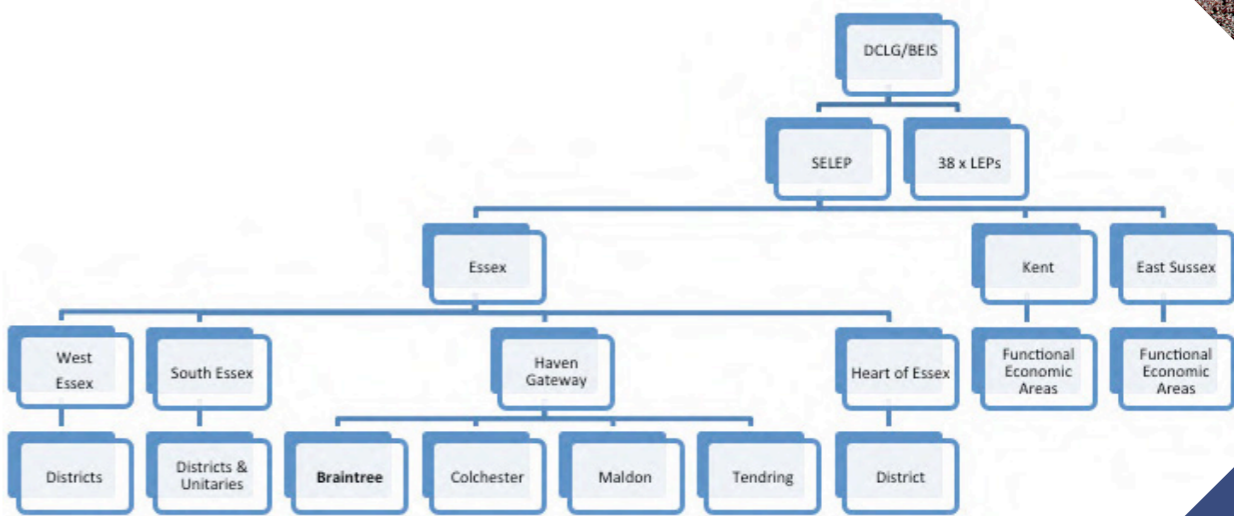
# FUNDING THE GROWTH

*The Council has great ambition for the district and its growth but the delivery of these ambitions is currently constrained for a number of reasons. The interventions required to overcome these constraints require funding for delivery which will be from a combination of public and private sector sources. The context of which the Council will set out through its District Investment Strategy that will deliver infrastructure improvements for existing and future residents, committing £28m to its delivery. The District Investment Strategy will provide:*



- Partnership working to improve health provision in the district, improving primary health facilities across the district in Witham, Sible Hedingham and as part of a new regeneration scheme in Braintree Town Centre; an investment by the Council of circa £11m. We will continue to work with health partners on any further opportunities that arise in the future.
- Improvements to our three Town Centres, with the Council already having committed £1.2m to capital improvements.
- Identification and delivery of improvements to our most congested roads through working in partnership with Essex County Council and Highways England to relieve congestion at Galley's Corner on the A120 and improve access to Braintree Town Centre through a slip road onto Millennium Way, committing £2.5m to help deliver this.
- Increased opportunity for new business growth and employment investment which could fund support for business growth through, for example, business start-up and grow-on facilities and generate inward investment by bringing forward strategic employment sites and new commercial units. This includes investing £500k into new incubation and growth facilities in Witham and £960k into grow-on units in Braintree.

It is anticipated that additional funds will be secured from Essex County Council to deliver the growth priorities as well as bids submitted to, for example, Central Government via the South East Local Enterprise Partnership (SELEP). We will achieve this by working with the Haven Gateway Partnership in supporting its Whitehall and Westminster Engagement Strategy to effectively raise our profile and lobby Central Government for funds and highlight the importance of the functional economic area. In this respect, the partnership structure within which Braintree District Council sits is as follows:



In addition, it is expected that the private sector development that the Growth Plan will unlock will generate around £300m of investment providing a greater than 10:1 return on the Council's investment.



# STRATEGIC PRIORITIES

Our number one economic priority is to grow GVA beyond the projected level of £2.9bn by 2022 to £3.5bn and improve our projected productivity as measured by GVA per capita level of £18,200 by 2022 to £19,500. In order to achieve this, a number of strategic priorities need to be delivered within the life of this Growth Plan, namely Infrastructure, Skills and Business Support:

- Improve road and rail connectivity and public transport
- Provide superfast broadband across all parts of the district and ultrafast for new business sites
- Bring forward strategic employment sites, providing a range of premises for businesses.
- Target support to businesses in our growing and emerging sectors with innovation potential
- Work closely with businesses and providers to increase educational attainment



# DELIVERY

An underpinning theme of the activity within this Prospectus is one of lobbying to ensure that Braintree District is at the centre of investment from the wider public sector, especially Essex County Council, SELEP and Central Government. We will actively promote Braintree District to these potential funders as well as create the evidence base to construct the business cases required to secure investment. In order to achieve this, we will work in partnership with bodies such as the Haven Gateway Partnership as well as Essex County Council and SELEP.

A further underpinning theme of this Prospectus is partnership working with the private sector. The Council will deliver against this Prospectus in the best way for business as it is business that will ultimately deliver the growth and prosperity for the district. This means that we will particularly work through business networks and partnerships to secure support and engagement for our activity.

# REVIEW AND EVALUATION

This success of activity will be measured on an annual basis, though the ultimate success of the Plan for Growth will take some years to fully impact the district's economy, through the establishment of agreed Key Performance Indicators, including:

- Monitoring GVA growth and productivity improvement
- Monitoring business growth in key sectors
- Monitoring skills attainment levels
- Monitoring the economic impact of tourism activity
- Submission of, and success of, funding bids

An annual review and evaluation report will be published.

# FIVE-YEAR DELIVERY PLANS

## PRIORITY 1 Infrastructure & Connectivity

### Road

- Work with the Haven Gateway Partnership and Essex County Council to submit the preferred route option to Highways England for the new A120 by November 2017
- Work with the Haven Gateway Partnership to lobby Central Government for inclusion within RIS2 of the new A120 between Braintree and the new A12 Expressway by December 2018
- Work with the Haven Gateway Partnership, Essex County Council, District partners and Highways England to secure the start of delivery of the new A12 Expressway
- Work with Essex County Council to lobby Central Government for improvements for local roads, e.g. A120 Millennium Way slip roads, securing funding by March 2017 and delivering the identified scheme by 2020/21
- Work with Essex County Council to undertake improvements to signage in and around Braintree

### Broadband

- Work with Essex County Council and Superfast Essex for superfast broadband on how improvements and they will be delivered across all residential properties in the District from January 2018

- Work with Haven Gateway Partnership to lobby Central Government for at least superfast broadband with 100% coverage across all existing business premises by January 2019
- Working with developers, ensure that ultrafast broadband is installed in all new developments

### Rail

- Work with the Haven Gateway Partnership to lobby Network Rail for improved tracks and links
- Work with Essex County Council and Network Rail to undertake a GRIP Study to establish outcomes to provide two trains an hour to Braintree
- Work with the Haven Gateway Partnership to lobby Abellio for improved rail services
- Work with Abellio to improve station car parking numbers and general condition

### Employment Sites and Premises

- Work with developers to bring appropriate sites forward, including Eastlink 120 starting on site in late 2019
- Invest, with partners, in incubation and start up space including the opening of grow-on space at the Braintree Enterprise Centre by early 2018 and completing the Witham Enterprise Centre in late 2020
- Working with businesses, identify the potential of securing additional Business Improvement Districts for our industrial and business estates across the District by 2022

## Regeneration in our Town Centres

- Work with businesses and Essex County Council partners to identify and deliver a suite of activities to increase footfall and spend in the Town Centres, starting June 2017.
- Deliver the Manor Street regeneration scheme by summer 2020.
- Work towards achieving a Business Improvement District for one of our Town Centres by 2022.

## Housing

- Create a Housing Delivery Company to secure the provision of appropriate and adequate mixed tenure housing for the District
- Work with landowners and developers to bring forward appropriate sites identified for housing development, securing required infrastructure developments to support them such as Panfield Lane with an onsite commencement in mid-2019
- Provide key worker housing to support the recruitment and retention of staff in areas such as health and teaching

## Public Transport

- Continue to work with partners to improve express links between Stansted Airport, Braintree, Witham and the rail network
- Work with developers to secure sustainable transport solutions for communities accessing employment opportunities on the new sites

## PRIORITY 2 Business Support

- Continue to work with the BEST Growth Hub along with other business support organisations to increase levels of targeted business support in order to generate more new business start-ups and business success rates to increase growth in our key sectors
- Establish a programme of business support; business advice, access to finance, access to markets for our economic sectors and promoting this to gain awareness and take up of available support
- Work with Higher Education Institutions to encourage innovation within businesses to help them grow
- Raise the profile of the Braintree District as a place to do business
- Identify the opportunities for Tourism within the district and how the Council can best support its sustainable growth
- Work with partners to secure external funding opportunities to support businesses to grow

## PRIORITY 3 Skills Development

- Work with schools and Essex County Council towards improvements in attainment levels at all Key Stages
- Work with education providers and Essex County Council towards improvements in attainment levels for 16-24 year olds generally
- Work with businesses to help them communicate their skills needs to education providers and help those providers ensure the needs are met
- Work with businesses to help exploit best use of the Apprenticeship Levy
- Work with partners to secure external funding opportunities to support skills attainment



# ANNUAL DELIVERY PLAN 2017-18:

## PRIORITY 1 Infrastructure & Connectivity

### Road Infrastructure

- Secure funding to carry out junction improvements and an additional road to alleviate the congestion around the Springwood Drive Industrial Estate to improve conditions for businesses on the estate and attract additional businesses to it
- Secure funding with Essex County Council and Highways England, to alleviate peak hour congestion around Galley's Corner via the creation of new slip roads joining Millennium Way to the A120
- Support Essex County Council to secure a preferred route for the improved A120 between Braintree and the A12, ensure it is included within the Government's Road Investment Strategy 2020-2025

### Broadband

- Work with Essex County Council to monitor delivery of Phase 2 and 3 of the Superfast Essex programme to ensure maximal coverage in the Braintree District by 2019
- Work with Essex County Council and Superfast Essex to explore appropriate and achievable options for achieving superfast broadband coverage across all

remaining areas of the Braintree District at the end of Phase 3 of the programme

- To work with the Haven Gateway Partnership to lobby for additional funding from the BDUK programme to look at options for ultrafast provision to major employment and business sites

### Rail

- Complete the GRIP 2 Study and agree measures with Essex County Council and Network Rail to improve the frequency and reliability of trains between Braintree and London

### Employment Sites and Premises

- Invest our own resources (£500k) and secure match-funding from external sources to deliver a Witham Enterprise Centre, providing "incubator" business units to encourage new, knowledge-based, start-up businesses and SME's
- Complete the construction of four new grow-on units at Braintree Enterprise Centre by early-2018
- Engage with market experts to establish the requirement for further grow-on space in the District and seek opportunities to deliver grow-on space accordingly
- Establish a commercial agents' forum by June 2017 to understand demand for commercial space and, where appropriate, create business cases for investment

### Regeneration of our key towns

- Secure detailed planning consent for the delivery of the Manor Street Regeneration project by the early 2018, start construction in 2018 and deliver the new scheme by summer 2020
- Create the Plan for Braintree, informed by the Braintree Vision, by March 2018 that incorporates guide documents such as an Events Plan, Funding Strategy, Public Realm Strategy and Governance Strategy
- Deliver improvements to Witham and Halstead Town Centres in accordance with Highways Authority guidance and permissions
- Establish, by September 2017, the plan for the District Council's engagement in Witham and Halstead
- Deliver new signage and wayfinding for the Town Centres by March 2018
- Identify Key Performance Indicators to measure the success of our interventions to ensure our resources are always appropriately targeted by September 2017
- Seek to secure external funding wherever possible to match-fund our own resources and secure the best possible outcome
- Undertake a Place Branding exercise, in partnership with the private sector, and deliver the recommendations collectively
- Work with Higher Education providers to secure support for businesses with innovation potential to ensure it is maximised to best effect, seeking to match business needs with Higher Education strengths through, for example, Knowledge Transfer Partnerships
- Strengthen the Council's business engagement activity by providing, either directly or through key partners, quarterly business network opportunities addressing areas of direct interest to businesses
- Establish a Communications Plan to ensure that information is cascaded to businesses as effectively as possible
- Liaise with Ignite and the BEST Growth Hub to ensure Braintree businesses in key economic sectors are receiving the optimum levels of support
- Continue to deliver the Industrial Estates Improvement Programme, finalizing this by March 2018
- Deliver a Tourism Strategy by September 2017 and detailed Action Plan for delivery

## PRIORITY 2 Business Support

- Establish a programme of business support, business advice, access to finance, access to markets for our key economic growth sectors, promoting this to gain awareness and take-up of the support by September 2017

## PRIORITY 3 Skills Development

- Establish an internal working group by June 2017 to ensure that all skills activity is coordinated
- Work with internal colleagues and Essex County Council to deliver the Early Years Programme to ensure our young people have the best possible start into education
- Work with Essex County Council and the local schools to secure an Education Improvement Partnership by December 2017 to address weaknesses, particularly with regard to GCSE attainment levels
- Work with Sixth Form Colleges and other Further Education providers along with schools to broker stronger engagement between them and businesses to provide a workforce that meets employers' needs through curriculum development, work placements and awareness-raising activity of career opportunities and skills requirements
- Better understand the skills requirements of the key economic sectors for the Districts, seeking to raise awareness of this amongst the education providers
- Work with the third sector to encourage participation, particularly amongst our deprived communities, in work-based education programmes that enable re training or access to work programmes for the long-term unemployed post-19
- In September 2017, launch the Braintree District Education and Skills Board
- Identify external funding opportunities to better deliver skills programmes with partners

## **Appendix 2:**

# **Extract from Submission Draft Local Plan 2017**

## Policy LPP 2

### Location of Employment Land

The Council and its partners will be driving forward the growth of the economy in the District and provide for the 32.1ha of industrial land and 19.5ha of office land in the District to support this.

All employment sites and sites or buildings in current or recent use as an employment site, will be retained for such uses where they continue to offer a viable and sustainable location for such employment uses.

New strategic employment sites and the proposed uses for those sites are set out in the table below.

Ref	Site	Proposed Uses	Area (ha)
a)	Extension to Springwood Drive industrial area in Braintree	10ha employment policy area.	10
b)	Land to the west of the A131 at Great Notley  'Eastlink 120'	18.5ha Innovation and Enterprise Business Park for uses in the B1, B2, B8.  Part of the site may be developed for a hotel (C1 use)  B8 uses should be restricted to no more than 40% of the total floor area and no single unit should be larger than 7,500sq m.  The site also includes 7ha of structural landscaping.	18.5
c)	Extension to Eastways Industrial Estate, Witham, in Rivenhall Parish	Employment policy area	6.8
d)	Extension to Bluebridge Industrial Estate, Halstead	Employment policy area	2

Ref	Site	Proposed Uses	Area (ha)
e)	Land East of Great Notley	Up to 3ha employment policy area. To be determined through Masterplan Framework	3
f)	Land East of Broad Road	Up to 3ha employment policy area. To be determined through Masterplan Framework	3
g)	Land at Feering	Up to 4ha employment policy area. To be determined through Masterplan Framework	4
h)	Maltings Lane Business Park (Gershwin Park)	Retained allocation for business uses	3.8
Major Business Park on the West Braintree Garden Community		To be determined through a Strategic Growth DPD	
Major Business Park on the Marks Tey Garden Community		To be determined through a Strategic Growth DPD	
Total identified new employment land allocations for B1, B2 and B8:			51.1

## Employment Policy Areas

**6.18** Employment policy areas are general use 'traditional' business parks and industrial estates within the District, where a range of employment uses locate. The major locations for employment in the District such as Eastways in Witham and Springwood Drive in Braintree are allocated as employment policy areas.

**6.19** However, in recent years there has been a greater proportion of uses on employment areas turning to other uses such as personal storage, gyms and leisure facilities. The Council wishes to preserve business parks for class B employment use with the following policy.

**6.20** Development or change of use to a non-employment use will only be permitted when it would not detract from the employment use of the remaining sites in the area and; where new developments or changes of use impact on existing business, adequate mitigation measures are designed into the new site.

## Policy LPP 3

### Employment Policy Areas

Employment policy areas are identified on the Proposals Map, where the following uses will be considered appropriate and will be permitted and retained;

- a. Business (Use class B1) general industrial (Use class B2) and storage and distribution (Use class B8)
- b. Repair of vehicles and vehicle parts
- c. Waste management facilities as appropriate taking into account neighbouring uses
- d. Services specifically provided for the benefit of businesses or workers based on the employment area

Site Name	Area (ha)
Sturmer Industrial Estate, Haverhill	12.3
Hunnable Industrial Estate, Great Yeldham	2.8
Rippers Court, Sible Headingham	2.3
Gosfield Airfield	5.7
Broton Drive Industrial Area, Halstead	3.7
Halstead Town Centre	1
Bluebridge Industrial Estate, Halstead	25.3
Riverside Business Park, Earls Colne	2.2
Earls Colne Airfield	23.9
Springwood Industrial Estate, Braintree	63.3
Skyline 120, Great Notley	19.5
Braintree Town Centre	21.8
Allshot's Farm, Kelvedon	1.7
Coggeshall Industrial Area	3.7
London Road, Kelvedon	0.8

Kelvedon Railway Station	2.2
Eastways, Witham	41.3
Freebournes, Witham	42.5
Lynderswood Farm, Black Notley	6.9
Premdors, Sible Headingham	0.2
Total	283.1

## Kelvedon Park

**6.21** Essex Fire and Rescue currently operate their headquarters from Kelvedon Park. An additional allocation of 3.3ha to the east is proposed to accommodate additional emergency services facilities, including training facilities. These are supported by the Council in principle, subject to compliance with national policy and the remaining policies in the Local Plan.

### Policy LPP 4

#### Kelvedon Park

Land at the Essex Fire & Rescue Service HQ, Kelvedon Park is allocated as a Special Employment Area specifically to meet the requirements of the emergency services for;

- a. Emergency Services facilities
- b. Training facilities
- c. Car Parking
- d. Vehicle maintenance facilities

An additional 3.3ha extension is allocated on the Proposals Map. Any further development is supported providing the following criteria are met;

- Additional development on site must provide sufficient parking.
- Appropriate boundary screening is required to the rear of the site.
- Additional development must retain the parkland setting to the front of the site.

## Policy LPP 5

### Allshot's Farm, Rivenhall

The Former Polish Campsite at Allshot's Farm (South of Rivenhall Airfield) is allocated for employment use with structural landscaping. Due to this site's rural nature, redevelopment will be considered appropriate subject to all the following criteria:

- a. Any applications accompanied by an external lighting scheme would need to demonstrate that the site would not cause unnecessary light pollution and would be appropriate to the rural setting of the site
- b. A full landscaping scheme would be required
- c. Structural landscaping is protected from development and any new proposals will provide suitable additional landscaping which minimises developments impact on the countryside

## Business Parks

**6.22** The Council has also identified a number of employment areas which are not suitable for more general industrial or distribution uses by virtue of the surrounding uses, location, or access to the strategic road network. Therefore a number of employment sites, often in rural areas, are proposed for B1 business uses only.

## Policy LPP 6

### Business Parks

Employment locations for Use class B1 business uses are identified on the Proposals Map. To maintain the character of these sites only uses falling within Use class B1 business will be permitted.

<u>Site Name</u>	<u>Area (ha)</u>
<b><u>Blois Meadow Business Centre, Steeple Bumpstead</u></b>	<b><u>0.9</u></b>
<b><u>Atlas Works, Earls Colne</u></b>	<b><u>1.5</u></b>
<b><u>Threshelfords, Feering</u></b>	<b><u>2.7</u></b>
<b><u>Witham Town Centre</u></b>	<b><u>3.5</u></b>
<b><u>Maltings Lane, Witham</u></b>	<b><u>3.8</u></b>
<b><u>Total</u></b>	<b><u>12.4</u></b>

## Design and Layout of Employment Policy Areas and Business Parks

**6.23** Appropriate layout and design of Employment Policy Areas and Business Parks is important in attracting and retaining users on the site and creating a pleasant environment for people to work.

**6.24** Employment Policy Areas and Business Parks are expected to be designed to a high quality which includes suitable access for staff, delivery and service vehicles, pedestrians, public transport and cyclists, in a safe environment.

**6.25** Layouts must be attractive but also practical and easy to maintain to ensure the long term success of an employment area. Many older employment areas in the District suffer from a lack of car parking, which can lead to a poor quality environment and overflow parking onto adjoining residential areas. Insufficient parking in employment areas also leads to problems with access and servicing.

Task and Finish Review in to Tourism Potential in the Braintree District		Agenda No: 8c
Portfolio	Economic Development	
Corporate Outcome:	A prosperous district that attracts business growth and provides high quality employment opportunities	
Report presented by:	Councillor Tom Cunningham, Cabinet Member for Economic Development	
Report prepared by:	Leanda Cable, Economic Development Officer (Skills, Apprenticeships and Tourism)	
Background Papers:		Public Report
<a href="#">Task and Finish Group Report presented at Full Council AGM 23<sup>rd</sup> April 2018</a>		Key Decision: No
Executive Summary:		
<p>Further to the Task and Finish Group report into Tourism Potential in the Braintree District submitted to the Overview and Scrutiny committee in March, the recommendations were presented to Full Council on 23<sup>rd</sup> April 2018. In line with the corporate process, Council requested Cabinet to respond to the Committee’s recommendations.</p> <p>The Cabinet Member for Economic Development has considered these and has provided a response to each of the recommendations put forward by the Task and Finish Group.</p> <p>Cabinet is requested to consider the responses to the recommendations contained within this report and if in agreement, request Officers to take forward the recommendations.</p>		
Recommended Decision:		
<p>Cabinet approves this response put forward by the Cabinet Member for Economic Development and delegates any actions to the Corporate Director and/or relevant Heads of Service to take forward.</p>		

<p><b>Purpose of Decision:</b></p> <p>To consider and respond to the recommendations made by the Task and Finish Group.</p>
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Any Corporate implications in relation to the following should be explained in detail.	
<b>Financial:</b>	<p>Should recommendations 1, 2, 3, 4 and 5 be approved the financials to deliver the outcomes could be accommodated within existing budgets.</p> <p>Recommendation 7 would require additional financial resource.</p>
<b>Legal:</b>	None arising out of this report.
<b>Safeguarding:</b>	There are potential implications relating to recommendation 5 that will need to be considered in line with the Council's responsibilities under safeguarding.
<b>Equalities/Diversity:</b>	The Tourism Strategy and any resulting website as well as all marketing campaigns will need to ensure that they are targeted at all groups.
<b>Customer Impact:</b>	By promoting the District appropriately through Tourism this will enhance resident's perceptions of the area and provide an increased sense of pride in their District.
<b>Environment and Climate Change:</b>	Attracting visitors to the district could have an environmental impact. Any Tourism Strategy will need to be mindful of this and consider the most sustainable means of attracting visitors and guiding them around the district.
<b>Consultation/Community Engagement:</b>	As set out in the report.
<b>Risks:</b>	None arising out of this report.
<b>Officer Contact:</b>	Leanda Cable
<b>Designation:</b>	Economic Development Officer
<b>Ext. No:</b>	2588
<b>E-mail:</b>	Leanda.cable@braintree.gov.uk

## 1 The Cabinet Response

- 1.1 The Cabinet wishes to thank the Task and Finish Group for its comprehensive and report on Tourism Potential in the Braintree District and notes the recommendations made by the Group.
- 1.2 Cabinet also wishes to acknowledge the input from local tourist attractions, Visit Essex, and stakeholders into this review.
- 1.3 Responses to the recommendations are set out in the table below in the order in which they were presented in the original report.

## 2 Background

- 2.1 Tourism in the Braintree District was worth £179m pa to the Braintree economy in 2015 and this did not significantly increase in 2016 the last available figures. The economic impact of tourism is equivalent to 7% of the total Braintree economy and is responsible for 3,000 jobs in the district, equivalent to 5.0% of total employment. The impact of tourism in the Braintree District is, however, below that of Maldon (£183m pa); Colchester (£255.4m pa); and, Tendring (£365m pa). The value of tourism for Essex is in the region of £3.1 billion to the local economy as well as creating a total of 61,000 jobs, 70% of these in full time employment. Essex sees over 51 million visitors, with 94% of these being day visitors. Visits to Essex are inspired by a number of different reasons, with the majority being to visit friends and family although the coast and scenery were very strong attractions.
- 2.2 In 2017 the Economic Development Team worked with officers at neighbouring authority Maldon District Council to conceive and develop the Grape and Grain Trail. The project showcases the independent and award winning local vineyards, breweries and distilleries across both districts, many of which are 'hidden gems'. The Trail officially launched at the annual Essex Festival of Food and Drink, in July with officers speaking to over 4,500 attendees (circa 50% of overall footfall) over the weekend. Feedback from the public was overwhelming positive with many outside of both districts commenting on the professional nature and innovative approach to tourism promotion. Due to its success officers have received enquiries from producers in the district not engaged with the initial project and outside of the county borders. A refreshed version of the Trail is due for release in May.

Recommendation:	Cabinet Response:
<p><b>1. The Council should establish a tourism strategy to help guide its activities to support tourism businesses and the industry in the district.</b></p> <p>Work with the tourism businesses in the district and external tourism partners to produce a Tourism Strategy to establish the objectives for the district Council in supporting the sector. Within this, the Council should</p>	<p>The Economic Development Team will work with the Economic Development Consultant to produce a tourism strategy which will incorporate the potential development of a Sense of Place brand.</p>

create a Sense of Place brand for the district.	
<p><b>2. The Council should, as part of the Tourism Strategy, establish a dedicated tourism website to better promote the district externally and increase its digital presence.</b></p> <p>Without pre-empting the results of the Tourism Strategy, the Council should establish a dedicated district-wide website to promote the tourism offer and support the businesses engaged in tourism.</p>	<p>Braintree District is already a member of visit Essex and as such has a presence of the Visit Essex website. However the Economic Development Team will also investigate the cost of creating, and maintaining, a dedicated tourism website for the District which would include the promotion of our own facilities such as the Town Hall and Bocking Windmill as well as partners such as the Museum and other attractions in the District.</p>
<p><b>3. The Council should continue to support the Grape and Grain Trail initiative across the district and consider further external partnerships.</b></p> <p>The Council should continue to work with Maldon District Council on the successful Grape and Grain Trail initiative and explore partnerships with other neighbouring authorities with a similar 'offer' to increase the attractiveness of the opportunity.</p>	<p>The Economic Development Team will commit to undertake this work in 2018 and will seek to create further external partnerships to enhance the Grape and Grain Trail's offering.</p>
<p><b>4. The Council should consider other, similar, promotional opportunities to the Grape and Grain Trail to raise awareness of the depth of offer within the district.</b></p> <p>The district has much to offer in terms of tourism such as Culture and Heritage and rural recreation, 'themed' promotional activity should be considered. This could be promoted on a district-only basis and also, where appropriate, engage with neighbouring authorities (e.g. Textile Trail).</p>	<p>The Economic Development Team will commit to undertake this work in 2018/2019 and will work with partners to develop further Trails. A heritage trail around Braintree town centre was launched at Easter in partnership with the Museum. The themes of these trails will be considered through the Tourism Strategy.</p>
<p><b>5. The Council needs to better understand its 'bed stock' including quality and promote accordingly.</b></p> <p>Existing online presence for Braintree does not promote the full range of the overnight accommodation available to visitors and the Council needs to fully understand the range and quality of</p>	<p>The Economic Development Team will commit to undertake a survey in 2018/2019 to better understand the accommodation stock in the district.</p>

<p>the availability of the offer. Working with the private tourism sector, the Council should assist in creating the appropriate tourism environment to develop high quality accommodation providers of all types throughout the district.</p>	
<p><b>6. To consider sponsorship and charging opportunities across our tourism information to provide a source of ongoing revenue funding.</b> Our existing tourism information is produced at a negative cost to the Council; consideration needs to be given to recouping the costs via advertisement and promotion opportunities for external partners.</p>	<p>The Economic Development Team will commit to undertake this work and work with the appropriate internal teams to develop commercial opportunities resulting from our tourism work. This is already being investigated through the Grape and Grain trail.</p>
<p><b>7. Cabinet should consider an increase in staff and financial resources to harness the districts tourism potential for the benefit of economic growth,</b> The Council does not currently have a dedicated staff resource for Tourism; activity is undertaken as part of the Economic Development Officer for Apprenticeships, Skills and Tourism role at 50% of the officer's time. There is neither a dedicated budget for tourism and any chargeable activity is consumed within the wider Economic Development budget.</p>	<p>Cabinet recognises the economic benefit that tourism brings to the district and has a number of heritage assets which are operated to the benefit of residents and visitors to the District, however the recommendation has considerable financial resource requirements which cannot be met within current budgets. The Economic Development Officer for Apprenticeships, Skills and Tourism has however secured a position on the Visit Essex Board which it is hoped will lead to leveraging additional support from the tourism sector, Visit Essex and raise the profile of Braintree District throughout the county and beyond.</p>

<b>The Bewell Strategy – Increasing levels of activity in the Braintree District</b>		<b>Agenda No: 9a</b>
<b>Portfolio</b>	<b>Health and Communities</b>	
<b>Corporate Outcome:</b>	<b>Residents live well in healthy and resilient communities where residents feel supported</b>	
<b>Report presented by:</b>	<b>Councillor Peter Tattersley, Cabinet Member for Health and Communities</b>	
<b>Report prepared by:</b>	<b>Lee Crabb, Head of Environment and Leisure</b>	
<b>Background Papers:</b>	<b>Public Report</b>	
Sport England -Towards an Active Nation Strategy 2016-21 Active Essex Strategy- Changing 1 million lives 2017 2021 The Braintree District Bewell Strategy 2018 -2017	<b>Key Decision: No</b>	
<b>Executive Summary:</b>		
Braintree District Council is committed to improving the health and wellbeing of our residents and reducing health inequalities across the District. Through the Health and Wellbeing Panel the Council has been using the Livewell programme as its approach to this, which has six underpinning themes:-		
<b>startwell</b>	Giving children the best start in life.	
<b>staywell</b>	Clinical wellbeing, a state of health.	
<b>feelwell</b>	A state of mental wellbeing in which every individual realises his or her potential and can cope with the normal stresses of life.	
<b>eatwell</b>	Healthy eating means consuming the right type and quantity of food from all food groups in order to lead a healthy life.	
<b>bewell</b>	People of all ages, shapes, sizes and abilities can benefit from being physically active.	
<b>agewell</b>	Plan now for the future, for a healthier retirement.	
Bewell is one of the themes of the Livewell campaign, with a focus on encouraging residents to adopt a healthier lifestyle and become more active. The Bewell Strategy sets out the Council's approach to delivering the objectives of this theme and is closely aligned to both National and Regional Sports strategies whilst also incorporating the concept that health and physical activity are intrinsically linked.		

The Strategy is linked with the Active Essex Strategy which sets out to make 1 million more residents active by 2021, and the primary aim for the Bewell Strategy is the District's contribution towards achieving this target, specifically by encouraging 4,624 of our inactive residents to be more active by 2021.

The strategy has four priorities which will increase the levels of physical activity amongst our residents:-

- |                       |  |
|-----------------------|--|
| (1) Move              | Provide interventions to increase physical activity amongst our residents. |
| (2) Compete           | Increase engagement in sport.  |
| (3) Provide & Enable  | Provide facilities in which residents can take part in activity.           |
| (4) Engage & Activate | Educate on the positive aspects of activity and change behaviours.         |

As a Council we have an important role to play in the delivery of the strategy. As an example, via our contractual relationship with Fusion we are able to influence the type of activities delivered at our leisure facilities. The Council provides and maintains high quality parks and open space throughout the District, settings which are becoming increasingly popular venues for informal activities to take place in. Through the planning process, the Council can be influential in facilitating improved and new recreational facilities via developer contributions. Utilising the skills of our Communications and Marketing Team, we are able to influence positive behavior change amongst our residents.

However, the Council cannot deliver the Strategy on its own. The Council works with Fusion Lifestyle and other major partners such as clubs, schools, private sports clubs and the Active Braintree Network to provide and develop physical activity opportunities for our communities, which places a reliance on partnerships to deliver the Bewell Strategy successfully.

The key partnership that has oversight of Livewell is the Braintree District Health and Wellbeing Panel and it is therefore proposed that the Panel carries out the management and delivery of the Strategy.

The Braintree Health and Wellbeing Panel has been approached and is willing to take on the management of the Strategy. The Panel has also suggested that it would set up a steering group to oversee the development of the action plan to deliver the Strategy.

#### **Recommended Decision:**

1. To endorse the Bewell Strategy.
2. To endorse Braintree District Council's role in the delivery of the Strategy which will include the contribution of the appropriate resources towards achieving the outcomes of the Strategy.

3. Approve the proposal that the Strategy will be owned by the Braintree District Health & Wellbeing Panel.

**Purpose of Decision:**

To confirm the Council's support for increasing the levels of activity in the District to enable our residents to be healthy and livewell.

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

<b>Financial:</b>	<p>Funding for the delivery of the strategy will be predominantly via Active Essex and Public Health funding which has already been identified.</p> <p>The Council's largest contribution towards the Strategy is the Leisure Management Contract it has with Fusion Lifestyle to manage the Council's leisure facilities. This contract is due to come to an end in 2021 and, depending on the outcome of negotiations, there may be a possible financial impact on the Council, therefore work is already underway into a mid-contract review of the Fusion Contract.</p> <p>Should there be a requirement for the Council to fund new initiatives arising out of the Strategy, then a business case will be prepared for the normal decision making process to take place.</p>
<b>Legal:</b>	No issues that require addressing have been identified.
<b>Safeguarding:</b>	None at this stage. Individual projects that do contribute to the Strategy will consider any safeguarding implications at the design stage.
<b>Equalities/Diversity:</b>	<p>The Strategy will help to make participation in sport and physical activity a regular habit for many more people from all areas of the local community, regardless of age, disability, gender, gender identity, race, religion or belief and sexual orientation. This will be done by ensuring the delivery of inclusive sporting opportunities in the ways and places that people want.</p> <p>This will benefit local residents through the enjoyment of physical activity and the wider benefits that it can bring, including improved public health, happiness and</p>

	wellbeing, economic benefits, and stronger and safer communities.
<b>Customer Impact:</b>	The aim of the Strategy is to improve the health and wellbeing of all our residents.
<b>Environment and Climate Change:</b>	No discernible impact on the environment or climate change.
<b>Consultation/Community Engagement:</b>	The Strategy has been formulated through an extensive consultation process. We will need to consider how we engage with communities, groups and businesses in the District going forward.
<b>Risks:</b>	None at this stage. Individual projects that do contribute to the Strategy will have to consider any risks at the design stage.
<b>Officer Contact:</b>	Lee Crabb
<b>Designation:</b>	Head of Environment Heritage & Leisure
<b>Ext. No:</b>	2227
<b>E-mail:</b>	Lee.crabb@braintree.gov.uk



# bewell strategy

2018-2021

[www.livewellcampaign.co.uk](http://www.livewellcampaign.co.uk)

Prepared by Braintree District Council





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Everyone benefits from being active for their physical and mental wellbeing, that's why making regular activity part of our residents daily lives underpins the Bewell Strategy.

Active Essex has set a target to get 1 million Essex residents active by 2021, in the Braintree District If we want to contribute towards this target we need to encourage a further 4,624 people into an active lifestyle.

We know that most people (76%) in our district do not participate in enough physical activity to benefit their health and one in five deaths in Braintree's 40-79 year olds are preventable if residents followed the Governments guidelines for physical activity. In our District over half of our adult population (67%) are classed as being overweight or obese and 33% of children leaving junior school will be overweight. Physical activity has an important role to play in the prevention of much of this. Collectively working together with our partners focusing our efforts on the priorities contained in the strategy we can have the greatest impact on our residents health.

.....

## OUR STRATEGY FOCUSES ON **FOUR** PRIORITIES:

### 1. MOVE



Increase activity –more people in our district being active to improve their physical and mental wellbeing.

### 2. COMPETE



Increase sport engagement – develop a high quality sport infrastructure locally to enable individuals and teams to achieve their sporting ambitions.

### 3. PROVIDE & ENABLE



The built and natural environment – we will work to ensure we have the right facilities in the right places now and in the future when our population grows.

### 4 ENGAGE & ACTIVATE



Engage and change behaviour – inspire people to make the change from inactive to active and maintain that change by building physical activity and improving diet into their everyday lifestyle.

**bewell strategy**

## IN THE BRAINTREE DISTRICT

Adult population

**150,360**

39,695 (26.4%) are  
classed as being inactive



## ACTIVE ESSEX TARGET

Get **1 million** Essex  
Residents active by 2021  
Our part of that target is  
to encourage a further 4,624  
residents to sustain an  
active lifestyle

## GOVERNMENT RECOMMENDATIONS

**Adults** - 30 minutes of moderate  
physical activity 5 times per week

**Children and young people**

**(5-18 year olds)** - 1 hour per day

**Under 5's** - minimum 3 hours per day





# MOVE

Increase activity - more people in our district being active and participating in sport to improve their physical and mental wellbeing.

## WE WILL:

Work with our partners to increase the number of people taking part in physical activity and sport by:

- ♥ Ensuring that information on sports and activity is easy to find and promoted
- ♥ Promote the use of green open space and seek opportunities to run events to increase participation
- ♥ Helping all school aged children in our district enjoy a hours physical activity every day
- ♥ Provide a multi partner Livewell website to hold information on all that is available locally to improve health and wellbeing

## TO:

- ♥ Increase activity levels amongst our residents
- ♥ More people use our green open space for exercise and leisure activity improving their health and wellbeing
- ♥ Increase the number of children taking part in an hours activity a day
- ♥ Support the local health system by reducing the number of people suffering from ill health associated with inactivity



# COMPETE

Increase sport engagement – develop a quality sport infrastructure locally to enable individuals and teams to achieve their sporting ambitions.

## WE WILL:

- ♥ Ensure pathways exist to identify and nurture talented athletes, coaches and officials
- ♥ Encourage, support and reward volunteers
- ♥ Create an environment that supports the development and sustainable growth of clubs and groups who provide physical activity and sport opportunities

## TO:

- ♥ Enable athletes, coaches and officials to achieve their sporting goals
- ♥ Ensure volunteers feel valued and continue to play a vital role in delivering sport and activities in the local community
- ♥ Ensure clubs and groups continue to provide sporting opportunities and the district is home to a diverse range of sport and physical activity based programmes.



# PROVIDE & ENABLE

The built and natural environment - we will work to ensure we have the right facilities in the right places now and in the future when our population grows.

## WE WILL:

- ♥ Deliver facility provision in our District through innovative, strong, long term partnerships with providers
- ♥ Facilitate diverse and affordable activities for underrepresented groups
- ♥ Secure funding to provide a diverse and appealing range of local and affordable sporting and physical activity opportunities are available

## TO:

- ♥ Ensure residents have access to facilities to encourage more participation in physical activity and sport.
- ♥ Ensure more people use the facilities on offer to improve their health and wellbeing



# ENGAGE & ACTIVATE

Engage and change behaviour - inspire people to make the change from inactive to active and maintain that change by building physical activity into their everyday lifestyle.

## WE WILL:

- ♥ Promote the benefits of being active and encourage people and families to take responsibility for their own health and wellbeing by leading active lifestyles
- ♥ Break down barriers or resistance to physical activity
- ♥ Educate in the positive effects of physical activity to improve health and wellbeing
- ♥ Run 'behaviour change' campaigns linked to increasing activity

## TO:

- ♥ Influence positive behaviour change which leads to activity becoming part of residents everyday lives
- ♥ Residents are easily able to access information and act on the advice provided
- ♥ More informed residents who take responsibility for their own health & wellbeing

# FACILITIES IN THE DISTRICT



**18**  
SWIMMING POOLS



**11**  
ARTIFICIAL PITCHES



**26**  
TENNIS  
COURTS



**214**  
GRASS  
PITCHES



**27**  
SPORTS HALLS

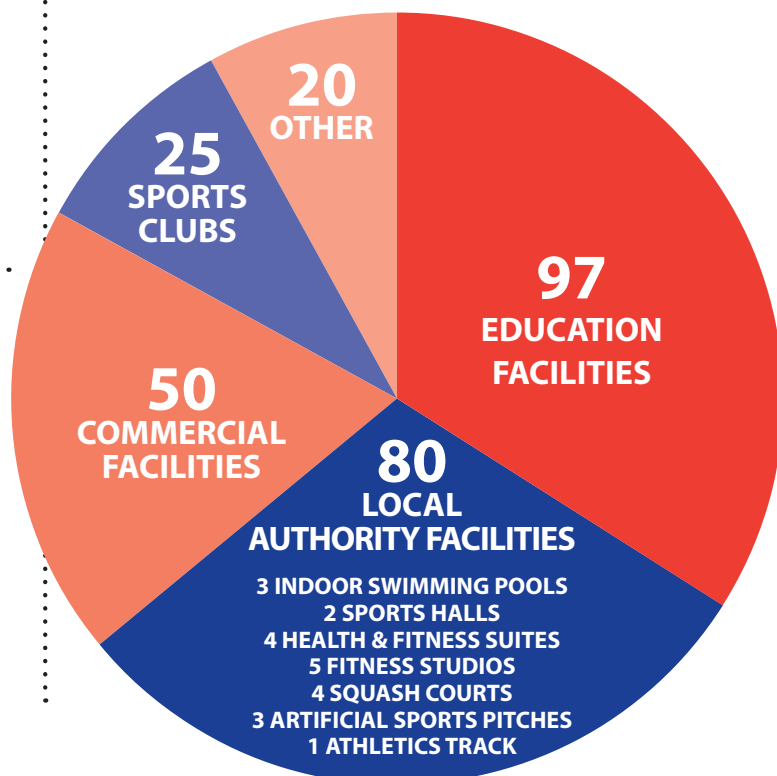


**31**  
PARKS AND  
OPEN SPACES



**20**  
PLAY AREAS/  
YOUTH  
FACILITIES

## FACILITY OWNERSHIP:



# HOW WE WILL DELIVER THE STRATEGY

The Bewell Strategy is a four year plan which will be delivered together with our partners: Active Braintree, Active Essex, MECCG, Essex County Council Public Health & Education and Fusion Lifestyle, through the production and implementation of an annual action plan. Responsibility for shaping the strategy, delivering its objectives and monitoring its impact will rest with a steering group made up of the Braintree District Health & Wellbeing Panel. Annual delivery plans will be produced each year and these will also be monitored by the steering group.

A further review of this strategy will take place in 2019/20 for the next 4 year period 2021/25.

## MEASURING SUCCESS

### BY 2021 WE WILL:

- ♥ Achieve at least 2.5% increase in adults being active for 150 minutes per week  
Baseline 57% - Target 60.5 %
- ♥ Achieve at least 3.1% decrease in adults not being active for at least 30 minutes per week  
Baseline 26.4% Target 23.3%  
This roughly equates to 4,624 more residents taking part in sport or physical activity for 30 minutes per month.
- ♥ Increase the number of children and young people who take part in physical activity for more than 1 hour per day by 5%  
Baseline 28% Target 33%
- ♥ Increase the number of children under 5 who exercise 5 times or more per week  
Baseline 37% Target 42%

2018 - 2021





Council's 2017/18 Accounts Closure		Agenda No: 10a
Portfolio	Finance and Performance	
Corporate Outcome:	A high performing organisation that delivers excellent and value for money services Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor David Bebb, Cabinet Member for Finance and Performance	
Report prepared by:	Trevor Wilson, Head of Finance	
Background Papers:	Public Report	
Financial Services' 2017/18 Accounts Closure files <a href="#">Quarterly Performance Monitoring reports for 2017/18 to Cabinet</a>	Key Decision: No	
Executive Summary:		
Background		
<p>The Council's accounts for the financial year 2017/18 are currently being finalised for sign off by Chris Fleetham, Section 151 Officer; required to meet the deadline of 31<sup>st</sup> May 2018.</p> <p>Under the Financial Procedure Rules of the Constitution requests for unspent revenue budgets to be carried forward to the following year must be agreed by the Cabinet.</p> <p>This report is presented earlier than previous years as the external audit of the Council's accounts is scheduled to commence on 4<sup>th</sup> June 2018 this is six weeks earlier than last year and the Cabinet decision forms part of the background papers presented to the auditors.</p>		
Provisional Outturn		
<p>The provisional revenue outturn for 2017/18 is a net positive variance against budget of £782,300. This consists of positive variances on income of £491,700 and on expenditure of £290,600. The overall variance will be reduced by the value of unspent 2017/18 budgets which are agreed to be carried forward to 2018/19.</p>		
Carry Forward requests and transfers to Earmarked Reserves		

Requests to carry forward unspent budgets and transfers to earmarked reserves are for one-off spend and do not add to the base budget. A schedule of the requests to carry forward unspent budgets to 2018/19 and additions to earmarked reserves is attached in the appendix to this report.

A summary of the requests and recommended approvals is provided in the table below:

	<b>Request</b>	<b>Carry Forward to 2018/19</b>	<b>Earmarked Reserve</b>	<b>Transfer to unallocated balance</b>
Carry Forwards from prior years	£215,057	£165,645	0	£49,412
Unspent 2017/18 Budgets	£513,455	£88,300	£425,155	0

On the basis that the carry forward requests totalling £88,300 are approved the net positive variance for 2017/18 is reduced to £694,000.

### **Delivery of Strategic Investments**

An additional resource allocation of £142,000 per annum was agreed in the 2017/18 Budget to engage support for capital project delivery.

The Strategic Investment Team is currently working on a number of significant investments: the largest and most advanced being the Manor Street development, which is the subject of a separate report on this meeting agenda, but there are a number of other complex projects that need driving forward and managing, notably establishing a Housing Development Company, Great Notley Employment Site, Witham Enterprise Centre, I-Construct Innovation Centre, Premdor Healthcare Facility and Millennium Way Slip Roads.

Based on the current resources in the team it is considered that a number of these projects cannot be brought forward to delivery. It is proposed that a full business case on the resource requirements to deliver the Council's ambitious programme will be developed and presented later during 2018. However prior to receiving this business case it is important to bring in additional resource during this transitional period to ensure momentum is maintained.

Work has commenced on the business case and this has included some initial work on a new structure for Strategic Investment. Further work is required in respect of this ahead of presenting the business case to Cabinet, however there is an acute business need in terms of delivery of the projects and management of the team/planning for change required. Under the transitional arrangements it is proposed to provide for the replacement of one of the current consultants, who leaves in May, by engaging consultants to two new posts, of Head of Strategic Investment and Commercial Project Manager. The transition arrangements will be for a maximum period of twelve months and will start in June 2018.

The estimated additional cost is £269,460. The Great Notley employment site budgets approved by Cabinet includes an allowance of £100,000 for the development of the business case and £50,000 of this is proposed for direct Project Manager costs; the remaining £50,000 will cover specialist advice required.

It is proposed that a supplementary budget of £219,460 be agreed from the unallocated balance in 2018/19.

**Recommended Decision:**

That Cabinet:

- a) Agrees the carry forward requests and transfers to earmarked reserves as detailed in the Appendix to this report;
- b) Agrees to the transitional staffing arrangements for the Strategic Investment Team for a 12 month period; and
- c) Recommends to Full Council the approval of a supplementary budget of £219,460 in 2018/19 to fund the transitional staffing arrangements for the Strategic Investment Team.

**Purpose of Decision:**

To gain approval of requests to carry forward unspent budgets from 2017/18 to 2018/19 and of specific additions to earmarked reserves in order that these can be incorporated in the Council's 2017/18Accounts prior to submission to the external auditor.

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

<b>Financial:</b>	<p>The provisional revenue outturn for 2017/18 is a net positive variance against budget of £782,300. Requests to carry forward unspent 2017/18 budgets totalling £88,300 have been received. If agreed this will reduce the positive variance for the year to £694,000.</p> <p>The following requests are also included in the report but do not impact on the variance for the year:</p> <ul style="list-style-type: none"> <li>• The value of balances remaining from previous year's carry forwards is £215,057; of this requests to carry forward to 2018/19 total £165,645 with £49,412 to be returned to the unallocated revenue reserve.</li> <li>• Transfers to earmarked reserves total £425,155.</li> </ul> <p>In addition, a supplementary budget of £219,460 in 2018/19 is requested to fund the transitional staffing arrangements for the Strategic Investment Team. This will be met from the Unallocated revenue balance.</p>
<b>Legal:</b>	Authorisation to carry forward unspent budget from one financial year to the next must be authorised by the Cabinet – Section 2.7.1 of the Financial Procedure Rules of the Constitution.
<b>Safeguarding:</b>	There are no safeguarding issues raised by this report.
<b>Equalities/Diversity:</b>	There are no Equalities/Diversity issues raised by this report.
<b>Customer Impact:</b>	Not applicable.
<b>Environment and Climate Change:</b>	There are no Environment and Climate Change issues raised by this report.
<b>Consultation/Community Engagement:</b>	Undertaken for projects when required, e.g. transfer of facilities to a parish council.
<b>Risks:</b>	Budgets carried forward to 2018/19 are not spent as proposed and anticipated outcomes may not be achieved.
<b>Officer Contact:</b>	Trevor Wilson
<b>Designation:</b>	Head of Finance
<b>Ext. No:</b>	2801
<b>E-mail:</b>	Trevor.wilson@braintree.gov.uk

**Prior Year Carry Forwards and Unspent 2017/18 Budgets - Request to Carry Forward or add to Earmarked Reserve**

**APPENDIX**

Business Plan/Service	Prior Year Balances			2017/18 Requests to C/Fwd Unspent Budgets	Total All Years	Total All Years:			Reason for Request	Source of Unspent Budget/ Financing
	Agreed Budgets B/Fwd	Net Movement in year	Balance Remaining			Transfer to Unallocated Balance	Carry Forward to 2018/19	Transfer to Earmarked Reserve		
	£	£	£	£	£	£	£	£		
<b>Prior Year Carry Forward Balances</b>										
<b>Financial Services</b>										
Payroll/HR System	22,000		22,000		<b>22,000</b>		22,000		Costs of implementing the MidlandHR Payroll/HR system, in conjunction with Colchester BC and Epping Forest DC. A number of invoices are still in dispute and awaiting resolution.	Payroll/HR System
<b>Governance</b>										
Corporate Business Systems	50,000		50,000		<b>50,000</b>		50,000		Funding provided to employ project management capacity to support work on information management. Management Board agreement to allocate funding to employ an officer, for a two-year period, to assist with the ongoing work regarding GDPR monitoring and compliance.	Governance/ Business Solutions
<b>Marketing &amp; Communications</b>										
Marketing and Communications	15,000	-5,400	9,600		<b>9,600</b>		9,600		Funding requested to enable the apprentice in the team to undertake her level 3 apprenticeship and to continue to provide valuable support to the team. Budget now covers the period September 2017 to March 2019.	Marketing and Communications
<b>Operations</b>										
Transfer of rural facilities, e.g. Car Parks, Toilets etc., to Parish Councils	16,750	0	16,750		<b>16,750</b>		16,750		The transfer of the car park at Hadfelda Square to Hatfield Peverel Parish Council is close to completion.	Operations
Roadside Features	5,000	0	5,000		<b>5,000</b>		5,000		Roundabout Maintenance - Reinvestment of sponsorship income to enable a continuing maintenance programme on roundabouts and strategic gateways.	Roadside Features
Cordons Farm	12,590	0	12,590		<b>12,590</b>		12,590		Budget required for joint work with ECC that may require us to jointly fund some external work and for the review and rewriting of the specification to tender the haulage for which some external support will be required.	Cordons Farm
Cemeteries	12,000	-2,588	9,412		<b>9,412</b>	9,412			Return balance of reserve to unallocated revenue balance	Cemeteries
<b>Sustainable Development</b>										
Landscape Services	22,000	0	22,000		<b>22,000</b>	22,000			Originally requested as a result of a vacancy to support the Landscapes team in securing additional ecology expertise to support their role in providing advice on planning applications. Issue resolved without recourse to budget brought forward therefore return to the unallocated revenue balance.	Landscape Services Salaries/ Planning Income
Development Management	75,858	-26,153	49,705		<b>49,705</b>		49,705		Original request was for funding of an 18 month post for a Highways Planner by ECC. Service Level Agreement arranged with ECC for part-time support which will enable the service to be received for an overall period of approximately 3 years.	Planning income

**Prior Year Carry Forwards and Unspent 2017/18 Budgets - Request to Carry Forward or add to Earmarked Reserve**

**APPENDIX**

Business Plan/Service	Prior Year Balances			2017/18 Requests to C/Fwd Unspent Budgets	Total All Years	Total All Years:			Reason for Request	Source of Unspent Budget/ Financing
	Agreed Budgets B/Fwd	Net Movement in year	Balance Remaining			Transfer to Unallocated Balance	Carry Forward to 2018/19	Transfer to Earmarked Reserve		
Land Charges, Planning Policy and Development Management	£ 18,000	£ 0	£ 18,000	£	£ 18,000	£ 18,000	£	£	Engagement of a temporary Clerical Support Officer (12 month contract) to support additional pressures in Land Charges and the wider Directorate. Return funds to the unallocated revenue balance as post was actually funded within existing budget.	Planning income
<b>Total - Prior Year Carry Forwards</b>	<b>249,198</b>	<b>-34,141</b>	<b>215,057</b>	<b>-</b>	<b>215,057</b>	<b>49,412</b>	<b>165,645</b>	<b>-</b>		
<b>2017/18 Underspends</b>										
<b>Business Solutions</b>										
Corporate Projects and Web				18,660	<b>18,660</b>		18,660		Funding to enable apprentice to continue in the service and progress to level 3. Apprentice will provide valuable support on the Digital Strategy and Digital Plan. The apprenticeship will be for a period of up to 18 months from September 2018.	Business Solutions
ICT				55,000	<b>55,000</b>			55,000	Budgets in respect of contingency support for the Siebel system, and improvements to the server room were not fully expended in 2017/18 but will still be required in 2018. Income received from team undertaking external work will support delivery of key digital strategy objectives.	ICT
Customer Services				7,800	<b>7,800</b>		7,800		Funding to enable apprentice to continue in the service and progress to level 3. Apprentice will provide support on Customer Services. Extension agreed in September 2017 and reported in quarterly monitor.	Customer Services
Performance and Improvement				102,740	<b>102,740</b>			102,740	To employ a Commercial Manager post for two year period to help deliver Roadmap 2020. Agreed by Management Board with funding provided from savings accrued in year as a result of temporary appointments to Chief Executive and Corporate Director posts. Commercial Manager post filled with effect from February 2018.	Corporate Management/ Heads of Service salaries
<b>Community Services</b>										
Community Projects				3,370	<b>3,370</b>		3,370		Unable to appoint to apprentice post in final quarter of year. Request to carry forward unspent budget to enable appointment as part of corporate apprenticeship recruitment process in 2018.	Community Projects
<b>Corporate Management</b>										
Civic and Chief Executive				23,370	<b>23,370</b>		23,370		To increase hours of the PA to Chairman and Corporate Management Team post to full-time for a period of two years. Request agreed by Management Board and impact in 2017/18 reported in quarterly performance monitor report. Appointment made and commences end of May 2018.	Chief Executives

**Prior Year Carry Forwards and Unspent 2017/18 Budgets - Request to Carry Forward or add to Earmarked Reserve**

**APPENDIX**

Business Plan/Service	Prior Year Balances			2017/18	Total All Years	Total All Years:			Reason for Request	Source of Unspent Budget/ Financing
	Agreed Budgets B/Fwd	Net Movement in year	Balance Remaining	Requests to C/Fwd Unspent Budgets		Transfer to Unallocated Balance	Carry Forward to 2018/19	Transfer to Earmarked Reserve		
	£	£	£	£	£	£	£	£		
<b>Financial Services</b>										
Housing Benefits and Local Council Tax Support				85,130	<b>85,130</b>			85,130	Balance of New Burdens Grant funding received in year from Government including implementing and administration of welfare reforms, Fraud & Error Reduction Incentive Scheme, Real Time Information and Right Benefit, Discretionary Housing Payments. Grants ring-fenced for specified purposes only.	Grant income
Payroll/HR System				30,000	<b>30,000</b>			30,000	Transfer of underspend against the Payroll/HR system budget to the Financial Systems reserve. On-going development is required with the system with further roll-out of employee and manager self-service covering areas such as recruitment, overtime & expenses, learning & development, and performance management; along with development of management reporting. To complete this work will require external support/ training, as well as acquiring additional functionality.	Payroll/HR System
Financial Services				25,000	<b>25,000</b>		25,000		Request to use unspent salary of Accountancy Assistant currently on a sabbatical to enable an Apprentice to progress to Level 3 AAT qualification – funding required for salary and related expenses/ additional training. The apprenticeship will be for a period of up to 18 months from September 2018.	Finance Salaries
Audit, Insurance and Fraud				7,800	<b>7,800</b>		7,800		Funding to enable apprentice to continue in the service and progress to level 3. Apprentice is providing support on Council Tax fraud investigations and to audit service. Extension commenced in September 2017 and reported in quarterly monitor.	Finance Salaries
Treasury Management				135,285	<b>135,285</b>			135,285	Overachievement of interest received against budget due mainly to average balance invested being higher than estimated. Transfer to Treasury Management Equalisation Reserve to provide for potential shortfalls against budget through reductions in interest or principal and accounting methodology changes (IFRS9) in future years.	Treasury Management
<b>Governance</b>										
Elections/Electoral Registration				17,000	<b>17,000</b>			17,000	Balance of Home Office grant funding received in 2017/18. Grant is ring-fenced for Elections/Electoral Registration	Elections/Electoral Registration
<b>Operations</b>										
Traffic Management				2,300	<b>2,300</b>		2,300		Payments outstanding in relation to traffic management costs for work (litter-picking) that should have been carried out in March, but had to be deferred until April owing to the inclement weather (snow).	Traffic Management

**Prior Year Carry Forwards and Unspent 2017/18 Budgets - Request to Carry Forward or add to Earmarked Reserve**

**APPENDIX**

Business Plan/Service	Prior Year Balances			2017/18	Total All Years	Total All Years:			Reason for Request	Source of Unspent Budget/Financing
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	£	£	£	£	£	£	£	£		
<b>Total - 2017/18 Carry Forwards</b>	-	-	-	513,455	513,455	-	88,300	425,155		

Appointments to Outside Bodies		Agenda No: 11a
Portfolio	Overall Corporate Strategy and Direction	
Corporate Outcome:	Delivering better outcomes for residents and businesses and reducing costs to taxpayers	
Report presented by:	Councillor Graham Butland Leader of the Council	
Report prepared by:	Ian Hunt, Head of Governance	
Background Papers:	Public Report	
	Key Decision: No	
<a href="#">Report and Minutes of Cabinet 15<sup>th</sup> June 2015, 23<sup>rd</sup> May 2016 and 15<sup>th</sup> May 2017.</a>		
Executive Summary:		
<p>At its meeting on 15<sup>th</sup> June 2015 the Cabinet made appointments to outside bodies for the four year term of the Cabinet.</p> <p>This report details a number of amendments/additions which are made for the remainder of the term of Cabinet. Appendix A of this reports shows the appointments confirmed by Cabinet for 2017/18 and Cabinet proposed amendments to those appointments for 2018/19.</p>		
Recommended Decision:		
<p>That Cabinet endorses the changes to Cabinets Outside Bodies appointments as detailed in the report.</p>		
Purpose of Decision:		
<p>To ensure appropriate representation on Outside Bodies.</p>		

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

<b>Financial:</b>	Members appointed to serve on outside bodies are entitled to claim expenses in accordance with the Member Allowance Scheme in attending meetings of the outside bodies as the Cabinet's representative. This will be met from the existing budget for Member Allowances.
<b>Legal:</b>	None arising out of this report.
<b>Safeguarding:</b>	None arising out of this report.
<b>Equalities/Diversity:</b>	None arising out of this report.
<b>Customer Impact:</b>	None arising out of this report.
<b>Environment and Climate Change:</b>	None arising out of this report.
<b>Consultation/Community Engagement:</b>	Relevant updates will be confirmed as appropriate to outside bodies following the decision of Cabinet.
<b>Risks:</b>	Appointments to bodies enable representation of views and the potential for decision making. There are limited impacts directly on the organisation.
<b>Officer Contact:</b>	Ian Hunt
<b>Designation:</b>	Head of Governance
<b>Ext. No:</b>	2629
<b>E-mail:</b>	<a href="mailto:Ian.Hunt@braintree.gov.uk">Ian.Hunt@braintree.gov.uk</a>

## **Proposed Amendments:**

### **1. Braintree District Citizens Advice Bureau Management Board:**

To appoint Councillor Mrs L Walters for the remainder of the Council's term.

### **2. Braintree District Highways Panel:**

To note the appointment during the year of Councillor Butland and Councillor Van Dulken together with the existing members Councillor Mrs M Cunningham, and Councillor Mrs S Wilson.

### **3. Braintree District Museum Trust:**

Further to the decision of Council on the 11<sup>th</sup> December 2017 the Council was due to reduce the number of appointments to the Braintree District Museum Trust to two Members. However, a subsequent request from the Braintree District Museum Trust requires the Council only to make a single appointment to the Trust. Councillor P Tattersley is to be appointed.

### **4. Essex Waste Partnership Board:**

To note the appointment during the year of Councillor R van Dulken.

### **5. Ignite:**

The Council has the ability to appoint two directors to the Board of Ignite. During the year the two Directors resigned from Ignite, and given the imminent winding up of Ignite it is not proposed to make any appointments at this time.

Cabinet Appointment to Outside Bodies for 2018/19

Outside Bodies	Appointment for 2018/19	Appointment for 2017/18	Change to appointment
Braintree District Business Leaders Board	Councillor T Cunningham	Councillor T Cunningham	No
Braintree District Citizens Advice Bureau Management Board	Councillor Mrs L Walters	Councillor Mrs S Wilson	Yes – Change of Member
Braintree District Local Highways Panel	Councillors G Butland R van Dulken Mrs M Cunningham and Mrs S Wilson	Councillors J Abbott, Mrs M Cunningham, R Mitchell and Mrs S Wilson	Yes – Change of Members
Braintree District Museum Trust	Councillor P Tattersley		Yes – further to a reorganisation of the Trust Documentation only one appointment is available.
Community 360	Councillor Mrs S Wilson	Councillor Mrs S Wilson	No
Community Housing Investment Partnership Board (CHIP)	Councillors G Butland, Lady Newton and Mrs W Schmitt	Councillors G Butland, Lady Newton and Mrs W Schmitt	No
Community Safety Partnership	Councillor Mrs W Schmitt	Councillor Mrs W Schmitt	No
District Council Network	Councillor D Bebb	Councillor D Bebb	No
East of England Local Government Association (EELGA)	Councillor G Butland	Councillor G Butland	No
Essex County Council's Health and Overview and Scrutiny Committee	Councillor J Beavis	Councillor J Beavis	No

Outside Bodies	Appointment for 2018/19	Appointment for 2017/18	Change to appointment
Essex Flood Partnership Group	Councillor Mrs W Schmitt	Councillor Mrs W Schmitt	No
Essex Rural Partnership	Councillor P Schwier	Councillor P Schwier	No
Essex Waste Partnership Board	Councillor R van Dulken	Councillor R Mitchell	Yes – Change in Member
Freeport Braintree Consultative Group	Councillors M Banthorpe and T Cunningham	Councillors M Banthorpe and T Cunningham	No
Great Notley Country Park – Joint Governance with Essex County Council (also known as Joint Governance – Great Notley Country Park Partnership Board)	Councillors G Butland and Mrs W Schmitt	Councillors G Butland and Mrs W Schmitt	No
Haven Gateway Partnership	Councillor T Cunningham	Councillor T Cunningham	No
Ignite Business Enterprise	No Appointment due to the imminent winding up of Ignite.	Councillor T Cunningham and Alison Andreas (community representative)	Yes
Local Government Association General Assembly	Councillor G Butland	Councillor G Butland	No
Local Government Information Unit	Councillor P Tattersley	Councillor P Tattersley	No
North Essex Garden Communities Limited (NEGC)	Councillor G Butland and Councillor Mrs L Bowers-Flint (Deputy)	Councillor G Butland and Councillor Mrs L Bowers-Flint (Deputy)	No
North Essex Parking Partnership Joint Committee	Councillor R van Dulken	Councillor R van Dulken	No
Police and Crime Panel	Councillor G Butland (Deputy) and Mrs W Schmitt	Councillor G Butland (Deputy) and Mrs W Schmitt	No

Outside Bodies	Appointment for 2018/19	Appointment for 2017/18	Change to appointment
Stansted Airport Consultative Committee	Councillor H Johnson	Councillor H Johnson	No
Superfast Essex Steering Board	Councillor T Cunningham and Councillor K Bowers (Deputy)	Councillor T Cunningham and Councillor K Bowers (Deputy)	No
Youth Strategy Group	Councillor T Cunningham	Councillor T Cunningham	No

<b>Cabinet Member Decisions made under delegated powers</b>		<b>Agenda No: 12</b>
<b>Portfolio</b> See body of report <b>Corporate Outcome:</b> <b>Report presented by:</b> Not applicable – report for noting <b>Report prepared by:</b> Emma Wisbey, Governance and Member Manager		
<b>Background Papers:</b>		<b>Public Report</b>
Cabinet Decisions made by individual Cabinet Members under delegated powers.		<b>Key Decision: No</b>
<b>Executive Summary:</b>  All delegated decisions taken by individual Cabinet Members are required to be published and listed for information on next Cabinet Agenda following the decision.  Since the last Cabinet meeting the following delegated decisions have been taken (details as at time of decision):  <b>Councillor David Bebb - Cabinet Member for Finance and Performance. Decision taken on 31<sup>st</sup> January 2018</b>  To increase the cap on the Council's Discretionary Rate Relief Scheme from £4,000 to £9,500  <b>Councillor Mrs Wendy Schmitt – Cabinet Member for Environment and Place. Decision taken on 27<sup>th</sup> February 2018</b>  To approve the allocation of an additional £30,000 discretionary funding, repayable upon sale or transfer of the property, to allow disabled facility grant works to be undertaken at a property in Braintree including party wall agreement.  <b>Councillor Mrs Wendy Schmitt – Cabinet Member for Environment and Place. Decision taken on 6<sup>th</sup> March 2018</b>  To confirm the decision amend the refundable deposits (damage Waiver) for large commercial events e.g. circuses and fun fairs held on the Council's public open spaces from £324.00 to £1030.00  To defer the start of the booking season for large commercial events to 1 <sup>st</sup> July each year.		

**Councillor Mrs Lynette Bowers-Flint – Cabinet Member for Planning and Housing.  
Decision taken on 9<sup>th</sup> March 2018**

To update the Council's Housing Allocations Policy as set out in the attached documents to take into account the statutory provisions of the Homeless Reduction Act 2017.

The amended Allocations Policy will come into effect on 1<sup>st</sup> April 2018.

**Councillor Mrs Wendy Schmitt – Cabinet Member for Environment and Place.  
Decision taken on 12<sup>th</sup> March 2018.**

To amend the following Car parking Tariffs as follows:

All Short Stay Car Parks (except Station Approach Braintree Car Park) Day Time – Over 6 Hrs from £6.50 to £6.00

All season Tickets (except from Lockrams Lane Car Park, Witham) from £135 to £145 per quarter.

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](http://www.braintree.gov.uk)

**Recommended Decision:**

For Cabinet to note the delegated decisions.

**Purpose of Decision:**

The reasons for decision can be found in the individual delegated decision.

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

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