

# THIRD QUARTER PERFORMANCE MANAGEMENT REPORT

1ST OCTOBER 2020 TO 31ST DECEMBER 2020

## Contents

<b>Section 1: Introduction and Summary</b>	<b>page</b>
• Purpose of the Report	3
• Summary of the Projects	3
• Summary of the Performance Indicators	4
<b>Section 2: Delivering our Corporate Strategy</b>	<b>5</b>
Connecting People and Places	5
Enhancing our Environment	7
Supporting our Communities	9
Promoting Prosperity	11
Delivering and Innovating	13
<b>Section 3: Managing the business</b>	
• Performance Indicators in detail	15
Connecting People and Places	15
Enhancing our Environment	15
Supporting our Communities	15
Promoting Prosperity	16
Delivering and Innovating	17
• Complaints	18
• Our Organisation	19
• Health and Safety	20
• Financial Performance	21
Financial Position Statement	21
Capital Investment	34

## Section 1: Introduction and Summary






### Purpose of the Report

The purpose of the report is to demonstrate the performance of the Council at the end of the third quarter in relation to the publication of the 'Annual Plan 2020/21'. This sets out the key activities and measures used to check our performance for the year and along with the Corporate Strategy 2020-2024 sets out the priorities we are working towards. Further detail is given in relation to a set of business performance indicators covering finances, customer focus, our people and health and safety.






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

### Summary of the Corporate Projects current position for the end of the third quarter

The following table provides updates for the end of the third quarter in relation to the key activities in the 'Annual Plan 2020/21'




Corporate Priorities	Status of projects and actions				
					
Connecting People and Places	0	7	3	0	0
Enhancing our Environment	1	5	2	0	1
Supporting our Communities	0	12	2	0	0
Promoting Prosperity	0	10	0	0	0
Delivering and Innovating	1	7	2	0	0
<b>TOTAL</b>	<b>2</b>	<b>41</b>	<b>9</b>	<b>0</b>	<b>1</b>

#### KEY:




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

## **Summary of the Performance Indicators position for the end of the third quarter**

The following table shows the performance for the end of the third quarter in relation to the quarterly reported Performance Indicators that have targets set as defined in the 'Annual Plan 2020/21'.

Corporate Priorities	Status of indicators			
				Data Only
Connecting People and Places	2	0	0	1
Enhancing our Environment	3	0	1	0
Supporting our Communities	0	0	1	4
Promoting Prosperity	0	0	0	5
Delivering and Innovating	2	4	1	1
<b>TOTAL</b>	<b>7</b>	<b>4</b>	<b>3</b>	<b>11</b>

### KEY:

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

## **Summary Position**

The pandemic has disrupted local government in an unprecedented way that could not have been imagined a year ago and responding to the challenges arising from the pandemic has meant that we have had to adapt some of our normal services and redirect our resources. The pandemic has also impacted on our partners and whilst this has created new opportunities for discussions and partnership working, the focus remains on the pandemic and has therefore impacted on the delivery of some of our activities to deliver the priorities of our Annual Plan.

In the third quarter, 41 projects are on track and continue to progressing well. Nine projects have an amber status due to impact of the pandemic.

Targets have not been set for all our performance indicators this year due to the disproportionate impact the coronavirus is having. For the targets that remain, seven performance indicators have met or exceed target and seven performance indicators have missed their target. Three have missed target by less than 5% and three missed their target by more than 5%. The areas of underperformance are in relation to recycling rates (>5%), average waiting time for disabled facility grants (>5%), average call answering time in the Customer Service Centre (>5%), the percentage of complaints responded to within timescale (<5%), the collection rate for Business rates (<5%), the collection rate for Council Tax (<5%) and the percentage of invoices paid within 30 days (<5%).

## Section 2: Delivering our Corporate Strategy







### Actions carried out by Braintree District Council

Project description and comments	Status
<b>Develop the Braintree District Local Plan and provide a vision for the future growth of the district</b>	
The Planning Inspector's modifications, which have been subject to a recent public consultation received more than 400 comments. The Inspector has now confirmed that Section One of the Local Plan can be adopted and is found to be legally compliant and sound. Each authority will now work on their individual Section Twos of their Local Plans	
<b>Complete the pedestrianisation of Braintree Town Centre improving the attractiveness of the area and creating a safer and healthier environment</b>	
Work continues on pedestrianising the High Street which involves resurfacing of the High Street, Great Square and Market Place, installing trees, lighting, new modern street furniture, CCTV and Wi-Fi hotspots. The pedestrianisation scheme will help to encourage movement around the town centre, boost footfall and aid the town's recovery from the impact of the coronavirus pandemic.	
<b>Progress construction of the Victoria Square development creating a vibrant hub for the Braintree Town centre</b>	
Building work on the regeneration project is now well underway and continues to progress according to plan. A planning application to vary planning condition 2 has been submitted which includes the provision of public toilets.	
<b>Continue to work on the redevelopment of the entrance of Witham Town Park providing greater accessibility and improved public realm</b>	
The tender for the works to resurface the car park and the removal of the foundations if a previous building has now finished and the contract awarded. Works are due to start in the new year. Due to the delays incurred last summer, it is anticipated that additional time will be required to complete the works and a change control will be processed to amend the end date of the project if required	
<b>Enable to delivery of 150 affordable homes across the district</b>	
In the third quarter of the year, a total of 95 affordable homes have been delivered across the district bring the total for the year so far to 177	
<b>Support our town centres to open for business safely and recover from the impact of the Covid-19 pandemic</b>	
Prior to the second lockdown in November, activities to support the safe reopening of high streets and neighbourhood shopping areas across the Braintree district included daily	

patrols/monitoring of shopping areas, signage to remind shoppers to shop safely, provision of floor and window stickers to businesses reminding residents to keep a safe distance and wear a face covering and updated relevant businesses in respect of changes to legislation. These activities continued for the shops that were open during lockdown and Tier 4. In the run up to Christmas, a 'shop local' campaign was launched focussing on encouraging shoppers to support independent businesses and traders across the district by shopping online	
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## Actions carried out in partnership with others


Project description and comments	Status
<b>Invest in resource and connectivity to support business growth and expansion including the planning and delivery of highway schemes across the district</b>	
<p>This is a long term action and there are a number of highway schemes planned across the district and Braintree District Council and Essex County Council meet regularly to discuss delivery of the schemes.</p> <p>The scheme to extend the A120 to the A12 is included in the Governments latest Road Investment Strategy as a pipeline project that will undergo further analysis and design work for consideration for potential future investment. The proposals for improving this stretch road were initially developed by Essex County Council. This project has now been passed over to Highways England and we are currently carrying out a validation exercise of all the work that has been done. Once completed, the validation will establish if further work needs to be done in order to progress the scheme.</p> <p>Highways England are working their way through the design fixes with stakeholders for the widening of the A12 between junction 19 and junction 25 to ease congestion and cope with increasing traffic demands. A further public consultation will take place in 2021 to get feedback on the more detailed designs for the overall project. Surveys and ground investigations in the areas between junctions 19 and 25 of the A12 started in December and will carry on until mid-January 2021.</p>	
<b>Continue to support and monitor Superfast Essex in the delivery of Superfast Broadband across the district</b>	
<p>Installing the infrastructure required for Superfast Broadband has been impacted by the pandemic and delayed the completion of previously anticipated timescales set by Superfast Essex and their contractors. Currently 89% of the district are now able to access Superfast Broadband. Prioritisation is being given to customers who cannot access 30Mbps in order to support home working and schooling during the pandemic. Residents are able to check the work happening in their area by viewing interactive maps now available on the Superfast Essex website (<a href="http://superfastessex.org">superfastessex.org</a>)</p>	
<b>Continue to support NHS England to improve health facilities across the district</b>	
<p>The Mid Essex Clinical Commissioning Group is currently focused on responding to the pandemic. We continue to let them know we will support ongoing health projects particularly around the provision of health facilities in respect of the Livewell Hub as part of the regeneration scheme in Braintree Town, surgeries at Sible Hedingham, Silver End and Witham, but there is no further update at this time.</p>	
<b>Support our residents and businesses to develop the skills needed to support the economy</b>	
<p>The Government has issued its Winter Plan which includes a number of new and extended schemes to support skills development. This includes the Kickstart scheme which provides funding to employers to create job placements for 16 to 24 year olds on Universal Credit and the Restart scheme to help people find employment through training courses and local partnerships for people who have been out of work for more than 12 months, providing them with regular intensive support in finding work. The Government is also funding apprentices who have been made redundant and who are at least 75% of their way through their apprenticeship. This has allowed apprentices to continue on their</p>	

programme, putting them in a stronger position to secure new employment once they have completed their apprenticeship.	
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### Actions carried out by Braintree District Council

Project description and comments	Status
<b>Carry out improvements to our recreational open spaces including the provision of all-inclusive play facilities for young people to enjoy</b>	
The works have been awarded to carry out improvements to Albert Moss Recreational Gardens in Rivenhall, Bramble Road in Witham, Braintree and Bocking public gardens in Braintree and Notley Community Hall play area in Notley Green. Works are expected to commence early in the new year.	
<b>Investigate the provision of an eco-friendly woodland alternative to traditional burials at Braintree Cemetery in London Road</b>	
A feasibility study has been carried out which concluded that an eco-friendly woodland alternative to traditional burials is not suitable at Braintree Cemetery. However, the feasibility study has identified that there is additional capacity at the cemetery for traditional burials subject to drainage works being carried out.	
<b>Create gardens of remembrance at some of our cemeteries providing peaceful environments for families to visit</b>	
Due to the impact of the pandemic, the project has been unable to progress as the majority of the works need to be carried out during the planting season. It has been decided to delay this project until the next planting season in the Spring/Summer of 2021.	
<b>Protect further areas of public open space against unauthorised encampments</b>	
Works are now completed in three out of the four areas identified to install protection measures with works on the fourth area due to be completed by the end of March.	
<b>Respond to requirements from the Environment Bill in relation to waste and resources efficiency whilst supporting our climate change objectives</b>	
There have been no new consultations received in the third quarter. The Environmental Bill is now scheduled for the report stage in the House of Commons for late January. The Bill will then need to progress to the third reading before going to the House of Lords.	
<b>Research and trial alternative fuel vehicles for some of our front line services</b>	
A feasibility study has been undertaken to look at electricity charging points. Currently awaiting funding decisions around the Medium Term Financial Strategy and annual budget	

setting process before this can be progressed any further.	
<b>Raise awareness of duty of care and fines in relation to litter and waste offences through targeted campaigns</b>	
The Council continues to raise awareness through targeted campaigns on our social media channels and publishing information on our website of successful prosecutions in relation to litter and fly-tipping.	

### Actions carried out in partnership with others

Project description and comments	Status
<b>Trial anti-littering signage along some of our strategic routes across the district to discourage roadside littering.</b>	
In November, the Council placed anti-littering signs along stretches of roads that are currently classed as vehicle litter grot-spots. Working in partnership with Essex County Council as the Highways Authority, the signs will be trialled over the next 12 months at five locations and monitored by litter-picks, to see if they deter people from littering.	
<b>Review and update the Climate Change Local Strategy for the next four years focusing on the areas below to support the delivery of our 2030 targets through the Climate Change Working Group.</b> - Resources - Energy Use - Planning and Development - Transport - Council Assets and Operations - Natural Environment - Adapting to climate change	
A draft strategy is currently undergoing a review process before it goes to Full Council in March 2021 for debate and further consultation and the development of an Action Plan. This will address all the areas identified to support the delivery of our 2030 targets.	



# SUPPORTING OUR COMMUNITIES










## Actions carried out by Braintree District Council

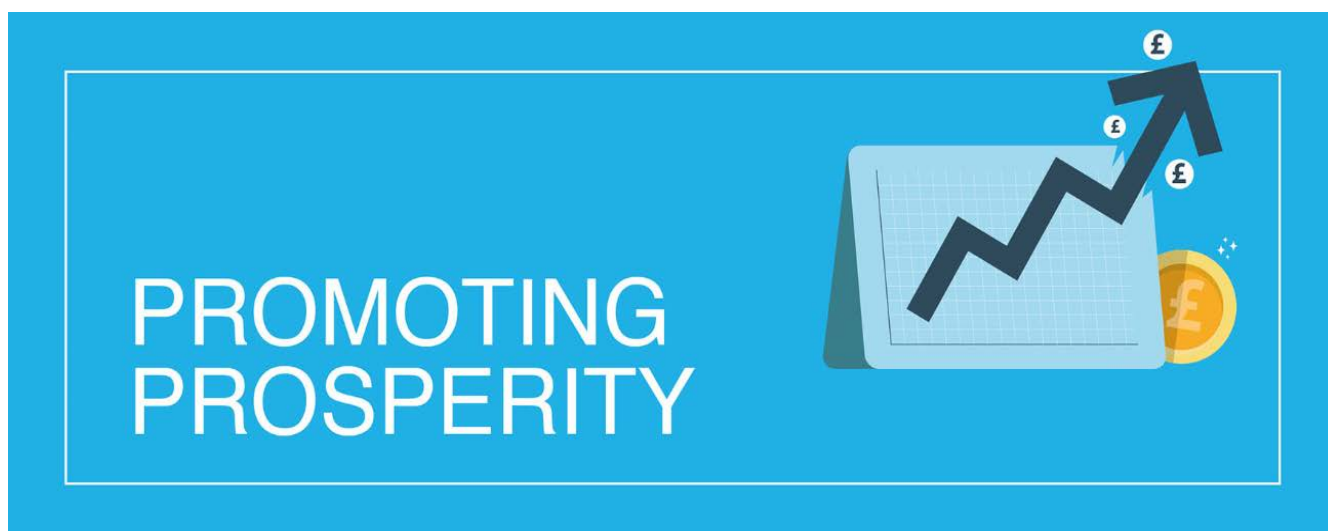
Project description and comments	Status
<b>Improve the sport facilities at Braintree Sports and Leisure Centre, creating high quality amenities for the community to use</b>	
The planned improvements to replace the 3G surface and refurbish the athletics track surface at Braintree Sports and Leisure Centre have been delayed and are currently on hold due the impact of the Coronavirus pandemic.	
<b>Provide a new footpath and resurface the rear of Rivenhall village hall to improve accessibility to a much used community building</b>	
The design plans for the provision of a footpath have been approved. Quotations for the works have been received and evaluated and the contract will be awarded in January.	
<b>Upgrade the CCTV in Halstead and Braintree using new technology to improve the effectiveness of the systems</b>	
A new digital switch to accommodate the digital cameras in Halstead has been installed by our CCTV maintenance company. Quotations have been received for replacing the digital cameras and the fibre optic lines have been ordered from BT.	
One camera in the town centre of Braintree has been replaced. Further upgrades will be carried out following completion of the pedestrianisation work which includes providing for the CCTV upgrade to ensure no further ground works are required.	
<b>Commence development of the 3G pitch at Halstead Leisure Centre</b>	
The previous delay in the signing of the leases has pushed this project back. A Cabinet report has been prepared to gain formal approval to proceed with the appointment of a contractor and allocation of the council's element of the work. The report will be going to Cabinet on the 8th February. Once approval is given, it is hoped that the work will start in March 2021.	

## Actions carried out in partnership with others

Project description and comments	Status
<b>Continue with Livewell Child initiatives to support families to live healthier lives and become more active</b>	
In the third quarter, the Livewell team have been looking at how to take a more virtual approach in encouraging children and families to lead healthier lifestyles working with BlitzFitMe to introduce an App covering physical activity, nutrition and mental health which	




allows schools to communicate with parents and engage as a community. One school signed up to using the App before the closure of schools in the third lockdown and we now need to determine the best approach to get other schools on board with the App.	
<b>Improve awareness of mental health services, identifying gaps in service provision and potential opportunities for partnership working</b>	
A Mental Health Workshop was held in October with presentations from Provide and Rethink around how the pandemic has affected their service and users. A meeting was held on 27th November with partners to discuss how to improve and target young people's mental health. A follow up meeting has been planned for January.	
<b>Work with communities to influence the planning of the area in which they live through the development of local neighbourhood plans</b>	
There are a number of local neighbourhood plans proceeding at various stages with support from the Rural Community Council for Essex (RCCE) and officers within the planning policy team. The Coggeshall Neighbourhood Plan has been examined by an independent examiner who concluded that with a few modifications, the plan meets all the necessary legal requirements and a date for the referendum will be announced in the new year.	
<b>Reduce the number of rough sleepers across the district by developing a range of support services</b>	
A new partnership has been formed between homeless charities Hope House and The Salvation Army and supported by local organisations Community 360, Phoenix Futures, First Stop Centre, Tesco and Braintree Community Safety Partnership, to offer help to those who are sleeping rough in the district. The 'Change that Counts' campaign was launched on Tuesday 18th December and not only provides those who are sleeping rough with support and services to help get them off of the street, but also aims to help members of the public understand how they can provide effective help. During the winter months, the Council also works in partnership with The Salvation Army to offer severe weather emergency provision (SWEP) when the night time temperature is predicted to be zero degrees or below for three or more consecutive nights to actively help anyone known to be sleeping rough. At our last count, there were no rough sleepers in the district.	
<b>Continue to develop a range of initiatives to address social isolation and loneliness across the district</b>	
Officers from the Council met with Witham Town Council as they currently have a task & finish group looking at social isolation and loneliness. The aim was to discuss the work that has previously been delivered across the district by ourselves and partners, what they have planned, future plans and whether they would be interested in working with us. We have invited them to join the social isolation and loneliness forum.	
<b>Continue to work with Community 360 to support volunteers across the district harnessing the energy of new volunteers</b>	
We are continuing our work with Community 360 as since the beginning of the pandemic there has been a 50% increase in demand for volunteers. Since April, Community 360 have recruited over 200 additional volunteers. A further recruitment drive for volunteers will take place in January to assist with the vaccination rollout.	
<b>Provide support and assistance to the most vulnerable people across our district in response to Covid-19 through the Community Hub</b>	
The team continues to deal with referrals received on the Priority Me system. During the second lockdown in November, the Council received information on individuals within the district who were deemed newly clinically extremely vulnerable. In total, 92 people were contacted to discuss support and assistance requirements.	
<b>Support our communities and local organisations to respond to issues that have emerged from the Covid-19 pandemic increasing long term strength and resilience</b>	
The Council has received funding for emergency assistance and distributed this to a number of groups across the district to support those most vulnerable with food and essential supplies. An information leaflet on accessing foodbanks, hardship funds, warmer homes scheme etc. has been produced and distributed via schools and our partners to individuals and families throughout the winter period. Additional promotion has taken place	

on our social media platforms. We have also continued to support our partners in the delivery of the holiday hunger scheme for children and young people during the school holidays.	
In the second quarter, the Councillor Community Grant scheme awarded 19 grants to the value of £18,196. This brings the total number of grants awarded for this year to 44 with an overall spend to date of £45,475.	▶






### Actions carried out by Braintree District Council

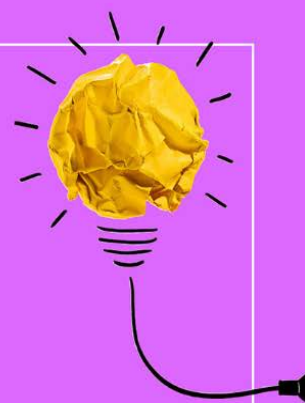
Project description and comments	Status
<b>Commence construction of the Horizon 120 Business and Innovation Park</b>	
The infrastructure contract remains on programme and within budget. Work will commence in January on installing a foul water main, which will require lane closures, on the A131, over a six week period.	▶
<b>Commence the build of the I-Construct Innovation in Construction Hub at the Braintree Enterprise Centre</b>	
Building work started in the third quarter on the I-Construct Innovation in Construction Hub. The Hub will be home to a team offering business support, grant schemes and advice to firms connected to the construction industry. Haven Gateway Partnership have also launched the new I-Construct website.	▶
<b>Carry out restoration works to the Bocking Windmill to preserve the building for future generations to enjoy</b>	
Works to replace one of the sails on Bocking windmill continue. The broken sail has been removed and new whips have been ordered. They will be spliced into the existing sail to reconstruct the sail to its original look. Listed building consent and scheduled ancient monument consents have all been approved.	▶
<b>Raise the profile of the Braintree District as a place to do business</b>	
Officers launched a successful Shop Local campaign in November to support small and independent businesses within the district. The campaign video received more than 10,000 views in the first weekend of launch. The video featured local shop owners talking about how they have diversified their business during the pandemic and why it's important to support local independent businesses and shop local. Braintree District Council has also created a dedicated Facebook Group for businesses and shoppers, where businesses are encouraged to promote their products and shoppers have a chance to shop local online in the comfort of their own home	▶

<b>Provide business and employment support and advice for those affected by the Covid-19 pandemic</b>	
Support continues to be provided to businesses and individuals through either the business newsletter, closed Facebook page, over the phone or through the daily patrols of the Town centres and interactions with businesses. In the third quarter, Braintree District Council worked with LOCALiQ to help ten businesses in the retail or hospitality sectors impacted by the pandemic by providing fully funded e-commerce websites and support marketing grants enabling the businesses to adapt their business model and trade online.	
<b>Minimise the barriers to economic growth and support the needs of businesses to start up, innovate and grow.</b>	
The Council continues to provide support to businesses and to signpost those looking to start or to grow schemes to advice and support that will aid their business. The young entrepreneur grant scheme has been helping 16-30 year olds by providing grants between £500 and £3,000 to support start-up costs, training courses, stock and digital equipment. Plans to create a new Enterprise Centre in Braintree are in development and members approved the budget at November's Council meeting. The South East Local Enterprise Partnership approved the business case and will be allocating £7million towards the scheme. The Enterprise Centre will be located at the Horizon 120 Business and Innovation Park and will support local start-ups where businesses can collaborate, access support and advice and build up knowledge and skills.	
<b>Continue to work with businesses to make physical improvements to industrial areas in the district</b>	
A new grant scheme to help businesses on industrial estates improve the external appearance of their premises was launched in the third quarter. The scheme prioritises small and medium sized businesses on industrial estates in Halstead, Witham, Great Yeldham, Earls Colne, Sible Hedingham and Braintree. Grants up to £5,000 were available for businesses willing to match the funds. The aim is to support up to 20 businesses out of the £100,000 budget which has been set aside for this scheme this year. To date, eleven businesses have received the grant.	

### Actions carried out in partnership with others

Project description and comments	Status
<b>Help to strengthen economic recovery across the district working towards the shared vision in the North Essex Economic Strategy</b>	
Working in partnership with colleagues in other authorities, the Council has secured 1.7million pounds to spend on business support across the area in this and the next financial year. Work is now underway on putting an action plan and priorities list together for completion by the end of March 2021.	
<b>Identify education and retraining programmes and actively promote these enabling access new work opportunities</b>	
Essex County Council are now facilitating the Governments Kickstart scheme to provide funding to employers to create job placements for 16 to 24 year olds and we will be encouraging as many businesses who meet the criteria to take advantage of this and referring them to Essex County Council. The new Government skills based initiatives are promoted to the business community on a regular basis via our Facebook group and business newsletter.	
<b>Maximise opportunities for businesses in the district to access grant funding</b>	
A number of new discretionary grants were launched in the third quarter to support businesses impacted by the second lockdown and the restrictions of the Tiers taking the total number of grants to eleven. Since March 2020, the Council has issued £35 million to over 2,600 businesses. Where businesses did not meet the eligibility criteria for any of the grant schemes, referrals have been made to our partners to explore alternate routes to business support.	



# DELIVERING AND INNOVATING







## Actions carried out by Braintree District Council

Project description and comments	Status
<p><b>Address the challenges of reduced income from Government funding and as a result of Covid-19, by working collectively across the organisation to reduce costs and improve services without impacting on service delivery by being efficient, effective and commercially focussed.</b></p>	
<p>The Government is providing specific support to local authorities which have lost income from sales, fees and charges. This compensation scheme provides for a proportion of the income lost to be reimbursed by the Government. The Council has received £411k for the losses incurred between April and July and has submitted a further claim of £289k for the period between August and November. A final claim for the remainder of the year will be submitted in April 2021. In addition, the Government has also provided, just over £2million, of Emergency Funding to the Council to meet the financial impact of Covid. Further detail of the estimated impact on the Council's income streams is contained in the Financial Performance section of this report. The Government has announced that the compensation scheme will operate for the first quarter of 2021/22 and a further payment of Emergency Funding will be paid in April 2021. The Council is also developing a programme to bring together opportunities from across all services to address the future funding gap.</p>	▶
<p><b>Address the challenges and recognise the opportunities of the changing work environment as a result of Covid-19 for the whole organisation including steering staff and members through the recovery journey</b></p>	
<p>An Organisational Impact Project was undertaken, including conversations with all heads of service and a survey to all staff. This considered the challenges experienced from the new working environment and actions required to address this, which are all currently underway. Opportunities including more effective use of assets and different approaches to service delivery are being taken forward. Effectively communicating and supporting staff through the recovery journey has also been captured in this activity.</p>	▶
<p><b>Upgrade our website to comply with the web accessibility regulations enabling residents, visitors and businesses to transact with us easily</b></p>	
<p>The Council's website has been upgraded and the new version went live at the end of November to comply with the web accessibility regulations.</p>	✔
<p><b>Review our Asset Management Strategy to ensure Council assets are fit for purpose, managed effectively and provide a valuable income stream for the Council</b></p>	
<p>A draft Asset Management Strategy has been prepared and circulated to Management Board and members for their consideration and comments. The Council will be reviewing its approach to commercial property investment following a central Government decision to stop local authorities from borrowing funds from the Public Works Loan Board (PWLB) to purchase investment property for the sole purpose of generating a revenue return.</p>	▶









<b>Use customer information and feedback to improve services ensuring they remain customer friendly whilst working towards retaining the customer service excellence standard for the authority</b>	
The Customer Service Excellence Assessment is scheduled to take place in April 2021. Evidence to support the assessment continues to be collated from services with an additional focus on how the council has supported communities and business through the pandemic.	
<b>Continue to develop relationships with Town and Parish Councils</b>	
Regular meetings take place with each of the Town Council Clerks and senior Council officers and regular meetings with Parish Clerks to discuss local issues relating to the pandemic around the support being provided and any other issues at the Parish Council request. There is a further meeting taking place in February 2021. Weekly newsletters also provide updates on key issues.	

### Actions carried out in partnership with others

Project description and comments	Status
<b>Consider and determine the future approach of our leisure services</b>	
The Council continues to support Fusion and the future approach of our leisure services is now included in a wider piece of work to look at the financial recovery of Fusion Lifestyle after the impact of the pandemic.	
<b>Look to develop health priorities in various localities within the district in partnership with the newly formed NHS Primary Care Networks</b>	
This project continues to be impacted by the pandemic and the changing priorities of the NHS Primary Care Networks to deal with the crisis and there is no further update at this time	
<b>Continue to improve health and wellbeing across the district through our work with Health and Wellbeing partners</b>	
Partners including Essex Police, Eastlight, Mid Essex Clinical Commissioning Group, Essex County Council, Public Health and Community360 continue to meet on a regular basis to share their organisations response to the pandemic and to discuss joint working opportunities.	
<b>Continue to protect local communities and tackle priority problems with the Community Safety Partnership</b>	
Community Hub meetings continue to take place on a monthly basis which have focused predominantly on ASB/neighbour nuisance cases. A Local Exploitation Group has been established and a referral process developed. Two closure orders for persistent ASB issues have been served.	







## Section 3: Managing the Business


### Our Performance Indicators in Detail

Performance Indicator	2020/21						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
<b>CONNECTING PEOPLE AND PLACES</b>							
Number of affordable homes delivered	0	82	95		37		
Percentage of superfast broadband coverage across the district	89%	89%	89%		n/a	n/a	
Number of homes granted planning permission	288	395	696		212		
<b>ENHANCING OUR ENVIRONMENT</b>							
Percentage of household waste sent for reuse, recycling and composting	46.93%	53.47%	45.61%		60%		<i>During the third quarter the monthly tonnage of Bio waste was down by 1.8t's compared to the previous quarter which reflects the seasonal trend with garden waste collections and the start of the suspension at the service in December. Dry Mixed Recycling was down by 360t in the same period, partly due to some of the waste being contaminated, whilst residual waste increased by 188t's. With the latter it reflects the fact that some residents are still continuing to work from home as a result of the pandemic. We are continuing to promote key messages to encourage residents to reduce their residual waste and how to avoid contaminating waste that can be recycled.</i>
Kilograms of residual household waste collected per household	118kgs	117kgs	116kgs		117kgs		
Percentage of land that falls below cleanliness standards for litter	n/a	1%	5%		6%		<i>Recorded three times a year – July, November and March.</i>
Number and percentage of accessible non-hazardous fly tips on public land cleared within 24 hours of being reported	100% (282)	100% (202)	100% (184)		100%		
Number of residents assisted in installing energy saving measures	Annually reported						
<b>SUPPORTING OUR COMMUNITIES</b>							
Average waiting time for applicants on the	86 days	149 days	246 days		90 days		<i>We are continuing to see an impact on DFG's from the pandemic stemming from</i>

Performance Indicator	2020/21						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
Disabled Facilities Grant (calculated in days from point of referral to approval)							<i>the restrictions imposed during the first lockdown preventing properties being visited to assess the works required and builders being able to quote for the required works. The third quarter has also been impacted by resources in the team with an officer on long term sick and the reprioritising of resources in responding to the needs of the pandemic. Issues with supplies in building materials and availability of buildings has also contributed to delays. Any urgent works such as installing stair lifts, grab rails or showers are being prioritised and installed quickly but any works that are more complex or require major constructions works are impacted. The situation is being continually monitored and customers kept informed at all times as it is likely to take time to get back to how things were prior to the pandemic.</i>
Participation levels across all our sports centres	0	44,894	0		n/a	n/a	<i>Due to the second lockdown and restrictions within the Tiers, it has not been possible to obtain the participation levels for the times the sport centres have been open. Once again, all leisure centres across the district have been closed to deal with the pandemic. Figure will be updated when the leisure centres re-open. The outturns will be impacted by the measures taken to ensure social distancing is adhered to and air flow guidance is followed. The targets have been suspended for this year due to the pandemic.</i>
Participation of adults being active for 150 minutes per week	Annually reported						
Number of customers using out Handyman scheme	8	30	22		n/a	n/a	<i>The Handyman service for any internal requests was suspended during the lockdown periods</i>
Number of homelessness cases prevented	37	57	61		n/a	n/a	
Number of vulnerable people assisted through the Community Hub	323	27	134		n/a	n/a	
Achieve at least a 1% increase in adults being active for 150 minutes per week	Annually reported						
<b>PROMOTING PROSPERITY</b>							
Percentage of people in the district claiming out of work benefits rate (aged 16 – 64)	5.0%	5.5%	5.2%		n/a	n/a	
Number of new business start-ups across the district	205	352	299		n/a	n/a	



Performance Indicator	2020/21						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
Number of businesses that have contacted us for business support	699	364	807		n/a	n/a	
Number of business grants processed	2,443	70	1027		n/a	n/a	
Amount of business grants paid out	£11.1 million	£2.1 million	£1.4 million		n/a	n/a	
<b>DELIVERING AND INNOVATING</b>							
Average call answer time in the Customer Service Centre	19 seconds	34 seconds	23 seconds		15 seconds		<i>The customer service centre continues to be busy during the third quarter dealing with 23,144 calls and a further 14,205 enquiries through our online forms or emails. Certain days of the week are busier than usual impacting on the overall call answer times for the quarter. The service has seen an increase in enquiries from residents and businesses relating to the pandemic and the many changes to the restrictions as the district was put into the different tiers. The service is looking to recruit an apprentice and we will continue to monitor the peak times of calls and enquires received to ensure the service is adequately resourced during the busier periods.</i>
Percentage of invoices paid within 30 days of receipt	98.05%	96.86%	98.72%		99.25%		<i>In the third quarter, 2,926 out of 2,964 invoices were processed within 30 days of receipt. Processes have been amended due to more staff working from home and the Finance Team are currently looking at a new system to help streamline the process.</i>
Number of people transacting with us online	21,330	27,849	24,449		n/a	n/a	
Time taken to process housing benefit/council tax benefit new claims	12.38 days	15.19 days	14.91 days		22 days		
Time taken to process housing benefit claim changes	3.73 days	3.94 days	3.69 days		6 days		
Percentage of Stage 1 complaints responded to within 7 working days	94.91%	87.80%	88.49%		90%		<i>Represents 100 out of 113 stage one complaints responded to within timescale. Delays in providing responses have occurred in Operations, Planning and Environmental Health. Additional time was required to provide a comprehensive response due to the complex nature of the complaints. Customers were kept informed where delays were incurred.</i>
Collection rate for Council Tax	29.91%	57.63%	84.63%		86.20%		<i>Performance is marginally down on the same period last year. Performance across Essex authorities ranges between 75.16% and 84.63%. Recovery action has been limited due to the impact of the restrictions on residents and the Magistrates Courts have been closed</i>

Performance Indicator	2020/21						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
							<i>with the Revenues Team focussing on sending soft reminders, telephoning and texting those council taxpayers which are in arrears.</i>
Collection rate for Business Rates	26.94%	54.90%	81.99%		84.58%		<i>Performance is lower than the same period last year. It is also on a reduced net collectable amount because the extended retail rate relief scheme has meant that many businesses do not have anything to pay for this year. Approximately £19m has been awarded in relief this year. Performance across Essex authorities ranges between 71.69% and 81.99%. The Revenues Team have been sending soft reminders, telephoning and texting those businesses which are in arrears.</i>
Customer satisfaction with the Council	Annually reported						

## Complaints

The quarterly complaints analysis for the third quarter of 2020/21 is detailed below. This is compared with 2019/20 figures shown in brackets. The figures represent all three stages of the complaints process.

Complaint Category	Q1 2020/21	Q2 2020/21	Q3 2020/21	Q4 2020/21	TOTAL
Justified	43 (45)	51 (52)	53 (51)	(44)	(192)
Not Justified	55 (54)	56 (69)	19 (49)	(49)	(221)
Partially Justified	19 (23)	22 (24)	43 (14)	(29)	(89)
Not known	0 (0)	0 (0)	0 (0)	(2)	(2)
<b>Total</b>	<b>117 (121)</b>	<b>129 (145)</b>	<b>115 (114)</b>	<b>(124)</b>	<b>(504)</b>

## **Comments**

The number of complaints received in the third quarter has slightly reduced in comparison to the previous quarters of the year.

The majority of complaints relate to the Operations service, in particular, complaints around missed waste collections and bins not being returned to the collection point. The reasons for missed collections continue to be monitored and will vary in reason. There has been an increase in the number of parked cars causing access issues on some of our smaller roads and crews not being familiar with collection points where agency staff are used to cover crews that are either off sick or on leave. The waste crews endeavour to return to collect any missed waste within 48 hours of being reported.

The second quarter has also seen an increase in the number of complaints into our Environmental Health team in relation to delays in dealing with issues raised. The complaints

were more complex in nature and impacted by the reprioritising of resources in responding to the needs of the pandemic. All complaints were acknowledged and complainants informed of timescales to respond especially where additional time was required to carry out investigations into the alleged issues.

There are also a higher number of planning complaints received which are complex in their nature referring to particular planning decisions and processes. Additional time has been required to provide comprehensive responses and ensure all areas of the complaint are addressed.

All complaints are reviewed on a regular basis to help identify improvements to processes and the service provided

In the third quarter of 2020/21, of the 115 complaints received:

- 113 are stage one complaints
- 1 is a stage two complaint
- 1 is a stage three complaint

### **A summary of Local Government Ombudsman (LGO) cases:**

In the third quarter of 2020/21, the LGO has received five new complaints. All new complaints received are in respect of Planning.

For one complaint, the LGO have declined to investigate, two have been assigned an investigator and for the remaining two, the LGO are seeking confirmation that the Councils complaint procedure has been completed.

### **Our Organisation**

The following is a selection of our people performance measures:

People: Indicators of Performance	Q1 20/21	Q2 20/21	Q3 20/21	Q4 20/21	Change on previous period	Yearly Target
Total headcount	487	489	496		+ 7	-
Total staff FTE	436.74	437.5	445.3		+ 7.8	-
Level of employee turnover	1.44%	0.82%	1.41%		+ 0.59%	-
Number of leavers	7	4	7		+ 3	-
Number of starters	2	6	14		+ 8	-
Working days lost to sickness per employee	0.68 days	1.62 days	1.91 days		+ 0.29 days	8.0 days
Percentage of staff with nil sickness	94%	72.4%	61.3%		Cumulative	-
Number of learning hours	1693.5	1538.5	1423		- 115.5	-
Number of delegates	58	89	60		- 29	-
Number of apprentices	19	16	14		- 2	-

Year on Year Headcount Analysis	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	472	470	464	466	481	492

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

## Health & Safety

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

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

Health & Safety: Indicators of Performance	Q1	Q2	Q3	Q4	
	(2019/20 figure in brackets)				
Total number of reported accidents/ incidents, calculated from:	10 (11)	13 (4)	10(14)	(11)	
<i>Accidents/ incidents to employees</i>	8 (9)	11 (3)	8 (14)	(10)	
<i>Accidents/ incidents to contractors</i>	2 (1)	2 (0)	1 (0)	(0)	
<i>Accidents/ incidents to non-employees</i>	0 (1)	0 (1)	1 (0)	(1)	<i>A member of the public fell on the footpath outside Causeway House. BDC first aider attended</i>
Time lost in days due to employee accidents/ incidents	0 (6)	5 (4)	18.5 (7)	(0)	<i>Three accidents contributed towards this figure. One an ankle injury caused the majority of the lost time</i>
Number of reported verbal/ physical incidents to employees	2 (1)	4 (0)	1 (1)	(4)	<i>A street warden was verbally abuse by a member of the public whilst carrying out Covid 19 duties.</i>
Number of near miss incidents	0 (1)	0 (0)	(0)	(0)	
Number of Accidents/ incidents registered resulting in insurance/ compensation claim	0 (1)	(1)	(0)	(1)	
Number of claims settled	1 (1)	(0)	(0)	(1)	

## **Financial Performance**

### **Summary**

This part of the report provides an updated review of the financial position for the year. It examines the latest forecast for spending on day-to-day service provision compared to the budget for the year. Also included is a summary of treasury management activities; projected movements on the General Fund balance; and a summary of spending to date on capital projects. An update is also provided on the financial impact arising from the current COVID-19 pandemic.

At this quarter, the projected financial position for the Council for the end of the year is as follows:

- An overall adverse variance of £2.685 million before taking into account the financial support from government towards the impact of the COVID-19 pandemic.
- Staffing budgets are forecast to be underspent by £578,000 across all services with a sum of £59,000 charged against the central COVID fund. After allowing for the corporate efficiency target of £300,000, this results in a net projected underspend of £219,000. Other service expenditure is projected to be over budget by £755,000.
- Income is projected to be under achieved by £2.149 million.
- The estimated impact of the COVID-19 pandemic on the Council's finances for the year included in the position above is £3.548 million: £1.311million of additional expenditure and £2.237million reduction in income. The amount of government support received in the year is £1.952 million of emergency funding plus £297,930 of New Burdens funding. It is also projected that the Council will be entitled to claim £714,000 under the government's Income Compensation Scheme, for which £411,365 has already been received. The net financial impact of the COVID-19 pandemic on the General Fund revenue account is therefore a projected £584,000 overspend.
- Other projected budget variances, including the return on the investment in the Viridor's recycling facility, staff vacancies in Finance and Sustainable Development and reduced fuel costs for Operations' services, net to a positive amount of £863,000.
- Whilst the impact of the in-year projected variances (Covid related and other) on the General Fund is a net positive variance of £279,000, this is after a drawdown from the General Fund unallocated balance earlier in the year, of £135,420, to fund the increased cost of the annual pay award from April 2020. The overall estimated position for the year is therefore a net addition to the General Fund unallocated balance of £143,580.
- General Fund unallocated balances at 31 March 2021, are estimated to be £5.417 million based on budgeted additions/ reductions and this latest in-year projected variance.
- The average amount invested through treasury management to the end of December was £66.46 million generating income of £661,560 or 1.32%. Unrealised gains on the valuation of pooled funds was £529,000 at the end of December.
- The approved capital programme totals £72.759 million, with £37.514 million profiled into the current financial year. At the end of December 2020, £18.717 million had been spent across the programme with an expectation that the rate of spending will increase during the final quarter of the year. Capital resources generated in the year are forecast to be lower than originally anticipated with receipts from the Manor Street and Horizon 120 projects now largely expected in 2021/22. The reduction in receipts generated in the year will be covered by internal borrowing.

## Background

Full Council approved a net budget of £15.226 million for the 2020/21 financial year. This included planned spending across all services totalling £13.888 million; corporate items amounting to £1.638 million; and an overall efficiency target to be achieved in-year of £300,000. Financing of the budget was to be from a combination of: general government grants (£22,000); business rates (£5.192 million); and Council Tax (£10.012 million).

During the year individual budgets may be updated in accordance with the Council's Budget and Policy Framework Procedure, and against which quarterly performance is monitored. The following adjustments have been made in the year:

- An adjustment of £151,460 between waste management and treasury management to reflect a capital contribution towards improvement of the Viridor's recycling facility used to process the Council's recycling material collected from households.
- An adjustment to service budgets and transfer from General Fund unallocated balances of £135,420 to recognise the cost of the higher pay award agreed from April 2020.

## General Fund Revenue Spending

The following statement shows the overall budget variances projected for the year:

Service	Updated Budget £'000	Projected Spend £'000	Adverse (Positive) variance against budget				RAG Status
			Staffing £'000	Other Expenditure £'000	Gross Income £'000	Total £'000	
Asset Management	(2,471)	(2,473)	(5)	31	(28)	(2)	G
Community Services	399	446	(7)	(25)	79	47	A
Corporate Management	1,462	1,456	(1)	(5)	-	(6)	G
Economic Development	200	200	-	-	-	-	G
Environment & Leisure	992	1,121	(138)	(76)	343	129	R
Finance	1,480	1,836	(236)	58	534	356	R
Governance	1,175	1,132	(3)	(49)	9	(43)	G
Housing Services	932	801	(19)	(43)	(69)	(131)	G
Human Resources	362	349	12	(25)	-	(13)	G
ICT & Facilities	1,651	1,662	15	(4)	-	11	A
Marketing and Communications	560	569	8	(35)	36	9	A
Operations	6,161	6,705	12	(209)	741	544	R
Strategic Investment	23	23	-	-	-	-	G
Sustainable Development	973	1,012	(216)	(6)	261	39	A
<b>Service Total</b>	<b>13,899</b>	<b>14,839</b>	<b>(578)</b>	<b>(388)</b>	<b>1,906</b>	<b>940</b>	<b>R</b>
Corporate Financing	1,627	1,827	-	(43)	243	200	R
COVID-19 central fund	0	1,245	59	1,186	-	1,245	R
Efficiency target	(300)	-	300	-	-	300	
<b>Total before COVID-19 grants</b>	<b>15,226</b>	<b>17,911</b>	<b>(219)</b>	<b>755</b>	<b>2,149</b>	<b>2,685</b>	<b>R</b>
<b>Emergency funding &amp; grants</b>		(2,250)	-	-	(2,250)	(2,250)	G
<b>Income compensation</b>		(714)	-	-	(714)	(714)	G
<b>Net Total General Fund</b>	<b>15,226</b>	<b>14,947</b>	<b>(219)</b>	<b>755</b>	<b>(815)</b>	<b>(279)</b>	<b>G</b>

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

## Analysis of the Projected Budget Full-Year Variances

It is difficult to be precise about the extent to which projected variances arise solely due to the COVID-19 pandemic, particularly with regards income as under normal circumstances there would inevitably be some level of budget variance. Judgement has therefore had to be applied in making this assessment. The following table shows how the projected full year variance has been attributed in terms of COVID-19 impact or for other reasons:

Reason for variance:	Adverse (Positive) variance against budget			
	Staffing	Other Expenditure	Income	Total
	£'000	£'000	£'000	£'000
COVID-19	81	1,230	2,237	3,548
Other <sup>1</sup>	(300)	(475)	(88)	(863)
<b>Total before COVID-19 grants</b>	<b>(219)</b>	<b>755</b>	<b>2,149</b>	<b>2,685</b>

<sup>1</sup> Staffing variances shown net of the £300k corporate efficiency target

## **COVID-19 Pandemic and impact on the Council's Finances**

The Covid-19 pandemic has had a considerable impact on the Council's finances and continues to do so as the situation deteriorated over winter months with increasing case numbers resulting in initially the introduction of Tier 4 restrictions across the District followed by the announcement of a second national lockdown. Services continue to play a key role in supporting residents, and businesses, whilst the pandemic also continues to effect the Council's own services and revenue income.

Additional unbudgeted expenditure has been incurred and is expected to continue over the remainder of the year with a current forecast total of £1.245 million which is being accounted for within a central fund. The Council is also reporting other income and expenditure budget variances within individual services where these have been directly impacted.

To date the Government has provided grants totalling £2.250 million for the 2020/21 financial year (including £297,930 from multiple New Burdens' grants which recognise the costs that the authority is expected to incur where it has been asked to assume additional responsibilities e.g. administration of business support grants and other reliefs). Claims are being submitted under an income compensation scheme for lost sales, fees and charges. An initial amount of £411,365 has been received covering the period 1 April 2020 to 31 July 2020, with a further claim lodged for £288,554 for the period 1 August to 30 November 2020. Based on the income shortfall projected for the year, and taking into account an estimate of mitigating savings, it is currently anticipated that the total amount eligible to the Council under the scheme will be around £714,000 for 2020/21. Claims are subject to review by the Ministry of Housing, Communities and Local Government (MHCLG) and a final reconciliation process.

After taking into account emergency funding and other government grants, and the estimated amount eligible under the income compensation scheme, the overall impact on the General Fund revenue account from the COVID-19 pandemic is a projected net overspend of £584,000. This is offset by other projected budget variances amounting to £863,000, resulting in an estimated addition to General Fund balances of £279,000.

## **Further Commentary on Budget Variances**

### **Staffing**

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

Service budgets have been increased to reflect the additional 0.75% increase in the cost of living pay award which was agreed at 2.75% from April 2020.

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

Service – Staffing Budgets	Updated Budget	Projected Spend	Adverse/ (Positive) variance	RAG Status
	£'000	£'000	£'000	
Asset Management	349	344	(5)	G
Community Services	438	431	(7)	G
Corporate Management	1,446	1,445	(1)	G
Economic Development	207	207	-	G
Environment & Leisure	1,851	1,713	(138)	G
Finance	2,915	2,679	(236)	G
Governance	722	719	(3)	G
Housing Services	1,040	1,021	(19)	G
Human Resources	282	294	12	A
ICT & Facilities	845	860	15	A
Marketing & Communications	448	456	8	A
Operations	6,074	6,086	12	A
Strategic Investment	762	762	-	G
Sustainable Development	1,918	1,702	(216)	G
<b>Service Total</b>	<b>19,297</b>	<b>18,719</b>	<b>(578)</b>	<b>G</b>
Corporate Financing	10	10	-	G
COVID-19 central fund	-	59	59	R
Efficiency	(300)	-	300	
<b>Total</b>	<b>19,007</b>	<b>18,788</b>	<b>(219)</b>	<b>G</b>

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

### **Commentary on staffing variations:**

Based on the information known at the end of Q3 there is a projected underspend across all services of £578,000 plus a further £59,000 within the central COVID fund.

### **COVID-19 related Staffing Variances**

Overall net additional staffing costs within service budgets due to COVID-19 are forecast to be £22,000 for the year. This includes measures introduced for operational staff to maintain social distancing along with some compliance and marshal duties. Additional staffing costs are also being charged to the central COVID fund details, currently estimated to be £59,000 for the year, and include activities such as: Covid marshals, compliance and other enforcement activities, administration of business grants, and supporting virtual Member meetings. Staff have also been drawn from various service areas and redeployed to assist on track and trace and other COVID compliance and enforcement activities funded by grants. Where possible savings are being made where staffing can readily be flexed in response to a reduced level of service demand.

### **Other Staffing Variances**

The total projected underspend by services on staffing due to other reasons totals £600,000, an increase of £159,000 from the position reported at Q2.

The largest service area with a projected underspend is **Finance** (including the Customer Service Centre) totalling £236,000. This is due mainly to 4 posts being held vacant and which are expected to remain so for the rest of the financial year. Efficiency savings are also being made where work has been absorbed by existing teams but external funding has been



received. Other savings have been generated from a flexible retirement, approved after the original budget was set, and from staff reducing hours and/ or being appointed at pay points lower than was assumed.

**Sustainable Development** (-£216,000). This is mainly due to vacancies within the **Development Management** service: a planner and administrative officer both now due to be filled before the end of the financial year; and a senior enforcement role which is now expected to remain vacant for the remainder of the year. Some staff are also working reduced hours. The net projected saving is £107,000 after deducting the forecast additional spend on agency cover. **Landscape Services** is currently going through a period of transition which has resulted in vacant posts, reduced hours, and changes to management arrangements leading to a projected underspend for the year of £98,000. The service anticipates needing to put in a temporary arrangement in 2021/22 and for which a request to carry forward part of this year's underspend is to be made.

**Environment and Leisure** is projecting underspends (-£138,000), mainly due to vacancies in Building Control and Health Development. Savings are also being made as staff have been redeployed to COVID activities funded from grants, or resources flexed due to lower service demand.

The **Strategic Investment Team** continues to operate with a mix of permanent and interim staffing reflecting current project priorities and workloads. The forecast spend for the year on staffing for the team is £704,000. The budget for the team is currently funded from a mixture of revenue and capital resources that were originally allocated over an estimated four-year period. The level of spending to date remains within the overall resources allocated.

The budget included a **Corporate Efficiency Target** which in previous years has been achieved from in-year staffing variances. The amount included in this year's budget was increased by £100,000 to £300,000 based on past experience. The projected variances across all services currently exceeds this target by £278,000.

### **Other Service Expenditure**

Other expenditure is forecast to be overspent by a net £755,000 by the end of the year. This includes estimated additional spending due to COVID-19 of £1.230 million, which is partially offset by reductions in spending due to other reasons of £475,000.

### **COVID-19 related Other Service Expenditure Variances**

At the outbreak of the COVID-19 pandemic the Council established a central fund to account for any unbudgeted additional expenditure necessarily incurred. The forecast spend in this central fund for the year is £1.186 million. This is largely made up of financial support provided to the Council's leisure operator which has seen sustained periods of facility closure. Part of the financial support being provided is also to assist on remobilisation of facilities and activities as and when these are able to open to the public in a safe manner. Other areas of spending due to COVID-19 include:

- Costs incurred in providing accommodation for rough sleepers and those vulnerable to homelessness;
- Communications and publicity material, including mail-outs on changes to the green waste service;
- ICT equipment to support remote working by staff and virtual committee meetings; and

- Personal protective equipment and other equipment and supplies to ensure the Council's offices and depot are COVID secure environments.

Within the forecast for the year provision has been made for incurring additional expenditure against new burden grant funding. A balance of this funding is likely to be required to be carried over as a reserve as the expectation is that additional work will continue to be required in the next financial year. A sum has also been provided in the forecast for potential claims from contractors working on capital projects where it is suggested increased costs are being incurred as a result of following government guidance on COVID safe working methods.

Other budget variances within individual service areas attributed to COVID-19 total a net £43,000, which includes:

- **Finance - Housing Benefits (£+68,000):** The overall amount of housing benefits being paid is higher than originally anticipated (forecast £28m v original est. £24m), this being due to a combination of an increased number of claimants and a slowdown in the number of cases transferring to Universal Credits who would then be paid direct by the Department for Works and Pensions (DWP). Whilst the majority of the increased spend will be met from government subsidy the Council is still required to fund around 1% of expenditure incurred.
- **Finance – Revenues and Benefits System (+£49,000):** additional expenditure on system changes to support the administration and payment of business grants and other hardship relief to individuals. Part of the funding received from government is to reimburse local authorities for such costs.
- **Operations – (-£25,000):** Whilst across activities there are increased costs projected from social distancing measures, e.g. higher vehicle costs; and increased disposal costs due higher collection tonnage of mixed dry recycle; there are, however, savings being made on demand led activities (e.g. trade waste, parks maintenance etc.) and also where service provision was suspended for a period of time (e.g. the green waste service).
- **Other Services: (-£49,000):** mainly due to a forecast underspend on staff training (-£20,000) as the programme of development has moved to a more virtual learning environment – a request to carry forward this underspend is anticipated. A provision used to fund contract variations on the leisure management service is also projected to underspend by £20,000, reflecting the fact that with facilities being closed less issues are arising that would normally be met from this budget.

### **Non COVID-19 related Other Expenditure Variances**

Projected underspends for other reasons total £475,000. The main service areas contributing to these variances are:

- **Operations (-£185,000):** mainly in relation to **Waste Management** where savings are being made as a result of a capital investment in Viridor's recycling facility, and also from lower fuel prices used in operational vehicles.
- **Finance (-£57,000):** Mainly in relation to legal & court fees; bank and credit card transaction charges; savings on the BACS payment/ collection system; and lower insurance premia following a re-tender exercise.
- **Environment and Leisure (-£51,000):** a lower than anticipated service charge from the landlord at the Braintree Retail Village – this relates to the land lease for the Braintree

swimming centre and includes a prior year adjustment – and a reduction in building insurances. Joint-use facility spend is estimated to be lower for the year.

- **Housing Services** (-£42,000): mainly due to an anticipated lower recharge from Eastlight Community Housing in respect of maintained temporary properties, as government legislation preventing evictions appears to have led to reduced demand for non-covid related housing needs.
- **Corporate Financing** (-£43,000): mainly due to lower projected spend on pension fund costs along with additional savings achieved through the staff annual leave purchase scheme.

## **External Income**

A significant proportion of the Council's budget is reliant on external income. Grants and subsidies from government, alongside income from business rates are major elements, originally totalling around £30million.

The amount of business rates ultimately retained by the Council depends on the actual amounts collectable (taking into account changes in the Valuation List, exemptions and reliefs granted, and provisions for non-collection and rating appeals). Fluctuations in income are generally accounted for via a separate Collection Fund, the estimated balance of which is taken into account when determining future budgets. The variable elements that do impact on the General Fund revenue account are managed through the Business Rate Retention reserve providing in-year certainty to income.

As a participant in the Essex Business Rates Pool the Council is entitled to an additional share of income generated from business rate growth. The final determination and receipt of the actual amount will be made after year-end returns have been collated by the County Council from each of the participating authorities. Since the commencement of pooling by Essex authorities sums received by this Council from this arrangement total over £2.8m and are being used towards business related capital investment projects, such as the I-Construct Innovation Centre, and the proposed Horizon 120 Enterprise Centre. The latest estimate of the amount receivable for the current year is £518,000.

Other external income for which the Council has budgeted £15.825 million comes from a variety of sources that are subject to external demands and other influences, meaning these are more susceptible to variations against budget. It is currently forecast that services will under achieve against their income budgets by a net £2.149 million largely as a result of the current pandemic.

Support from government towards the impact of the pandemic has been in the form of emergency funding and new burdens grants for which £2.250 million has been received. In addition, the government introduced an income compensation scheme for which it is currently estimated the Council will be entitled to £714,000. The following tables provides a summary by income source and service:

Service	Updated Budget	Joint Financing & Other Reimburs.	Sales, Fees & Charges	Rents & Service Charges	Other Income	Total	RAG status	
		4,518	6,171	3,167	1,969	15,825		
	£000	<i>Adverse (Positive) Variance £000 against Budget :</i>						
Asset Management	3,368	(3)	13	(35)	(3)	(28)	G	
Community Services	217	-	68	-	11	79	R	
Corporate Management Plan	10	-	-	-	-	-	G	
Economic Development	-	-	-	-	-	-	G	
Environment & Leisure	1,264	18	296	-	29	343	R	
Finance	2,458	356	-	-	178	534	R	
Governance	198	(1)	(3)	-	13	9	A	
Housing	44	-	(70)	3	(2)	(69)	G	
Human Resources	-	-	-	-	-	-	G	
ICT & Facilities	2	-	-	-	-	-	G	
Marketing & Communications	146	32	34	-	(30)	36	A	
Operations	5,437	(65)	769	54	(17)	741	R	
Strategic Investment	425	-	-	-	-	-	G	
Sustainable Development	1,696	(20)	281	-	-	261	R	
<b>Service Total</b>	<b>15,265</b>	<b>317</b>	<b>1,388</b>	<b>22</b>	<b>179</b>	<b>1,906</b>	<b>R</b>	
Corporate Financing	560	227	-	-	16	243	R	
<b>Total before COVID-19 grants</b>	<b>15,825</b>	<b>544</b>	<b>1,388</b>	<b>22</b>	<b>195</b>	<b>2,149</b>	<b>R</b>	
<b>COVID-19 government grants</b>		-	-	-	(2,250)	(2,250)	G	
<b>Income compensation</b>		-	(714)	-	-	(714)	G	
<b>Net Total</b>	<b>15,825</b>	<b>544</b>	<b>674</b>	<b>22</b>	<b>(2,055)</b>	<b>(815)</b>	<b>G</b>	

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

## Joint Financing & Other Reimbursements

Budgets under this category cover a multitude of arrangements with other local authorities and public bodies, as well as recoveries from third parties:

- Essex County Council's contributions toward services, including waste management, community transport, public health, and horticultural services etc.;
- Council Tax sharing and investment agreement with the major precepting authorities;
- Services provided via the Procurement Hub and Payroll Shared Service;
- Business rate cost of collection allowance;
- Planning performance agreements;
- Sponsorship income;
- Housing benefit (HB) overpayment recoveries; and
- Local tax cost recovery for non-payment.

### Commentary on Joint Financing & Other Reimbursements

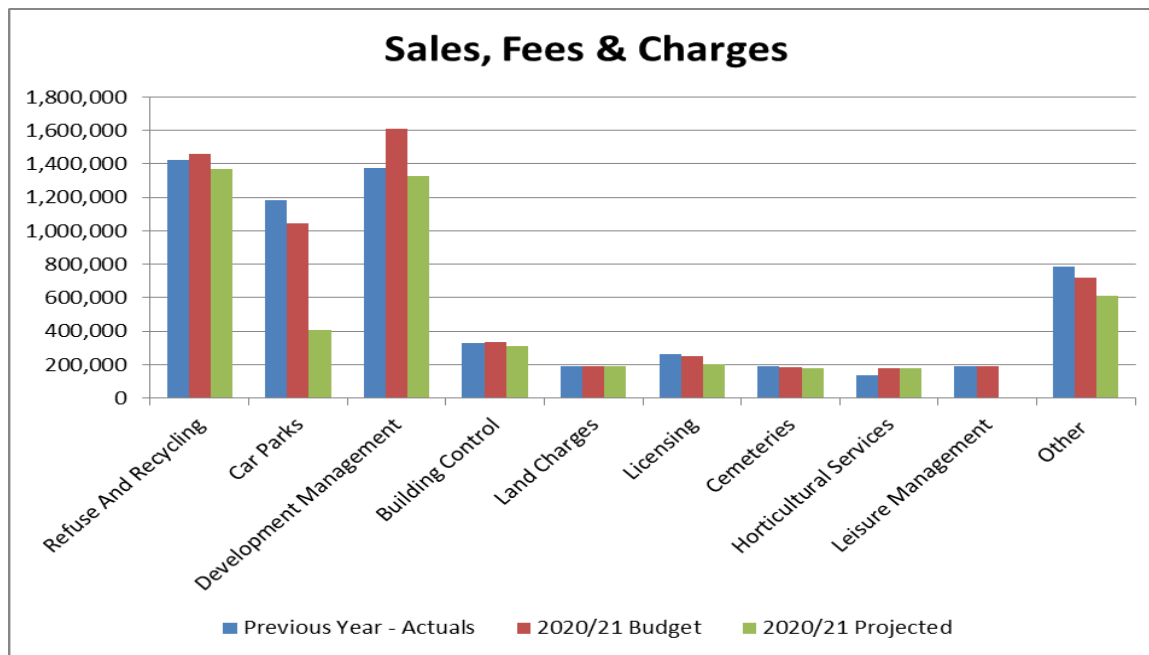
At Q3 an adverse variance for the year is predicted of £544,000 across all services, mainly comprising:

**Finance:** A projected reduction in HB overpayment recoveries (-£142,000) and Local Tax cost recoveries (-£228,000). Staff resources have been prioritised towards administering the COVID business rate reliefs and grants, as well as hardship support to local council tax support recipients. Whilst recovery procedures have been resumed the extent of action that has been available has been limited by the capacity and availability of the courts to deal with applications for liability orders. Amounts outstanding at the end of year will continue to be subject to the Council's normal recovery procedures for the collection of outstanding debts.

**Corporate Financing:** the anticipated reduction in the in-year council tax collection rate will impact on the amount receivable under the sharing agreement with major preceptors. At present this reduction is estimated to be £229,000 for the year.

## Sales, Fees & Charges

The budget for income from sales, fees & charges is £6.171 million against which it is projected that there will be a net underachievement of £1.388 million. The following chart shows the position for the main income streams:



### Commentary on Fees and Charges:

- **Refuse and Recycling:** An overall projected net shortfall of £88,000, which is mainly due to the suspension and cancellation of accounts by commercial customers during the lockdown periods.
- **Car Parks:** A substantial reduction in car park income from pay and display and season ticket/permits. The North Essex Parking Partnership has also reduced enforcement during lockdowns resulting in a lower level of Penalty Charge Notice income than would normally be expected over this period. The current projection is an overall under achievement against budget of £640,000. At Q2 the projection was a shortfall of £463,000, with some recovery anticipated over the remainder of the year as restrictions were being lifted; however, the move into Tier 4 High Alert level followed by the second national lockdown has meant usage of car parks falling again with little prospect of any significant recovery before the end of March 2021.
- **Development Management:** There continues to be signs of improvement with a number of major applications being received recently. The latest projection is that the shortfall in income for the year will be £255,000 (Q2 shortfall projected was £316,000). Pre-application income is also expected to be down against budget by £28,000.
- **Building Control:** Further improvement from that at Q2 means that the service now anticipates income to be around £312,000, compared to a budget of £338,000, which is £26,000 lower than budget.

- **Local Land Charges:** The scrapping of stamp duty on house purchases of up to £500,000 until 31 March 2021, appears to have led to a flurry of activity in the housing market which has seen the income projection continue to improve leading to the assumption that this year's budget will be achieved.
- **Licensing:** Whilst there continues to be a reduction in demand for both taxi private hire licences and temporary event notices, the position has improved slightly from that at Q2 with a revised shortfall projected of £45,000 for the year.
- **Leisure Management:** To support the restoration of services in a safe and secure environment the leisure management fee paid to the Council by the operator has been waived as part of an overall package of support which is subject to the operator complying with a number of conditions (full year budget of £194,000).
- **Other Income** – The total budget is £717,000 across a wide range of differing services, including: Community Transport; the Town Hall Centre; Braintree Enterprise Centre conference income; non-commercial property service charges; and graphics and marketing income. Overall it is currently projected that income will be lower for the year by £107,000. The most significant areas within this shortfall relates to the Community Transport service (-£68,000) and the Town Hall Centre (-£42,000) the use of both clearly effected by the pandemic.

### **Rental Income & Commercial Property Service Charges**

The budget for rental income from land & property is £3.167 million – comprising the investment and commercial property portfolio, markets, housing properties, and other let properties. The overall projected outturn for the year is a net shortfall of £22,000. Market income is projected to be lower than budget by £55,000 (part of which relates to a pre-COVID trend); and which is partially offset by increased income from commercial property lettings where occupation levels have remained high leading to the unwinding of a portion of the annual provision for loss of rent through voids.

### **Other Service & Corporate Income**

Total budgeted Other Income is £1.949 million of which £740,000 is internal recharges including staffing costs that are expected to be charged against capital projects (£608,000). Other external income is projected to be underachieved by £195,000.

Other external income includes:

- **Investment & Other Interest Income:** The budgeted amount is £1.061 million, against which it is projected to be under achieved by £198,000. This is an improvement over the position reported at Q2 by £102,000, mainly due to a swifter recovery in dividend income being paid from pooled funds. Income secured on short-term investments for the year at the end of Q3 was £110,000. Whilst cashflow continues to be bolstered by government funding being passported through local authorities for COVID-19 support, it is expected that further interest earned on short-term investments will be minimal as interest rates remain ultra-low.

### **COVID-19 Grants and Income Compensation**

The Government has provided four tranches of COVID-19 emergency support grant to the authority totalling £2,013,581 million, with £61,411 being accounted for in 2019/20, and the balance of £1,952,170 million being credited to the 2020//21 financial year. In addition, £297,930 has been received as New Burdens funding towards the additional costs expected to be incurred

in administering business grants, hardship relief, and self-isolation payments. Expenditure against the new burden grants is likely to continue into the next financial year.

The government has implemented an income compensation scheme for local authorities that have suffered a reduction in income from sales, fees and charges due to the impact of COVID-19 on services. The scheme specifically excludes any compensation for commercial income, including that from treasury management. Local authorities must bear the first 5% of any reduction against their original budget, with losses above this level met by government at a rate of 75p in the £. An initial claim of £411,365 submitted for the period 1 April 2020 to 31 July 2020 has been paid, with a further claim lodged for the period covering 1 August to 30 November 2020 amounting to £288,554. An estimate of the full year entitlement has been made based on the income losses projected at Q3, offset by mitigating savings, which totals £714,000. Claims are subject to review by MHCLG and a final reconciliation after the end of the financial year.

Further grants totalling £644,000 have been received/ are receivable from Essex County Council to fund expenditure incurred by the Council on COVID activities: business adaptation grants; self-isolation payments to individuals, and for supporting track and trace. Entitlement to this grant is subject to incurring the necessary expenditure with repayment of any underspend expected.

### **Treasury Management**

The Council's treasury management activity to the end of the December is summarised in the table below:

Amount Invested at start of the year	Activity to the end December		Amount Invested at end of the quarter
	New Investments	Investments Matured	
£53.11m	£843.94m	£840.00m	£57.05m
Average amount invested for the period			£66.46m
Highest amount invested			£94.72m

The amount of cash under management during the year has been significantly increased at various points in the year due to the government passporting COVID support through local authorities. In addition, funding arrangements between the Council and government have been subject to re-profiling. This additional cashflow has been managed primarily through the Debt Management Office Account Facility (UK Government).

Investments totalling £19 million continue to be held in long-term pooled funds across a range of property, equity and diversified funds.

The remaining balance of investments are held in short-term instruments including the current account held with Lloyds bank (for immediate liquidity); Money Market Funds; and loans to other local authorities.

Interest and dividends earned to the end of the quarter total £661,560, which is equivalent to an annualised rate of return of 1.32%:

Investments	Average Amount Invested	Interest & Dividends Earned	Annualised Return %
Long-Term Pooled Funds	£19.00m	£554,028	3.87%
Short-Term	£47.46m	£107,532	0.30%
<b>Total</b>	<b>£66.46m</b>	<b>£661,560</b>	<b>1.32%</b>

Dividend income from pooled funds is around 20% lower than last year; however, this is an improvement over the position estimated earlier in the year when a drop of around 30% was being suggested. This source of income continues to enhance overall treasury management returns as short-term investments continue to be subject to the current historically low interest rate environment.

The market value of shares/ units in pooled funds at the end of December was £19.529 million, representing an unrealised gain of £0.529 million. This represents an improvement of £1.817 million over the position reported at the end of Q2, and means that a large proportion of the fall in value seen at the start of the financial year has now been reversed.

The Strategic Investment Programme Group, in conjunction with the Council's external treasury management advisor, continue to keep under review the performance and suitability of the pooled funds in meeting the Council's investment objectives.

It is currently projected that investment returns for the whole year will be £198,000 lower than budget due to the current economic downturn.

### ***Economic and Market Commentary***

Some good news came during the quarter as two COVID-19 vaccines were given approval by the UK Medicines and Healthcare products Regulatory Agency (MHRA) and the rollout to individuals in the highest priority groups began in earnest. On Brexit, a trade deal was agreed with the European Union and written into UK law after passing through the House of Lords and given royal assent.

The Bank of England (BoE) maintained Bank Rate at 0.1% during the quarter but extended its Quantitative Easing programme by £150 billion to £895 billion at its November 2020 meeting. In its December interest rate announcement, the BoE noted that plans to roll out COVID-19 vaccines would reduce some of the downside risks to the economic outlook but that recent rises in the number of infections is likely to lead to weaker GDP growth than had been predicted in its November Monetary Policy Report.

Equity markets continued to rise, and the Dow Jones beat its pre-crisis peak on the back of continued outperformance by a small number of technology stocks. The Financial Times Stock Exchange (FTSE) indices continued to perform well, with the more internationally focused FTSE 100 getting back to around 60% of its pre-March level while the more UK-focused FTSE 250 was closer to 80% of its previous peak over the same period.

Ultra-low interest rates prevailed through the quarter. Gilt yields remained low but volatile with the yield on some short-dated UK government bonds continuing to remain negative. 1-month, 3-month and 12-month Sterling Overnight Index Average (SONIA) bid rates averaged -0.01%, 0.06% and 0.07% respectively over the three months.

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



- Long-term pooled fund investments £19 million (allocated: £3 million property fund; £13 million equity funds; and £3 million in diversified asset funds);
- UK Government via the Debt Management Office £9 million;
- Other local authorities £3 million;
- Low volatility Money Market Funds (MMFs) £21 million;
- Variable net asset value MMF £4 million; and
- Lloyds current account £1.05 million.

## General Fund Balances

General Fund balances are held for the following reasons:

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

Based on the projected outturn set out above, the anticipated movements on the General Fund balances are:

	<b>£'000</b>
<b>Balance at 1 April 2020</b>	<b>6,882</b>
Addition/(deductions):	
Budgeted addition	222
Funding for one-off investment	(136)
Pension Fund triennial payment	(1,645)
Pay award funding (+0.75%)	(135)
Projected budget variance at Q3	279
Provisional carry forward requests	(50)
<b>Estimated Balance at 31 March 2021</b>	<b>5,417</b>

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

- The approved budget included an anticipated addition to balances of £222,269, reflecting savings anticipated being made in advance of future years' budget shortfalls.
- An allocation from General Fund balances was approved by Full Council in February 2020, to meet one-off budget requirements: £14,000 in total for upgrading the CCTV at the Town Hall Centre and funding a Legal Services case management system; and a total of £122,000 provision for loss of income during the redevelopment of the Manor Street area.
- In 2020/21 a one-off payment is being made to the Essex Pension Fund covering the period April 2020 to March 2023, which is being part funded from General Fund balances. A repayment back into balances will be made in 2021/22 and 2022/23.
- The pay award implemented from April 2020 was 2.75% which was higher than originally allowed in the budget, therefore, service budgets have been adjusted with a contra amount reflected in the estimated movement on General Fund balances.
- The projected outturn variance for the year (after government COVID-19 support) would mean an addition to balances of £279,000.
- Two carry forward requests have been identified by managers totalling £50,000. These requests along with any other items identified at the end of the year are subject to approval by the Cabinet Member for Finance and Performance Management under delegation agreed by Full Council on 22<sup>nd</sup> February 2021.

## **Risks and Assumptions**

The forecasts reflect service managers' "best estimate" of the predicted outturn for the year. Whilst the previous year outturn and trends in-year have been considered; the position is uncertain due to the ongoing impact of the coronavirus pandemic.

Directors and service managers continue to scrutinise all expenditure commitments in light of the planned savings set out in the Medium Term Financial Strategy. External income is inherently difficult to predict as it is substantially demand led and impacted by external factors.

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

Investment income is influenced by the overall level of cash balances held, which in turn are dependent upon the progress of the strategic investment programme and other capital projects, and the level of capital receipts generated. Market sentiment will impact on the value of the Council's long-term pooled fund investments; whereas general economic conditions in both the UK and globally will influence the dividend returns. Interest rates will impact on short-term investments.

The income which is offset from costs incurred for the processing of recycling material collected from households is subject to regular review of the composition of material collected assessed across the whole of the Suffolk Waste Partnership contract, which the Council is party, and market indices for the sale of materials.

The original budget assumed that £483,000 of staffing costs can be recharged from the General Fund revenue account to capital projects, which has now increased by a further £125,000 due to the expected activities of the Strategic Investment Team (SIT). The actual amount recharged will depend on the extent to which projects progress and staff are working on activities that can properly be treated as capital under accounting rules, with any shortfall impacting the General Fund (and/ or quickening the pace at which allocated reserves are used for SIT staffing costs).

It is still early days following the Brexit trade deal with the EU and, therefore, there is still uncertainty about the longer-term economic implications and how these might impact on the Council.

## **Capital Investment**

Taking into account projects which were in progress and carried forward from earlier years, new projects approved as part of the Budget agreed in February 2020, and the subsequent decisions taken in-year by Council, the overall capital programme currently totals £72.759 million, a net increase from that reported at Q2 of £14.3 million due primarily to the inclusion of the Horizon 120 enterprise centre following a successful bid for funding towards this project from the South East Local Enterprise Partnership (SELEP). Delivery of significant projects will span a number of years, therefore, the amount expected to be spent in the current year is £37.154 million, which again is lower than Q2 mainly due to re-profiling of expected expenditure on the Manor Street regeneration scheme. The following table shows how much has been spent at the end of Q3.

	<b>Profiled Spend 2020/21 £000</b>	<b>Actual Spend at Quarter 3 £000</b>	<b>Actual Spend at Quarter 3 % of Profile</b>
Commercial and investment property	38	35	92%
Horizon 120 business park	12,466	6,265	50%
Horizon 120 enterprise centre	885	423	48%
Manor Steet regeneration	15,421	7,750	50%
I-Construct	1,144	88	8%
Town Centre improvements	2,487	1,494	60%
Springwood Drive business units and parking	50	-	0%
Planned maintenance to Council premises	421	167	40%
Replacement vehicles and plant	123	-	0%
Information technology systems & equipment	580	140	24%
Play areas, parks and open spaces	440	184	42%
Environmental improvements	115	25	22%
Paths, cycleways, and other infrastructure	30	-	0%
Operational equipment	148	32	22%
Sports and leisure facilities improvements	15	14	93%
Waste Management	1,228	1,228	100%
Grants to registered social landlords	1	-	0%
Housing renovation & disabled facilities grants	369	360	98%
Capitalised interest	368	-	0%
Capital salaries	825	512	62%
<b>Total</b>	<b>37,154</b>	<b>18,717</b>	<b>50%</b>

As in previous years, expenditure in the final quarter of the year is expected to be higher than that in earlier quarters where projects were also impacted by the onset of the current pandemic.

Major projects allow for potential capitalised development interest, the total of which is shown in the above table. However, at present any increased borrowing requirement is being met from internal borrowing i.e. using the Council's own cash balances held for other purposes. On this basis the capital programme would underspend against this allowance, with the opportunity cost being reflected in the reduced amount of income from treasury management, with the overall position being positive to the Council.

## Capital resources

The original estimate was to generate £12.520m of capital resources from the sale of council-owned assets, including serviced land at Horizon 120 and residential sales at Manor Street. The majority of receipts expected in the year from Manor Street and Horizon 120 will now be received in 2021/22, with only deposits being held pending completion of legal transfers and completion of infrastructure works at H120 on which sales are conditional. Completion of the sale of land at Maldon Road, Witham was on hold at the end of the quarter pending consideration of an application for judicial review of the grant of planning permission. The shortfall in in-year receipts will require a temporary increase in internal borrowing.

Other estimated resources to be generated in the year includes £1.5 million from preserved right-to-buy (RTB) receipts. Eastlight (previously Greenfields) has reported that 6 RTB sales have been completed up to the end of Q3 generating approximately £679,000 for the Council. This is down on numbers achieved last year at this stage where 9 sales had been completed;

however, Eastlight have reported that 30 applications are in progress. Based on the timing and likelihood of progression to completion, previous experience suggests an estimated total of 10 sales may complete this year generating circa £1.1 million for the Council. This compares to 15 sales completed last year which generated £1.878 million for the Council

VAT shelter monies due to the Council at the end of Q3 were £272,000, which is £112,000 above the estimate for the year. This source of capital income is unpredictable being dependent on the extent and type of work undertaken by Eastlight.

The Council has received £931,000 from the Better Care Fund, which is used to meet expenditure incurred under the Council's disabled facilities grant scheme. In December, the Government announced a further top up grant of £125,000 to be received for the current year.