

Third Quarter Performance Management Report

1st October 2021 to 31st December 2021



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Section 1: Introduction and Summary






Purpose of the Report

The purpose of the report is to demonstrate the performance of the Council at the end of the third quarter in relation to the publication of 'Bouncing Back Together', our plan for the district up to March 2023. This sets out the key activities being implemented to deliver our corporate priorities and summarises the measures in place by aligning key performance indicators to our priorities within the Corporate Strategy 2020 – 2024. 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 our key activities




Corporate Priorities	Status of projects and actions				
					
Connecting People and Places	0	9	2	0	0
Enhancing our Environment	2	7	4	0	0
Supporting our Communities	0	16	1	0	0
Promoting Prosperity	0	9	2	0	0
Delivering and Innovating	0	10	1	0	0
TOTAL	2	51	10	0	0

KEY:




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

Summary of the Key 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 key performance indicators

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	3
Promoting Prosperity	0	0	0	3
Delivering and Innovating	3	3	0	2
TOTAL	8	3	2	9

KEY:

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

Summary Position

This is the first report reporting again the new Bouncing back together document and will reflect on the progress of the actions required to help our district recover and grow over the next few years.

As at the end of the December, a total of two projects are complete with 51 projects on track and progressing well. Ten projects have an amber status due to a number of projects experiencing delays due to supply chain issues impacting on some of our larger projects pushing back completion dates or resource issues and prioritisation of workloads.

Targets have not been set for all our performance indicators due to the disproportionate impact of the pandemic. For the targets that remain, eight performance indicators have met or exceed target and five performance indicators have missed their target. Three have missed target by less than 5% and two have missed their target by more than 5%. The areas of underperformance are in relation to the percentage of invoices paid within 30 days (<5%), the collection rate for Council Tax (<5%), the collection rate for Business rates (<5%), recycling rates (>5%) and waiting times for disabled facility grants (>5%).

We will continue to monitor our performance whilst focusing on the support required in the recovery of our district.



Section 2: Delivering our Corporate Strategy

CONNECTING PEOPLE AND PLACES








Actions carried out by Braintree District Council

Project description and comments	Status
Adopt the Braintree District Local Plan providing a vision for the future growth of the district	
The main modifications to Section 2 of the Local Plan alongside an updated Sustainability Appraisal and Habitats Regulation Assessment were published for consultation on the 6th December 2021 for 7 weeks. Comments received during this period will be forwarded to the Inspectors for consideration in coming to their final recommendations on legal compliance and soundness of the Section 2 Local Plan before the Council can proceed to its formal adoption.	
Rejuvenate Braintree town centre by completing the Victoria Square development providing a Livewell health hub, 35 apartments, a hotel, bus interchange and public open space	
Construction of the Victoria Square development continues despite delays in the supply chain impacting on the proposed completion of the development which has been pushed back to February 2022. Negotiations in respect of the lease for the Livewell Hub are ongoing. The new bus interchange will open to passengers on the 2 nd January 2022.	
Continue to support the safe return to our town centres and help build back together from the pandemic using the Welcome Back fund and other available funding	
The Welcome Back Fund is funding pedestrianisation wayfinding maps and events in the three town centres. Funding is also being used to encourage residents to get outside and be active, including exploring equipment at the discovery centre and developing a series of geocache locations near rural businesses. A high street improvement scheme was launched in December 2021 to improve the look and feel of shopfronts on our High Streets. The grants will cover the cost of labour up to the value of £1,000 and will support practical measures such as cleaning, general exterior repairs and renovation. Expressions of interest has been very high and a number of applications are being received.	
Deliver events in Braintree town centre to increase footfall and support local retailers taking advantage of the newly pedestrianised town centre	
The Braintree Christmas Light switch on event took place on the 20th November and was hailed a festive success. This was the first big event to really make the most of the new pedestrianised area. The event filled the town centre with more than 50 market stalls for people to browse alongside live festive entertainment. Other festivities took place throughout the day. Further Christmas street markets were held on the 4th December and the 18th	

December. Dates for street markets in 2022 will be considered in the new year.	
Deliver physical improvements to the town centres of Witham and Halstead	
Work will continue in earnest in the new year to finalise the proposed improvements to the town centres of Witham and Halstead. This will involve undertaking consultation with local businesses and residents on the proposed physical improvements before appointing contractors to carry out the required works.	
Develop a new Housing Strategy setting out how the Council will support the availability of good quality homes which best meet the needs of the current and future residents	
The development of the new Housing Strategy has been delayed due to focusing resources on supporting the increased demand on the Housing Service. A new Head of Service was appointed in November following the retirement of the previous Head of Service and they will review the resources required to deliver the strategy in the new year.	

Actions carried out in partnership with others




Project description and comments	Status
Continue to work with our partners on the planning decisions of strategic highway schemes for the A12, A120 and A131 Chelmsford Bypass	
A statutory consultation on the proposed dualling of the A120 between Galleys Corner and Junction 23 south of Kelvedon took place in the summer and further changes were made to the proposals following feedback received. A further consultation was launched in November running until the 19 th December on the revised scheme. The feedback received will be reviewed and compiled into a consultation report which will form part of the planning application for a Development Consent Order due to be submitted to the Department for Transport in 2022. Elected Councillors have re-enforced their support for the proposed route during the consultation period.	
Work with partners including Essex Highways on the delivery of our Cycling Strategy and implementation plan which includes developing integrated, high quality cycle routes that are safe to use and connected across our district	
A communications plan has been developed to encourage residents and businesses to utilise cycling within the district. Cycle maps for the district including family friendly routes and tourist routes are being developed and hope to be launched in Spring 2022. Funding for businesses to invest in cycle storage facilities at their workplaces was launched in November 2021 in a bid to encourage more people to cycle to work.	
Introduce the new Digital Demand Responsive Transport service, linking Horizon 120, with a fleets of electric mini-buses, to surrounding areas and central Braintree	
The digital demand responsive transport service linking Horizon 120 with a fleet of electric minibuses is due to commence in February 2022.	
Continue to support and monitor Superfast Essex in the delivery of Superfast Broadband across the district	
The Braintree district is currently at 95% of premises able to access superfast broadband and is forecast to reach 99% coverage within 3 years. The district wide take up of superfast broadband is currently at 30%.	
Facilitate the delivery of a purpose-built medical centre in Sible Hedingham	
Council lawyers have been instructed to transfer the land which is registered to the Council to One Medical.	

ENHANCING OUR ENVIRONMENT






Actions carried out by Braintree District Council

Project description and comments	Status
Carry out air quality reviews in known air pollution hot spots across the district to improve the knowledge of local air quality and the proposed actions to take	
Additional diffusion tubes have now been cited in Head Street, Halstead with extensive monitoring of the air quality taking place to see if it exceeds the set threshold values.	▶
The Council has drafted an invitation to quote for consultants to undertake a review of air quality in the district and this will be sent out in the new year. It is expected that a full report will be provided within four months of appointing consultants.	▶
Provide replacement litter bins along the A120 and A12 to keep laybys litter free and our district clean and tidy	
Delivery of this project has been delayed owing to issues with the supplier and availability of the bins. This is now expected to complete in March 2022.	▲
Continue to deliver campaigns and work with our communities to	
<ul style="list-style-type: none"> • Reduce litter, keeping our district clean and tidy • Reduce waste and increase recycling • Improve awareness and understanding of climate change 	
The Cleaner Essex Group met in the third quarter to discuss topics and dates for campaigns in 2022 around reducing litter and keeping our district clean and tidy. Litter will be a priority followed by fly-tipping	▶
During the third quarter, campaigns were launched to encourage residents to reduce waste and increase recycling through Eco-Christmas messages running from the 1st December through to the 13th January. The Campaign included 27 individual posts and four videos	▶
The Councils Climate Change Strategy was launched during COP26 week in November with videos from the Council, residents, businesses, community groups and schools on how they are tackling climate change. Additional messaging in the lead up to Christmas focussed on meal planning, real tree vs artificial trees, shop local, perfect portions, recipe tips, leftover tips and recycling.	▶
Carry out drainage works at Braintree cemetery to eliminate flooding and increase burial capacity	
Quotes for the drainage work at Braintree cemetery came back significantly more expensive than anticipated. We are now looking for a more cost effective drainage solution and the end date of the project is likely to change.	▲

Carry out refurbishments to eight play areas across the district providing improved facilities for young people to enjoy	
The contract to carry out improvements to play areas at Church Street in Bocking, Acorn Avenue in Braintree, Shaw Road in Witham and De Vere Road in Earls Colne has been awarded. Due to issues with supplies, the improvements are not expected to start until Spring 2022.	
Consult with local residents and users of our skate parks at Weavers Park in Braintree and Spa Road in Witham around replacement of facilities	
Face to face public engagement to establish preferred options has been impacted by the pandemic lockdowns during 2021 and will now take place in 2022	
Create a garden of remembrance at Bocking cemetery providing a peaceful environment for families to visit	
Following the publication in September 2021 of the concept designs for the garden of remembrance, the designs are now with the Councils procurement team to tender for the construction works.	

Actions carried out in partnership with others

Project description and comments	Status
Deliver actions set out in our Climate Change Strategy and Action Plan to achieve our long term aims of being a carbon neutral district	
During COP26 in November the Council launched a number of climate change action videos demonstrating how businesses, residents, schools, community groups and individuals are working to tackle climate change across our district. In the third quarter, the council has been working on a number of projects to reduce its on carbon footprint and increase biodiversity. As reported on below, the council has involved residents and communities in tree and bulb planting and the Council has also planted more on council owned land, bringing the overall number of trees and bulbs planted to 18,700 native trees and 73,000 bulbs across the district. Ten schools across the district took part in a creative climate challenge to design art work showing how they feel about climate change. The art work can be viewed on the Councils climate change web pages and the art produced by the student will form part of a local exhibition for friends and family to see, The electric vehicle infrastructure is being completed at Horizon 120. This is an ongoing programme and as soon as new sites are constructed, the installation of additional rapid charging points will be installed in carparks. The Council is still waiting for updated government guidance in a number of areas following the Environmental Bill receiving Royal Assent in November 2021 and we continue to review our action plan to ensure it reflects the national picture and partnership working with Essex County Council	
Involve residents and communities in tree and bulb planting across the district	
A high number of applications were received for planting packages. In total, over 41,000 bulbs and nearly 5,000 tree whips were handed out to Parish and Town Councils, Schools, Colleges, Charities and local community and voluntary groups.	
Complete our trial of anti-litter signage and continue to deter people from littering along highway verges	
The trial of the anti-litter signage closed in November 2021 after a year of strategically placing signs along the highway network. During the trial, there was a reduction in the litter discarded along the highway verges and the merits of the signs were clear. The results will be discussed with Essex Highways and discussions will take place to see if the signs are to become a permanent arrangement across the district.	

SUPPORTING OUR COMMUNITIES






Actions carried out by Braintree District Council

Project description and comments	Status
Replace the artificial grass pitch at Braintree Sports and Health Club	
A funding agreement is being drafted with Tabor Academy aiming for works to be carried out in the summer holidays. The tender exercise will commence in February 2022 to procure the project management company.	▶
Carry out physical improvements to Braintree Sports and Health club and Halstead Leisure Centre	
The improvements to the sports hall and studio floor at Braintree sports and health club are subject to the agreement of capital funds being agreed by Full Council in February 2022.	▶
The replacement of the boilers and building plant management systems at Braintree sports and health club are underway and should be completed in February 2022.	▶
The refurbishment of the wet and dry changing facilities at Halstead Leisure centre are subject to the agreement of capital funds being agreed by Full Council in February 2022.	▶
Revitalise our Community Transport scheme and increase the number of volunteers	
A total of 21 volunteer drivers have been recovered across the service including one new volunteer. Passenger journeys continue to increase with a total of 6,522 passenger journeys undertaken in the third quarter providing transport to booster vaccinations, food bank parcel deliveries, appointments, shopping and social activities.	▶
Deliver the Braintree District Volunteer Awards to recognise the contribution volunteers make in our district	
The volunteer awards are due to take place in June 2022. Initial discussions have taken place with regards to organisation of the event. A social media campaign will be launched in the new year.	▶
Continue to work with communities to influence the planning of the area in which they live through the development of local neighbourhood plans	
There are five completed plans in the District at Bradwell, Hatfield Peverel and Cressing, The Salings and Coggeshall. The Kelvedon Neighbourhood Plan has completed its examination and will go to referendum in the new year. A further six Plans are underway in the District at Feering, Great Yeldham, Great Bardfield, Stisted and Toppesfield, as well as the joint plan at Bures/Bures St Mary.	▶
Set up a young people's panel to encourage more young people to have their say on things that matter to them	
A discussion sheet is being compiled to assess which topics are important to young people at the present time and to see what has changed since our last engagement. Visits into schools will commence in line with the schools protocols on visitors as some are still reluctant to have outside visitors whilst pandemic numbers are high.	▶

Continue to deliver our LiveWell programme, focussing on: <ul style="list-style-type: none"> • Supporting children and their families to have the best start in life • Supporting older people to age well • Supporting children and adults to have good mental health • Tackling obesity in adults and children • Reducing hip fractures in over 65's 	
<p>The health and wellbeing panel are reviewing the priorities of the health and wellbeing board and information is currently being collated by partners to help understand the changes required. A number of activities continue to be delivered under the Livewell programme including organised walks, fitness classes for people with health conditions, seated exercise classes, dance lessons, weight management sessions and meet up Mondays and Tuesdays. A mental health workshop took place in October with a range of partners. A comprehensive presentation was given by the Mid Essex Alliance regarding the transformation programme for adult mental health together with a presentation on Mental Health Support Teams in Schools. A Dementia Friendly Music Train organised in partnership with the Community Rail Partnership took place in December involving 40 guests travelling by train from Witham to Braintree accompanied by a musician. Each attendee received a bag of information when leaving the event about local services and the support that is available to people living with Dementia and their carers.</p> <p>A number of schools are willing to re-engage with the Livewell Child project following the pandemic and we will be looking to streamline the projects focussing on tackling factors surrounding obesity, nutrition, physical activity and mental health. Schools will be matched with a relevant project.</p>	▶

Actions carried out in partnership with others

Project description and comments	Status
Work with Community 360 and Active Essex to provide support to children and families who need it during school holiday periods through the provision of activity sessions	
A total of 10 clubs across the district saw more than 440 children attend the clubs during the winter school holidays providing children with various activities and a nutritious meal.	▶
Continue to work with Community 360 to promote volunteering opportunities and support the voluntary sector	
Plans for a volunteering campaign have been put on hold due to the work Community 360 have been doing around vaccination sites and the need to recruit volunteers to support this.	▲
Continue to develop a range of initiatives to address social isolation and loneliness across the district	
A 'Here to Help' newsletter was distributed to over 800 residents providing information on activities and services in the area such as seated exercise, scams, useful contacts, helplines, befriending, mental health, home safety and the handyman service among many other initiatives and services. Sunday Cinema at Witham library organised by the community launched in December showing Mama Mia. Film showings will continue once a month on Sundays through to the Spring. The Braintree District Social Isolation and Loneliness Forum met in December to update their action plan. Discussions also took place regarding initiatives for Loneliness Awareness Week (13 – 17 June).	▶
Continue to work with Essex County Council on the Governments 'Next Steps Accommodation Programme' on initiatives to prevent rough sleepers returning to the streets	
Work continues on two projects to provide additional accommodation for those moving off the streets and providing a pathway to independent living.	▶
Continue to raise awareness through the Community Safety Partnership of hidden harms such as exploitation and domestic abuse	
The Local Exploitation Group have identified two areas of Witham that are causing concern in relation to children & young people going missing and exploitation. The areas will be targeted through detached youth work in the areas, training and awareness for local businesses and community organisations. Braintree District Council supported #WhiteRibbonDay and	▶


#MakethePromise in November 2021 to help end violence and abuse against women and girls.	
Work with the integrated care system and Health and Wellbeing panel to understand local health inequalities and develop the role of Primary Care Networks to support and improve the health of our communities	
Officers from the Council attended the Mid Essex Alliance meeting where they advised that they are joining the Integrated Care System Population Health and Place Development Programme funded by NHS England and NHS Improvement in partnership with the Local Government Association. This programme will help the Mid Essex Alliance access action-focused, expert support to embed and accelerate the way we deliver health and wellbeing outcomes to residents in our district. As part of this we have completed two surveys, a relational audit looking at partnership working and a place diagnostic looking at current practices. The Alliance have also identified a budget to raise awareness of suicide prevention across Mid Essex, a plan will be developed in relation to this.	
Work with our leisure providers to get people back into activity improving their physical and mental health	
Meetings have taken place in December with leisure providers and officers from the Council to get more people referred into activity through various referring agents such as primary care networks and cardiac rehab. We have signed up to the 'love to ride' initiative to encourage people of all ages and abilities to get on their bike and become more active. As covid is still impacting on participation levels at our leisure centres, the focus has been on increasing outdoor activities and the capacity of sport pitches. A new park run was launched at Markshall in Coggeshall in November which has seen a high number of people attending.	
Engage with school age children and young adults through careers, jobs and apprenticeship fairs to inspire young people to raise their aspirations	
The Council are working in partnership with Essex County Council to deliver a jobs fair in March 2022. This will take place virtually via Lean Live, which will allow employers to broadcast their job vacancies and do live interviews.	

PROMOTING PROSPERITY







Actions carried out by Braintree District Council

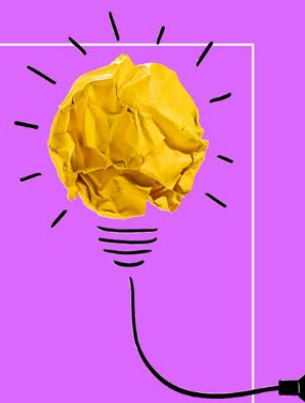
Project description and comments	Status
Continue with the development of Horizon 120 Business and Innovation Park creating up to 2,000 high quality jobs	
The Horizon 120 Business and Innovation Park continues to be developed with 15 acres remaining within Phase 1.	▶
Complete the Horizon 120 Enterprise Centre providing space for conferences and events as well as serviced offices, café and public plaza for start-up companies and SME's	
Delays with glazing & aluminium in October were resolved in November however, this may impact on practical completion pushing this back to June 2022.	▲
Develop the Witham Enterprise Centre providing small industrial units for startup companies and SME's	
A transport consultant has been appointed and negotiations have started with Essex County Council concerning adoption of the Hall road off Hatfield Road.	▶
Complete the I-construct innovation centre supporting the development of SME's in the construction sector	
I-Construct, a £2.3 million centre of excellence for construction innovation, has opened for business. Building work finished in December, 15 months after it began. The two-storey building consist of a technology suite, exhibition space, conference facilities and informal meeting areas. It is home to a team offering one-to-one mentoring, grant schemes and advice to small and medium sized firms connected to the construction industry. The business support programme at the hub will be run by the Haven Gateway Partnership and will serve businesses across Essex, Kent and East Sussex. The programme will support over 350 businesses and create up to 130 jobs. An official ceremony to mark the opening will be held in the New Year.	▶
Refresh our Plan for Growth to identify future priorities and deliver the outcomes of the associated Action Plan	
The appointed consultant has failed to provide the primary research within the project timescale. Until the material is received and the quality is assessed the timing of the work cannot be set.	▲
Deliver campaigns to promote Braintree District as a place to invest in, live in and visit	
The #LoveBraintreeDistrict Shop Local campaign was launched in December to encourage shoppers to support independent businesses and traders in the run up to Christmas. A video was launched featuring 11 businesses from across the district. The campaign generated over 123,000 impressions, 10,000 engagements, 22,000 video views and 121 posts across social media. Feedback from businesses featured said they believed the campaign made a difference	▶

for their sales during December. The Christmas markets were promoted across social media channels and the Gingerbread trail let families explore Braintree town centre to find the 27 gingerbread characters that have been hidden in windows of shops and businesses. People were encouraged to share their photos of them completing the trail and exploring the town on social media.	
Support individuals back into employment by addressing barriers and providing tailored support and access to training	
As of the end of December we have a caseload of 63 individuals, 9 new starts with 15 social justice outcomes being achieved. A full list of contact details for all work coaches has been requested from Braintree & Witham Job centres	

Actions carried out in partnership with others






Project description and comments	Status
Rise to the economic challenges by working in partnership with members of the North Essex Economic board to provide support to businesses and create opportunities to boost growth	
The business support programmes have been contracted and are in the mobilisation phase. The digital skills work is close to entering the mobilisation phase and work to support green industries is being led by Maldon District Council and will be going out to tender in the new year. There is a small amount of funding remaining which is currently being investigated for spend on suitable projects prior to the end of March 2022.	
Continue to develop the business support offer for the construction sector as part of the I-construct innovation centre	
A pipeline of contacts for businesses in the Braintree District who are from the construction industry or the supply chain, has been provided to Haven Gateway Partnership to promote the offer of I-Construct. A promotional bag of business support information and an invite to the launch of I-construct was provided to all relevant businesses on Springwood industrial estate and officers in the Economic Development Team have worked with the Asset Management Team to agree a discount for room rentals for springwood industrial estate businesses to access I-construct.	
Continue to provide signposting to business support, advice and suitable grants	
£665,000 of additional Business Adaptations Grant funding was allocated to the Council after being advised that other local authorities had declined the funding. As such, an additional two rounds of Business Adaptations Grants have been delivered in the third quarter and the remaining Additional Restrictions Grant funding has been allocated to the Business Adaptation Grants distributing a total of £479k in time for Christmas. Any remaining applications being processed will be paid out in the first week of January.	
Ensure residents have access to the skills programmes and education they need to access employment opportunities including in new and expanding sectors	
Key research is being undertaken to identify skills gaps and education programmes. The findings will inform both the Essex Skills plan and Braintree Plan for Growth. A meeting for the Essex Skills Plan working group will take place in January 2022 with Essex County Council, skills providers and key stakeholders to discuss how we can identify and fill skills gaps within the County and identify the emerging priorities for change.	

DELIVERING AND INNOVATING




Actions carried out by Braintree District Council

Project description and comments	Status
Through our Investment and Development Programme, continue to develop and implement a pipeline of projects focussed on reducing costs, improving efficiency, generating income and becoming more commercially focussed to deliver against the £1.6m financial gap over the next four years.	
The Investment and Development Programme currently has a pipeline of £1.5m, of which £156k is captured within the Medium Term Financial Strategy. The ideas on closing the financial gap collected during 2021 continue to be reviewed. The initial ideas have been filtered to eight current ideas which are being considered through the programme. Monthly senior officer programme group meetings review the opportunities and consider how these will move forward. Monthly steering groups enable member scrutiny of the programme.	▶
Refresh our Digital Strategy and action plan to address future demand and improve the way we use technology to deliver services	
The digital strategy has been delayed due to resources being diverted to another major project. This will be picked up in the new year.	▲
Encourage residents to transact with us on line by developing our website to allow customers to make bookings, track requests and sign up to receive council tax bills electronically	
The digital services team have been working on a booking system that will work across venues where events can be held. Discussions have also taken place regarding booking sport pitches on line and this will be developed in the new year	▶
Residents who were linked to PDF Billing for their Council Tax bills have now been offered the opportunity to register for Open Portal. For anyone who has not registered, their accounts will be reverted back to paper billing. A social media campaign to sign up to Open Portal will start in the new year.	▶
Develop a plan of community engagement to better understand the needs of our local communities	
Information is being gathered along with statistical data to see if we should target specific areas for engagement. A list of events for 2022 is being compiled to see where we may be able to attend and engage with residents. The Community Engagement officer will be supporting the resident's consultation on replacement to facilities at the skate parks in Braintree and Witham.	▶
Use customer information and feedback to improve services whilst working towards retaining the accreditation for customer service excellence	








The assessment has been arranged for June 2022 and the assessor has advised of the areas of focus alongside the rolling programme of continuous improvement. Services will be contacted in the new year to gather the evidence required for the assessment.	
Review the criteria for the discretionary business rates scheme for charitable and non-profit organisations	
A notice period of one calendar year will be given with the annual bills due to be despatched at the beginning of March 2022. The new scheme for 2023 will need to be decided prior to September 2022, to allow time for businesses to apply.	
Monitor changes to various legislation to understand the impact on services including but not limited to the Domestic Abuse Act 2021, Environmental Bill 2020 and Planning reforms	
The Domestic Abuse Act became law in April 2021. Changes introduced by the Act include the extension of the homelessness priority need criteria to include anyone who becomes homeless as a result of domestic abuse. This will be picked up in the review of the Homelessness Strategy.	
The Environmental Bill received Royal Assent in November and we are currently awaiting the Government to formally announce the policy changes which is expected in Spring 2022 to enable the Council to understand the impact in relation to the Council's Waste Collection Service	
The Planning Policy team continue to consider the implications of the environment bill and planning reforms in particular the biodiversity net gain.	





Actions carried out in partnership with others



Project description and comments	Status
Work with Fusion to recover and develop leisure services following the pandemic ensuring the district has the right type and level of leisure provision to meet resident's needs	
The Council continues to liaise with Fusion regarding participation levels which are increasing especially in relation to swim school but remain lower than anticipated in the third quarter due to the impact of the omicron variant. We are continuing to support Fusion through the difficulties caused by the pandemic through the National Leisure Recovery Fund	

Section 3: Managing the Business

Our Performance Indicators in Detail

Performance Indicator	2021/22						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
CONNECTING PEOPLE AND PLACES							
Number of affordable homes delivered	91	99	111		37		
Percentage of superfast broadband coverage across the district	95%	95%	95%		n/a	n/a	
Cumulative number of homes granted planning permission (outline and full)	654	709	881		810		<i>This indicator reports cumulatively on the outline and full planning applications granted permission. Figures will fluctuate each quarter depending on the size of the applications. In the first quarter, one outline application counts towards 575 homes The breakdown between full and outline permissions since April through to the end of September are as follows: Full – 161 Outline 720</i>
ENHANCING OUR ENVIRONMENT							
Percentage of household waste sent for reuse, recycling and composting	53.63%	54.44%	46.62%		60%		<i>The total tonnage collected in this quarter is 579 tonnes lower than in the same period in 2020-21. This reflects the start of the garden waste suspension in December and a slight reduction in Dry Recycling, (567 tonnes) partly offset by a reduction in the overall residual waste tonnage (484 tonnes).</i>
Kilograms of residual household waste collected per household	117kgs	116kgs	110kgs		117kgs		
Percentage of land that falls below cleanliness standards for litter	n/a	7%	5%		6%		
Number and percentage of accessible non-hazardous fly tips on public land cleared within 24 hours of being reported	100% (198)	100% (205)	100% (172)		100%		
Number of residents assisted in installing energy saving measures	Annually reported						
SUPPORTING OUR COMMUNITIES							
Average waiting time for applicants on the Disabled Facilities Grant (calculated in days from point of	211 days	205 days	180 days		90 days		<i>The average waiting time is reducing. The DFG Team are beginning to be able to respond to work referrals as they are received since the backlog of applications caused by the lockdowns is now almost</i>

Performance Indicator	2021/22						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
referral to approval)							<i>addressed. A number of applications have been delayed in this quarter due to the applicants themselves needing to isolate or being reluctant to schedule appointments due to the risk of catching the Omicron variant. Delays in obtaining building materials are ongoing.</i>
Participation levels across all our sports centres	91,643	135,223	137,813		n/a	n/a	
Participation of adults being active for 150 minutes per week	Annually reported						
Number of customers using out Handyman scheme	25	19	60		n/a	n/a	
Number of homelessness cases prevented	64	54	67		n/a	n/a	
PROMOTING PROSPERITY							
Percentage of people in the district claiming out of work benefits rate (aged 16 – 64)	4.3%	3.7%	3.2%		n/a	n/a	
Number of new business start-ups across the district	259	217	247		n/a	n/a	
Number of businesses that have contacted us for business support	191	451	387		n/a	n/a	
DELIVERING AND INNOVATING							
Percentage of calls resolved at first point of contact in the Customer Service Centre	73%	74%	71%		n/a	n/a	
Percentage of invoices paid within 30 days of receipt (cumulative)	97.08%	95.77%	96.49%		99.25%		<i>This indicator is now reported cumulatively to provide a better understanding of the position with paying invoices. Since the start of the financial year, 272 payments out of 7743 have been paid later than 30 days of receipt of the invoice. The target is being reviewed in light of organisational changes and the emphasis on services receipting goods.</i>
Number of people transacting with us online	39,311	32,278	29,569		n/a	n/a	
Time taken to process housing benefit/council tax benefit new claims	16.48 days	14.33 days	14.85 days		20 days		
Time taken to process housing benefit claim changes	5.59 days	4.64 days	3.67%		6 days		
Percentage of Stage	93.51%	94.83%	91.67%		90%		

Performance Indicator	2021/22						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
1 complaints responded to within 7 working days							
Collection rate for Council Tax	30.10%	57.48%	84.70%		86.20%		<i>The target is based on the pre-Covid collection performance recorded in 2019. Against 2020/21 performance is marginally better and amongst Essex Authorities the rate being achieved is the highest for the period.</i>
Collection rate for Business Rates	25.80%	51.57%	81.77%		84.58%		<i>The target is based on the pre-Covid collection performance recorded in 2019. Performance is marginally down on 2020/21, the rebilling of accounts required due to the reduction in the expanded retail and nursery reliefs from 100% to 66% from July 2021 meant that payment plans for the remainder of the year had to be readjusted. Again, compared to other Essex Authorities the collection rate is the highest achieved for the period.</i>

Complaints

The quarterly complaints analysis for the third quarter of 2021/22 is detailed below. This is compared with 2020/21 figures shown in brackets. The figures represent all three stages of the complaints process.

Complaint Category	Q1 2021/22	Q2 2021/22	Q3 2021/22	Q4 2021/22	TOTAL
Justified	51 (43)	67 (51)	39 (53)	(50)	(197)
Not Justified	82 (55)	68 (56)	45 (43)	(73)	(227)
Partially Justified	26 (19)	46 (22)	7 (19)	(28)	(88)
Not known	0 (0)	4 (0)	0 (0)	(1)	(1)
Total	159 (117)	185 (129)	91 (115)	(152)	(513)

Comments

There has been a substantial reduction in the number of complaints received in the third quarter of 2021/22 compared to the previous quarters.

A lower number of missed bins has positively impacted on the number of complaints received in the operations service area. The majority of complaints received in the third quarter still relate to missed collections with parked cars, contaminated waste and missed assisted collections continuing to be the main reasons.

In the third quarter of 2021/22, of the 91 complaints received:

- 84 are stage one complaints
- 4 are stage two complaints
- 3 are a stage three complaints

A summary of Local Government Ombudsman (LGO) cases:

In the third quarter of 2021/22, the LGO has received one new complaint enquiry in respect of the waste collection service which they declined to investigate after making initial enquiries with the Council.

The LGO have also declined to investigate a complaint from the first quarter in relation to the discretionary test and trace support scheme as there was no injustice to the complainant.

Our Organisation

The following is a selection of our people performance measures:

People: Indicators of Performance	Q1 21/22	Q2 21/22	Q3 21/22	Q4 21/22	Change on previous period	Yearly Target
Total headcount	495	492	494		+2	-
Total staff FTE	446.07	441.97	443.2		+1.23	-
Level of employee turnover	3.03%	2.24%	2.63%		+0.39%	-
Number of leavers	15	11	13		+2	-
Number of starters	11	8	15		+7	-
Working days lost to sickness per employee	1.4 days	1.72 days	1.94 days		+ 0.22 day	8.0 days
Percentage of staff with nil sickness	84.8%	71.95%	60.53%		N/A Cumulative	-
Number of learning hours	1365.5	1556	2594		+ 1,038	-
Number of delegates	189	169	152		-17	-
Number of apprentices **	16	14	19		+5	-

Year on Year Headcount Analysis	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	470	464	466	481	492	499

** BDC's apprenticeship programme runs throughout the year. The figures reflect various apprenticeships ranging from level 3 through to a degree level 6

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	
	(2020/21 figure in brackets)				
Total number of reported accidents/ incidents, calculated from:	8 (10)	7 (13)	9 (10)	(12)	
<i>Accidents/ incidents to employees</i>	6 (8)	6 (11)	8 (8)	(9)	<i>The most common reported accidents in the third quarter are slips, trips, falls and manual handling</i>
<i>Accidents/ incidents to contractors</i>	2 (2)	1 (2)	1 (1)	(3)	
<i>Accidents/ incidents to non-employees</i>	0 (0)	0 (0)	0 (1)	(0)	
Time lost in days due to employee accidents/ incidents	0 (0)	10 (5)	22 (18.5)	(16)	<i>The time lost relates to one incident of a broken hand as they were unable to carry out their duties</i>
Number of reported verbal/ physical incidents to employees	2 (2)	1 (4)	1 (1)	(0)	
Number of near miss incidents	0 (0)	0 (0)	0 (0)	(1)	
Number of Accidents/ incidents registered resulting in insurance/ compensation claim	2 (0)	1 (2)	3 (3)	(2)	
Number of claims settled	1 (1)	0 (1)	3 (1)	(1)	

Financial Performance

Executive Summary

- Taking into account the projected impact of Covid and variations to the base budget, **the net budget position forecast for the year is a positive variance of £699k.**
- The estimated **budget impact of the pandemic** in 2021/22 is **£868k.** This is expected to be offset by funding received from government currently leaving **a balanced position.**
- The forecast position regarding the **base budget** is a **positive variance of £699k.**
- The proposals for the 2022/23 budget included £367k of savings that are reflected in the projected outturn as these were considered to be ongoing.
- After taking into account other planned movements in balances, **the projected change in General Fund balances is an increase of £191k**
- **Expenditure of £21.8m on capital projects** up until the end of December, with spending mainly being incurred on: Horizon 120 business park infrastructure, now completed; the new Horizon 120 Enterprise Centre; I-Construct; Manor Street regeneration scheme; Town Centre improvements and the Halstead Leisure Centre artificial grass pitch

Background

The Service Budget for 2021/22 is £15.4m. This amount was to be financed from a combination of: general government grants (£0.4m); business rates (£5m); and Council Tax (£10m). During the year service budgets may be updated in accordance with the Council's Budget and Policy Framework Procedure.

General Fund Revenue Spending

The table below shows the projected outturn by service as forecast at the end of Quarter 3.

Service	Updated Budget £'000	Actual Spend £'000	Adverse (Positive) variance against Budget				RAG Status
			Staffing £'000	Other Exp. £'000	Gross Income £'000	Total £'000	
Asset Management	(2,477)	(2,524)	31	9	(87)	(47)	G
Community and Leisure	750	1,062	(57)	128	240	311	R
Corporate Management	1,496	1,487	(33)	16	8	(9)	G
Economic Development	216	197	-	(19)	-	(19)	G
Environment	776	799	59	41	(77)	23	A
Finance	1,511	1,541	(141)	187	(16)	30	A
Governance	1,210	1,134	(7)	(39)	(30)	(76)	G
Housing Services	956	918	-	(37)	(1)	(38)	G
Human Resources	358	357	(1)	-	-	(1)	G
ICT & Facilities	1,712	1,733	23	(2)	-	21	A
Marketing and Communications	614	582	(9)	(1)	(22)	(32)	G
Operations	6,341	6,018	(161)	247	(409)	(323)	G
Strategic Investment	23	23	-	-	-	-	G
Sustainable Development	1,024	1,071	(82)	84	45	47	A
Service Total	14,510	14,398	(378)	614	(349)	(113)	G
Corporate Financing	1,223	1,205	-	(38)	20	(18)	G
Efficiency target	(300)	-	300	-	-	300	
Total Budget	15,433	15,603	(78)	576	(329)	169	A
Covid-19 general grant						(555)	G
Covid-19 specific grants & income compensation						(313)	G
Net Total General Fund						(699)	G

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

Changes in management structure means that Leisure Services has been transferred from Environment to Community Services and this change is reflected in the table above.

Analysis of the Total Budget Variance

Except where specific expenditure is being incurred, it is difficult to be precise about the extent to which the budget variances set out above have arisen solely as a result of the Covid pandemic, therefore judgement has been used. As the pandemic has continued and society has had to adapt, it is recognised that there will be lasting consequences which will impact on the Council's activities and finances. It is likely that there remains economic implications that have yet to be realised as government support to individuals and businesses is withdrawn.

Reason for budget variance:	Adverse/ (Positive) variance against Budget				Net of Covid-19 grants £'000
	Staffing £'000	Other Expenditure £'000	Income £'000	Total £'000	
COVID-19	117	320	431	868	-
Base budget	(195)	256	(760)	(699)	(699)
Projected Budget Variance	(78)	576	(329)	169	(699)

In some service areas the response to Covid related requirements have been undertaken by staff reprioritising and/ or generally working increased hours. This element of the resource input to Covid is not quantified in the above analysis.

Commentary on the impact on the budget due to the Covid-19 Pandemic

The budget impact from the Covid pandemic is estimated to be £868k, which is mainly as a result of the following areas:

- Increased costs and reductions in income expected to be incurred whilst providing support to the Council's leisure services to remobilise and recover following the multiple periods of national lockdown and other local restrictions. This includes putting in place measures to ensure that facilities continue to operate in accordance with the appropriate guidance and advice. The financial implications for these measures are reflected in the reported position for Community & Leisure. Partially offsetting the anticipated additional expenditure is a balance of funds that were received in 2020/21 following a successful bid to the National Leisure Recovery Fund.
- Anticipated reductions in fees and charges, primarily from off-street car parking, but also other services including Community Transport, the Town Hall Centre, and Markets. The Government committed to continue to provide compensation to local authorities at a rate of 75p in the £ for net losses across certain income streams where these exceeded 5% of the amount originally budgeted in 2020/21. At the present time the scheme is only expected to cover the period April to June, and for which a claim submitted for £108k has been included in the projections. It is inherently difficult to predict how demand and usage of facilities might continue to recover across the remainder of the year, and this aspect of the projections remain uncertain.
- Estimated reductions in non-fee income. This relates mainly to recoveries from local tax and housing benefit activities. Staff resources have continued to be prioritised towards administering Covid business rate reliefs and grants, and self-isolation payments. Recovery procedures were initially impacted by the limited capacity and availability of the courts to deal with applications for liability orders; however, recovery action has now resumed to some normality. Collection rates for both council tax and business rates remain below pre-pandemic levels, although based on information available at the end of December, collection rates were the highest amongst Essex authorities.

An additional £686k of emergency funding was allocated to the Council as part of the Local Government Finance Settlement for 2021/22, of which £555k has been taken into account in the projections in addition to a £131k transfer to the Covid Reserve. Additional funding has been received, including Contain Outbreak Management Funds, which are meeting the costs of various Covid-related activities that, in part, are being carried out by staff within the Environmental Services team with some back-fill arrangements in place. As indicated above, the Council has also made a claim under the Income Compensation Scheme and this has been reflected in the projections.

Taking into account the external funding received, the net position on Covid account is projected to be neutral; however, there is still a large degree of uncertainty for the last quarter of the financial year. The impact on some income streams is less than was reported at Q2, particularly car parking,

There are still some Covid related costs that might need to be recognised in future reports in relation to construction projects where contractors have indicated that claims may be submitted for increased costs due to time delays and additional expenditure caused by the pandemic and changes in government guidance on site operating procedures. The Council still holds a balance of Covid funds and if necessary will draw down on these to meet any claims agreed.

Commentary on Base 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.

Across all service areas staffing budgets are projected to be underspent by £378k. The budget includes a corporate efficiency target of £300k, which is normally achieved from staffing, therefore, after taking this into account, it is currently projected that staff costs will be underspend by £78k.

The projections are based on known staff changes at the end of Quarter 3 and it is likely that further changes will become evident as part of the year-end review.

The main reasons for the projected staffing underspend within services are due to current vacant posts, organisational changes, and/ or efficiency savings.

Other Service Expenditure

Excluding the additional £320k of costs estimated due to Covid, there is a net overspend projected against the base budget of £256k, which is a combination of variances across all service areas, including:

- Housing Benefits – a complex area involving significant expenditure in benefits paid to claimants but also with subsidy received from government. The level of subsidy is subject to various claim types where the rate of subsidy provided can vary. It is currently projected that there will be a net additional cost (+£190k) based on current claim data. This cost can be subject to significant change and further investigation is being carried

out to identify how much of this increased cost may be attributable to temporary factors, as opposed to those that might have a more lasting effect.

- Increased Waste Management costs arising from the additional cost and replacement of wheelie bins due to district growth and breakages (+£70k). Higher fleet costs due to a combination of fuel price increases, maintenance costs and hired vehicles over the Christmas period (£66k). Higher charges from haulage contractors due to the fuel price and HGV driver shortages (+£35k).
- Higher maintenance charges and hired vehicle costs within Street Cleansing (+£34k).
- Additional costs are being incurred in relation to planning enforcement where legal costs are being incurred (+£45k), although the service is seeking to recover some of these costs.
- Recruitment costs in relation to corporate management changes (+£23k).
- Unbudgeted fees in relation to external costs being incurred by Landscape Services (+£35k).
- Additional external audit fees (+£52k) arising, partially from a new 'Use of Resources' requirement placed on auditors by the National Audit Office, and provision for increased costs relating to the 2019/20 external audit.

Within the overall position there are some areas where positive variances are projected:

- Payments to the Essex Pension Fund are lower than anticipated in relation to prior year discretionary benefits (-£55k).
- Recharges from Eastlight Community Housing for voids and repairs on temporary housing accommodation is projected to be lower than budgeted (-£34k), and there is a projected overall underspend on the rent support scheme used to assist people to access private rented housing (-£13k)
- Reduced operating costs at Cordons Farm including from less frequent emptying the interceptor tank as a result of improved drainage and favourable weather conditions (-£40k)
- There is an overall underspend projected within the Governance Service (-£28k), which is comprised of lower forecast expenditure on Members' allowances and expenses; and cost savings in Electoral Services, which is partially offsetting a reduction in Cabinet Office grant for Individual Electoral Registration.
- Reduction in costs in relation to services provided within Essex Libraries (-£28k).

The main changes from the overspend position reported at Q2 are higher costs within Operations, in particular Waste Management as detailed above.

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. These income streams are normally fairly predictable or fluctuate in response to compensating changes in expenditure. Where uncertainty exists this is managed via earmarked reserves, e.g. the business rate retention reserve. Other income is more susceptible to changes in external factors and service demand, and the projected position at this quarter for the outturn is summarised in the following table:

Service	Updated Budget	Joint Financing & Other Reimburs.	Sales, Fees & Charges	Rents & Service Charges	Other Income	Total	RAG status
		4,467	6,212	3,156	1,460	15,295	
	£000	Adverse (Positive) Variance £000 against Budget :					
Asset Management	3,385	-	(1)	(81)	(5)	(87)	G
Community & Leisure	534	(6)	240	-	6	240	R
Corporate Management Plan	10	8	-	-	-	8	A
Economic Development	-	-	-	-	-	-	G
Environment	883	21	(78)	-	(20)	(77)	G
Finance	2,037	80	-	-	(96)	(16)	G
Governance	197	(17)	(34)	-	21	(30)	G
Housing	41	-	(6)	6	(1)	(1)	G
Human Resources	-	-	-	-	-	-	G
ICT & Facilities	2	-	-	-	-	-	G
Marketing & Communications	123	-	3	-	(25)	(22)	G
Operations	5,482	(193)	(220)	22	(18)	(409)	G
Strategic Investment	300	-	-	-	-	-	G
Sustainable Development	1,741	(69)	114	-	-	45	A
Service Total	14,735	(176)	18	(53)	(138)	(349)	G
Corporate Financing	560	-	-	-	20	20	A
Total Budget	15,295	(176)	18	(53)	(118)	(329)	G
Attributable to:							
Covid-19 impact		(87)	495	23	0	431	R
Base budget		(89)	(477)	(76)	(118)	(760)	G

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

The commentary above on Covid-19 provides an explanation of the income activities that have been most affected by the pandemic.

Commentary on Base Budget income variances

The reasons for the projected overachievement of income of £760k against the base budget include:

- Higher income from the sale of mixed dry recycling material. The price paid to the Council for material is based on a basket of indices which are reviewed each quarter. The budget had assumed a basket price of £29 per tonne based on the position at that time. However, this increased at Q1 to £38 per tonne, rising to £62 for Q2, and £76 for Q3. It is anticipated that Q4 will increase further to £84 per tonne. With such sharp volatility, variances can alter significantly between quarters. Income is predicted to be £361k more than budget (up from £355k at Q2) with other recycling and disposal credits showing higher income of 55k.
- During the summer season the amount of green waste collected increased resulting in an additional £37k in compost credits for the year being predicted. The outturn position will be affected by the autumn collection tonnages and in particular March when tonnages can vary substantially according to weather conditions at that time.
- A number of administrative grants for Housing Benefits and Local Council Tax Support were not announced until after the budget was approved. The final determinations means that an additional £86k of income has been achieved.
- Whilst a number of service areas have continued to see a drop in fees and charges income, the Local Land Charges service is projecting an overachievement against budget of £33k. Demand for the service remained high during the first half of the year as

residential buyers were looking to benefit from savings on stamp duty. The demand for the service returned to pre-covid levels in quarter 3. Similarly, the Building Control service has also seen an increase in demand for services resulting in a higher level of income being predicted (+£43k), albeit some staffing difficulties means that increased costs are having to be incurred on short-term temporary staff.

- Higher forecast income from licensing of £27k from increased applications during the quarter. Given the nature of the income, consideration will need to be given to retaining this underspend in line with licensing legislation if the forecast materialises as expected.
- A higher level of occupancy within the commercial property portfolio and the effect of rent reviews, along with rental income from two properties in Halstead that were previously part of a proposed land disposal, means that income is projected to be higher than budget (+£86k)

Partially offsetting this increased income:

- A significant downturn in planning application and pre-application income was experienced in the second quarter; however, whilst there is still a projected shortfall this has reduced at Q3. In addition increase in Planning Performance Agreements of £45k compared to the previous quarter has reduced the shortfall. The revised forecast for the year is a net underachievement of income under Sustainable Development of £45k (At Q2 a shortfall of £154k was being predicted).

Treasury Management

Investment activity

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	
£35.5m	£154.4m	£122.6m	£67.3m
Average amount invested for the period			£59.5m
Highest amount invested			£73.7m

The amount of cash under management during the first three quarters of the year is currently higher than last year given a large amount of cash currently due to be returned to central government. It is forecast, that the amount of cash balances will reduce significantly over the next quarter as capital investment expenditure continues to be incurred whilst income from Council Tax and business rates reduces in the last two months of the year. This will ultimately lead to lower cash balances available for treasury management.

Investment income and valuations

Interest and dividends earned to the end of the quarter totalled £603k, which is equivalent to an annualised rate of return of 1.34%:

Investments	Average Amount Invested	Interest & Dividends Earned	Annualised Return %
Long-Term Pooled Funds	£19.0m	£594k	4.15%
Short-Term	£48.5m	£9k	0.03%
Total	£59.5m	£603k	1.34%

Investment income of £827k is projected for the year, which is £118k better than assumed in the budget. The original budget was reduced by £350k in light of the sharp falls in interest rates, expected reductions in dividends from pooled funds, and also taking into account the anticipated reduction in cash balances. This reduction in budget was to be met by using the Treasury Management earmarked reserve in 2021/22, therefore, the projected improvement in income for this year will result in less being required from the reserve.

The market value of shares and units in pooled funds at the end of December, was £21.8m, representing an unrealised gain of £2.8m over the amount originally invested.

Investment portfolio

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

- Long-term pooled fund investments £19m (allocated: £3m property fund; £13m equity funds; and £3m in diversified asset funds);
- Low volatility Money Market Funds (MMFs) £23m;
- Variable net asset value MMF £4m;
- Debt Management Office Account Facility £17m
- Non-UK banks - £3m
- Lloyds current account £1.3m.

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 estimated movements on the General Fund balances are:

	£'000
Balance at 1 April 2021	5,999
Addition/(deductions):	
Budgeted reduction	(320)
Funding for one-off investment	(1,139)
Pension Fund triennial payment - repayment	823
Projected outturn variance at Q3	699
Earmarked Reserve Review (proposed)	128
Estimated Balance at 31 March 2022	6,190

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

- The approved budget included an anticipated reduction in balances of £320k.

- An allocation from General Fund balances was approved by Full Council in February 2021, to meet one-off budget requirements: £1m to be set aside to deal with the potential impact of Covid on services; £75k for the Councillor Community Grant Scheme; £7k for a Noise Level meter; and a total of £58k as provision for loss of income during the redevelopment of Manor Street.
- A one-off payment was made in 2020/21 to the Essex Pension Fund covering the period April 2020 to March 2023, which was part funded from General Fund balances. A repayment back into balances is being made in 2021/22 and 2022/23.
- During 2021/22 an earmarked reserve review was undertaken as part of the MTFS process identifying a total of £128k that was no longer required for the purpose it was set aside.
- The projected outturn variance for the year at Q3 is an overall positive variance of £699k. This has been shown as an addition to the General Fund balance; however, as part of the budget proposals for 2022/23 it has been recommended that the overachievement of recycling material income is transferred to a new earmarked reserve to manage future price/ tonnage risk. The actual amount to be transferred will be determined at the end of the financial year.

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 continues to be uncertain due to the coronavirus pandemic. Whilst restrictions have now been lifted following the most recent Omicron variant, it will take some time to understand the lasting effects this will have on services.

Directors and service managers continue to scrutinise all expenditure commitments in light of the financial challenge required to balance the budget over the medium-term. 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. Previous experience has shown that this can change quickly and income can vary significantly. 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 pace at which planned capital receipts are generated. Market sentiment will impact on the value of the long-term pooled fund investments; whereas general economic conditions in both the UK and globally will influence dividend returns. Whilst the Bank of England increased interest rates in December, it is still expected that they will remain at relatively low levels.

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. As this quarter's report demonstrates, the market price for materials can fluctuate leading to significant changes to the budget position.

The original budget assumed that £478k of staffing costs can be recharged from the General Fund revenue account to capital projects. 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.

There are estimated amounts of income included in the projections where the final amounts will only be ascertained once grant and subsidy claims have been subject to post claim assurance reviews.

The projected outturn will be reviewed as part of the process for developing proposals for the 2022/23 budget and update to the Medium Term Financial Strategy.

Capital Investment

The overall planned level of spending in the Council's approved capital programme is currently £42.7m. Delivery of a number of significant projects spans a number of years, therefore, the amount profiled to be spent in 2021/22 is almost £33m.

	Profiled Spend 2021/22 £000	Actual Spend at Quarter 3 £000	Actual Spend at Quarter 3 % of Profile
Horizon 120 Business Park infrastructure	3,850	3,114	81%
Horizon 120 Enterprise Centre	9,436	4,378	46%
Manor Street regeneration	13,024	9,654	74%
I-Construct Innovation Centre	1,506	1,338	89%
Town Centre improvements	1,081	1,230	114%
Industrial estate improvements	66	3	5%
Property planned maintenance	381	191	50%
Replacement vehicles and plant	269	96	36%
Information technology systems & equipment	473	50	11%
Play areas, parks and open spaces	253	61	24%
Cemetery improvements	5	-	0%
Paths, cycleways, and other infrastructure	19	11	58%
Operational equipment	187	90	48%
Sports and leisure facilities improvements	445	383	86%
Climate change initiatives	98	69	70%
Housing renovation & disabled facilities grants	898	622	69%
Capitalised interest	413	-	0%
Capital salaries	594	471	79%
Total	32,998	21,761	66%

Profiled spend on the programme for the current year has reduced by £4.8m, mainly due to delays caused by construction supply chain problems and other pandemic related issues.

The H120 project is funded by the receipts generated by the sale of serviced land plots. It is currently forecasted that these receipts will cover the cost of the project; however, this is subject to the risk of market fluctuations.

Capital resources

The Council continues to receive interim payments in respect of the development of apartments at Victoria Square, which on completion will transfer to Eastlight Community Homes (Eastlight) and generate almost £6.6 million for the Council.

Under arrangements in place with Eastlight, 14 right-to-buy sales have been completed up to the end of the 3rd quarter generating circa £2m for the Council. Eastlight have advised that a further 33 applications are in progress and, therefore, based on past experience this would indicate

around 18 sales potentially completing this year. In total, there were 11 sales last year that raised £1.3m for the Council.

A total of £260k was generated by the VAT shelter agreement with Eastlight up to the end of the 3rd quarter.

The Council has also received £1.1m grant from the Better Care Fund, which will be used to fund expenditure on disabled facilities grants.

Staged claims are also being made to drawdown approved funding from European Regional Development Funds, which were awarded for the I-Construct project, and from the government's Getting Building Fund (via the South East Local Enterprise Partnership or SELEP) for the Horizon 120 Enterprise Centre. Just over £5m has been received to date, from total grant awards of £8m.