



Third Quarter Performance Management Report

1st October 2018 to 31st December 2018

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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 the 'Annual Plan 2018/19'. This sets out the key activities and measures used to check our performance for the year and along with the Corporate Strategy 2016-20 sets out the priorities we are working towards.

This year we signed up to 'The Future of Essex' which is a vision shared by more than 100 partners, all dedicated to improving the county over the next 18 years. The projects that are supporting this vision are marked with **(E)**. Further detail is given in relation to a set of business performance indicators covering finances, customer focus, our people and health and safety.






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

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

The following table provides updates for the end of the third quarter in relation to the key activities in the 'Annual Plan 2018/19'




Corporate Priorities	Status of projects and actions				
					
Environment and Place	3	5	2	0	0
Strategic Growth and Infrastructure	0	8	1	0	0
Economic Development	5	6	0	0	0
Health and Communities	6	5	2	0	1
Finance and Performance	4	7	2	0	0
Overall Strategy and Direction	0	9	0	0	0
TOTAL	18	40	7	0	1

KEY:




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

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

The following table shows the performance for the end of the third quarter in relation to the quarterly and annually reported Performance Indicators that have targets set as defined in the 'Annual Plan 2018/19'.

Corporate Priorities	Status of indicators			
				Data Only
Environment and Place	2	1	1	0
Strategic Growth and Infrastructure	2	0	0	0
Health and Communities	1	0	1	0
Finance and Performance	5	2	0	0
TOTAL	10	3	2	0

KEY:

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

Summary Position








As at the end of the third quarter, the Council is continuing to perform well in the achievement of its priorities with 18 projects now complete and a further 40 on track and progressing well. Seven projects have an amber status due to delays occurring which will push back end dates. Better recognition of issues and more thorough reporting of changes in projects through the change control process have enhanced the accuracy of reporting. Full details of the amber projects can be found in the report.




Ten performance indicators have met or exceeded target, three performance indicators have missed target by less than 5% and two performance indicators have missed target by more than 5%. It is expected that the majority of the amber performance indicators will meet target at the end of the year.

As we enter the final quarter of the year, we will continue to focus our resources on delivering the best service to our customer's services and achieve our corporate objectives.






Environment and Place







Project description and comments	Target Date	Status
Continue to support the Essex Waste Management Partnership to reduce waste, increase recycling and participate in countywide campaigns		
The waste minimisation and recycling roadshows including a Food Fayre at Cressing Temple were well attended. Educational presentations were provided to a number of organisations such as schools, scouts and libraries. The new Government's new Resources and Waste Strategy was launched in early December and the Essex Waste Officers Delivery Group will be meeting to discuss the impact and implications on the future and collection and disposal arrangements for each Council.	March 2019	
(E) Work with other Essex Councils and the University of Essex to better understand people's attitudes towards waste and recycling		
Braintree District Council is working with Essex County Council and the University of Essex to pilot initiatives to increase recycling and reduce waste. The first initiative launched in September involves two versions of the waste calendar which is delivered to Households in September and October. The calendars will feature different recycling messages with the aim to encourage residents to recycle more. We are currently awaiting the results of the analysis undertaken to see if the new waste calendars had any impact.	March 2019	
Offer our commercial customers a more tailored refuse and recycling service that will help them reduce, reuse and recycle their waste		
A new quotation process and procedure has been introduced for our commercial customers providing a more efficient service. Weekly visits are also taking place with businesses around the district to ensure the service they are receiving meets their needs.	March 2019	
Continue to protect our larger open spaces from illegal encampments by installing perimeter fencing and lockable bollards to prevent disruption and inconvenience to local residents		
All larger open spaces in the district are now protected from illegal encampments following the installation of perimeter fencing and lockable bollards.	June 2018	
Develop an improved low tariff energy switching scheme for both residents and businesses in the District, improving the customer experience and offering additional benefits and improved rates for residents on pre-paid meters		
A new low tariff energy switching scheme has been introduced that will be taking an active role in engaging with residents. The first auction took place in August and a scheme for discounted solar installations was introduced in the Autumn.	September 2018	
Increase the electric car charging infrastructure by installing chargers at the three leisure centres across the District		
A business case for installing chargers at the leisure centres will be looked at by Management Board in January. The project has been marked up as amber as it is unlikely that the chargers will be installed by the end of March 2019. A change control will be processed once a revised end date has been agreed and the project will be amended accordingly.	March 2019	
Upgrade the lighting in our car parks with new energy efficient LED lights to reduce costs and benefit the environment		
The upgrade works were due to start in January but have been delayed	March 2019	

whilst a review is carried out to look at the impact of the lights on wildlife (bat population) in the area of the Mill Lane Witham carpark. This is not likely to affect the overall deadline of the project.		
Trial the use of compaction bins in Braintree Town Centre to see if they offer better value for money for the taxpayer		
Delivery of the compaction bins is due in February 2019 and will now be placed in four laybys along the A120 for a minimum trial period of three months. The project has been marked up as amber as the trial will continue beyond the current end date of the project and a change control is required to amend the scope and to agree the revised end date which will take into consideration analysis of the results of the trials.	March 2019	
Continue to maintain a focus on investigating and enforcing littering, dog fouling and fly tipping to help keep the District looking clean and tidy		
Since April, a total of 70 fixed penalty notices have been served by the Street Scene Protection Team and 12 people prosecuted for various littering and fly tipping offences.	March 2019	
Run a car litter campaign to reduce litter and raise awareness of the increase in fines		
A further car litter campaign in partnership with McDonalds and KFC, aimed at reducing car litter and to raise awareness of the increase in fines, is due to go live in the new year.	March 2019	



Strategic Growth and Infrastructure




Project description and comments	Target Date	Status
(E) Complete the examination and adoption of the Local Plan		
The adoption of the Local Plan is reliant on the approval of the plans for Garden Communities which requires additional work. The authorities involved in the Local Plan have written back to the Inspector setting out the proposed way forward including a revised timetable with the revised examination of the joint section one of the Local Plan now taking place in the Autumn of 2019 and the Section 2 examination undertaken in early/mid 2020. It is critical that the evidence base being produced is comprehensive and thorough and that sufficient time is built into the programme to allow for local engagement and for consideration of any findings.	June 2020	
(E) Continue to work on the development of Garden Communities to provide housing, employment and supporting infrastructure to address our long term housing and community needs		
The council is currently considering the future role of the Garden Communities in the Local Plan and work has been paused on the West of Braintree Garden Community. The submission of a Strategic Growth Development Plan Document is dependent on the production of the Local Plan and the delay to the Local Plan means a consequential change to the dates of this project. A change control has been submitted and the end dates changed to September 2021	September 2021	
The council is currently considering the future role of the Garden Communities in the Local Plan and work has been paused on the West of Colchester Garden Community whilst the required additional work on the Local Plan is concluded. The submission of a Strategic Growth Development Plan	December 2021	

Document is dependent on the production of the Local Plan and the delay to the Local Plan means a consequential change to the dates of this project. A change control has been submitted and the end dates changed to December 2021.		
(E) Set up a Housing Development Company to deliver new mixed-tenure homes across the District.		
Approval was given at July's Cabinet for funds to develop up to five Council sites to submit planning applications in a twin track approach to run alongside the development of the Business Case for the Development Company. The Strategic Investment Team and Member Reference Groups will review the legal, financial, governance and company advice and the intention is to present the full business case for approval to Cabinet in March 2019.	March 2022	
(E) Secure planning consent to deliver new homes in Braintree Town Centre as part of the Manor Street Regeneration Project		
A detailed planning application was submitted in July 2018 and the procurement process has commenced. It is anticipated that the planning application will be determined in February 2019.	March 2019	
(E) Continue to work with partner agencies to drive forward improvements to the Braintree and Witham rail link		
Network Rail were asked to produce a specification and cost for a Governance for Railway Investment Projects (GRIP) 2 study. The cost has been established and work has currently halted as progressing beyond the current GRIP stage is unaffordable and alternative options need to be considered.	March 2019	
(E) Continue to work with Essex County Council to deliver an improvement scheme at Springwood Drive roundabout and Panfield Lane to reduce congestion		
As part of the Braintree Integrated Transport Package, Essex County Council is continuing to look to re-designated lane markings at Springwood Drive to ensure Keep Clears are effective. Essex County Council continue to progress the design for the larger scale improvement schemes which are for capacity improvements including increased entry capacity on all arms as well as increased circulatory, and are looking to secure S106 contribution to fund this.	March 2019	
The employment site is dependent on provision of the Spine Road to Panfield Lane. The planning application is progressing through the planning process including S106 heads of terms which are currently being determined.	March 2019	
(E) Progress the delivery of new slip roads linking the A120 to Millennium way to alleviate the congestion at Galleys corner		
We are continuing our partnership working with Essex County Council and Highways England as the project moves into the design phase. Essex County Council will lead the project and a project team has been established. Essex County Council launched a website which has a flythrough of the proposed scheme and further information on the A120 Millennium Way scheme was presented in conjunction with a number of other major schemes proposed in Braintree District as part of the Braintree Integrated Transport Package (ITP) consultation, which commenced in September with public exhibitions held on the 6 th and 12 th of October.	March 2021	






Economic Development








Project description and comments	Target Date	Status
(E) Complete the acquisition of strategic employment land at Great Notley providing additional sites to support business growth		
Contracts were exchanged in October 2018 and completion achieved in December 2018	March 2019	✓
Complete the construction of four new high quality grow-on units at the Braintree Enterprise Centre		
Construction of four new high quality grow-on units and a car-park has completed and handover took place on 17th September 2018.	July 2018	✓
Develop our business engagement service, supporting businesses to grow and develop		
A Business Engagement and Support Strategy together with an action plan was agreed at Cabinet in November 2018. There are five key priorities around Business engagement, business support, Infrastructure and connectivity, strategic partnerships and Business Intelligence. Where the Council have previously sign posted business's to support, we are now suggesting our own programme of support, bridging the gap on areas of weaker support and focusing on high growth sectors for maximum economic impact and value for money. In the last couple of years, the district has seen over 1,000 businesses locating in the district and over £2 million of grant funding has been allocated to district businesses	March 2019	✓
(E) Work in partnership with Essex County Council and the Haven Gateway to secure grant funding to support the delivery of a Construction Innovation Centre		
Braintree District Council has agreed to further invest in the delivery of a Construction Innovation Hub following the withdrawal of Essex County Council to commit funds to the project. In November, the Council received feedback that the European Regional Development Funding bid was approved in principle. A contractor is likely to be appointed in February 2019 and a planning application submitted in May 2019. The existing tenants of the Enterprise Centre have been informed of the plans.	March 2019	▶
(E) Work with the Braintree Education and Skills board to broker stronger engagement between education providers and businesses to provide a workforce that meets employers' needs		
The next Braintree District Education and Skills Board meeting will be in January 2019. The agenda has a significant amount of time dedicated to the Terms of Reference of the group to ensure the focus and desired outcomes are reflected. A date of Saturday 9th March has been agree for the 2019 Braintree District Job Fair and will be supported by the Braintree Education and Skills Board.	March 2019	▶
(E) Commence work on the regeneration of Braintree Town Centre enhancing the appeal of the town to residents and visitors		
A planning application was submitted in July and the procurement process has started. It is anticipated that the planning application will be determined in February 2019 and construction to commence in July 2019.	March 2020	▶
(E) Continue to work in partnership with key community partners to deliver the regeneration schemes in Witham and Halstead		
The spatial plans for improvements to Halstead Town Centre have been prepared and remain with the Highways Authority for a principle decision.	March 2019	▶
A series of studies and reports have been completed to look at the impact of the Witham Town Centre improvement proposals on the highway network, market rights and other private rights that relate to the site area. A summary	March 2019	▶





report recommending options to proceed has been prepared for a decision on next steps.		
(E) Support businesses and increase tourism by launching the 'Visit Braintree' website to highlight key events and attractions across the District		
A meeting will be held with the proposed developer of the 'visit Braintree' website and with Visit Essex in January to discuss the possibility of a partnership discount.	March 2019	
(E) Create an event that celebrates the 90 year anniversary of the opening of the Braintree Town Hall which will enhance the heritage and commercial offer of the Town Hall		
Braintree District residents who share their 90th birthday with Braintree Town Hall were invited to help celebrate the local landmark as part of a special celebration that took place in May. A talk was provided by Julien Courtauld and residents were able to watch a screening of the opening of the town hall with a piece of birthday cake and a cup of tea.	May 2018	
(E) Promote high speed and reliable broadband across the District through the support of phase 4 of the Superfast Essex rollout		
At a Cabinet meeting in May, it was agreed that Braintree District Council will invest £356,000 into the Superfast Essex Phase 4 rollout, run by Essex County Council, to enable an additional 1,668 premises to receive superfast broadband by end of 2020. The £356,000 funding from Braintree District Council will be match-funded by The Department for Digital, Culture, Media and Sport grant. The funding will support the district to reach 99% superfast broadband coverage by end of 2020, which is above the county's average coverage.	June 2018	



Health and Communities


Project description and comments	Target Date	Status
Ensure the football pitches on the Deanery Gardens sports ground and the rugby pitch on King George V playing field are in year round good condition through the installation of a piped drainage system		
We are currently awaiting contract documents from consultants in order to invite tenders. The status of the project is now amber as it is unlikely that the piped drainage system will be installed by March 2019. Once the contract has been awarded following the tender exercise in January, a change control will be processed to amend the end date of the project.	March 2019	
Continue to invest in our recreational open spaces by enhancing the play equipment at Meadowside and Twelve Acres, Braintree		
The upgrade to the play equipment at Meadowside and Twelve Acres in Braintree has been completed and the outdoors gym equipment has been upgraded at Spa Road in Witham.	December 2018	
(E) Continue to deliver the Livewell child project, working with families and young children providing support and advice on nutrition and healthy activities		
Recent results of the Livewell child project are showing that over the past year, year 6 students' weights being better than average when compared to the rest of Essex and the UK. The council has submitted an expression of interest in a trailblazer programme to the Local Government Association	March 2020	








where funding will be provided to lead on innovative action to tackle childhood obesity. Results of the Councils chosen to take part are expected to be announced in the new year. As the 2nd year of Livewell child draws to a close, the team look towards 2019 to determine new campaigns and initiatives to promote Livewell child. Bike ability, Grow your own and more community events are on the list for 2019, along with the Xplorer events.		
Introduce a new programme to encourage junior school children to be more healthy, looking at fitness and eating in a fun and informative way		
Active Essex have agreed to deliver the Fitbods programme in to Livewell schools across the District. This is an Essex County Council initiative where children participate in team games to promote fitness, team skills and healthy competition with children receiving a reward and certificate for the number of sessions they take part in. Teachers received training at the start of the new academic year to deliver the Fitbods programme.	March 2019	
Provide children and parents with activities which gets them to explore the green areas in our three main towns whilst increasing their activity levels during the school holidays		
All the Xplorer events planned for the school holidays have been successfully completed with a total of 421 participants across Braintree, Halstead and Witham.	November 2018	
Improve the outdoor playing experience at Halstead Leisure Centre by installing a new 3G surface		
A consultant has been appointed to put together a capital bid for a contribution towards the costs of a new 3G surface at Halstead Leisure Centre. Consultation is underway with local clubs and stakeholders and planning permission will be submitted in the new year. The status of the project has been amended to amber as the new 3G surface will not be installed before the end date of the project. A change control will processed once revised dates are known.	March 2019	
(E) Understand the range of services available to improve mental health and support early interventions for those residents with mental health issues, identifying any areas for improvement		
A strategic meeting was held in October to discuss the next steps required in working together to enhance the support currently provided and to improve awareness of the support available. A further mental health workshop was held in November and a further workshop planned for February 2019.	March 2019	
(E) Implement a winter warmth campaign providing advice on improving energy efficiency, helping vulnerable residents stay warm during the winter months		
A booklet providing information to help residents combat fuel poverty and to stay healthy during the winter months has been published.	November 2018	
(E) Improve the handyman scheme by expanding the service to help disabled and frail residents lead more independent lives		
The handyman scheme was launched in July to support vulnerable residents providing a contractor to undertake safety improvements to prevent trips or falls, installing energy efficiency measures, security devices and to provide dementia support. Since its launch, over 65 requests have been received for the service.	July 2018	
(E) Raise awareness of child exploitation amongst the business community and licensed trades through the use of the 'Spot-it, Stop-it' campaign		
Training for taxi drivers and licensees was held in November with 20 people in attendance. Feedback received was extremely positive and we have been contacted by some of the licensed premises to carry out some follow up work. A newsletter on the 'spot-it, stop-it' campaign has been sent to existing businesses involved in the scheme.	March 2019	
(E) Work with Mid Essex Clinical Commissioning Group to see how Braintree District Council can be part of the Home First Programme which ensures residents recuperate in the best environment after receiving hospital treatment		






Following meetings with the Mid Essex Clinical Commissioning Group it has been decided to increase the scope of the project and look at a County wide 'home from hospital' fast track scheme aimed at ensuring the transition from hospital to home runs smoothly, providing additional support where required. This project has therefore been cancelled and will be replaced with a new project next year.	March 2019	
(E) Identify and provide opportunities that would benefit those with dementia and their carers through the Braintree District Dementia Alliance and engagement with those living with dementia and their carers		
A number of dementia friendly activities continue to take place across the district such as dementia friendly cinema showings, dementia friendly swimming sessions and walks and tea dances. A range of activities also took place as part of the National Silver Sunday campaign including a pop-up cinema in Witham. Essex Police have been given a supply of dementia information packs that officers can provide to anyone who is living with dementia or to families of people they engage with.	March 2019	
(E) Support community groups to deliver local projects and activities through the Councillors' Community Grant scheme		
Since April, a total of 50 grants have been awarded across the district for various projects totalling £31,903.	March 2019	
(E) Work with partners across the community to raise awareness and reduce the impact of social isolation and loneliness		
Essex County Council commissioned the young foundation to work with the community to carry out research into social isolation and loneliness through a number of workshops and events held in Halstead. A 'Taking Action' event took place to discuss ideas to address social isolation and loneliness and the feedback from this and other events will be fed into a report. The young foundation provided feedback to the community at an event in September to allow the community to identify follow up activities. Further projects will be set up once the next steps have been agreed.	June 2018	



Finance and Performance



Project description and comments	Target Date	Status
Review our waste service, identifying ways to manage the impact of District growth on the future cost of the service		
There are a number of projects and actions being carried out already reported on under 'Environment and Place' in this report. Additional areas of work include undertaking research on garden waste and the number of local authorities charging for this service, drawing up a specification for replacing food waste vehicles of which three food waste vehicles have been replaced and a further four are on order. A business case was presented to Management Board on the future options for maintaining the Large Commercial Vehicles and the decision taken to bring this part of the service back in-house from 1 April to improve performance and efficiency. Officers have been supporting a Waste	March 2019	








Minimisation and Recycling Task and Finish group and a report is due to be presented to the Overview and Scrutiny Committee on 6 March. The Council has opted to join Suffolk County Council's contract for dry mixed recycling to improve the sustainability and resilience and better value for money for the reprocessing of its recyclates The Council will join the Contract in May 2019.		
Review options to secure a sustainable future for our Community Transport service		
The Commercial Manager has been working with the Community Transport team to look at alternative models of delivery for the service including meeting with private and social enterprise organisations. The options have been reviewed and a paper presented to Management Board. The project has been extended until March to allow cabinet members time to consider the options in February 2019.	March 2019	
Ensure that our Housing service is resilient to respond to the new demands placed on it through the Homelessness Reduction Act		
The Commercial Manager has been working with the Housing service to identify improvements and address resilience following the introduction of the Homelessness Reduction Act in April 2018, the duty to refer which comes into effect in October 2018 and the increasing number of applicants joining the housing register. A new triage function has been implemented which will act as a first line of support for new applicants allowing the Housing Officers to focus on their case work. New staff will be recruited within the Housing service to accommodate this function and increase resilience of the team. The supply of temporary accommodation has also been increased by three units.	March 2019	
Develop our commercial programme to generate income that can be reinvested in front line services		
An expanded Commercial programme with four elements has been developed. These are increasing income, getting maximum value against third party spend, generating service efficiencies and contract and supplier management. Over the last quarter the payroll service has been reviewed with the creation of a shared payroll service across Braintree, Colchester and Epping Forest, resulting in significant savings and a more resilient service. BDC have joined the Suffolk Waste Partnership ensuring a cost effective, future proofed Materials Recycling Facility. The Commercial Sales Executive position was advertised and appointed to, supporting the Authority to drive its income targets in to 2019/20.	March 2019	
Identify and progress investment opportunities that support us to deliver our corporate strategy whilst providing a return on investment to strengthen our financial independence		
The Council have taken back possession of the Braintree Enterprise Centre and continues to issue new leases and let vacant units, collecting rent and service charge payments. This provides a significant unbudgeted income for the Council. Investments opportunities identified and reported on elsewhere in the report are being progressed and the Council has recently completed on the purchase of a strategic employment site at Gt Notley	March 2019	
Ensure the 2017/18 accounts are produced, audited and published by the 31st July 2018		
The external auditors audit results report for the 2017/18 accounts was presented at Governance Committee and published on the 26 th July 2018.	July 2018	
Improve customer focused services by delivering a programme of continuous improvement to achieve the Customer Service Excellence Standard		
The Customer Service Excellence Standard assessment took place in November 2018 and the Council were successful in retaining the accreditation for the fourth year in a row, demonstrating compliance plus in 13 areas of the assessment.	December 2018	
Prepare the organisation for the changes in data protection legislation due to commence 25th May 2018		
A number of areas of work are now completed to ensure the Council is in a good position following the implementation of the General Data Protection	May 2018	

regulations and the Data Protect Act 2018. Privacy notices have been added to our website and forms that collate personal data amended accordingly. All staff received data protection training to ensure they are fully aware of the requirements placed on them regarding processing personal data.		
Develop our online booking and payment systems enabling residents to book and pay for more services through our website		
There are currently a number of issues with the implementation of the new forms builder required for the new online booking system and this may impact on the timescales for delivering the project. Weekly reviews are taking place and a change control will be processed should the end date require amending.	March 2019	
The payment system to integrate with the new booking system is ready for live implementation. However, technical issues with migration have been identified and a solution is currently being rolled out. This may impact on the deadline of the project.	March 2019	
Improve our mobile working technology to allow our staff to be more flexible and customer focused		
A working group has been formed to work with our ICT team to identify different technical opportunities that can be used more effectively to assist staff in their day to day activities. Areas being looked at include remote working, tele-working and home working. Skype for Business is provided as part of the Office 365 offering which is being rolled out across the Council.	March 2019	
Continue to respond to emerging cyber security threats, protecting our network and information by regularly reviewing our approach and training		
All ICT security and usage procedures have been reviewed and updated. A further metacompliance exercise was run in December in conjunction with other Authorities to provide benchmarking data. The Local Government Association recently carried out a stocktake of all Councils and Braintree were assessed as amber-green which is a satisfactory mark and Braintree compares well against other Essex Authorities.	March 2019	
Introduce in-cab technology into our street scene vehicles to improve the efficiency of the service		
Training has been carried out with supervisors and managers of the staff who will be using the new hand held devices for the street scene service. The next stage is for the staff to trial them in an operational capacity prior to full implementation from March onwards.	March 2019	










Overall Strategy and Direction









Project description and comments	Target Date	Status
Work effectively with our partners to deliver the Essex Vision to give communities, groups and businesses in Essex a way to collaborate in planning their future, recognising the collective power of Essex as a whole		
Throughout this report, the actions that reference how we are supporting the Essex Vision are marked with (E) . They provide an update to show how we are dedicated to improving the county by working with partners to deliver the Essex Vision.	March 2019	
Ensure that Braintree District Council is financially sustainable and fit for the future by delivering a balanced budget and becoming financially independent by 2020, whilst ensuring we remain a resilient organisation providing effective frontline services through smarter working		
Budget pressures the council face over the next few years were outlined at staff	March 2019	

briefings in the first quarter. Services have been reviewing their services to identify how they can make savings in what they do whilst ensuring the residents of Braintree continue to receive the service they need. As part of the commercial programme, work continues on identifying income opportunities to bridge the budget gap.		
(E) Deliver projects under the District Investment Strategy to achieve better outcomes for the District and a return for the taxpayers purse by: <ul style="list-style-type: none"> • Working in partnership to improve health provision across the District • Facilitating the need for housing by providing homes and supporting infrastructure • Improving our most congested roads and journeys across the District • Planning for growth by providing 9000 jobs by 2026 by delivering increased opportunities for new businesses and employment • Delivering investment opportunities that support growth and provide a return for the District Council 		
Following close partnership working with the Mid-Essex Clinical Commissioning Group and NHS England, the regeneration of Manor Street has been designed to include a Live Well Hub. The Council is also working with two local GP practices, Mid Essex Clinical Commissioning Group and NHS England to develop proposals to deliver a rural healthcare hub on Council-owned land in Sible Hedingham. Provision of new health care facilities in Witham are progressing. The Council have also acquired Silver End doctor's surgery which will also provide an income for the Council and secure the provision of healthcare to local residents.	March 2019	
The Manor street regeneration project includes the provision of 35 new homes and the business case has been approved by Cabinet and Full Council. A planning application has been submitted and a decision is expected in February 2019	March 2019	
Work continues on a number of projects reported under the Strategic Growth and Infrastructure section such as the A120 Millennium Slip roads and improvements to Springwood roundabout and Panfield Lane.	March 2019	
A number of projects and actions are underway to ensure delivery of the Braintree Plan for Growth to provide jobs such as completing the construction of four grow on units at the Braintree Enterprise Centre, working with developers to complete on strategic employment land at Great Notley and securing funding for the delivery of a Construction Innovation Centre.	March 2019	
There are a number of projects reported under the Strategic Growth and Infrastructure section that provide an update on current investment opportunities under the District Investment Strategy. As and when new opportunities arise, projects will be set up accordingly.	March 2019	
Work with partner authorities (Tendring District Council, Colchester Borough Council and Essex County Council) and other public and private sector organisations to plan for and enable sustainable growth in homes and jobs in the north Essex area		
Braintree District Council continues to work with Essex County Council and neighbouring authorities on evidence base, strategic policy development and funding bids to plan for sustainable growth in homes and jobs in Braintree and across the sub region.	March 2019	
Support Essex County Council in the management and operation of the Country Park to enhance the visitor experience, making full use of the leisure, recreational and natural facilities the park has to offer		
A Joint Governance Partnership Board meeting was held in December at which an update was provided regarding the usage of the artificial grass pitch and multi-use games area. A new Service Level Agreement has been drafted that reflects the partnership with Braintree Town Football Club (Community Iron) to deliver the Football Development Plan. A proposal to install a zip wire has been withdrawn owing to planning issues.	March 2019	

Section 3: Managing the Business

Our Performance Indicators in Detail

Performance Indicator	2018/19						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
Environment and Place							
Percentage of land that falls below cleanliness standards for litter	n/a	6%	6%		6%		Recorded three times a year – July, November and March
Percentage of household waste sent for reuse, recycling and composting	55.18%	50.14%	50.20%		50.22%		We are awaiting reconciliation of the figures by Essex County Council and they may change if the data for residual waste changes. The estimated recycling figure has marginally missed target and it is expected that this will be revised upwards after reconciliation
Tonnage of residual household waste not recycled	120kgs	113Kgs	117kgs		108kgs		We are awaiting reconciliation of the figures by Essex County Council. Nationally there is an increasing trend in tonnage of residual waste which is being monitored. The ongoing work of the waste minimisation team includes engaging and educating residents in a bid to reverse the current trend.
Number and percentage of non-hazardous fly tips on public land cleared within 24 hours of being reported	100% (170)	100% (211)	100% (201)		100%		
Number of fuel poverty and domestic energy reduction installations carried out	Annually reported indicator					n/a	
Strategic Growth and Infrastructure							
Number of affordable homes delivered	63	51	31		25		
Number of homes granted planning permission	667	125	430		212		
Health and Communities							
Average waiting time for applicants on the Disabled Facilities Grant	105 days	59 days	95 days		75 days		A total of 32 grants were approved in the third quarter. Of these, 15 grants have gone over the target of 75 days. The cases that have exceeded the target are complex with differing needs that require special consideration over the design and planning of the works required. In all cases that go over the target, customers are involved and kept informed throughout the process.

Performance Indicator	2018/19						Comments
	Q1 Outturn	Q2 Outturn	Q3 Outturn	Q4 Outturn	Target for the Quarter	Status at the end of the Quarter	
Achieve a 2% increase on the contract baseline in participation levels across all our sports centres	238,928	279,892	272,348		183,299		
Achieve at least a 1% increase in adults being active for 150 minutes per week	Annually reported indicator					n/a	
Finance and Performance							
Average call answer time in the Customer Service Centre	13 seconds	20 seconds	7 seconds		15 seconds		
Time taken to process housing benefit/council tax benefit new claims	19.92 days	20 days	18.02 days		22 days		
Time taken to process housing benefit claim changes	7.7 days	7.39 days	4.43 days		6 days		
Percentage of Stage 1 complaints responded to within target	94.71%	93.88%	90.44%		90%		
Collection rate for Council Tax	31.06%	58.80%	86.80%		87.20%		<i>The target has been missed by less than half a percent and it is anticipated that the shortfall will be made up over the coming months and the end of year target will be achieved.</i>
Collection rate for Business Rates	31.40%	57.76%	85.09%		84.60%		
Percentage of invoices paid within 30 days of receipt	99.19%	99.26%	99.15%		99.25%		<i>Represents one invoice not paid within 30 days of receipt</i>

Complaints

The quarterly complaints analysis for the second quarter of 2018/19 and the end of the year is detailed below. This is compared with 2017/18 figures shown in brackets. The figures represent all three stages of the complaints process.

Complaint Category	Q1 2018/19	Q2 2018/19	Q3 2018/19	Q4 2018/19	TOTAL
Justified	110 (64)	92 (67)	61 (38)	(60)	(229)
Not Justified	24 (69)	88 (79)	20 (67)	(81)	(296)
Partially Justified	76 (27)	26 (31)	59 (22)	(17)	(97)
Not known	0 (0)	1 (1)	0 (3)	(0)	(4)
Total	210 (160)	207 (178)	139 (130)	(158)	(626)

Comments

There has been a reduction in the number of complaints received in the third quarter of 2018/19 compared to the previous quarters of the year.

The majority of the complaints relate to waste collections. However, a recent change to collection routes across the district has seen a positive impact on the number of complaints received for this area which is reflected in the table above. In contrast, the planning service have seen an increase in the number of complaints they are receiving in relation to the handling of planning applications which is currently being monitored.

In the third quarter of 2018/19, of the 139 complaints received:

- 136 are stage one complaints
- two are stage two complaints
- one is a stage three complaint

A summary of Local Government Ombudsman (LGO) cases:

In the third quarter of 2018/19, the LGO has received three new complaints. Following initial enquiries with the Council, the LGO declined to investigate two of the complaints.

The LGO has issued one final decision in the third quarter. This was in relation to a complaint received in a previous quarter relating to Planning of which the Ombudsman found no fault by the Council. Two further complaints from previous quarters remain under investigation with the LGO.

Our Organisation

The following is a selection of our people performance measures:

People: Indicators of Performance	Q1 18/19	Q2 18/19	Q3 18/19	Q4 18/19	Change on previous period	Yearly Target
Total headcount	469	473	478		+ 5	-
Total number of posts	485	485	485		-	-
Number of temporary staff	33	32	30		- 2	-
Total staff FTE	425.08	427.45	431.97		+ 4.52	-
Level of employee turnover	2.13%	2.96%	1.67%		-1.29%	-
Number of leavers	10	14	8		- 6	-
Number of starters	13	18	13		- 5	-
Working days lost to sickness per employee	2.07 days	1.71 days	2.21 days		+ 0.5 days	8.0 days
Percentage of staff with nil sickness	78.68%	64.9%	53.97%		- 10.93%	-
Number of learning hours	7747	8131	10,427		+ 2296	-
Number of delegates	602	381	305		- 76	-
Number of apprentices **	15	24	22		- 2	-

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

** BDC's apprenticeship programme runs from September each year. The figures reflect level 2, 3 and 4 apprenticeships together with degree 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	
	(2017/18 figure in brackets)				
Total number of reported accidents/ incidents, calculated from:	10 (10)	6 (10)	9 (26)	(13)	
<i>Accidents/ incidents to employees</i>	6 (8)	6 (8)	9 (20)	(12)	<i>The majority of accidents are from slips or trips.</i>
<i>Accidents/ incidents to contractors</i>	0 (1)	0 (2)	0 (5)	(0)	
<i>Accidents/ incidents to non-employees</i>	1 (1)	0 (0)	0 (1)	(1)	
Time lost in days due to employee accidents/ incidents	85 (0)	19 (20)	48 (8)	(28)	
Number of reported verbal/ physical incidents to employees	2 (0)	1 (2)	1 (1)	(0)	
Number of near miss incidents	1 (0)	1 (0)	0 (0)	(0)	
Number of Accidents/ incidents registered resulting in insurance/ compensation claim	1 (0)	3 (0)	1 (0)	(0)	
Number of claims settled	0 (0)	0 (0)	0 (0)	(0)	

Financial Performance

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.

Background

Full Council approved a budget of £14.784 million for the 2018/19 financial year. This included planned spending across all services totalling £12.144 million; corporate items amounting to £2.840 million; and an overall efficiency target to be achieved in-year of £200,000.

Financing of the budget was to be from a combination of: general government grants (£294,000); business rates (£5.237 million); and Council Tax (£9.253 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.

On 23 July 2018, Full Council approved a supplementary budget of £219,460 to fund the transitional staffing arrangements for the Strategic Investment Team, with the amount to be met by a withdrawal from General Fund balances. Furthermore, Full Council agreed on 8 October 2018, a budget virement of £181,500 between the Planning Application Fees budget and the Development Management Staffing budget. These budget changes have been taken into account for the purposes of this quarter's report.

Summary Financial Position at the Third Quarter (Q3)

- An overall positive variance for the year of £703,000 (-4.8%) is projected against the budget.
- Across all services staffing budgets are forecast to be underspent by £475,000; and after allowing for the corporate efficiency target of £200,000, this results in a projected variance of -£275,000.
- Other expenditure is projected to be overspent by £284,000.
- Income is projected to be overachieved by £712,000.
- The projected variance for the year has improved by an overall £576,000 from the position reported at Q2, which forecasted an overall positive variance of £127,000. This overall change comprises: an increase in the projected staffing underspend by £181,000; a reduction in the projected overspend on other expenditure of £98,000; and £297,000 increase in forecast income.
- For some service areas the changes in the levels of income and expenditure included in this report are expected to be ongoing and therefore budget adjustments have been included in the Council's proposed budget for 2019/20.

Revenue Spending

Service	Updated Budget £'000	Projected Spend £'000	Adverse (Positive) variance against budget				RAG Status
			Staffing	Other	Gross	Total	
			£'000	Expenditure £'000	Income £'000	£'000	
Asset Management	(2,131)	(2,241)	8	97	(215)	(110)	G
Business Solutions	1,993	1,991	(15)	19	(6)	(2)	G
Community Services	346	339	(1)	(17)	11	(7)	G
Corporate Management	1,233	1,145	(82)	(6)	-	(88)	G
Economic Development	238	238	-	-	-	-	G
Environment & Leisure	840	763	(45)	(2)	(30)	(77)	G
Finance	1,101	567	(199)	(69)	(266)	(534)	G
Governance	918	1,071	80	(12)	85	153	R
Housing Services	864	853	9	(14)	(6)	(11)	G
Human Resources	386	384	-	(2)	-	(2)	G
Marketing and Communications	544	541	(9)	(16)	22	(3)	G
Operations	5,123	5,148	(99)	212	(88)	25	A
Strategic Investment	231	231	-	-	-	-	G
Sustainable Development	677	441	(122)	105	(219)	(236)	G
Service Total	12,363	11,471	(475)	295	(712)	(892)	G
Corporate Financing	2,621	2,610	-	(11)	-	(11)	G
Efficiency target	(200)	-	200	-	-	200	
Total	14,784	14,081	(275)	284	(712)	(703)	G

RAG Status: G = favourable or nil variance, A = up to 5% adverse variance or <£50k, R = > 5%
Budget = controllable expenditure budget net of direct service income

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. holidays, sickness, maternity etc.); or where in-house staff are assigned to work on other projects and priorities.

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

Service – Staffing Budgets	Updated Budget £'000	Projected Spend £'000	Adverse/ (Positive) variance £'000	RAG Status
Asset Management	265	273	8	A
Business Solutions	1,189	1,174	(15)	G
Community Services	368	367	(1)	G
Corporate Management	1,198	1,116	(82)	G
Economic Development	273	273	-	G
Environment & Leisure	1,553	1,508	(45)	G
Finance	2,394	2,195	(199)	G
Governance	560	640	80	R
Housing Services	857	866	9	A
Human Resources	339	339	-	G
Marketing & Communications	371	362	(9)	G
Operations	5,285	5,186	(99)	G
Strategic Investment	490	490	-	G
Sustainable Development	1,716	1,594	(122)	G
Service Total	16,858	16,383	(475)	G
Corporate Financing	-	-	-	
Efficiency	(200)	-	200	
Total	16,658	16,383	(275)	G

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

Commentary on staffing variations:

Based on information known at the end of Q3, and across all service areas there is a projected underspend on staffing budgets of £475,000, an increase from that reported at Q2 of £181,000.

The largest service with a projected underspend is **Finance** (-£199,000). These savings are expected to be achieved from a combination of vacant posts which have now been deleted as there is a gradual reduction in benefits processing required as Universal Credits is rolled out. Also contracted hours have been reduced, and appointments made at lower grade/scale points.

Sustainable Development is also showing an overall projected underspend of £122,000. An increase in the staffing structure was previously agreed in order to meet the higher demands on the service, however, whilst recruitment processes are in progress, the service continues to hold a number of vacancies (including maternity absences), some of which are being covered by external agency staff.

Changes in senior management appointments, along with a restructuring of the management arrangements for the Business Solutions service has resulted in an overall underspend being projected on **Corporate Management** of £82,000, after allowing for the permanent appointment of a Commercial Manager (previously a fixed term contract).

Other service areas with projected underspends include: **Environment & Leisure** (-£45,000) and **Operations** (-£99,000), mainly due to vacancies, but also external grant funding for recycling activities.

Governance is still forecasting overspends for the year (+£80,000) as per previous quarters. These are projected costs associated with the need for additional capacity for legal work in relation to the Council's strategic growth agenda and related projects. The assumption is that temporary additional resources will be required for the remainder of the year, but a new permanent structure will be in place from April 2019, which is to be part funded from the additional resources approved by Full Council in October 2018, for supporting its strategic investment plans.

The approved budget provided for a **Corporate Efficiency Target** which in previous years has been achieved from in-year staffing variances. The amount included in the budget for 2018/19 was £200,000, which based on this quarter's review will be achieved, leaving an overall projected staffing underspend for the year of £275,000.

Recharges to capital projects: A number of service areas recharge a proportion of officer time to capital projects which means the costs are not charged against the General Fund revenue account. The extent to which these recharges can be made is dependent upon actual progress of individual projects and the nature of the activities being undertaken. The budget provides for a total of £364,000 to be recharged. Based on actual time allocations combined with future estimates, it is currently anticipated that the overall level of recharges should at least achieve the budget, with higher recharges from the Strategic Investment Team more than offsetting a reduction in charges from other service areas. A more detailed review of proposed recharges will be carried out as part of the year-end accounts process.

Other Service Expenditure

In total there is a projected overspend against non-staffing expenditure budgets of £284,000, an improvement from the position reported at Q2 of £98,000. The main service areas contributing to the latest forecast are:

- **Asset Management (+£97,000):** Includes increased costs following the transfer back to the Council of the management and operation of the Braintree Enterprise Centre, including a one-off cost to address Energy Performance Compliance requirements. Unbudgeted holding costs are also being incurred in relation to premises held vacant pending works starting on the Manor Street regeneration scheme. The projected overspend in this service area is more than offset by higher forecast rental income.
- **Operations (+£211,000):** increased costs in Waste Management are forecast on gate fees payable to the Council's material recovery facility (MRF) operator, the price of which is linked to market indices and subject to quarterly review. The budget was set based on an assumed fee of £24.36 per tonne (based on Q3 17/18), whereas the average price that is being paid across this year is in excess of £44 per tonne. The effect of this has resulted in a projected overspend of £211,000 for the year. The service has also experienced increased costs for vehicle fuel as prices have risen, however, these have largely been offset by savings on the cost of recycling and residual waste sacks (a mix of usage and lower cost); lower operating costs of the clinical waste service; and lower operating costs of the Cordons Farm waste transfer site. The Council's proposed budget for 2019/20 includes allowances for the estimated ongoing additional costs from higher gate fees and fuel prices.
- **Sustainable Development (+£104,000):** The service has updated its estimate of the likely cost of appeals in the year which has reduced from £445,000 (estimated at Q2) to a revised amount of £340,000. This reduction is based on a combination of lower spend on some appeals, but also delays on a couple of major appeals which are now not expected to be processed until 2019/20. The planning appeals reserve has a balance of £287,000 brought forward meaning that in the current year there is a forecast overspend of £53,000. The Council's proposed budget for 2019/20 includes a provision of £500,000 for future appeal costs. The service is also projecting to spend £35,000 more than budget on consultants where a number of applications received require specialist input. The service considers it more economical to engage such advice on a temporary basis rather seeking to recruit permanent staff for this role.
- **Finance (-£68,000):** Through a combination of reduced housing benefit expected to be paid in the year coupled with a change in subsidy recovery rate (based on 2017/18 outturn) the net costs to the Council is projected to be £70,000 less than budget.

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, totalling over £45 million. These income streams are either fairly predictable as they are determined at the start of the year as part of the annual Local Government Finance Settlement; or variations can be largely offset by commensurate changes in expenditure, e.g. subsidy received on housing benefits is related to the level of payments made.

The amount of business rates ultimately retained 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). Variances are accounted for via the Collection Fund and taken into account when determining future budgets and council tax setting. Fluctuations from those elements which have a direct impact on the General Fund revenue account, e.g. the levy payable on growth or grants received from Government to fund certain discretionary reliefs, are managed via the Business Rate Retention reserve.

As a participant in the Essex Business Rates Pool the Council is entitled to a share of the extra business rates retained “locally” which will be rebated against the 2018/19 levy. The final determination and receipt of the actual amount of the Council’s share will be made after year-end returns have been collated from each of the participating authorities. At the start of the year it was anticipated that Braintree’s share for 2018/19 could be around £560,000. The benefits received from being a member of the Pool have to date been held in the Business Rate Retention reserve.

Other external income for which the Council has budgeted £15.625 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 over achieve against their income budgets by a net £712,000, as shown in the table below:

Service	Updated Budget £000	Joint Financing	Sales, Fees & Charges	Rents	Other Income	Total	RAG Status
		5,432	5,603	2,906	1,684	15,625	
Asset Management	2,992	-	5	(221)	1	(215)	G
Business Solutions	23	(6)	-	-	-	(6)	G
Community Services	208	-	14	-	(3)	11	A
Corporate Management Plan	-	-	-	-	-	-	G
Economic Development	-	-	-	-	-	-	G
Environment & Leisure	1,327	(19)	5	-	(16)	(30)	G
Finance	2,507	(5)	-	-	(261)	(266)	G
Governance	306	-	85	-	-	85	R
Housing Services	70	-	(6)	-	-	(6)	G
Human Resources	-	-	-	-	-	-	G
Marketing & Communications	131	25	25	-	(28)	22	A
Operations	5,224	(42)	(24)	10	(32)	(88)	G
Strategic Investment	157	-	-	-	-	-	G
Sustainable Development	1,434	-	(219)	-	-	(219)	G
Service Total	14,379	(47)	(115)	(211)	(339)	(712)	G
Corporate Financing	1,246	-	-	-	-	-	G
Total	15,625	(47)	(115)	(211)	(339)	(712)	G

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

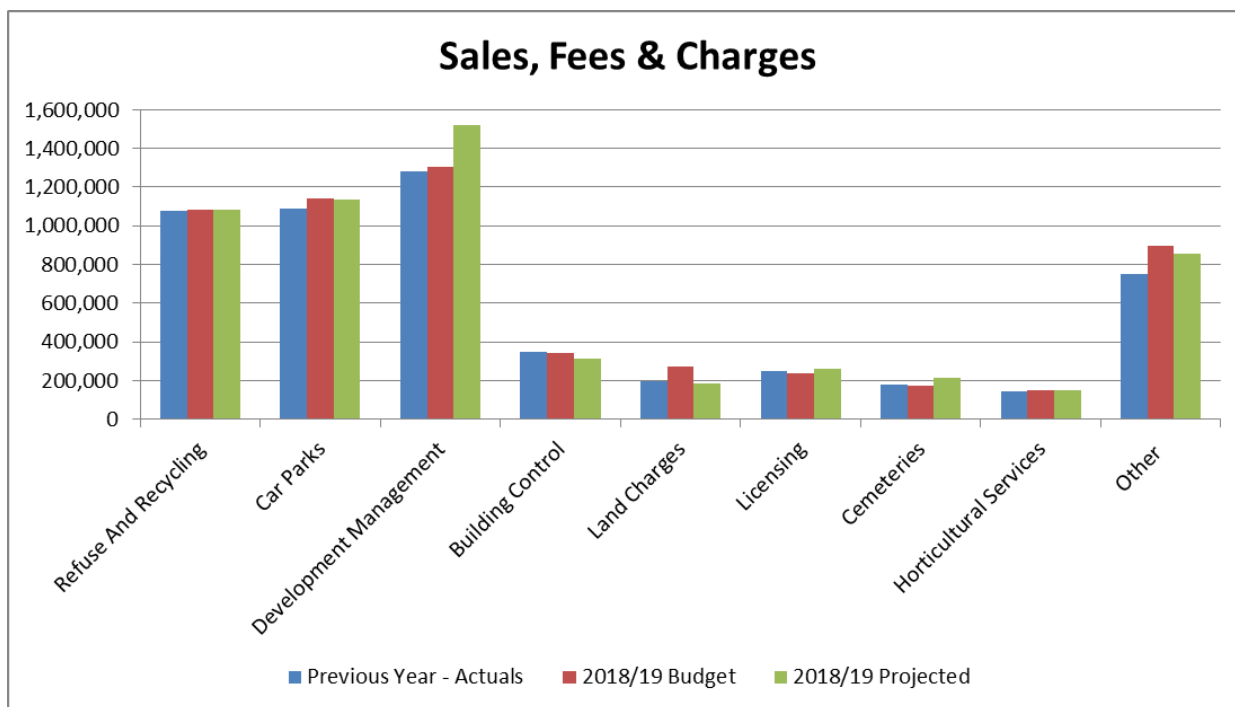
Joint Financing & Other Reimbursements

The total budget for income from joint financing and other reimbursements is £5.432 million, the main sources of which are: Essex County Council contributions towards service costs (£2.363 million); estimated benefit from the Essex Business Rate Pool (£560,000); Council Tax sharing and investment agreement with the major precepting bodies (£625,000); housing benefit overpayment recoveries and local tax costs recovered (£780,000); and subscriptions to the Procurement Hub (£359,000).

At Q3 a variance for the year is predicted of £47,000 across all services.

Sales, Fees & Charges

The budget for income from sales, fees & charges is £5.603 million which is projected to be over achieved by a net £115,000. The following chart shows the main income streams:



Commentary on Fees and Charges:

- Development Management:** Planning application income received up to the end of December was £1.313m, which already exceeded the updated full year budget of £1.293 million. Based on historical trends, the projection for the whole of 2018/19 has been revised upwards to £1.5 million (last year actual was £1.267 million). The current position is, therefore, a projected over achievement of income of £207,000. In addition, the service is also projecting additional income on the Street Naming and Numbering service of £12,000.
- Building Control:** Year-on-year income received is showing a reduction of around 15% to the end December, posting a lower figure received to date across all of the last four years. Based on this position the current forecast is for an under achievement against budget of £31,000. As the market is competitive with alternative providers, the position will continue to be monitored.
- Local Land Charges:** Income from search fees at the end of December was £145,000 which is around 5% lower than last year for the same period (and around 16% lower after allowing for the increase in charges from April 2019). The number of full searches are down by 12% (1276 compared to 1441), whereas free of charge viewings, mainly by personal search companies, have increased by 14% (1407 compared to 1230). With seasonal adjustments this results in a projected income of £187,000 for the year, a shortfall of £85,000 against budget. The Council's proposed budget for 2019/20 includes an adjustment to reflect an estimate of lower fees going forward. Currently the service is continuing to prepare for the potential transfer of this service to the Land Registry although no deadline has been set for this happening yet.
- Licensing:** An increase in charges from October along with the triennial review of some licences has increased income in the current year leading to a projected over achievement of £20,000. Some of the licences granted will now be for extended periods despite being charged the same and therefore future income levels will be subject to fluctuation.
- Cemeteries:** Income to the end of December is higher than in previous years, suggesting that by the year-end overall income could be higher than budget by £39,000 (and £26,000 higher than last year's outturn).
- Other Income - Marketing and Communications:** The total budget for sponsorship and advertising income is £93,000. The post of Sponsorship Officer has been vacant since

April, and following an internal review, recruitment to a Corporate Sale role has now been completed with the officer starting in post in February. Consequently, a shortfall is currently projected of £62,000 in the current year (£25,000 from sponsorship; and £37,000 from the sale of advertising). In future the new role will seek to maximise the Council's income streams across a number of traded service areas.

Rental Income

The budget for rental income from land & property is £2.906million – comprising the investment & commercial property portfolio, markets, housing properties, and other let properties. The current projected outturn for the year is a net over achievement of £211,000.

Commentary on Rental Income:

- **Asset Management:** Following the closure of Ignite Business in May 2018, the Council has taken back responsibility for the management and letting of the former Ignite House at the Springwood Industrial Estate, as well as the Corner House in Braintree town. With the addition of the grow-on units developed by the Council at Springwood, and the acquisition of premises in Silver End, there is a projected increase in rental income of £120,000, which after allowing for some additional costs, results in an estimated net £59,000 of projected income. On the existing commercial portfolio, occupation levels remain relatively high, and there have been a number of rent reviews settled which taken together has increased the amount of income expected in the current year by £57,000. Again, there are related and other costs which have been incurred and therefore the net additional income projected is £31,000. In addition, following the completion of tenancy agreements last year, Causeway House remains fully let leading to £37,000 of extra income than was originally budgeted.
- **Operations – Markets:** Whilst showing a slight improvement on the previous quarter, promotion of reduced rates to market traders has yet to reverse the downward trend in income seen over recent years with a current shortfall projected of £13,000 against the budget of £80,000.

Other Service & Corporate Income

Total budgeted Other Income is £1.684million of which £675,000 is internal recharges including staffing costs that are expected to be charged against capital projects (£364,000). Other external income is projected to be overachieved by £339,000.

Other external income includes the following streams:

- **Investment & Other Interest Income:** The budgeted amount is £843,000, which is expected to be overachieved by £200,000, mainly due to increased money market rates following changes by the Bank of England to the Base Rate, combined with higher levels of cash available for investment than was originally assumed.
- **Solar Panel Feed-in-Tariffs:** the budget provides for an expected £93,000 of income from investment in solar panels at various Council facilities.

Other variances projected include a number of unbudgeted government grants (£61,000) and increased work undertaken by the graphics and reprographics team (£40,000).

Treasury Management

The Council's treasury management activity to the end of the quarter 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 Sold or Matured	
£42.26m	£85.83m	£72.75m	£55.34m
Average amount invested for the period			£59.86m
Highest amount invested			£68.27m

In December, the Council increased its long-term pooled fund investments by £2 million taking the total amount invested to £18 million. Two new diversified funds were added to the portfolio with £1 million placed in each fund: Kames Diversified Income Fund and the Investec Diversified Income Fund. Remaining investments have been in short-term instruments including call accounts and term deposits with UK and Non-UK financial institutions, deposits with other local authorities, and Money Market Funds (MMF).

Interest and dividends earned to the end of the quarter total £800,000, which is equivalent to an annualised rate of return of 1.77%:

Investments	Average Amount Invested	Interest & Dividends Earned	Annualised Return %
Long-Term Pooled Funds	£16.06m	£582,000	4.81%
Short-Term	£43.80m	£218,000	0.66%
Total	£59.86m	£800,000	1.77%

Investment returns have been increased by the dividend income earned from long-term investments. In addition, being exposed to equities and property, the value of these funds fluctuate based on prevailing market conditions. At the end of the quarter the market valuation for all the long-term pooled funds was £18.377 million, representing an unrealised gain of £0.377 million on the original amounts invested.

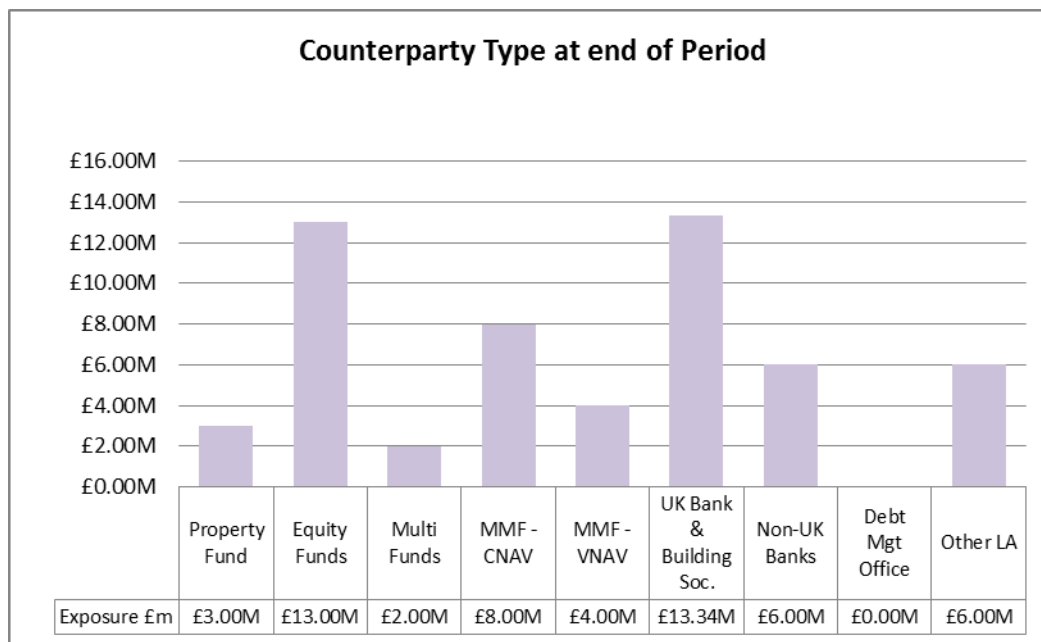
Reflecting the upward movement in interest rates, a revised forecast of cash balances, and the increased amount invested in long-term pooled funds, the Council's proposed budget for 2019/20 includes an additional £181,000 of investment income.

Market Commentary

Markets reacted in the quarter to a range of global concerns: an economic slowdown in China, rising trade tensions between the US and China, a sharply lower oil price, slowing Euro area output and the ongoing uncertainty surrounding Brexit. December was a turbulent month in terms of performance of riskier asset classes, most notably equities. The FTSE 100 (a good indicator of global corporate sentiment) returned -8.8% assuming dividends were reinvested; and in pure price terms it fell around 13%. But spreads on corporate bonds also widened reflecting concerns about tougher economic conditions ahead and the abilities of corporates to service their debt obligations.

Treasury gilt yields continued to display significant volatility over the period on the back of ongoing economic and political uncertainty in the UK and Europe. The higher Bank Rate continued to push up money markets rates.

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



CNAV = Constant Net Asset Value i.e. the Fund value is expected to remain constant
VNAV = Variable Net Asset Value i.e. the Fund value and therefore amounts invested can fluctuate

General Fund Balances

General Fund balances are held for the following reasons:

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

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

	£'000
Balance at 1 April 2018	2,860
Add:	
Budgeted addition	228
Pension Fund triennial payment	1,411
Projected in-year variance	703
Less:	
Supplementary budget	(219)
Estimated Balance at 31 March 2019	4,983

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

- The budget approved by Council for 2018/19 included an anticipated addition to balances of £228,072, reflecting savings anticipated being made in advance of future years' budget shortfalls.
- The budget for 2017/18 included a one-off payment to the Pension Fund covering the period April 2017 to March 2020, which was in part funded from General Fund balances. A repayment back into balances was expected in 2018/19 and 2019/20.
- The projected outturn variance for the year would mean an additional £703,000 being added to balances (subject to any future decisions regarding approvals for services to

carry forward underspends for use in 2019/20, which will be considered during finalisation of the budget outturn).

- An allocation from General Fund balances was approved by Full Council in July 2018 to meet a supplementary budget request for the transitional costs of the Strategic Investment Team.

Risks and Assumptions

The forecasts reflect service managers' "best estimate" of the predicted outturn for the year. The previous year outturn and trends in-year have been considered; however, as always, these are subject to changing circumstances and unforeseen events. 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. Projections are based on historical trends and will be influenced by both the number and type of planning applications received.

The projected costs of planning appeals for the year is currently £340,000 which can be partially funded from the earmarked reserve brought forward at the start of the year (Balance £287,000). On this basis the reserve will be depleted by the end of 2018/19, and with the level of appeals and public inquiries currently being experienced, it is likely that further money will need to be set aside. A provision of £500,000 has been included in the Council's proposed budget for 2019/20.

Payments made by the Council for processing its recycling material collected from households are subject to quarterly review of market indices. As prices have now been set for the remainder of this year the main variant which could alter the outturn cost from that predicted at this quarter is the tonnages collected for processing.

The budget assumes that £364,000 of staffing costs can be recharged 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. The current assumption is that the budgeted level of recharges will be achieved in 2018/19.

Investment income from the Council's long-term pooled funds is budgeted at £760,000 and is derived from quarterly dividend payments. These dividends can fluctuate and are not contractually committed unlike interest on term deposits and loans. The current assumption is that the budget will be achieved.

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 2018, and the subsequent decisions taken by Council on some major growth and infrastructure projects, the overall capital programme currently totals £42.6million. Delivery of significant projects will span a number of years, therefore, the amount expected to be spent in the current year is £13.1million. The following table shows how much has been spent to the end of Q3.

	Profiled Spend 2018/19 £000	Actual Spend at Quarter 3 £000	Actual Spend at Quarter 3 % of 18/19 Profile
Commercial and investment property	8,125	6,701	82%
Manor Steet regeneration	430	330	77%
Springwood Drive business units and parking	630	538	85%
Planned maintenance to Council premises	533	202	38%
Replacement vehicles and plant	650	365	56%
Information technology systems	187	83	44%
Play areas, parks and open spaces	311	130	42%
Spa Road environmental improvements	302	254	84%
John Ray Park improvement	42	-	0%
Museum heating system & ICT upgrade	115	115	100%
Operational equipment	324	61	19%
Sports and leisure facilities improvements	50	3	6%
Cordons Farm waste transfer station	39	-	0%
Grants to registered social landlords	47	12	26%
Disabled facilities grants	810	606	75%
Capital salaries - recharged from revenue	364	283	78%
Capital salaries - direct	141	59	42%
Total	13,100	9,742	74%

The programme for 2018/19 has reduced by a net £4,000 since Q2. This reflects new approvals during the quarter for £150,000 to be spent on a new vehicle maintenance workshop fit-out, and £64,000 of new operational plant which is being funded from reserves, offset by other budget changes and profiling of project spends into future years.

Actual spend during the quarter increased significantly as the Council completed its acquisition of the proposed employment site in Great Notley.

There are no projected variances to budgeted spend.

Capital resources

The main sources of new capital resources anticipated for the year are from the sale of Council owned assets (£3.674 million), preserved right-to-buy (RTB) receipts (£1 million) and the Council's share of the VAT shelter operating in conjunction with Greenfields Community Housing (£250,000).

Whilst the Council has exchanged contracts on a number of sites it is selling, these are still subject to buyers gaining satisfactory planning consents. Consequently, sales are now not expected to complete until at least 2019/20. The Council has, however, received an average payment of £136,000 relating to a previous sale of Council owned land.

Greenfields has reported that 19 RTB sales have been completed up to the end of Q3 generating approximately £2.7million for the Council. Greenfields have also advised that a further 33 applications are in progress. Based on the timing and likelihood of progression to completion, experience suggests an estimated total of 23 sales may complete this year

generating circa £3.08million for the Council. This compares to 20 sales completed last year which generated £2.122million for the Council.

VAT shelter monies due to the Council at the end of Q3 were £203,000, which is broadly in line with what could be expected based on the full year estimate.

The Council has received £862,000 grant from the Better Care Fund, which is used to fund the Council's disabled facilities grant scheme. This is an increase of £162,000 over that originally anticipated for the year, although some of this funding is likely to carry over into 2019/20.