



Second Quarter Performance Management Report

1st July 2018 to 30th September 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 second 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 second quarter

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




| Corporate Priorities | Status of projects and actions | | | | |
|-------------------------------------|--|--|--|--|--|
| |  |  |  |  |  |
| Environment and Place | 2 | 8 | 0 | 0 | 0 |
| Strategic Growth and Infrastructure | 0 | 4 | 5 | 0 | 0 |
| Economic Development | 3 | 8 | 0 | 0 | 0 |
| Health and Communities | 5 | 8 | 0 | 0 | 1 |
| Finance and Performance | 3 | 10 | 0 | 0 | 0 |
| Overall Strategy and Direction | 0 | 8 | 1 | 0 | 0 |
| TOTAL | 13 | 46 | 6 | 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 second quarter

The following table shows the performance for the end of the second 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 | 0 | 2 | 0 |
| Strategic Growth and Infrastructure | 2 | 0 | 0 | 0 |
| Health and Communities | 2 | 0 | 0 | 0 |
| Finance and Performance | 3 | 2 | 2 | 0 |
| TOTAL | 9 | 2 | 4 | 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




Progress in the second quarter of the year continues at a steady pace with 13 projects now complete and a further 46 on track and progressing well. Six projects have an amber status due to delays occurring which will push back end dates of the projects and one project has been closed due to the scope of the project changing and is due to be replaced with a new project next year.




Nine performance indicators have met or exceeded target, two performance indicators have missed target by less than 5% and four performance indicators have missed target by more than 5%.

Performance is expected to improve over the year as we strive to deliver our corporate objectives whilst focusing our resources to deal with the challenges the Council faces with constraints on funding.




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 | | |
| Braintree District Council has led on a county wide framework for street sweeping arisings, generating a reduction of costs per tonne circa £8.00 in the processing of arisings. The contract is in 'infancy' stage, and is closely monitored to ensure we are getting the correct data for recycling credits and we are working closely with partnering authorities and Essex County Council to ensure a beneficial outcome. | 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. Monitoring will take place over the coming months to see if there are any changes to recycling habits. | March 2019 |  |
| Offer our commercial customers a more tailored refuse and recycling service that will help them reduce, reuse and recycle their waste | | |
| The Council continues to offer commercial customers bespoke quotations broken down into refuse/recycling options for the customer to consider. This includes container sizing and specification to empower the customer to make the choice of containers appropriate to their business need, alongside our expertise. A customer satisfaction survey is currently being drafted to assist in identifying further improvements. | 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 will be introduced in the Autumn. | September 2018 |  |
| Increase the electric car charging infrastructure by installing chargers at the three leisure centres across the District | | |
| Visits have taken place at the three leisure centre sites across the District to look at the practicalities of installing the wiring needed for the electric car charging points. We are also liaising with Freeport to install charging points in their car park. | March 2019 |  |
| Upgrade the lighting in our car parks with new energy efficient LED lights to reduce costs and benefit the environment | | |
| The contract has been awarded to upgrade the lighting in our car parks and works will commence in the Autumn. | March 2019 |  |

| | | |
|--|-------------------|---|
| Trial the use of compaction bins in Braintree Town Centre to see if they offer better value for money for the taxpayer | | |
| A demonstration from a compact bin company took place in August and the Council is currently considering its options for locating the compaction bins. | 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 47 fixed penalty notices have been served by the Environmental Services Enforcement Team resulting in nine prosecutions. | March 2019 |  |
| Run a car litter campaign to reduce litter and raise awareness of the increase in fines | | |
| 'You Melt' campaign launched in August aimed at social media and younger audiences. 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, has been agreed and advertising space is currently being arranged. 'You Melt' campaign will also be adapted to address street-littering and displayed in town centre notice boards. | 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 require more work before they can be agreed. A suggested way forward together with a revised timetable will be submitted to the planning inspector in October and once a response has been received, the end date of the project will be revised accordingly. | December 2018 |  |
| (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 plans for a west of Braintree garden community have been reviewed by the planning inspector. Braintree District Council is currently is working with partners to strengthen and improve plans before resubmitting to the planning inspector in October with a suggested way forward and revised timetable. Once a response has been received, the end date of the project will be revised accordingly. | November 2018 |  |
| The plans for a west of Colchester garden community have been reviewed by the planning inspector. Braintree District Council is currently is working with partners to strengthen and improve plans before resubmitting to the planning inspector in October with a suggested way forward and revised timetable. Once a response has been received, the end date of the project will be revised accordingly. | November 2018 |  |
| (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 February 2019. Three Members' Reference Groups have taken place providing guidance to officers | March 2022 |  |

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| with a further two to take place which will review the governance and financial options of a potential Development Company. The finding of the Reference Groups will help to inform the decision on setting up the Company. | | |
| (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 it is anticipated that the planning application will be determined late October 2018. | 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 looking 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 | | |
| Essex County Council will be leading on the project and a project team has been established and commenced design works. Ecology surveys are continuing and should be completed by October. A planning application will be submitted to Essex County Council in March/April 2019. Construction should start October 2019 with and anticipated build of 15 months. Essex County Council have launched a website which has a flythrough of the proposed scheme. Further information on the A120 Millennium Way scheme will be 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 on Monday 24th September for a period of 6 weeks. Public exhibitions will take place in October regarding the scheme. | 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 | | |
| Following Council approval in February for the acquisition of the employment land at Great Notley, Heads of Terms have been agreed with both the developer and the vendors of the master-plan land. Negotiations to agree the contracts are now close to being finalised. A marketing agent will be appointed to develop a marketing strategy to deliver the emerging vision of an exemplar business community attracting high value companies. | 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 mentoring programme has received 19 referrals and to date five businesses have been successful in their applications. Local businesses are being visited by officers and members to better understand business requirements. A Business Engagement and Support Strategy together with an action plan has been developed and will be submitted to Cabinet in November. | 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. The council expects to receive feedback regarding funding from the European Regional Development Fund in October. Procurement is currently underway to procure a contractor who will submit a planning application in the Autumn. | 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 annual Braintree District Careers Fair was held at Chelmsford City Racecourse in September. The event saw over 1,000 year 11 students across the district attend and meet over 90 exhibitors promoting post-16 learning and career opportunities. Filming for the Advanced Manufacturing and Engineering career case study video also took place at the racecourse. The first edit has been received and further filming will take place at employer sites. | March 2019 | |
| (E) Commence work on the regeneration of Braintree Town Centre enhancing the appeal of the town to residents and visitors | | |
| A full business case detailing the latest proposals and financial arrangements for the regeneration of Manor Street was approved at Cabinet in May and by Council in June. A planning application was submitted in July and the procurement process has started. It is anticipated that the planning application will be determined late October 2018. | 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 | |




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| report recommending options to proceed has been prepared for a decision on next steps. Following the success of the street markets in Braintree, the first street market was trialled in Witham in September. The success of this will determine whether future events are secured. | | |
| (E) Support businesses and increase tourism by launching the 'Visit Braintree' website to highlight key events and attractions across the District | | |
| The content of the 'Visit Braintree' website will be taken from the Tourism Plan which will now be presented to Cabinet in November. A meeting with the proposed web developer is scheduled for October to discuss the main objectives of the website and timescales for delivery. | 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 | | |
| Quotations have now been received and the contract has been awarded. The end date for the project has been revised to the end of March 2019 as the first procurement process did not provide any successful tenders. | 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 | | |
| Meetings have taken place with 9 out the 10 schools involved in the Livewell Child project to present them with a cheque from Tesco's Bags of help funding and to discuss the project with the schools. Christmas events and learning | March 2020 |  |










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| conferences are being set up to improve parental engagement in the project. The project board is due to meet early October to discuss future funding opportunities and how the project will develop into its final year in 2019. | | |
| 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. Secretary of State consent is required and we are currently awaiting their response. | 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 mental health workshop took place in July bringing together a range of partners and organisations across the statutory and voluntary sector to gain a better understanding of mental health in the Braintree District. The workshop provided an insight into the issues in the district, how changes are already impacting on services, identified gaps in service provision and provided ideas on what to focus on as well as how we can work together to improve local mental health services. A strategic meeting has been arranged for October to discuss the next steps required in working together to improve the support currently provided. | 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 is currently being prepared for publication in November. The focus of the booklet will be on helping residents combat fuel poverty and how to stay healthy during the winter months. | 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. | 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 | | |
| Work is ongoing with Licensing officers from Essex Police and Braintree District Council to organise training and promotion of the 'spot-it, stop-it' campaign with the night time economy including taxi drivers. | 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 | March 2019 |  |

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| 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. | | |
| (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 are taking place across the district such as a tea dance, dementia friendly cinema showings, dementia friendly swimming sessions and walks and talks. Attendees continue to enjoy the exercise and friendships that have evolved with people which is also providing peer support and information sharing about services and experiences. The Alzheimer's Society delivered "Step inside Dementia" training to staff, councillors and partners in September, providing an insight into what it may be like to live with or care for someone with dementia and how we can have a better understanding to improve some of the ways we deliver our services. | March 2019 |  |
| (E) Support community groups to deliver local projects and activities through the Councillors' Community Grant scheme | | |
| Since April, a total of 28 grants have been awarded across the district for various projects totalling £19,598. | 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, presenting a business case to Management Board on vehicle maintenance options and a Task and Finish group has been set up with meetings taking place throughout July and August looking at waste minimisation and recycling. | March 2019 |  |




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|--|---------------|---|
| 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. Analysis of the Community Transport market and pricing is currently underway and a report will be drafted in the Autumn. | December 2018 |  |
| 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. Services have been asked to review their services and identify savings or income opportunities and a service review programme has been agreed. Additional income opportunities identified will be prioritised and scoping activities planned. The Local Government Association (LGA) have approved funding for a leading procurement expert to review the contracts register and provide support in the identification of saving opportunities. | 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. | 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 will take place in November 2018. Evidence base is currently being collated. | 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 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. | May 2018 |  |
| Develop our online booking and payment systems enabling residents to book and pay for more services through our website | | |
| We are currently working with our website providers to develop an on line booking system. The secure card portal has been approved and testing will be taking place in the Autumn. | March 2019 |  |
| The payment system to integrate with the new booking system and our on line | March 2019 |  |

| | | |
|---|------------|---|
| forms has now been approved and testing of the system will take place in the Autumn. | | |
| 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. | 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. The issues identified from the metacompliance exercise are currently being analysed and will be available in October. The ICT team are contacting staff who are not using encrypted USB sticks and encrypting them and a cyber security training module has been rolled out across the Council for all staff to complete. | March 2019 | ▶ |
| Introduce in-cab technology into our street scene vehicles to improve the efficiency of the service | | |
| Work is continuing on specifications for the implementation of in-cab technology into our street scene vehicles. Testing of the devices will be taking place in October. | 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 briefings in the first quarter. Services have now been asked to review their services and 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 has begun on identifying income opportunities to bridge the budget gap. | March 2019 | ▶ |
| (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 and the Clinical Commissioning Group are working on a clinical case for change to demonstrate future patient growth and how the new practice will operate. | 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 the Autumn. | 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 working with developers to bring forward strategic employment land at Great Notley, completing the construction of four grow on units at the Braintree Enterprise Centre 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 Tendring District Council, Colchester Borough Council and Essex County Council on the shared part one of the proposed Local Plan. Strategic planning meetings continue to take place with Chelmsford City Council to co-ordinate growth and infrastructure in the region. Meetings are also taking place with Uttlesford on strategic growth matters regarding the West of Braintree Garden Community. | 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 May, at which the Annual Review of the artificial grass pitch and multi-use games was reviewed by Members. 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. | 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% |  | Recorded three times a year – July, November and March |
| Percentage of household waste sent for reuse, recycling and composting | 55.19% | 48.37% | | | 52.75% |  | We are awaiting reconciliation of the figures by Essex County Council and they may change if the data for residual waste changes. The recycling outturn is lower in the second quarter due to the unpredictably hot, dry summer resulting in a significant reduction in garden waste. The waste minimisation team are working on a range of activities dedicated to reducing tonnage and increasing recycling. |
| Tonnage of residual household waste not recycled | 121kgs | 114Kgs | | | 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% |  | |
| 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 | 35 | | | 35 |  | |
| Number of homes granted planning permission | 667 | 125 | | | 100 |  | |
| Health and Communities | | | | | | | |
| Average waiting time for applicants on the Disabled Facilities Grant | 105 days | 59 days | | | 75 days |  | |
| Achieve a 2% increase on the contract baseline in participation levels | 238,928 | 279,892 | | | 216,417 |  | |

| Performance Indicator | 2018/19 | | | | | | Comments |
|--|-----------------------------|------------|------------|------------|------------------------|---|---|
| | Q1 Outturn | Q2 Outturn | Q3 Outturn | Q4 Outturn | Target for the Quarter | Status at the end of the Quarter | |
| across all our sports centres | | | | | | | |
| 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 | | | 15 seconds |  | <i>Customer Services were short-staffed during Q2 due to staff sickness which ran alongside pre-booked annual leave. Agency staff were recruited to provide cover during this period, however, a period of training was required prior to going live.</i> |
| Time taken to process housing benefit/council tax benefit new claims | 19.92 days | 20 days | | | 22 days |  | |
| Time taken to process housing benefit claim changes | 7.7 days | 7.39 days | | | 6 days |  | <i>The volume of changes has increased since the introduction of Universal Credit; with over 3,000 changes being received per month. Annual leave during the summer period has also had an impact on performance. A new process enabling the automatic updating of the claim with the change details received from the DWP is currently being tested. Performance is expected to improve when the process is fully operational.</i> |
| Percentage of Stage 1 complaints responded to within target | 94.71% | 94.79% | | | 90% |  | |
| Collection rate for Council Tax | 31.06% | 58.80% | | | 59.25% |  | <i>The target has been missed by less than half a percent and it is expected 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% | | | 58.07% |  | <i>Target has been marginally missed and it is expected that the shortfall will be made up over the coming months and the end of year target will be achieved.</i> |
| Percentage of invoices paid within 30 days of receipt | 99.19% | 99.26% | | | 99.25% |  | |

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) | (38) | (60) | (229) |
| Not Justified | 24 (69) | 85 (79) | (67) | (81) | (296) |
| Partially Justified | 76 (27) | 25 (31) | (22) | (17) | (97) |
| Not known | 0 (0) | 1 (1) | (3) | (0) | (4) |
| Total | 210 (160) | 203 (178) | (130) | (158) | (626) |

Comments

The number of complaints received in the second quarter of 2018/19 is marginally lower than the first quarter. The high number of complaints received are mainly in respect of waste collections.

A recent change to some of the routes across the district has impacted on the number of complaints regarding missed collections due to either collection times changing and residents not presenting their waste at their boundary on time or due to waste operative staff not being familiar with certain collection points. This has settled down in the latter part of the second quarter, but did result in an increase in the complaints received in July. The re-routing exercise will improve service delivery but takes time to embed. The service will continue to monitor missed waste collections.

In the second quarter of 2018/19, of the 203 complaints received:

- 194 are stage one complaints
- 6 are stage two complaints
- 3 is a stage three complaint

A summary of Local Government Ombudsman (LGO) cases:

In the second quarter of 2018/19, the LGO has received one new complaint which it declined to investigate on the grounds that the complaint was prematurely presented to them and the complainant needs to seek a review of the Councils housing decision before pursuing a complaint through the LGO.

The LGO has issued three final decisions on complaints received in previous quarters all relating to planning enforcement. Two complaints were upheld of which one was due to unnecessary delays by the council although this did not cause a significant injustice to the complainant and in respect of the second complaint, the ombudsman has agreed that the council was at fault in the handling of several applications and objections to them and agreed a further payment for the avoidable distress caused to the complainant.

Three 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 17/18 | Q2 17/18 | Q3 17/18 | Q4 17/18 | Change on previous period | Yearly Target |
|--|-------------|-------------|-------------|-------------|------------------------------------|------------------|
| Total headcount | 469 | 473 | | | + 3 | - |
| Total number of posts | 485 | 485 | | | + 5 | - |
| Number of temporary staff | 33 | 32 | | | - | - |
| Total staff FTE | 425.08 | 427.45 | | | + 3.63 | - |
| Level of employee turnover | 2.13% | 2.96% | | | + 0.2% | - |
| Number of leavers | 10 | 14 | | | + 1 | - |
| Number of starters | 13 | 18 | | | + 10 | - |
| Working days lost to sickness per employee | 2.07 days | 1.71 days | | | 0.13 days | 8.0 days |
| Percentage of staff with nil sickness | 78.68% | 64.9% | | | - | - |
| Number of learning hours | 7747 | 8131 | | | - 1027 | - |
| Number of delegates | 602 | 381 | | | + 207 | - |
| Number of apprentices ** | 15 | 24 | | | - 1 | - |

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

** BDC's apprenticeship programme runs from September each year. The figures reflect level 2, 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) | (26) | (13) | |
| <i>Accidents/ incidents to employees</i> | 6 (8) | 6 (8) | (20) | (12) | |
| <i>Accidents/ incidents to contractors</i> | 0 (1) | 0 (2) | (5) | (0) | |
| <i>Accidents/ incidents to non-employees</i> | 1 (1) | 0 (0) | (1) | (1) | |
| Time lost in days due to employee accidents/ incidents | 85 (0) | 19 (20) | (8) | (28) | Two incidents involved time lost in days. One involved an arm injury to a waste operate and the other incident related to a leg injury to a member of staff within horticulture |
| Number of reported verbal/ physical incidents to employees | 2 (0) | 1 (2) | (1) | (0) | A verbal assault was recorded against a member of staff within the planning department |
| Number of near miss incidents | 1 (0) | 1 (0) | (0) | (0) | |
| Number of Accidents/ incidents registered resulting in insurance/ compensation claim | 1 (0) | 3 (0) | (0) | (0) | |
| Number of claims settled | 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 Second Quarter (Q2)

- An overall positive variance for the year of £127,000 (-0.9%) is projected against the budget.
- Across all services staffing budgets are forecast to be underspent by £294,000; and after allowing for the corporate efficiency target of £200,000, this results in a projected variance of -£94,000.
- Other Expenditure is projected to be overspent by £382,000.
- Income is projected to be overachieved by £415,000.
- The projected variance for the year has improved from the position reported at Q1 which forecast an overall adverse variance of £87,000. This change is mainly due to higher estimated income (+£311,000), partially offset by a net change in the projected variances for Staffing and Other Expenditure (+£97,000).

Revenue Spending

| Service | Updated Budget £'000 | Projected Spend £'000 | Adverse (Positive) variance against budget | | | | RAG Status |
|------------------------------|-------------------------|--------------------------|--|----------------------------|-----------------------|----------------|------------|
| | | | Staffing £'000 | Other Expenditure £'000 | Gross Income £'000 | Total £'000 | |
| Asset Management | (2,131) | (2,216) | - | 87 | (172) | (85) | G |
| Business Solutions | 1,985 | 1,985 | (19) | 20 | (1) | - | G |
| Community Services | 350 | 348 | (4) | (13) | 15 | (2) | G |
| Corporate Management | 1,249 | 1,191 | (57) | (1) | - | (58) | G |
| Economic Development | 238 | 238 | - | - | - | - | G |
| Environment & Leisure | 844 | 764 | (41) | (8) | (31) | (80) | G |
| Finance | 1,173 | 683 | (189) | (81) | (220) | (490) | G |
| Governance | 922 | 1,069 | 81 | (12) | 78 | 147 | R |
| Housing Services | 799 | 804 | 9 | (2) | (2) | 5 | A |
| Human Resources | 346 | 345 | - | (1) | - | (1) | G |
| Marketing and Communications | 544 | 541 | (10) | (4) | 11 | (3) | G |
| Operations | 5,136 | 5,258 | (47) | 193 | (24) | 122 | A |

| | | | | | | | |
|-------------------------|---------------|---------------|--------------|------------|--------------|--------------|----------|
| Strategic Investment | 231 | 231 | - | - | - | - | G |
| Sustainable Development | 677 | 806 | (17) | 215 | (69) | 128 | R |
| Service Total | 12,363 | 12,046 | (294) | 392 | (415) | (317) | G |
| Corporate Financing | 2,621 | 2,611 | - | (10) | - | (10) | G |
| Efficiency target | (200) | - | 200 | - | - | 200 | |
| Total | 14,784 | 14,657 | (94) | 382 | (415) | (127) | 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 | Projected Spend | Adverse/ (Positive) variance | RAG Status |
|----------------------------|----------------|-----------------|------------------------------|------------|
| | £'000 | £'000 | £'000 | |
| Asset Management | 265 | 265 | - | G |
| Business Solutions | 1,196 | 1,177 | (19) | G |
| Community Services | 369 | 365 | (4) | G |
| Corporate Management | 1,228 | 1,171 | (57) | G |
| Economic Development | 273 | 273 | - | G |
| Environment & Leisure | 1,557 | 1,516 | (41) | G |
| Finance | 2,390 | 2,201 | (189) | G |
| Governance | 565 | 646 | 81 | R |
| Housing Services | 870 | 879 | 9 | A |
| Human Resources | 310 | 310 | - | G |
| Marketing & Communications | 371 | 361 | (10) | G |
| Operations | 5,297 | 5,250 | (47) | G |
| Strategic Investment | 490 | 490 | - | G |
| Sustainable Development | 1,716 | 1,699 | (17) | G |
| Service Total | 16,897 | 16,603 | (294) | G |
| Corporate Financing | - | - | - | |
| Efficiency | (200) | - | 200 | |
| Total | 16,697 | 16,603 | (94) | 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 Q2, a number of service areas are projecting underspends on staffing budgets totalling £294,000, an improvement from Q1 of £149,000 on a like-for-like basis. The largest service with a projected underspend is **Finance** (-£189,000). 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 being rolled out. Also contracted hours have been reduced, and appointments made at lower grade/ scale points.

Other service areas with projected underspends include: **Corporate Management** (-£57,000) arising from senior management savings; along with vacancies in **Environment & Leisure** (-£41,000) and **Operations** (-£47,000).

Governance is still forecasting overspends for the year (+£80,000) as per Q1. These are projected costs associated with the need for additional capacity for legal work in relation to the Council's strategic growth agenda and projects. The assumption is that temporary additional resources will be required for the remainder of the year, but looking ahead some

additional resourcing has been approved by Full Council from 2019/20 as part of the overall business case on resourcing the Council's strategic growth agenda.

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 £94,000.

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 will be in line with budget, with higher recharges now expected from the Strategic Investment Team (£65,000) offsetting a similar reduction in charges from other service areas.

Other Service Expenditure

In total there is a projected overspend against non-staffing expenditure budgets of £382,000. The main service areas contributing to this position are:

- **Asset Management (+£87,000):** 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 commencing on the Manor Street regeneration scheme. The projected overspend in this service area is more than offset by higher forecast rental income.
- **Operations (+£193,000):** 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 price has been higher for Quarter 1 and Quarter 2 at £58.14 and £40.36 per tonne, respectively. The price for Q3 has recently been set at £38.56 per tonne. The cumulative effect of these price changes has resulted in a projected overspend of £224,000 for the year. In addition, vehicle fuel costs have increased as fuel pump prices have risen leading to a projected additional cost of £66,000 above budget. However, partially offsetting these two issues are 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.
- **Sustainable Development (+£215,000):**The Development Management service is currently experiencing an increased number of planning applications of a type which requires additional specialist support from external providers to carry out viability assessments, provide urban design advice, and undertake landscape impact assessments, resulting in a projected overspend of £35,000. In addition, the service is anticipating a higher number of appeals leading to public inquiries and requiring expert legal support. Consequently, management have assessed the likely cost of planning appeals in the year to be £445,000, which will be partially funded from an existing reserve (£287,000), leaving a balance of £158,000 as an in-year budget variance.
- **Finance (-£81,000):** The budget for the net cost of Housing Benefits to the Council is £389,000, which is calculated from an estimate of payments to individuals of around £39million, and an assumed 99% cost recovery rate through subsidy from the Department for Works and Pensions. The recovery rate is now estimated to be higher at 99.12% based on the outturn for 2017/18, coupled with a revised estimate of payments to

individuals of circa £34million, which is 12% lower than budgeted (10% less than the actual payments for 2017/18). The combined effect of these two factors have resulted in a forecast underspend for the year of £70,000. In addition, the Council continues to make adjustments to benefit entitlements under the previous Council Tax Benefit Scheme (since replaced with the Local Council Tax Support Scheme). Where benefit is reduced an unbudgeted credit is made to the General Fund revenue account which in the current year is estimated to be £10,000.

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 £15.574 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 £415,000, as shown in the table below:

| Service | Updated Budget £000 | Joint Financing | Sales, Fees & Charges | Rents | Other Income | Total | RAG Status |
|----------------------------|---------------------|-----------------|-----------------------|-------|--------------|--------|------------|
| | | 5,381 | 5,603 | 2,906 | 1,684 | 15,574 | |
| Asset Management | 2,992 | - | 10 | (183) | 1 | (172) | G |
| Business Solutions | 23 | (1) | - | - | - | (1) | G |
| Community Services | 208 | - | 18 | - | (3) | 15 | A |
| Corporate Management Plan | - | - | - | - | - | - | G |
| Economic Development | - | - | - | - | - | - | G |
| Environment & Leisure | 1,324 | (17) | 1 | - | (15) | (31) | G |
| Finance | 2,495 | 6 | - | - | (226) | (220) | G |
| Governance | 306 | - | 78 | - | - | 78 | R |
| Housing Services | 56 | - | (2) | - | - | (2) | G |
| Human Resources | - | - | - | - | - | - | G |
| Marketing & Communications | 130 | 25 | 14 | - | (28) | 11 | A |
| Operations | 5,203 | (26) | (2) | 17 | (13) | (24) | G |
| Strategic Investment | 157 | - | - | - | - | - | G |
| Sustainable Development | 1,434 | - | (69) | - | - | (69) | G |

| | | | | | | | |
|----------------------|---------------|-------------|-----------|--------------|--------------|--------------|----------|
| Service Total | 14,328 | (13) | 48 | (166) | (284) | (415) | G |
| Corporate Financing | 1,246 | - | - | - | - | - | G |
| Total | 15,574 | (13) | 48 | (166) | (284) | (415) | 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

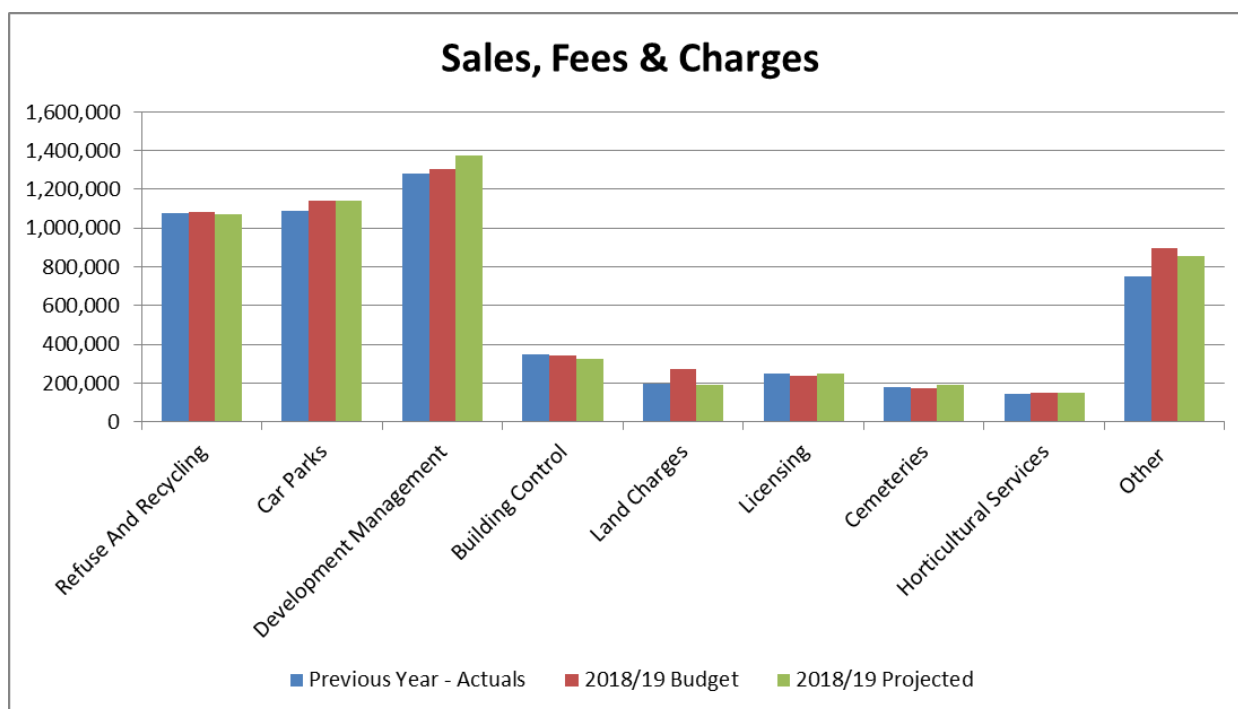
Joint Financing & Other Reimbursements

The total budget for income from joint financing and other reimbursements is £5.381 million, the main sources of which are: Essex County Council contributions towards service costs (£2.374 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 (£768,000); and subscriptions to the Procurement Hub (£359,000).

At Q2 a variance for the year is predicted of £13,000 across all services.

Sales, Fees & Charges

The budget for income from sales, fees & charges is £5.603 million which is projected to be underachieved by a net £48,000. The following chart shows the main income streams:



Commentary on Fees and Charges:

- **Car Parks:** New tariff charges were introduced with effect from April 2018, and whilst initial figures showed a potential shortfall of £32,000 (Q1) the position has since improved leading to the revised assumption that the budget will now be achieved. However, the position will continue to be monitored over the remainder of the year.
- **Development Management:** Planning application income received up to the end of September was £805,000. Based on historical trends, the projection for the whole of 2018/19 is £1.350 million (last year actual was £1.267 million). The budget for fee income is £1.293million having been increased by a virement of £181,500 approved by Full Council following the Q1 projections. The current position is, therefore, a projected over

achievement of income of £57,000 against the revised budget. In addition, the service is also projecting an overachievement of income on the Street Naming and Numbering service of £12,000.

- **Local Land Charges:** Income from search fees at the end of September was £102,000 which is around 8% lower than last year for the same period despite a price increase of nearly 14%. The number of full searches are down by 13% (899 compared to 1,031), and free of charge viewings, mainly by personal search companies, have increased by 3%. The overall downturn in the number of searches appears to be in line with reduced activity in the housing market. The combined effect is a projection of income of £194,000 compared to the budget of £272,000, a potential shortfall of £78,000. The approved budget included an increase of £50,000 to reflect the price increase introduced to recoup the additional costs faced by the Council for digital enhancement of land search information in preparation for data migration to Land Registry. Whilst there is no set date for this transfer the digital enhancement work is still required, albeit it is progressing at a slower pace and utilising some internal resources, thereby leading to a potential underspend on this work of £10,000 in 2018/19.
- **Other Income - Marketing and Communications:** The total budget for sponsorship and advertising income is £93,000. Currently the post of Sponsorship Officer is vacant and not expected to be filled until January at the earliest. Consequently, a shortfall is currently projected of £51,000 (-£26,000 from sponsorship; and -£25,000 from the sale of advertising). Income generation across a number of the Council's services is one of the work streams currently being reviewed by the Commercial Manager.

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 £166,000.

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 being developed by the Council at Springwood, along with the anticipated transfer to the Council of Osier House in Sible Hedingham, there is a projected increase in net rental income of £91,000 (after allowing for some additional staffing costs). On the existing commercial portfolio the level of voids in the first six-months of the year has been lower than allowed in the budget, which when combined with the outcome of a number of rent reviews, means a further estimated £50,000 of additional rental income is expected in the year. 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:** A promotion of reduced rates to market traders has been introduced in an attempt to increase the number of stalls; however, as yet demand does not appear to have increased sufficiently to generate the budgeted level of income (£80,000) leading to a shortfall of income of £15,000 being predicted for the year.

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 £284,000.

Other external income includes the following streams:

- **Investment & Other Interest Income:** The budgeted amount is £843,000, which is expected to be overachieved by £165,000, 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 September | | Amount Invested at end of the quarter |
|--|-------------------------------|-----------------------------|---------------------------------------|
| | New Investments | Investments Sold or Matured | |
| £42.26m | £55.82m | £36.75m | £61.33m |
| Average amount invested for the period | | | £59.36m |
| Highest amount invested | | | £64.50m |

The Council has £16 million invested for the long-term spread across a mixture of property and equity funds. 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 £602,000, which is equivalent to an annualised rate of return of 2.02%:

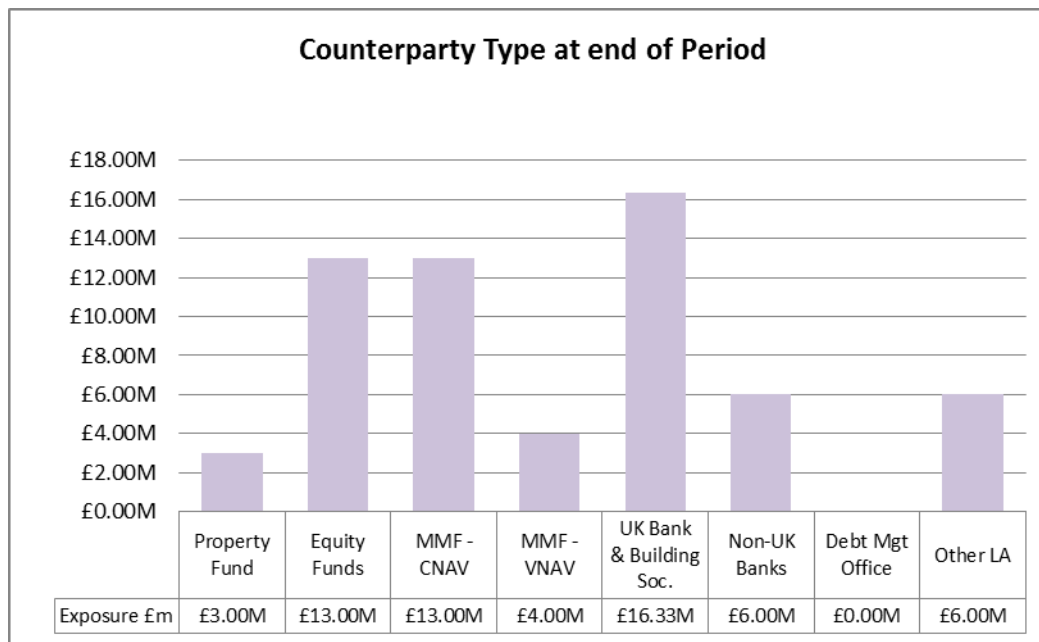
| Investments | Average Amount Invested | Interest & Dividends Earned | Annualised Return % |
|------------------------|-------------------------|-----------------------------|---------------------|
| Long-Term Pooled Funds | £16.00m | £467,000 | 5.83% |
| Short-Term | £43.36m | £135,000 | 0.62% |
| Total | £56.81m | £602,000 | 2.02% |

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 £17.978 million, representing an unrealised gain of £1.978 million on the original amounts invested.

Market Commentary

The Financial Times Stock Exchange (FTSE) 100 index has been fairly buoyant over the period, at times exceeding 7800 before falling sharply in September and finished the quarter at 7510. The Bank of England's Monetary Policy Committee (MPC) maintained monetary policy up until its meeting in August at which rates were increased by 0.25% taking the Bank Rate to 0.75%. The increase in Bank Rate resulted in higher money market 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 | 127 |
| Less: | |
| Supplementary budget | (219) |
| Estimated Balance at 31 March 2019 | 4,407 |

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 £127,000 being added to balances.

- 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 £445,000 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.

Payments made by the Council for processing its recycling material collected from households are subject to quarterly review of market indices. Consequently future gate fees may fluctuate +/-.

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 in excess of £39 million. Delivery of significant projects will span a number of years, therefore, the amount expected to be spent in the current year is £13.104 million. The following table shows how much has been spent to the end of Q2.

| | Profiled Spend 2018/19 £000 | Actual Spend at Quarter 2 £000 | Actual Spend at Quarter 2 % of 18/19 Profile |
|---|--|---|---|
| Commercial and investment property | 8,125 | 472 | 6% |
| Manor Steet regeneration | 430 | 224 | 52% |
| Springwood Drive business units and parking | 663 | 538 | 81% |
| Planned maintenance to Council premises | 533 | 64 | 12% |
| Replacement vehicles and plant | 740 | 164 | 22% |
| Information technology systems | 573 | 54 | 9% |
| Play areas, parks and open spaces | 311 | 61 | 20% |
| Spa Road environmental improvements | 282 | 60 | 21% |
| John Ray Park improvement | 42 | - | 0% |
| Industrial estate improvements | 116 | - | 0% |
| Museum heating system & ICT upgrade | 115 | 100 | 87% |
| Operational equipment | 83 | 45 | 54% |
| Sports and leisure facilities improvements | 40 | - | 0% |
| Cordons Farm waste transfer station | 39 | - | 0% |
| Grants to registered social landlords | 35 | 12 | 34% |
| Disabled facilities grants | 613 | 333 | 54% |
| Capital salaries | 364 | 181 | 50% |
| Total | 13,104 | 2,308 | 18% |

The programme for 2018/19 has increased by £416,000 since Q1 mainly due to the addition of anticipated spend for initial design work on I-Construct (required as part of the bidding process for European funding); and feasibility work on a proposed new health facility in Sible Hedingham. An additional green waste refuse vehicle has also been included in the programme (funded from the vehicle replacement reserve).

The current programme for 2018/19 includes the proposed acquisition of sites as part of the Council's District Investment Strategy which are subject to exchange and completion of contracts. Excluding these projects actual spend to the end of the quarter represents around 38% of budget.

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 overage payment of £136,000 relating to a previous sale of Council owned land.

Greenfields has reported that 14 RTB sales have been completed up to the end of Q2 generating approximately £2million for the Council. Greenfields have also advised that a further 47 applications are in progress. Based on the timing and likelihood of progression to completion, experience suggests an estimated total of 25 sales may completed this year generating circa

£3.5million for the Council. This compares to 20 sales completed last year which generated £2.122million for the Council.

Greenfields have also reported two repayments of RTB discounts which provides a further £72,000 to the Council.

VAT shelter monies due to the Council at the end of Q2 were £128,000, 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.