



# Agenda

## Policy, Finance and Resources Committee

Tuesday, 30 June 2015 at 7.00 pm  
Council Chamber - Town Hall

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### Membership (Quorum-3)

Cllrs Mrs McKinlay (Chair), Hirst (Vice-Chair), Aspinell, Barrett, Clark, Faragher, Hossack, Parker and Russell

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Head of Paid Service

Town Hall  
Brentwood, Essex

22.06.2015

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### Information for Members

#### Substitutes

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The names of substitutes shall be announced at the start of the meeting by the Chair and the substitution shall cease at the end of the meeting.

Where substitution is permitted, substitutes for quasi judicial/regulatory committees must be drawn from Members who have received training in quasi- judicial/regulatory decision making. If a casual vacancy occurs on a quasi judicial/regulatory committee it will not be filled until the nominated member has been trained.

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#### Rights to Attend and Speak

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Any Members may attend any Committee to which these procedure rules apply.

A Member who is not a member of the Committee may speak at the meeting. The Member may speak at the Chair's discretion, it being the expectation that a Member will be allowed to speak on a ward matter.

Members requiring further information, or with specific questions, are asked to raise these with the appropriate officer at least two working days before the meeting.

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#### Point of Order/ Personal explanation/ Point of Information

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##### Point of Order

A member may raise a point of order at any time. The Mayor will hear them immediately. A point of order may only relate to an alleged breach of these Procedure Rules or the law. The Member must indicate the rule or law and the way in which they consider it has been broken. The ruling of the Mayor on the point of order will be final.

##### Personal Explanation

A member may make a personal explanation at any time. A personal explanation must relate to some material part of an earlier speech by the member which may appear to have been misunderstood in the present debate, or outside of the meeting. The ruling of the Mayor on the admissibility of a personal explanation will be final.

##### Point of Information or clarification

A point of information or clarification must relate to the matter being debated. If a Member wishes to raise a point of information, he/she must first seek the permission of the Mayor. The Member must specify the nature of the information he/she wishes to provide and its importance to the current debate, If the Mayor gives his/her permission, the Member will give the additional information succinctly. Points of Information or clarification should be used in exceptional circumstances and should not be used to interrupt other speakers or to make a further speech when he/she has already spoken during the debate. The ruling of the Mayor on the admissibility of a point of information or clarification will be final.

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The Chair of the meeting may terminate or suspend filming, photography, recording and use of social media if any of these activities, in their opinion, are disrupting proceedings at the meeting.

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Evacuate the building using the nearest available exit and congregate at the assembly point in the North Front Car Park.

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## Minutes

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### Finance and Resources Committee Wednesday, 11th February, 2015

#### Attendance

Cllr Aspinell (Chair)	Cllr Kendall
Cllr Lloyd (Vice-Chair)	Cllr Le-Surf
Cllr Clark	Cllr Mrs McKinlay
Cllr Faragher	Cllr Parker
Cllr Hirst	

#### Also Present

Cllr Baker  
Cllr Kerlake  
Cllr Quirk

#### Officers Present

Ashley Culverwell	Head of Borough Health Safety and Localism
Jo-Anne Ireland	Acting Chief Executive
Chris Leslie	Financial Services Manager
Chris Potter	Monitoring Officer & Head of Support Service
Philip Ruck	Contracts & Corporate Projects Manager
Jean Sharp	Governance and Member Support Officer
Rick Steels	Revenue and Benefits Manager
Steve Summers	Head of Customer Services

#### 447. Apologies for Absence

No apologies for absence were received.

#### 448. Minutes of the previous meeting

**RESOLVED** to approve as a true record the minutes of the Finance and Resources Committee meeting held on 14 January 2015.

#### **449. Performance Indicators - Third Quarter 2014-15**

Members were reminded that the Corporate Leadership Board (CLB) met with a cross party group of Overview and Scrutiny Committee Members in January 2014 to discuss performance management.

It was agreed that key strategic performance indicators for 2014/15 would be reviewed focusing on monitoring the delivery of the Council's Corporate Plan and service plans. These were reviewed by CLB on a quarterly basis and reported to Members by exception.

The key Strategic indicators were to be measured annually and would involve a customer satisfaction survey to gauge how residents and businesses rated the Council's performance.

The report before Members detailed the Operational Performance Indicators agreed for 2014/15 and gave performance details for the third quarter of 2014/15.

**Cllr Aspinell MOVED and Cllr Lloyd SECONDED the recommendations in the report and following a discussion it was RESOLVED that:**

- 1. The Committee notes the Operational Performance Indicators for 2014/15.**
- 2. The Committee notes the performance and contextual information against the Third Quarter Key Performance Indicators 2014/15.**

#### **450. Medium Term Financial Plan Proposals**

Members were reminded that the Medium Term Financial Plan (MTFP) set out the key financial management principles and budget assumptions. It was then used as the framework for the detailed budget setting process to ensure that the Council's resources were managed effectively in order to meet its statutory responsibilities and deliver the priorities of the Council, over the medium term.

At its meeting on 14 January 2015, the Finance and Resources Committee received information on initial funding and proposals for the MTFP. In accordance with the Budget and Policy Framework, these initial proposals were presented to Audit & Scrutiny for their consideration. The report before Members considered and responded to the feedback from Audit & Scrutiny. The report also updated the figures for changes made since January which were a direct result of the on-going work by the Finance Team to review and refine the MTFP figures.



**Cllr Aspinell MOVED and Cllr Lloyd SECONDED the recommendations in the report and after a full discussion it was RESOLVED that:**

- 1. Members note the updated position of the MTFP.**
- 2. An outline Strategy be prepared to support final budget proposals to Council, which provides information on how the funding gaps will be addressed.**
- 3. Finance and Resources support the proposal from Audit & Scrutiny for them to commence their Budget Review work in September to include a service review of existing budgets.**
- 4. Members consider the financial position of the Council when proposing a level of Council Tax for 2015/16.**

#### **451. Rent Setting and Service Charges**

The report before Members considered the proposed new rent levels for 2015/16, together with the service charge proposals for tenants and leaseholders.

The report included the consideration of the Housing and Health Committee with regards to the proposed rent levels for 2015/16, and sought the recommendations of the Finance and Resource Committee to Ordinary Council on 4<sup>th</sup> March 2015.

**Cllr Aspinell MOVED and Cllr Lloyd SECONDED the recommendations in the report and following a discussion it was RESOLVED UNANIMOUSLY that:**

- 1. Members agree to increase Rent to CPI plus 1% from April 2015.**
- 2. Members agree to freeze the proposed Service Charges for 2015/16 for tenants, however any decrease to service charges will be passed onto the tenant.**
- 3. Members agree that Leaseholder Service Charges be calculated in line with the current reconciliation policy.**
- 4. Members agree to applying the formula rent to all new tenancies from April 2015/16**

#### **452. Equality Duty**

Members were reminded that a report was presented to Overview and Scrutiny Committee on 29 February 2012 which set out the new Equality Act

2010 and the implications for Brentwood Borough Council (BBC). The Borough Council had a duty to comply with the Equality Act 2010 as part of the Public Sector Duty. The report before Members provided an update on this previous report about how the Council was currently complying with the Equality Act and also set out how BBC would look to meet its Equality Objectives which were set out in Appendix B of the report.

**Cllr Aspinell MOVED and Cllr Lloyd SECONDED the recommendations in the report and following a discussion it was RESOLVED UNANIMOUSLY that Members agree to:**

- 1. Note the updated report on how the Council is currently complying with the Equality Act in Appendix A to the report.**
- 2. Officers developing an action plan by April 2015 to ensure the Council meets its Public Sector Equality and Diversity Objectives in Appendix B to the report.**

#### **453. Revenues and Benefits - Shared Service Partnership**

Members were reminded that, as outlined in the 'New Ways of Working' business case presented to Members in February 2013, it was agreed that efficiency reviews of Council services would be considered. As part of this initiative officers had been investigating a number of options for the improvement and delivery of the Revenues & Benefits Service at reduced cost.

It was anticipated that the introduction of Universal Credit would generate savings for the Council and change working structures and practices. However, there had been a number of problems with the implementation of Universal Credit and whilst this was now due to be introduced in Essex from March 2015 on a small scale, there was no definite timescale for full implementation.

The options for the transformation of the Revenue & Benefits service had included exploring internal in house transformation, sharing the service delivery with neighbouring Councils and outsourcing.

Following consideration of the above options officers had recognised that the shared service model could engender both savings and improved service delivery in the short to medium term.

**Cllr Aspinell MOVED and Cllr Lloyd SECONDED the recommendations in the report and it was RESOLVED that:**

- 1. Delegated authority be given to the Section 151 Officer to sign the Revenues & Benefits Shared Services Partnership Agreement between Brentwood Borough Council and Basildon Borough Council.**

**2. Approval be given for funding to implement this shared service arrangement as set out in 4.12 of the report.**

**3. A review of the Revenues & Benefits Shared Services Partnership be undertaken by the Audit & Scrutiny Committee 12 months after the agreement comes into effect.**

**454. Legal Services Review**

The Vice-chair advised the Committee that this item had been withdrawn at the request of the Monitoring Officer.

The report would be the subject of an independent investigation and as such it was not appropriate for Members to discuss either the report or the investigation at this time.

**455. Urgent Business**

There was no urgent business.

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# Minutes

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## **Asset and Enterprise Committee Friday, 27th March, 2015**

### **Attendance**

Cllr Quirk (Chair)	Cllr Kerslake
Cllr Sapwell (Vice-Chair)	Cllr Morrissey
Cllr Clark	Cllr Sleep
Cllr Mrs Coe	

### **Substitute Present**

Cllr Baker (substituting for Cllr Aspinell)  
Cllr Mrs Hones (substituting for Cllr Cloke)  
Cllr Parker (substituting for Cllr Hirst)

### **Also Present**

Cllr Mrs Hubbard  
Cllr Le-Surf

### **Officers Present**

Claire Hayden	- Governance and Member Support Officer
John Parling	- Strategic Asset Manager
Chris Potter	- Monitoring Officer & Head of Support Services
Adrian Tidbury	- Estates and Valuation Surveyor
Philip Cunliffe-Jones	- Planning Solicitor
Ramesh Prashar	- Deputy Section 151 Officer

### **541. Apologies for Absence**

Apologies were received by Cllr Cloke with Cllr Mrs Hones present as a substitute; Cllr Aspinell with Cllr Baker present as a substitute and Cllr Hirst with Cllr Parker present as a substitute.

### **542. Minutes of the previous meeting**

The minutes of the Asset and Enterprise Committee meeting held on 18<sup>th</sup> February 2015 were approved and signed by the Chair as a correct record.

**543. Old House**

The report informed members of the progress made towards the refurbishment and transformation of the Old House into flats.

A Member of the Committee requested that a timeline of work be photographed to be available for schools.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY:**

- 1. To note the progress made to date.**

**REASON FOR DECISION**

To advise Members on the progress made to date.

**544. 14 Ongar Road, Brentwood - Lease Renewal**

This property is let to Brentwood & District Mental Health Association (MIND). The tenant was originally granted a 5 year lease from 16th August 2005 at £26,000pa. The tenant held over after this lease expired and the occupation was only regularised by way of a short term agreement in November 2014 until terms could be agreed for a new lease. Provisional agreement had been reached regarding a new lease and approval is sought from the Committee to conclude and record the terms.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY that:**

- 1. Members were asked to approve the granting of a new lease to Brentwood & District Mental Health Association on the basis or terms as set out in Appendix A (exempt within the report).**

**REASON FOR DECISION**

To ensure that a revenue stream was maintained and to regularise the occupation of the tenant.

**545. 2,4,6 & 8 Harewood Road, Pilgrims Hatch**

The asset comprised a small parade of neighbourhood retail units which were let to the Co-Operative Society with The Bhaji (Indian Take-Away) and one vacant unit.

A location plan is contained within Appendix A of the report.

Details of the accommodation were set out in Appendix B (exempt within the report).

The asset was currently within the Housing Revenue Account, and all income received was retained by HRA for the support of Social Housing.

The report sought the approval of the Committee to appropriate the asset from Housing HRA for General Fund purposes to revenue stream to support the provision of services to residents. The accounts would be adjusted to show a capital receipt to HRA and debit the General Fund. The HRA receipt would be used to assist with the provision of affordable residential units on already identified locations.

Appropriation is the statutory power to transfer from one land holding power to another. There was a general power in Section 122 Local Government Act 1972 which applied in this case.

A motion was **MOVED** by Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendations set out in the report.

A vote was taken by show of hands and on the casting vote of the Chair it was **RESOLVED**:

- 1. That pursuant to Section 122 Local Government Act 1972 the land at 2,4 and 6/8 Harewood Road shown on the plan in Appendix A of the report be appropriated from the Housing Act 1985 Part II to the Local Government Act 1972 Part VII;**
- 2. That an adjustment of the accounts be made at the value as determined by an independent Chartered Surveyor to be appointed jointly by the Head of Housing and the Strategic Asset Manager.**

#### **REASON FOR DECISION**

To provide the General Fund with a revenue generating asset in accordance with the key objectives of the adopted Asset Management Plan, and also to provide the Housing Revenue Account with a capital receipt to assist in the delivery of new affordable residential units on Council owned sites.

#### **546. Warley Training Centre - Sale and Acquisition**

The Asset & Enterprise Committee on 15 July 2014 resolved “That conditional contracts for the sale of the property are exchanged with the highest and most compliant bidder (Bid B), with the Council then negotiating to retain 5 units for revenue purposes.”

A further report was presented to the Asset & Enterprise Committee on 17 September 2014 confirming that the Council’s solicitors had been instructed regarding the sale and negotiations had been undertaken to retain 5 units at a discount to current values.

A report was presented to Ordinary Council on 22 October 2014 relating to the acquisition of the 5 units.

Council resolved

*“1. That delegated authority be given to the Acting Chief Executive to approve and enter into conditional contract on behalf of the Council relating to the acquisition of the 5 x 2 bedroom apartment units as set out in exempt Appendix A (Confidential) but such delegated authority shall be conditional upon best consideration relating to such acquisition and the connected disposal being reaffirmed to the satisfaction of the Section 151 Officer at the date of exchange of contracts by an independent RICS (Royal Institution of Chartered Surveyors) qualified surveyor.*

*2. Members approve a virement from the Parking and Improvement Scheme to address the reduction in the original capital receipt anticipated for this sale”*

Following agreement of the terms and approval of the Asset & Enterprise Committee and Ordinary Council to the proposed transactions, the original compliant bidder has sought to reduce their offer for the site. As a consequence the under bidders and the original bidder were asked to resubmit. The details of the original bids, the compliant bidders reduced the bid and the results from the most recent re bid exercise are set out in Appendix A (exempt within the report).

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendations set out in the report.

A vote was taken by show of hands and on the casting vote of the Chair it was **RESOLVED:**

- 1. That delegated authority be given to the Chief Executive/Interim Chief Executive to approve and enter into conditional contracts with the party that has submitted the highest compliant and deliverable bid.**
- 2. That delegated authority was given to the Chief Executive/Interim Chief Executive to enter into an option agreement to acquire up to 5 residential apartments subject any exercise of the option being agreed by Council.**

#### **REASON FOR DECISION**

To provide the Council with a capital receipt and potential future revenue stream, and with the opportunity to benefit from any capital appreciation of the assets.

#### **547. Action Plan Update**



The Asset Management Strategy 2014/15 was approved by the Asset & Enterprise Committee on the 15 July 2014 - that report set out the aims and objectives for the forthcoming year for the Councils property asset portfolio. Appendix A of the report set out the progress achieved on the more significant work flows.

The Strategy highlighted the entrepreneurial approach to the Councils management of its assets and this objective was being adopted as opportunities arose.

A member expressed concerns on the arrangement of residential parking spaces proposed at Bell Mead. The Officer confirmed that they will be 10 parking spaces as shown on the plans that have been submitted to the Planning Department.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY:**

- 1. That Members note the report**

**REASON FOR DECISION**

For Members to note the report.

**548. Asset Policies (Acquisition/Disposal /Less than Best Consideration)**

The Asset Management Strategy 2014/15 was approved by the Asset & Enterprise Committee on the 15 July 2014. Following on from the adoption of the strategy, it was necessary that suitable and appropriate policies were adopted to ensure compliance with statutory requirements to achieve best value and also to ensure transparency and fairness in dealing with community groups.

The Policies outlined the process and procedures that should be followed when acquiring and disposing of assets including disposals to community groups. A separate report had been prepared relating to the acquisition of revenue entrepreneurial assets.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

**RESOLVED UNANIMOUSLY:**

- 1. That the policies, relating to the Acquisition, General Disposals and Disposals at less than Best Consideration attached were approved.**

**REASON FOR DECISION**

Members need to ensure that best practice and transparency were maintained.

#### **549. Property Acquisitions Fund Policy & Procedure**

The Asset Management Strategy 2014/15 was approved by the Asset & Enterprise Committee on the 15 July 2014. One of the key actions in the Strategy was the “Acquisition of Revenue Generating Opportunities”.

Policies had been prepared to provide guidance for the Acquisition, General Disposal and Disposals at less than Best Value and these were attached to a separate report to this Committee. The Acquisition Policy referred to was appropriate for normal situations however the Policy lacked the flexibility particularly in terms of time scales and was drafted on the basis of acquisitions for operational reasons and that all acquisitions would be by negotiation.

It was proposed that in certain circumstances, the Acquisition Policy was adjusted to enable the Council to make opportunistic purchases and to compete effectively with other parties.

After a full decision a motion was **MOVED** by Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendations set out in the report.

Following a discussion a recorded vote was requested in accordance with Rule 9.5 of the Council’s Procedure Rules. Members voted as followed:

FOR: Cllrs Baker Clark, Morrissey, Quirk and Sapwell (5)

AGAINST: Cllrs Mrs Hones, Mrs Coe, Parker, Kerlake and Sleep (5)

On the casting vote of the Chair the motion was **RESOLVED**:

- 1. That the Committee approved the Acquisition Policy which allowed flexible adjustments in specified circumstances to enable the Council to acquire revenue generating assets.**
- 2. That the Finance and Resources Committee be requested to consider a Capital Programme allocation up to £10m within the Medium Term Financial Plan for the acquisition of revenue generating assets to add and enhance the council’s current investment and operational property portfolios.**

#### **REASON FOR DECISION**

Members need to ensure that best practice and transparency are maintained.

#### **550. Hutton Community Centre**

This item was withdrawn from the agenda.

#### **551. Mascalls Park - Cycle Track**

The report considered the widening, re- construction and adoption of the existing footpath as a shared footpath and cycletrack leading from the Mascalls Park Development to Greensleeves Drive.

A motion was **MOVED** by Cllr Sapwell and **SECONDED** by Cllr Parker to receive the recommendations set out within the report.

*(Members were advised that the Chair disclosed non pecuniary interest the Councils Code of Conduct by virtue of living site. Cllr Sapwell become chair for duration of this item).*

A vote was taken by show of hands and it was **RESOLVED**:

- 1. That the Council enter into negotiations with the developer, Bellway Homes concerning the provision of appropriate consideration for the loss of the land to the highway.**
  
- 2. That subject to these negotiations, the Council agreed the track and path as indicated in the report be reconstructed and completed under the terms of the s106 agreement for the development of Mascalls Park and for that cyclepath to be adopted by the Highway Authority - Essex County Council for its future maintenance and protection.**

#### **REASON FOR DECISION**

To ensure that the Councils Assets are properly managed.

#### **552. Shenfield War Memorial - Post WW2 Memorial**

The report considered the request of the Royal British Legion for Brentwood Borough Council to adopt both the new 1946 War Memorial and the recently installed 1914-18 Commemoration benches.

A motion was **MOVED** by Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendation set out in the report.

#### **RESOLVED UNANIMOUSLY:**

- 1. That the Council would instruct its lawyers to draft the necessary deeds of adoption formally bringing the new 1946 War Memorial and the recently installed 1914 -18 Commemoration benches into the Councils ownership and that the Council continues to maintain those memorials in line with the existing maintenance of the existing memorials at the site.**

#### **REASON FOR DECISION**

To ensure that the Memorial is properly maintained.

### **553. Town Hall - Community Use Charge**

The Town Hall meeting rooms were used for a variety of purposes for Council business and also used by external organisations from the commercial, voluntary and community sectors. Currently the Council only charges commercial organisations for the use of the rooms and any support provided e.g. refreshments.

Over the next Quarter room bookings for external organisations (non Commercial) exceeded 100.

It was proposed that the Council should introduce a charging regime for non commercial organisations to bring it in line with other providers and also to assist in defraying the cost of providing the facilities.

A motion was MOVED by Cllr Baker and SECONDED by Cllr Morrissey that the charging regime is not introduced.

During the debate it was agreed by members that more work regarding the costing is undertaken. Cllr Baker and Cllr Morrissey withdrew their motion.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to **DEFER** this item to a future meeting.

**RESOLVED UNANIMOUSLY.**

#### **REASON FOR DECISION**

That more work regarding the costing is undertaken.

### **554. Depot Review**

The Depot adjoined a number of other Council owned land holdings which were leased out including, a car park, workshop, Hall and Scout Hut.

Details of the Depot and other holdings were set out in Appendix A of the report.

The report examined the scope for the redevelopment of the current Depot and adjoining land to provide a capital receipt and or improved revenue stream to the Council.

A Ward Member requested that the proposal doesn't not included the Brentwood Imperial Band Room and the Scout Hut.

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to receive the recommendation set out in the report.

## **RESOLVED UNANIMOUSLY:**

- 1. That further investigations were carried out into the viability of the redevelopment of the Depot and adjoining land and the relocation of existing activities and thereafter recommendations are presented to the Asset & Enterprise Committee for its consideration.**
- 2. That a budget of up to £25,000 was allocated to meet the costs of the further investigations and any consultants fees to progress the project.**

## **REASON FOR DECISION**

To pursue further investigations to determine viability of promoting the development of the asset.

To demonstrate that the Council was innovative and entrepreneurial in its management of its assets.

### **555. Brent Hall**

The report considered the revised requirements from the owner of Brent Hall for an access to the property from Warley gap.

A motion was **MOVED** by the Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendation set out in the report, subject to an amendment to 2.2. by the Chair.

- 2.2 That delegated authority be granted to the Strategic Asset Manager to enter into negotiation with the applicant on the successful conclusion of the consultation process for a 50% share in the uplift to the value of Brent Hall and the existing curtilage of Brent Hall only and that the valuation in question be derived at the applicant's cost by obtaining valuations from an RICS surveyor.**

A vote was taken by show of hands and it was **RESOLVED:**

- 1. That the consultation process through the Commons Act 2006 be undertaken in respect of the proposal submitted to upgrade the existing redundant access to Brent Hall subject to the full cost being borne by the applicant and subject to any planning permission being first obtained.**
- 2. That delegated authority be granted to the Strategic Asset Manager to enter into negotiation with the applicant on the successful conclusion of the consultation process for a 50% share in the uplift to the value of Brent Hall and the existing curtilage of Brent Hall only and that the valuation in question be derived at the applicant's cost by obtaining valuations from an RICS surveyor.**

*(Cllr Parker declared a non pecuniary interest under the Councils Code of Conduct by virtue of knowing the owner of Brent Hall and left the chamber and did not take part in the vote).*

#### **REASON FOR DECISION**

To ensure that the Council complies with its obligations to maintain Common Land.

#### **556. Courage Playing Fields - Shenfield Cricket Club**

The report considered the Courage Playing Fields and the deed of covenant as it was related to the Shenfield Cricket Club (SCC). The Management Agreement recommended, and summarised at paragraphs 4.3 – 4.5 was not a disposal of land but contained terms considered reasonable for the next 60 years.

Ward Members had spoken to residents about the duty of care to the Borough with regards to the issues raised at the Cricket Club.

After a full decision, a motion was **MOVED** by Cllr Quirk and **SECONDED** by Cllr Sapwell to receive the recommendation set out in the report.

#### **RESOLVED UNANIMOUSLY:**

- 1. That delegated authority be granted to the Strategic Asset Manager to negotiate and enter into a management agreement with the Shenfield Cricket Club for the use of the Cricket field as summarised in this report.**
- 2. That delegated authority be granted to the Strategic Asset Manager to negotiate and enter into a lease with the Shenfield Cricket Club in respect of the land used for the provision of the pavilion, Score Box and the practise nets as approved under 14/00836/FUL and as summarised in paragraph 4.7 of this report.**
- 3. That the Business and Town Centres Committee be recommended to add the Courage Playing Fields Car Park to the Council's Off Street Parking Places Order and publish a statutory consultation to include provisions which will achieve the recommendations set out in paragraphs 4.10 to 4.12 of this report.**
- 4. That delegated authority be granted to the Strategic Asset Manager to take legal action to protect the Council's interests in the Courage Playing Fields if the Club do not agree to these terms.**

#### **REASON FOR DECISION**

To ensure that the Council's Assets are managed in accordance with good estate management practices.

**557. Urgent Business**

**Hutton Football Club**

The Chair advised the committee that a request for urgent business had been received.

The Chair allowed it as urgent business as the matter had only just come to his attention since the Agenda was published which raised serious issues of the outstanding rent and lease for the football club.

Hutton Football Club had put forward an offer of £900.00 per annum going forward until the lease expires in 2019.

- 1. That the offer from Hutton Football Club be submitted to the next Finance and Resource Committee with a recommendation that it should be accepted.**

A motion was MOVED by Cllr Quirk and SECONDED by Cllr Sapwell to approve the recommendation.

Voting took place by a show of hands and was **RESOLVED UNANIMOUSLY.**

**REASON FOR DECISION**

To demonstrate support to a Community Group

The meeting concluded at 21.40.

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**30<sup>th</sup> June 2015**

**Policy, Finance and Resources Committee**

**Approval for Restructures in Three Service Areas**

**Report of:** *Philip Ruck – Head of Paid Service*

**Wards Affected:** *All*

**This report is:** *Public*

## **1. Executive Summary**

1.1 This report requests the approval of the Policy, Finance and Resources Committee to allow the Head of Paid Service to conduct and implement restructures in three service areas of the Council. The Council's Organisational Change Policy makes it clear that approval is sought from Members prior to any restructuring being carried out.

1.2 The areas under consideration for restructure are

- i. Senior Management Team, also known as the Corporate Leadership Board (CLB)
- ii. Street Scene Management
- iii. Car Parking

1.3 If agreed, the proposed restructures will be in place by 31st August 2015.

## **2. Recommendation(s)**

**2.1 That the restructures in the service areas as defined in 1.2 above proceed in accordance with the Council's adopted policies and procedures.**

**2.2 That the Head of Paid Service be granted delegated authority to undertake, manage, and implement the said restructures provided that consultation takes place with the Leaders of all political groups (or in their absence, their appointed deputies). Such consultation shall include meetings with the said Leaders and shall include advice as to progress.**

### **3. Introduction and Background**

3.1 The Council is committed to ensure that its services are always reviewed to provide the best service it can but also at the price it can afford. This requires the organisation to continually re-assess the way in which services are delivered.

3.2 The service restructures proposed arise from the following influences

Service Area	Reason for Change
Senior Management	Budget pressure and realignment of services
Street Scene	Review of operations to meet service delivery
Car Parking	Review of operations to meet service delivery

The reorganisation of the Streetscene service area is part of the agreed budget in March, which was bought forward and included in the revised budget proposals in June 2015. In addition, the changes will include the new role of Street Inspector as agreed by the Environment and Housing Management Committee in June 2015. This will make the service more in line with current priorities and delivery model. It will also contribute towards the Council's savings targets.

3.3 The potential FTE reductions in each of the service areas are

Service Area	Potential FTE Reduction
Senior Management	2
Street Scene	0
Car Parking	1

### **4. Issue, Options and Analysis of Options**

4.1 The full details of any terms of proposed redundancy or associated costs will be in line with contractual obligations and are subject to confidentiality. These costs will be met out of the allocated transformational reserve budget and will deliver ongoing revenue savings to the Council. .

4.2 Timescale – It is anticipated that all aspects of the 3 proposed restructures will be concluded by 31<sup>st</sup> August 2015

### **5. Reasons for Recommendation**

5.1 To enable the Council to align its available resources with its service delivery model.

### **6. Consultation**

6.1 Consultation will take place with all relevant parties as defined in the Council's Organisational Change policy.

## **7. References to Corporate Plan**

7.1 Becoming a Modern Council requires a Senior Management structure that builds resilience and releases capacity for strategic planning.

## **8. Implications**

### **Financial Implications**

**Name & Title: Chris Leslie, Finance Director**

**Tel & Email: 01277 312 542 christopher.leslie@brentwood.gov.uk**

8.1 Any costs arising from the proposals will be met from either recruitment lag and/or the Organisational Transformation Reserve.

### **Legal Implications**

**Name & Title: Chris Potter, Monitoring Officer**

**Tel & Email: 01277 312 860 christopher.potter@brentwood.gov.uk**

8.2 The Council has agreed policies and procedures which need to be followed in order to avoid risk of challenge.

8.3 The Employment Rights Act 1996 (as amended) sets out the relevant law as regards the rights and duties of an employer and employees. Also as a matter of contract law, the Council will need to comply with the relevant terms of individual contracts of employment.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

8.4 None

### **Report Author Contact Details:**

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**30 June 2015**

**Policy, Finance and Resources Committee**

**Annual Treasury Management Report 2014/15**

**Report of:** *Chris Leslie, Finance Director*

**Wards Affected:** All

**This report is:** Public

## **1. Executive Summary**

- 1.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014/15. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 On 5<sup>th</sup> March 2014 Council approved the annual treasury strategy for 2014/15. This report compares the treasury activity for 2014/15 against the annual strategy.

## **2. Recommendation(s)**

- 2.1 That the treasury management activity and information for 2014/15 be noted.**

### **3. Introduction and Background**

- 3.1 The regulatory environment places responsibility to Members for the review and scrutiny of treasury management policy and activities. This report is therefore important in that respect, as it provides details of the outturn position for treasury activities and highlights compliance with the Council's policies previously approved by Members.
- 3.2 The Council confirms that it has applied with the requirement under the Code to give prior scrutiny to the treasury management reports by the Finance and Resources Committee before they are reported to Full Council.

#### **The Economy and interest rates**

- 3.3 The Bank of England base rate remained at the historic low of 0.5% throughout 2014/15 – and has now been at that level for six years. Deposit rates remained depressed during the whole of the year, primarily due to the effects of the Funding for Lending Scheme.
- 3.4 At the start of 2014/15, falling unemployment rates fuelled market expectations that the first increase in the base rates would occur in the first quarter of 2015. However, economic growth continued to be dependent on consumer demand and a combination of weak pay rises, and inflation above the level of pay rises, meant that these expectations started to recede.
- 3.5 During the second half of 2014 financial markets were caught out by a steep fall in the price of oil and concerns of possible deflation and recession in the Eurozone. By the end of 2014 it was clear that inflation in the UK was going to head towards zero in 2015 and possibly even turn negative. The Bank of England Monetary Policy Committee would have great difficulty in starting to raise the Bank Rate while inflation was around zero and as a result market expectations for an interest rate increase moved back to around quarter three of 2016.
- 3.6 Gilt yields were on a falling trend for much of the last eight months of 2014/15, but were then pulled in different directions because of continued instability in Greece and the possibility of a Greek exit from the Euro. Whilst the direct effects of this would be manageable by the European Union and the European Central Bank (ECB), it is hard to quantify the potential knock on effects on other Eurozone countries once the so-called impossibility of a country leaving the Eurozone had been disproved. Another downward pressure on gilt yields was the announcement in January that the ECB would start a major programme of quantitative easing – purchasing Eurozone Government and other debt in March.

3.7 Strong growth in the US economy created market sentiment that it would be the first country to start increasing its central bank rate, by the end of 2015. The UK would be closely following it due to strong growth over both 2013 and 2014 and good prospects for a continuation into 2015 and beyond. However, there was also an increase in market concerns around political risk from the May general election.

3.8 This report summarises:

- Capital activity during the year;
- Impact of this activity on the Council's underlying indebtedness (the Capital Financing Requirement);
- Reporting of the required prudential and treasury indicators;
- Overall treasury position identifying how the Council has borrowed in relation to this indebtedness, and the impact on investment balances;
- Detailed debt activity; and
- Detailed investment activity.

#### **4. Context**

##### **The Council's Capital Expenditure and Financing 2014/15**

4.1 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc), which has no resultant impact on the Council's borrowing need;  
Or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

4.2 The actual capital expenditure for the year forms one of the required prudential indicators. Table 1 below shows the actual capital expenditure and how this was financed.

**Table 1: Actual Capital Expenditure and Financing**

	<b>2013/14 Actual £000</b>	<b>2014/15 Revised Budget £000</b>	<b>2014/15 Actual £000</b>
<b>Expenditure:</b>			
- General Fund	1,493	3,047	1,276
- HRA	2,951	3,702	2,069
<b>Total Expenditure</b>	<b>4,444</b>	<b>6,749</b>	<b>3,345</b>
<b>Financed by:</b>			
- Capital receipts, grants and contributions	1,875	3,996	1,268
- HRA Business Plan	2,569	2,753	2,077
<b>Borrowing Needs</b>	<b>0</b>	<b>0</b>	<b>0</b>

**The Council's Overall Borrowing Need**

- 4.3 The Council's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's debt position. It represents 2014/15 and prior year's capital expenditure which has not yet been paid for by revenue or other resources.
- 4.4 Part of the Council's treasury activities is to address this borrowing need, either through borrowing from external bodies, or utilising temporary cash resources within the Council.
- 4.5 Under treasury management arrangements, actual debt can be borrowed or repaid at any time within the confines of the annual treasury strategy. However, the Council is required to make an annual revenue charge to reduce the General Fund element of the CFR. There is no statutory requirement to reduce the HRA element of the CFR.



4.6 This statutory revenue charge is called the Minimum Revenue Provision (MRP). The total CFR can also be reduced by:

- The application of additional capital resources (such as unapplied capital receipts);  
Or
- Charging more than the statutory revenue charge (MRP amount) each year through an additional Voluntary Revenue Provision (VRP) from either the HRA or General Fund.

4.7 The Council's CFR at the year-end is shown in Table 2 below, and represents a key prudential indicator.

**Table 2: Capital Financing Requirement**

	<b>31 March 2014 Actual £000</b>	<b>31 March 2015 Original £000</b>	<b>31 March 2015 Actual £000</b>
CFR – General Fund	7,457	7,857	7,441
CFR - HRA	70,347	70,347	68,847
<b>Total CFR</b>	<b>77,804</b>	<b>78,204</b>	<b>76,288</b>

4.8 Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit, as set out later in this report.

**The Council's Treasury Position at the Year End**

4.9 The Council's debt and investment position is organised by the treasury management service in order to ensure adequate liquidity for revenue and capital activities, security for investments and to manage risks within all treasury management activities.

4.10 The treasury position as at 31 March 2015 compared with the previous year is shown below in Table 3:

**Table 3: Year End Treasury Position**

	31 March 2014		31 March 2015	
	Principal £m	Average Rate	Principal £m	Average Rate
Fixed Interest Rate Debt	£2.000	8.075%	£2.000	8.075%
HRA Subsidy Reform	£64.166	2.815%	£64.166	2.815%
<b>Total Debt</b>	<b>£66.166</b>		<b>£66.166</b>	
CFR – General Fund	£7.457		£7.441	
CFR - HRA	£70.347		£68.847	
Total CFR	£77.804		£76.288	
Over/(Under) Borrowing	(£11.638)		(£10.122)	
<b>Investments</b>				
Variable Interest Investments	£0.545	0.600%	£8.882	0.325%
<b>Total Investments</b>	<b>£0.545</b>	<b>0.600%</b>	<b>£8.882</b>	<b>0.325%</b>
<b>Net Borrowing Position</b>	<b>£65.621</b>		<b>£57.284</b>	

### **Debt decisions taken during 2014/15**

- 4.11 The table below summarises the long term loans held at 31 March 2015. No additional long term borrowing was taken out during the year.

**Table 4: Schedule Of Outstanding Loans 31 March 2015**

<b>Repayment Date</b>	<b>Period of Loan (Years)</b>	<b>Type of Loan</b>	<b>Fixed/Variable</b>	<b>Interest Rate</b>	<b>Amount Outstanding £'000</b>
<b>PWLB LOANS:</b>					
28/03/2017	5	Maturity	Fixed	1.240%	5,000
28/03/2022	10	Maturity	Fixed	2.400%	5,000
28/03/2027	15	Maturity	Fixed	3.010%	10,000
08/01/2028	25	Maturity	Fixed	4.875%	400
28/03/2032	20	Maturity	Fixed	3.300%	15,000
28/03/2037	25	Maturity	Fixed	3.440%	15,000
28/03/2042	30	Maturity	Fixed	3.500%	14,166
24/02/2055	60	Maturity	Fixed	8.875%	800
30/04/2055	60	Maturity	Fixed	8.875%	800
<b>TOTAL</b>					<b>66,166</b>

- 4.12 **Short Term Borrowing** – the Council has no short terms loans outstanding as at 31 March 2015.
- 4.13 **Debt Rescheduling** – all of the council's long term borrowing is with the Public Works Loans Board (PWLB). Due to changes made by the PWLB in the way in which it calculates the premiums and discounts on premature loan repayments, it has become more expensive to undertake any debt rescheduling. Consequently no debt rescheduling opportunities were undertaken during the year.

### **Investment decisions taken during 2014/15**

- 4.14 **Investment Policy** - the Council's Treasury Management Strategy Statement was approved by full Council on 5 March 2014. The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

4.15 **Major Transactions** – the Council did not undertake any long term investments during 2014/15.

4.16 **Investments held by the Council** – the table below details the investments held by the Council at 31 March 2015.

**Table 5: Schedule Of Outstanding Investments 31 March 2015**

Date Invested	Date to be Repaid	Invested With	Interest Rate	Investment Amount £
Call Account	N/A	Royal Bank of Scotland	0.250%	4,222,000
Call Account	N/A	Lloyds	0.400%	4,600,000
<b>TOTAL</b>				<b>8,822,000</b>

**Prudential Indicators and Compliance Issues**

4.17 The Council is required by the Prudential Code to report the actual prudential indicators after the year end. These indicators provide either an overview or a limit on treasury activity.

4.18 **The Capital Financing Requirement (CFR)** - shows the Council's underlying need to borrow for capital purposes and should only increase in relation to capital expenditure that is not met from the Council's own resources, i.e. it is unfinanced. External borrowing should not exceed the CFR except in the short term under exceptional circumstances. Any borrowing in excess of the CFR would be deemed to be for revenue purpose, which is not allowed. This indicator aims to show that gross borrowing does not exceed the CFR. The gross borrowing position is the sum of external debt and finance lease liabilities. The table below demonstrates that the Council has complied with this requirement.

**Table 6: Gross Borrowing and CFR Position**

	31 March 2014 Actual £000	31 March 2015 Original £000	31 March 2015 Actual £000
Gross borrowing position (including finance leases)	68,261	67,319	66,209
Total CFR	77,804	78,204	76,288

- 4.19 **The Authorised Limit** – this is the “affordable borrowing limit” required by section 3 of the Local Government Act 2003. This represents a limit beyond which external debt is prohibited. The limit is set or revised by the full Council. The table below demonstrates that during 2014/15 the Council has maintained gross borrowing within this limit.
- 4.20 **The Operational Boundary** – this is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.
- 4.21 **Actual financing costs as a proportion of net revenue stream** – this indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

**Table 7: Other Prudential Indicators**

	<b>2014/15 £m</b>
Authorised limit	87
Maximum gross borrowing position	68
Operational boundary	85
HRA Debt Limit	73
Financing costs as a proportion of net revenue stream:	
Non- HRA	0.95%
HRA	16.13%

### **Regulatory Framework, Risk and Performance**

- 4.22 The Council’s treasury management activities are regulated by a variety of professional codes, statute and guidance:
- The Local Government Act 2003 (the Act), which provides the powers to borrow and invest as well as providing controls and limits on this activity;
  - The Act permits the Secretary of State to set limits either on the Council or nationally on all local authorities restricting the amount of borrowing which may be undertaken (although no restrictions were made in 2014/15);
  - Statutory Instrument (SI) 3146 2003, as amended, develops the controls and powers within the Act;
  - The SI requires the Council to undertake any borrowing activity with regard to the CIPFA Prudential Code for Capital Finance in Local Authorities;

- The SI also requires the Council to operate the overall treasury function with regard to the CIPFA Code of Practice for Treasury Management in the Public Services;
  - Under the Act the Communities and Local Government (CLG) has issued Investment Guidance to structure and regulate the Council's investment activities;
  - Under Section 238(2) of the Local Government and Public Involvement in Health Act 2007 the Secretary of State has taken powers to issue guidance on accounting practices. Guidance on Minimum Revenue Provision was issued under this section on 8 November 2007.
- 4.23 The Council has complied with all of the above relevant statutory and regulatory requirements which limit the levels of risk associated with its treasury management activities. In particular its adoption and implementation of both the Prudential Code and the Code of Practice for Treasury Management means that its capital expenditure is prudent, affordable and sustainable, and its treasury practices demonstrate a low risk approach.
- 4.24 The Council is aware of the risks of passive management of the treasury portfolio (reduced investment income, counterparty risk etc) and, with the support of Capita Asset Services the Council's Treasury Management Advisers, has proactively managed the debt and investments over the year by continually reviewing market conditions, appraising investment and debt rescheduling opportunities and assessing their effects on the Council's balance sheet.
- 4.25 There is little risk of volatility of costs in the current debt portfolio as the interest rates are fixed, utilising long-term loans.
- 4.26 Shorter-term variable rates and likely future movements in these rates predominantly determine the Council's investment return. These returns can therefore be volatile and, whilst the risk of loss of principal is minimised through the annual investment strategy, accurately forecasting future returns can be difficult and will continue to impact on the revenue accounts.

## **5. Reasons for Recommendation**

- 5.1 The Council is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2014/15.

## **6. References to Corporate Plan**

- 6.1 Effective financial management underpins all of the Council's activities.

## **7. Implications**

### **Financial Implications**

**Name & Title:** Chris Leslie, Finance Director

**Tel & Email** T 01277 312542 / christopher.leslie@brentwood.gov.uk

- 7.1 The financial implications are outlined within the report.

### **Legal Implications**

**Name & Title:** Christopher Potter, Monitoring Officer

**Tel & Email** 01277 312860 / christopher.potter@brentwood.gov.uk

- 7.2 There are no direct legal implications arising from this report.

## **8. Background Papers**

- 8.1 None

## **9. Appendices to this report**

- 9.1 None

### **Contact details for Report Author**

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**30 June 2015**

**Policy, Finance and Resources Committee**

**Provisional Outturn 2014/15**

**Report of:** *Chris Leslie, Finance Director*

**Wards Affected:** *All*

**This report is:** *Public*

## **1. Executive Summary**

- 1.1 As part of the year end process, the Council must report the outturn position for 2014/15 and produce a Statement of Accounts which must be signed off by the External Auditors (Ernst & Young) and published by 30 September 2015.
- 1.2 This report deals with the 2014/15 financial outturn for the following:
  - General Fund - projected breakeven position for the year.
  - Housing Revenue Account – projected under spend of £94k for the year.
  - Capital Programme – projected under spend of £3.4m for the year.
- 1.3 The report also considers the reserves and working balance levels.

## **2. Recommendation(s)**

- 2.1 **That the provisional outturn information contained within this report is approved.**
- 2.2 **That the capital programme carry forwards requested at paragraph 4.11 are approved.**

### 3. General Fund

3.1 The General Fund provisional outturn figure shows a projected breakeven position.

3.2 The estimated outturn for the General Fund (as reported to Council in March 2015) was an over spend of £17k as at 31 March 2015. The table below provides a summary of the actual spend for the General Fund compared to the estimated outturn.

	<b>2014/15 Estimated Outturn £'000</b>	<b>2014/15 Actual £'000</b>	<b>2014/15 Variance £'000</b>
<b>Corporate Priorities Expenditure:</b>			
Street Scene and Environment	3,303	3,366	<b>63</b>
Localism	1,301	1,251	<b>(50)</b>
A Prosperous Borough	634	457	<b>(177)</b>
Housing, Health and Wellbeing	506	427	<b>(79)</b>
A Safe Borough	1,224	1,306	<b>82</b>
A Modern Council	3,052	3,153	<b>101</b>
<b>Total Spend on Corporate Priorities</b>	<b>10,020</b>	<b>9,960</b>	<b>(60)</b>
Adjustment and Appropriations	(304)	(380)	(76)
<b>TOTAL SPENDING REQUIREMENT</b>	<b>9,716</b>	<b>9,580</b>	<b>(136)</b>
<b>Funding:</b>			
Council Tax	(5,194)	(5,194)	0
Government Grant	(3,197)	(3,073)	124
Council Tax Freeze Grant	(56)	(56)	0
Collection Fund (Surplus)/Deficit	(37)	(37)	0
New Homes Bonus Grant	(1,215)	(1,220)	(5)
<b>TOTAL COUNCIL FUNDING</b>	<b>(9,699)</b>	<b>(9,580)</b>	<b>119</b>
<b>Deficit / (Surplus) for the year</b>	<b>17</b>	<b>0</b>	<b>(17)</b>

3.3 The table below outlines key variances within service areas:

<b>Budget</b>	<b>Difference £'000</b>	<b>Explanation</b>
Planning Applications	(96)	Income higher than anticipated.
Parking - Income	(82)	Season tickets higher than anticipated
Information Technology – Telephone project	20	Additional one-off costs for the implementation of the new telephone system
Bank Charges	29	Additional one-off costs for the implementation of the new system.
Community Safety	19	Cost incurred for additional Awareness Events in the Borough.
Finance and HR Systems	(29)	Additional work on the system not required.
Corporate Support – Postages	42	Higher than anticipated spend
Golf Course – Income	31	Income lower than anticipated
Cemeteries	14	Additional tree works carried out and increase to rates and insurance premiums.
Other (minor over/under spends)	(8)	Various budgets
<b>TOTAL VARIANCE</b>	<b>(60)</b>	

### **General Fund Working Balance**

- 3.4 The estimated working balance as at 31 March 2015 is £4.5 million which is the same as the anticipated level reported in March 2015.
- 3.5 The General Fund balance must continue to be managed so that it provides the flexibility to manage unexpected demands and pressures without destabilising the Council's overall financial position. The level of the Working Balance should provide a reasonable allowance for unquantifiable risks or one off exceptional items of expenditure that are not covered within existing budgets.
- 3.6 General guidance and practice amongst other authorities varies. Options include 5% of Gross Operating Costs and 25% of Net Spending Requirement to be maintained as a minimum. For Brentwood, this would equate to a minimum reserve level ranging from £2.3 million to £2.7 million. In my opinion the Council has adequate balances at present.

### **General Fund Earmarked Reserves**

- 3.7 As part of the year end procedures the Council must review its Earmarked Reserves. These Reserves are required in order to comply with proper accounting practice, whilst others have been created to earmark resources for known or predicted liabilities.
- 3.8 The total value of General Fund Earmarked Reserves after any adjustments is around £2.6 million and it is recommended that we keep all the reserves. A schedule of the Earmarked Reserves is attached as Appendix A to this report.

## **4 Housing Revenue Account (HRA)**

- 4.1 The estimated forecast for the HRA (as reported to Council on 4 March 2015) was a potential surplus of around £109k as at 31 March 2015. The provisional outturn position is a projected surplus of around £94k.

4.2 The table below provides a summary of the actual spend on the Housing Revenue Account compared to the estimated outturn.

	<b>2014/15 Estimated Outturn £'000</b>	<b>2014/15 Actual £'000</b>	<b>2014/15 Variance £'000</b>
<b>Expenditure:</b>			
Repairs and Maintenance	2,584	3,075	491
Supervision and Management	2,898	3,021	123
Rents, Rates, Taxes and Other Charges	189	184	(5)
Share of Corporate Costs	446	464	18
Depreciation and Impairment	2,026	2,059	33
Movement in the Allowance for Bad Debts	85	102	17
Interest and Debt Management	1,988	1,999	11
Other Charges	2,614	1,787	(827)
Appropriations	324	724	400
<b>TOTAL EXPENDITURE</b>	<b>13,154</b>	<b>13,415</b>	<b>261</b>
<b>Income:</b>			
Dwelling Income	(11,870)	(11,866)	4
Non Dwelling Income	(524)	(542)	(18)
Charges for Services and Facilities	(638)	(781)	(143)
Other	(231)	(320)	(89)
<b>TOTAL INCOME</b>	<b>(13,263)</b>	<b>(13,509)</b>	<b>(246)</b>
<b>Deficit / (Surplus) for HRA Services</b>	<b>(109)</b>	<b>(94)</b>	<b>15</b>

4.3 The table below outlines the key variances:

Budget	(Under)/Over Spend £'000	Explanation
Planned – Repairs & Maintenance	(80)	Delay to the Planned Maintenance Contract starting, due to the award of the new contract
Responsive – Repairs & Maintenance	570	High number of void properties which were below decent home standard (DHS). Expenditure to ensure that the properties were brought up to DHS and were able to be let.
Supervision & Management – Equal Pay Claims	62	Unsettled claim that had not been budgeted for.
Supervision and Management – Pension	68	Increase of employer contributions.
Depreciation & Impairment	35	Increase to charge that hits HRA bottom line.
Increase to bad debt provision	18	Rent arrears on HRA properties have increased, therefore the provision against these arrears not being settled has been increased.
Charges for Services and Facilities	(144)	More service charges attached to council dwellings, generating additional income to the HRA to recover costs incurred.
Contribution Towards Expenditure	(90)	Insurance Claim Income, for Fire Damage at Snakes Hill as well as Storm Damage on various properties
Revenue Contribution to Capital	(780)	Capital spend at year end less than anticipated. Therefore, revenue contribution not required for 2014/15.
Investment Interest	11	Return on cash invested at a lower rate than budgeted.
Payment to the Pension Fund	17	Actual greater than budgeted
Repairs & Maintenance Reserve	400	Contribution to a new reserve in order for the HRA to meet the demand for the backlog of Planned Maintenance work due to the contract starting late in 2014/15.
Other minor over/under spends	(7)	Various budgets
Pension Payments	(65)	Reduction, in the amount payable for the HRA employer's pension strain, as administered by Essex County Council.
<b>TOTAL VARIANCE</b>	<b>15</b>	

### **HRA Working Balance**

- 4.4 The impact of the provisional outturn means that the estimated working balance as at 31 March 2015 is around £1.8 million as anticipated.
- 4.5 The HRA working balance must continue to be managed so that it provides the flexibility to manage unexpected demands and pressures without destabilising the Council's overall financial position. The level of the Working Balance should provide a reasonable allowance for unquantifiable risks or one off exceptional items of expenditure that are not covered within existing budgets. The Working Balance can also be used to act as a source of pump priming investment and/or to deliver "invest to save" projects.
- 4.6 General guidance and practice amongst other authorities varies. Options include % of total income, and a set value per Council Dwelling. However, individual risk assessments undertaken at a local level are considered best practice.

### **HRA Earmarked Reserves**

- 4.7 In addition to the Working Balance, the HRA maintains 3 earmarked reserves. The total value of HRA Reserves is around £1.4 million. A schedule of the Earmarked Reserves is attached as Appendix A to this report.

### **Capital Programme –Outturn 2014/15**

- 4.8 The projected forecast spend on the Capital Programme for 2014/15 is £3.345 million, compared to the budgeted capital programme of £6.749 million.
- 4.9 The table below shows details of the spend compared to the budgeted capital programme.

	<b>2014/15 Revised Budget £'000</b>	<b>2014/15 Actual £'000</b>	<b>2014/15 Difference £'000</b>
<b>Details of Expenditure</b>			
Street Scene and Environment	621	260	(361)
Localism	259	203	(56)
A Prosperous Borough	236	70	(166)
Housing, Health and Wellbeing	3,952	2,247	(1,705)
A Safe Borough	168	124	(44)
A Modern Council	1,513	441	(1,072)
<b>TOTAL EXPENDITURE ON CORPORATE PRIORITIES</b>	<b>6,749</b>	<b>3,345</b>	<b>(3,404)</b>
<b>Funded by:</b>			
Capital Receipts	(3,876)	0	3,876
Government Grants	(120)	(122)	(2)
Other Grants and Contributions	0	(95)	(95)
Housing Revenue Account Business Plan	(2,753)	(2,077)	676
Contributions from Revenue	0	(1,051)	(1,051)
<b>TOTAL FUNDING</b>	<b>(6,749)</b>	<b>(3,345)</b>	<b>3,404</b>

4.10 The table below outlines the key variances:

<b>Budget</b>	<b>(Under)/Over Spend £'000</b>	<b>Explanation</b>
Vehicle Replacement Programme	(305)	Cessation of Cesspool service, Housing Maintenance and vehicles expected life extended
Section 106 schemes	95	Section 106 funding used for some schemes
Re-profiled expenditure	(3,135)	See table below for carry forwards requested
<b>TOTAL</b>	<b>(3,345)</b>	



4.11 The table below lists each of the capital schemes which require funding to be carried forward to 2015/16:

<b>Scheme</b>	<b>Amount to be carried forward £'000</b>	<b>Explanation</b>
Irrigation to Golf Course	50	Project delayed
Renaissance Group	48	Projects on-going
HRA – Property Investment	1,586	Projects on-going – some projects were on hold due to the backlog of repairs work undertaken in the letting of the new Repairs & Maintenance contract
Hutton Community Centre	50	Awaiting final invoices for this project
Asset Management Strategy	126	Projects on-going
Play Area Refurbishments	30	Project delayed due to consultation
Town Hall Re-modeling	964	Project on-going
Vehicle Replacement Programme	150	To replace the vehicles that had their leases extended for a further year, as this was financially beneficial for the Council.
Open Space Signage	13	Project delayed until outcome of sites are known.
Car Park Refurbishment & Upgrade	95	Delays in receiving equipment for the refurbishment.
CCTV	3	Outstanding works not complete.
Hutton Drive Parking Bays	20	Delay in commencement of project.
<b>TOTAL</b>	<b>3,135</b>	

- 4.12 The Capital Programme for 2014/15 has been fully funded without the need for any additional borrowing to be undertaken.

## **5 Reasons for Recommendation**

- 5.1 The Council is required to ensure effective arrangements for financial management are in place.

## **6 References to Corporate Plan**

- 6.1 Good financial management underpins all priorities within the Corporate Plan.

## **7 Implications**

### **Financial Implications**

Name & Title: Chris Leslie, Finance Director

Tel & Email T 01277 312542 / christopher.leslie@brentwood.gov.uk

- 7.1 The financial implications are set out in the report.

### **Legal Implications**

**Name & Title:** Chris Potter, Monitoring Officer

**Tel & Email** 01277 312860 / christopher.potter@brentwood.gov.uk

- 7.2 The Council is obliged by Section 151 of the Local Government Act 1972 to make proper arrangements for the management of its financial affairs

## **8 Background Papers**

- 8.1 4 March 2015 Council – Medium Term Financial Plan 2015/16 – 2017/18

## **9 Appendices to this report**

- 9.1 Appendix A – Earmarked Reserves

### **Report Author Contact Details:**

**Name:** Chris Leslie, Finance Director

**Telephone:** 01277 312 542

**E-Mail:** Christopher.leslie@brentwood.gov.uk

# Appendix A

## Earmarked Reserves at 31 March 2015

	Balance at 31 March 2014 £'000	Transferred In/Out £'000	Balance at 31 March 2015 £'000
<b><u>General Fund</u></b>			
Asset Management	118	-	118
Asset Valuations	17	(17)	0
Brentwood Community Fund	70	(35)	35
Brentwood Community Hospital	48	(3)	45
Building Control	47	-	47
CCTV	4	(4)	0
Community Alarms	277	14	291
Community Rights	29	16	45
Community Safety	10	(10)	0
Duchess Of Kent/Nightingale	355	(13)	342
Economic Development	15	14	29
Electoral Registration	46	-	46
Funding Volatility	1,250	(308)	942
Housing Benefit Subsidy Clawback	200	(200)	0
Housing Development Fund.	100	(100)	0
Neighbourhood Plan	21	5	26
Organisational Transformation	483	-	483
Planning Delivery Grant	102	15	117
Preventing Homelessness	15	23	38
Public Consultation	10	(5)	5
Single Status	30	-	30
Street Scene Training	2	(2)	0
Ward Based Budgets	21	(21)	0
<b>TOTAL - GENERAL FUND</b>	<b>3,270</b>	<b>(631)</b>	<b>2,639</b>
<b><u>Housing Revenue Account</u></b>			
Carpets For Sheltered Schemes	13		13
Council Dwellings Investment Fund	500		1,000
HRA Equal Pay	176	(176)	0
Repairs & Maintenance Reserve			400
<b>TOTAL - HOUSING REVENUE ACCOUNT</b>	<b>689</b>	<b>(176)</b>	<b>1,413</b>

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**30<sup>th</sup> June 2015**

## **Policy, Finance & Resources**

### **Draft Corporate Plan**

**Report of:** *Philip Ruck – Head of Paid Service*

**Wards Affected:** *All*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 The purpose of this report is to commence the process of updating the Council's Corporate Plan for 2016-2019 and give approval for a six week period of consultation. It is important for the Council to have in place a Corporate Plan so it is clear in its strategic direction and planned approach to delivering progress against its vision for the Council
- 1.2 The draft Corporate Plan 2016-2019 will cover a 3 year period. The aim of the consultation is to ensure resident target groups, statutory partners, voluntary partners and interested parties, have an opportunity to put forward their priorities for the Council so as the revised Corporate Plan can reflect the needs of the Borough .

#### **2. Recommendation(s)**

- 2.1 That members approve the consultation approach to the Corporate Plan 2016-2019**

#### **3. Introduction and Background**

- 3.1 Since the current Corporate Plan (2013-2016) was agreed there have been a number of changes, social and economic, which together with increasing demand for Council services have proved challenging. This report proposes refreshing the Plan and associated delivery programme in order to ensure that it remains fit for purpose.

- 3.2 With the 2013-2016 Corporate Plan due to expire at the end of the year a revised version for the Borough is now needed. The new Administration is keen to ensure the input from residents and partners in delivering the Council's vision and priorities for the coming years and update the direction of the Council..

#### **4. The Consultation**

- 4.1 To inform the outcome of the new Corporate Plan, a six week consultation period is proposed. . This period should allow officers sufficient time to engage partners and residents, collate feedback and prepare a draft Plan and programme for Council to consider in September 2015. The consultation will focus on the following:

- a. What our Vision for the Borough should be.
- b. What the Core Aims for the Council should be.
- c. What actions we should take to meet the aims and contribute to our vision for the Borough.
- d. Proposals for where services can be stopped or reduced in order to save money

- 4.2 External consultation will follow 3 strands, 1:Stakeholder events held by the Leader of the Council and Chairmen; 2: An online survey; 3:Direct communication with our partners and the third sector. We will also work closely with the local press to invite residents to respond.

- 4.3 Internal consultation will focus on developing the delivery programme and will engage with staff of all levels. Further details regarding the consultation exercise are available in Appendix 1.

#### **5. Reasons for Recommendation**

- 5.1 The Corporate Plan will set the strategic direction and planned approach to delivering progress against the vision for the Borough. The consultation begins the process of delivering this new plan.

#### **6. References to Corporate Plan**

- 6.1 It is important that the Council has a clear direction and purpose in which to meet residents' needs and for the Council to run efficient and effective services. Lack of a Corporate Plan limits the focus and direction of the Council.

## 7. Implications

### Financial Implications

**Name & Title:** Chris Leslie, Finance Director

**Tel & Email:** 01277 312 542 christopher.leslie@brentwood.gov.uk

7.1 No comments

### Legal Implications

**Name & Title:** Chris Potter, Monitoring Officer

**Tel & Email:** 01277 312 860 christopher.potter@brentwood.gov.uk

7.2 No comments

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

7.3 No comments

## 8. Background Papers (include their location and identify whether any are exempt or protected by copyright)

8.1 None

## 9. Appendices to this report

- Appendix 1 - Consultation

### Report Author Contact Details:

**Name:** Philip Ruck

**Telephone:** 01277 312569

**E-mail:** Philip.ruck@brentwood.gov.uk

# Appendix 1 – Consultation

## 1. Examples of who we will engage with (this is not an exhaustive list but an indication only)

- Parish Councils
- CAB
- Chamber of Commerce
- JCP
- Police
- Fire Service
- Community Groups
- Voluntary Sector
- Residents

## 2. How we will engage:

- a) Six week internal and external engagement on:
  - Vision
  - Core Aims
  - Actions
  - Corporate Programme
  
- b) External engagement will follow two strands:
  - Stakeholder event
  - On-line survey (back up postal survey)
  
- c) Internal engagement on programme development.

## 3. Following the Engagement Period:

Following the engagement period, all feedback will be analysed and used to develop a final Corporate Plan .

The Council's Business Transformation team has been set up as a means to develop and monitor the delivery of this framework.

Council approval of the Corporate Plan 2016-2019 will be sought in September 2015.



**30 June 2015**

## **Policy, Finance and Resources Committee**

### **Old House Refurbishment**

**Report of:** *Adrian J Tidbury Estates and Valuation Surveyor*

**Wards Affected:** *Brentwood North*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 This report considers the progress to date for the proposed refurbishment project for the Old House.

#### **2. Recommendation(s)**

- 2.1 That the Head of Paid Service be granted delegated authority to dispose of the Old House at best value (on the basis that planning approval being obtained and listed building consent being granted).**

#### **3. Introduction and Background**

- 3.1 Members will recall the progress report to the March Asset and Enterprise Committee detailing the progress made on the refurbishment project. Since that meeting the tender process to select suitable contractors to carry out the works has now been completed with the tenders returned on 17th April 2015.
- 3.2 Interviews with the three best contractors were held on 28th April 2015 where they were asked in addition to submit their best Guaranteed Maximum Price (GMP) to cover all risks for the Council with the exception of design changes.
- 3.3 The three best returns are contained in Appendix A (exempt) which shows both the tender return as per the specification and also the best GMP. Members will see that the best GMP exceeds the budget available for the project.

- 3.4 Members will be aware that both the planning application and listed Buildings consent for the project have now been submitted and are awaiting determination. Being a Council owned property, the application is required to be reported to the Planning and Licensing Committee for determination.
- 3.5 To date, £99,000 has been spent that has enabled the planning and listed building application to be submitted, which will help achieve the best sale price.
- 3.6 This expenditure is made up of Architects, Heritage Assessment, Quantity Surveyors, Services, Structures, Ivey management CDM, Acoustics, Asbestos survey and utilities costs.
- 3.7 Professional works still to be achieved are Bat survey and Damp surveys but not necessary for the planning application.

#### **4. Issue, Options and Analysis of Options**

- 4.1 Members will be aware that the Councils approved Capital programme had included £ 1,080,000 for the Old House Redevelopment project before being revised by Ordinary Council on 10<sup>th</sup> June 2015.
- 4.2 Given the age and complexity of the building, there is a significant risk to completing the project. Whilst some of this has been reduced through investigation and design in conjunction with Planning and Natural England, the risk still remains high and cannot be fully understood until the project is underway and Old House has been physically stripped out and all possible issues exposed.
- 4.3 As part of the Contract, over estimation of repairs have been included in the specification together with a sizeable contingency sum of £100,000 to cover unforeseen design changes and any further additional works not accounted for.
- 4.4 Officers are aware of the report to Ordinary Council on 10<sup>th</sup> June 2015 with amendments to the Capital Programme including the removal the capital allocation of £1,080,000 from the Capital Programme and now seek the direction of the Committee as regards this project.
- 4.5 The GMP value indicates the 'no risk' cost to the Council and where the Contractor covers all risks to the project with the exception of any design changes.

## **5. Consultation**

- 5.1 No formal consultation has been undertaken regarding the proposed refurbishment

## **6. References to Corporate Plan**

- 6.1 Value for Money: policies that invest in key services to create opportunity for all, provide better value for Brentwood's taxpayers and enhance the Borough's infrastructure whilst modernising and transforming Brentwood Borough Council. We will re-prioritise and focus our resources and be innovative in our approach.
- 6.2 Our Borough: Policies which promote our environment, support sustainable growth, and safeguard our high quality environment including heritage and countryside. We will provide responsive, accessible and forward thinking services for vulnerable residents, supporting people back into work and providing good quality housing making Brentwood our residents' Borough of Choice.

## **7. Implications**

### **Financial Implications**

**Name & Title:** Chris Leslie, Finance Director

**Tel & Email** 01277 312542 / christopher.leslie@brentwood.gov.uk

- 7.1 The sale of Old House will create a capital receipt for the Council

### **Legal Implications**

**Name & Title:** Christopher Potter Monitoring Officer and Head of Support Services

**Tel & Email** 01277 312860 / christopher.potter@brentwood.gov.uk

- 7.2 At this stage there are no new legal implications to register. The Planning application and Listed Building Consent application needs to be co-ordinated.
- 7.3 Whilst the tender process has now been completed, no decision on the successful tender has been taken and potential contractors await the Committees decision on the way forward.

- 8. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

**9. Appendices to this report**

Appendix A – Details of the three best returns (Exempt).

**Report Author Contact Details:**

**Name:** Adrian J Tidbury

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**E-mail:** [adrian.tidbury@brentwood.gov.uk](mailto:adrian.tidbury@brentwood.gov.uk)

## Appendix A

Appendix contains exempt information and is therefore not publicly available.

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**30 June 2015**

## **Policy, Finance & Resource Committee**

### **Warley Training Centre – Sale & Acquisition**

**Report of:** *John R Parling, Strategic Asset Manager*

**Wards Affected:** *Warley*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 The Asset & Enterprise Committee on 15 July 2014 resolved “That conditional contracts for the sale of the property are exchanged with the highest and most compliant bidder (Bid B), with the Council then negotiating to retain 5 units for revenue purposes.”
- 1.2 A further report was presented to the Asset & Enterprise Committee on 17 September 2014 confirming that the Council’s solicitors have been instructed regarding the sale and negotiations have been undertaken to retain 5 units at a discount to current values.
- 1.3 A report was presented to Ordinary Council on 22 October 2014 relating to the acquisition of the 5 units. Council resolved “1. That delegated authority be given to the Acting Chief Executive to approve and enter into conditional contract on behalf of the Council relating to the acquisition of the 5 x 2 bedroom apartment units as set out in exempt Appendix 1 (Confidential) but such delegated authority shall be conditional upon best consideration relating to such acquisition and the connected disposal being reaffirmed to the satisfaction of the Section 151 Officer at the date of exchange of contracts by an independent RICS) Royal Institution of Chartered Surveyors) qualified surveyor. 2. Members approve a virement from the Parking and Improvement Scheme to address the reduction in the original capital receipt anticipated for this sale”
- 1.4 Following agreement of terms and approval of the Asset & Enterprise Committee and Ordinary Council to the proposed transactions the original compliant bidder has sought to reduce their offer for the site. The Asset & Enterprise Committee of the 27 March 2015 resolved to give delegated authority to the Chief Executive to approve and enter into conditional contracts with the party that submitted the highest compliant and deliverable bid and to enter into an option agreement to acquire up to 5 residential apartments.
- 1.5 Heads of terms have been agreed with the party indicated in Appendix A (Exempt). This party has undertaken discussions with the Local Planning

Authority and the provision of the small community hall (60 sq m) has met with some resistance and developer has put forward an alternative proposal that is a capital payment is provided in lieu of the facility, Appendix A (Exempt) to be expended to support existing sport/community/leisure facilities within Warley.

- 1.6 The proposal to acquire up to 5 residential apartments has been reviewed and as it would be necessary for the Council to borrow money to fund the proposal and therefore, increase its debt liability, it is considered that the option arrangement should not be pursued. The capital requirement could be better utilised to reduce the Councils debt or fund other capital schemes to avoid the necessity to borrow.

## **2. Recommendation (s)**

- 2.1 That delegated authority be given to the Head of Paid Service to approve and enter into conditional contracts with the party that submitted the highest compliant bid as set out in Appendix A (Exempt)**
- 2.2 That the requirement for the developer to provide a community facility of 60 sq m is omitted and that the Head of Paid Service be given delegated authority to negotiate and agree, after consultation with the Chair of the Committee, a capital sum in lieu.**
- 2.3 That the requirement that the Council will enter into an option agreement to purchase up to 5 residential units be withdrawn.**

## **3. Introduction and Background**

- 3.1 This property has been vacant except for a short period since 2010.
- 3.2 Terms have been agreed with a developer to exchange conditional contracts on the basis that they submit a planning application in accordance with the expectations of Planning including a community hall of 60 sq m (shell). The developer has also agreed that the Council will be able to option to acquire up to 5 apartments on the basis that the option is to be operated prior to the completion of the sale of the land i.e. after planning permission has been granted or earlier if the purchaser elects to complete earlier, the monies to acquire the units to be paid on the completion of those units.
- 3.3 Following discussions between the developer and Planning a proposal has been put forward that a capital payment could be provided rather than the provision of a small community hall which could be used to support the development of existing sports, community and leisure facilities within Warley.



- 3.4 Following a review of the capital requirements of the Council it is considered that the capital to purchase up to 5 residential apartments could be better used to reduce the debt of the Council or support other projects and avoid or reduce the requirement to borrow further. Furthermore, no consideration has been given as to how the Council would run the management of the units. As such, there are practical unanswered questions that would have implications to the scheme itself, Council finances and which need to be resolved ahead of taking such a strategic decision.

### **Issue, Options and Analysis of Options**

- 4.1 The site has been openly marketed and the sale offers best value to the Council to comply with s123 of the Local Government Act 1972.

### **5 Reasons for Recommendation**

- 5.1 To provide the Council with a capital receipt.

### **6 Consultation**

- 6.1 None at this stage

### **7 References to Corporate Plan**

- 7.1 The key criteria for the disposal of the freehold of the freehold interest in this site are linked directly to the Corporate Plan 2013 –16, specifically:

- a) A Prosperous Borough
- b) Set planning policy that supports discerning economic growth and sustainable development
- c) Promote a mixed economic base across the Borough, maximising opportunities in the town centres for retail and balanced night time economy

### **8 Implications**

#### **8.1 Financial Implications**

**Name & Title:** Christopher Leslie/ Finance Director & Section 151 Officer  
**Tel & Email** 01277 312542 / christopher.leslie@brentwood.gov.uk

The sale of the Warley Training Centre will generate a capital receipt that will be used to fund the Council's capital programme.

#### **8.2 Legal Implications**

**Name & Title:** Christopher Potter/ Monitoring Officer & Head of Support Services  
**Tel & Email** 01277 312860/christopher.potter@brentwood.gov.uk

- 8.2.1 The Council's disposal powers are contained in section 123 of the Local Government Act 1972. Under section 123(1) of the Local Government Act 1972 the Council has the power to dispose of land in any manner that they wish.
- 8.2.2 The Council, however, does not have the same complete freedom of action that a private landowner would have as regards disposal and that section 123(1) of the Local Government Act 1972 might at first suggest.
- 8.2.3 The Council is a public authority and is subject to public law restraints. When the Council is entrusted with apparent complete discretion, it must exercise its powers reasonably and in accordance with the relevant statutory purpose.
- 8.2.4 In addition, section 123(2) of the Local Government Act 1972 requires any disposal to be for the best consideration that can reasonably be obtained (unless the disposal is for the granting of or assignment of a lease of seven years or less – which is not the case here). If the consideration is for less than the best consideration that can reasonably be obtained, prior ministerial consent is required.
- 8.2.5 It is clear that there is a timing aspect as regards the disposal and any acquisition and the administration arrangements regarding the management of the intended residential units. Any lack of detailed information relates to a future decision on such arrangements rather than the narrow decision itself on whether to give delegated authority (and if so upon what basis) to proceed with the disposal and any acquisition. It is ultimately for Members to satisfy themselves that there is sufficient information before them.
- 8.2.6 The law clearly provides for land to be acquired in scenarios before everything is ready. Section 120(2) of the Local Government Act 1972 specifically states: 'A principal council may acquire by agreement any land for any purpose for which they are authorised by this or any other enactment to acquire land, notwithstanding that the land is not immediately required for that purpose; and, until it is required for the purpose for which it was acquired, any land acquired under this subsection may be used for the purpose of any of the council's functions'
- 8.3 **Other Implications**) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None

## 9 Background Papers

None

**10 Relevant Past Reports**

27 March 2015 – Asset & Enterprise Committee

22 October 2014 – Ordinary Council

17 September 2014 – Asset & Enterprise Committee

15 July 2014 – Asset & Enterprise Committee

4 July 2012 - Asset, Infrastructure & Localism Panel

28 February 2012 - Asset, Infrastructure & Localism Panel

**11 Appendix**

Appendix A - Exempt

**Report Author Contact Details:**

**Name:** John R Parling, Strategic Asset Manager

**Telephone:** 01277 312690

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## Appendix A

Appendix contains exempt information and is therefore not publicly available.

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**30 June 2015**

## **Policy, Finance and Resources Committee**

### **Hutton Community Centre**

**Report of:** *Adrian J Tidbury Estates and Valuation Surveyor*

**Wards Affected:** *Hutton North*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 The decision of the 18<sup>th</sup> February 2015 Asset and Enterprise Committee was to grant delegated authority in the following terms:-

*That delegated authority be granted to the Strategic Asset Manager after consultation with the Chair of Asset and Enterprise Committee to negotiate and enter into a lease of the Hutton Community Centre to Essex Boys and Girls Club.*

- 1.2 Negotiations subsequently failed to result in the grant of a lease and so the matter is being brought back to Members.

#### **2. Recommendation(s)**

- 2.1 That an external valuation of the property known as Hutton Community Centre be carried out to determine the current open market rental that could be expected.**
- 2.2 That the process for seeking bids for a lease of Hutton Community Centre be carried out in accordance with the process set out in this report**
- 2.3 That those bids received be considered by a future meeting of the Policy, Finance and Resources Committee**

### **3. Introduction and Background**

- 3.1 Members will be aware that the decision for the provision of a lease for the Hutton Community Centre ('the Centre') to an independent organisation was taken by the 5th June 2013 Community Service Committee. It was agreed that the Council would underpin the funding of the Centre for the first year, in order to give the community a chance to establish the Centre and generate an income. Different community groups, nearby primary school, residents' association, volunteers and churches have all been working together to make the Centre viable.
- 3.2 The decision of the Asset and Enterprise Committee held on 18th November 2014 resolved to actively publicise the availability of the property to lease to community groups, to test the response received and to then report back to the Committee with the proposals received to determine the best proposal for the Council.
- 3.3 The 18th February 2015 Asset and Enterprise Committee resolved that delegated authority be granted to the Strategic Asset Manager after consultation with the Chair of Asset and Enterprise Committee to negotiate and enter into a lease of the Hutton Community Centre to Essex Boys and Girls Club
- 3.4 Discussions have taken place with the Essex Boys and Girls Club regarding the provision of the new lease however, Heads of Terms have not reached agreement and it is not considered that proposals are in the Council's interest.

### **4. Issue, Options and Analysis of Options**

- 4.1 As it has not been possible to reach an agreement with the Essex Boys and Girls Club, Members are asked to approve re-advertising the availability of a lease for the Centre with bids to be considered at a future meeting of the Finance, Policy and Resources Committee.
- 4.2 The bidding process which is not a tender process would be carried out on the following Heads of terms basis to demonstrate strong links to the local Hutton community:

Term -	up to a 7 year lease
Rent reviews -	yearly
Repairs and maintenance -	Full repairing lease
Permitted use -	Community centre
Utilities -	Tenant responsibility
Assignment -	No re assignment



- 4.3 On Members' agreement, notices seeking new bids for the Centre would be placed in the local press, displayed at the Centre and also directly mailed to known existing users of the Centre.
- 4.4 Evaluation of the bids would be on the basis of the best rental return to the Council with the term requested, balanced with evidence that the bid is from a constituted group representing interests from across the community and which the Council feels is sufficiently robust to provide a secure future for the Centre. Strong links with the local community and a clear plan for engagement with local residents, businesses, charities, volunteer organisations and local establishments such as churches and schools must be evidenced
- 4.5 Members will be aware that the 27<sup>th</sup> March Asset and Enterprise Committee agreed new policies under the report, 'Asset Acquisition, General Disposal and Disposals at less than Best Value' and that any new lease granted would need to follow policy.

## **5. Consultation**

- 5.1 No formal consultation has been undertaken regarding the proposed refurbishment

## **6. References to Corporate Plan**

- 6.1 Value for Money: policies that invest in key services to create opportunity for all, provide better value for Brentwood's taxpayers and enhance the Borough's infrastructure whilst modernising and transforming Brentwood Borough Council. We will re-prioritise and focus our resources and be innovative in our approach.
- 6.2 Our Borough: Policies which promote our environment, support sustainable growth, and safeguard our high quality environment including heritage and countryside. We will provide responsive, accessible and forward thinking services for vulnerable residents, supporting people back into work and providing good quality housing making Brentwood our residents' Borough of Choice.

## **7. Implications**

### **Financial Implications**

**Name & Title: Christopher Leslie, Finance Director**

**Tel & Email 01277 312542 / christopher.leslie@brentwood.gov.uk**

- 7.1 That the cost of obtaining an external valuation of the property will be met from existing budgets established for this type of activity

## **Legal Implications**

**Name & Title: Christopher Potter, Monitoring Officer and Head of Support Services**

**Tel & Email 01277 312860 / christopher.potter@brentwood .gov.uk**

7.2 The Committee is seeking expressions of interest within the terms laid down in this report and is not bound to accept any such expression of interest. At a subsequent meeting of this Committee, Members will consider the options and the legal implications of those options will be set out.

**8. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

8.1 Min 557 Asset & Enterprise Committee 27<sup>th</sup> March 2015

**9. Appendices to this report**

None.

### **Report Author Contact Details:**

**Name:** Adrian J Tidbury

**Telephone:** 01277 312678

**E-mail:** adrian.tidbury@brentwood.gov.uk

**30 June 2015**

## **Policy, Finance & Resource Committee**

### **Bell Mead, Ingatestone – Sale**

**Report of:** *John R Parling, Strategic Asset Manager*

**Wards Affected:** *Ingatestone, Fryerning & Mounthnessing*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.2 The Asset & Enterprise Committee of 15 July 2014 resolved that conditional contracts for the sale of this site should be exchanged with the party that had submitted the highest compliant and deliverable bid.
- 1.3 Terms were agreed with a prospective purchaser and conditional contracts were exchanged in October 2014, Appendix A (Exempt).
- 1.2 The prospective purchaser following several pre app meetings with Planning submitted a planning application for a scheme to provide 14 units, a mixture of apartments and 4 town houses. The contract required the purchaser to provide 5 affordable units and an additional 10 community car parking spaces, Appendix B.
- 1.4 Following the submission of the planning application and consultation the purchasers has been advised by Planning to reduce the massing of the rear block which previous was to be 4 town houses. The scheme now provides 16 units all of which are to be apartments, of which 5 are to be affordable plus 10 additional car parking spaces. All other terms to remain as previously agreed, Appendix C.

#### **2. Recommendation(s)**

- 2.1 That the variation to the original scheme be approved.

### **3. Introduction and Background**

- 3.1 This surplus property was initially marketed in the autumn of 2012 for sale by external selling agents
- 3.2 Offers were received in October 2012, the highest offer was for a 5 unit residential scheme. It was decided that although the scheme produced the best value the scheme itself was inappropriate for the location.
- 3.3 It was determined that offers should be sought for an alternative scheme which provides for 14 units in a mixed format. The original bidders were requested to submit revised offers in the Spring 2013 and a successful bidder was identified and heads of terms were exchanged in June 2013 which provided for conditional contracts to be exchanged subject to the prospective purchaser undertaking several public consultations and a pre planning application submission meeting.
- 3.4 The consultation meetings took place in late 2013 and early 2014 and a meeting with the Planning was held in February 2014. The meeting with Planning raised a number of issues including some resistance to the requirement to provide 10 community car parking spaces and also concerns regarding the proposed layout.

### **4. Issue, Options and Analysis of Options**

- 4.1 The principal issues relates to the requirement to the scheme.
- 4.2 The options include:
- to approve the variation to the agreed scheme or
  - to terminate the current arrangement and remarket

### **6.0 Reasons for Recommendation**

- 6.1 Planning have required the purchaser to vary the original scheme following consultations.

### **7.0 Consultation**

- 7.1 During the time period that this particular matter has been under consideration, consultation has been undertaken with the Parish Council, the residents of the Wards affected, and the Planners.

### **8.0 References to Corporate Plan**

- 8.1 The key criteria for the disposal of the freehold of the freehold interest in this site are linked directly to the Corporate Plan 2013 –16, specifically:
- a) A Prosperous Borough
  - b) Set planning policy that supports discerning economic growth and sustainable development
  - c) Promote a mixed economic base across the Borough, maximising opportunities in the town centres for retail and balanced night time economy

## 9.0 Implications

### Financial Implications

**Name & Title:** Christopher Leslie, Finance Director (s151 Officer)

**Tel & Email** 01277 315242 / christopher.leslie@brentwood.gov.uk

- 9.1 There are no direct financial implications at this stage, although the disposal of the site will provide a capital receipt.

### Legal Implications

**Name & Title:** Christopher Potter, Monitoring Officer & Head of Support Services

**Tel & Email** 01277 312 860/ christopher.potter@brentwood.gov.uk

- 9.2 Conditional contracts have been exchanged and the issue is whether or not to approve the variation to the agreed scheme. The contract requires the Council to act reasonably.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

9.3 None

## 10.0 Background Papers

- 10.1 Relevant Past Reports
- 15 July 2014 – Asset & Enterprise Committee
  - 12 June 2013 - Performance & Resources Committee
  - 4 July 2012 - Asset, Infrastructure & Localism Panel
  - 28 February 2012 – Asset, Infrastructure & Localism Panel

Appendices

Appendix A – exempt  
Appendix B - Map  
Appendix C - Map

**Report Author Contact Details:**

**Name:** John R Parling, Strategic Asset Manager

**Telephone:** 01277 312690

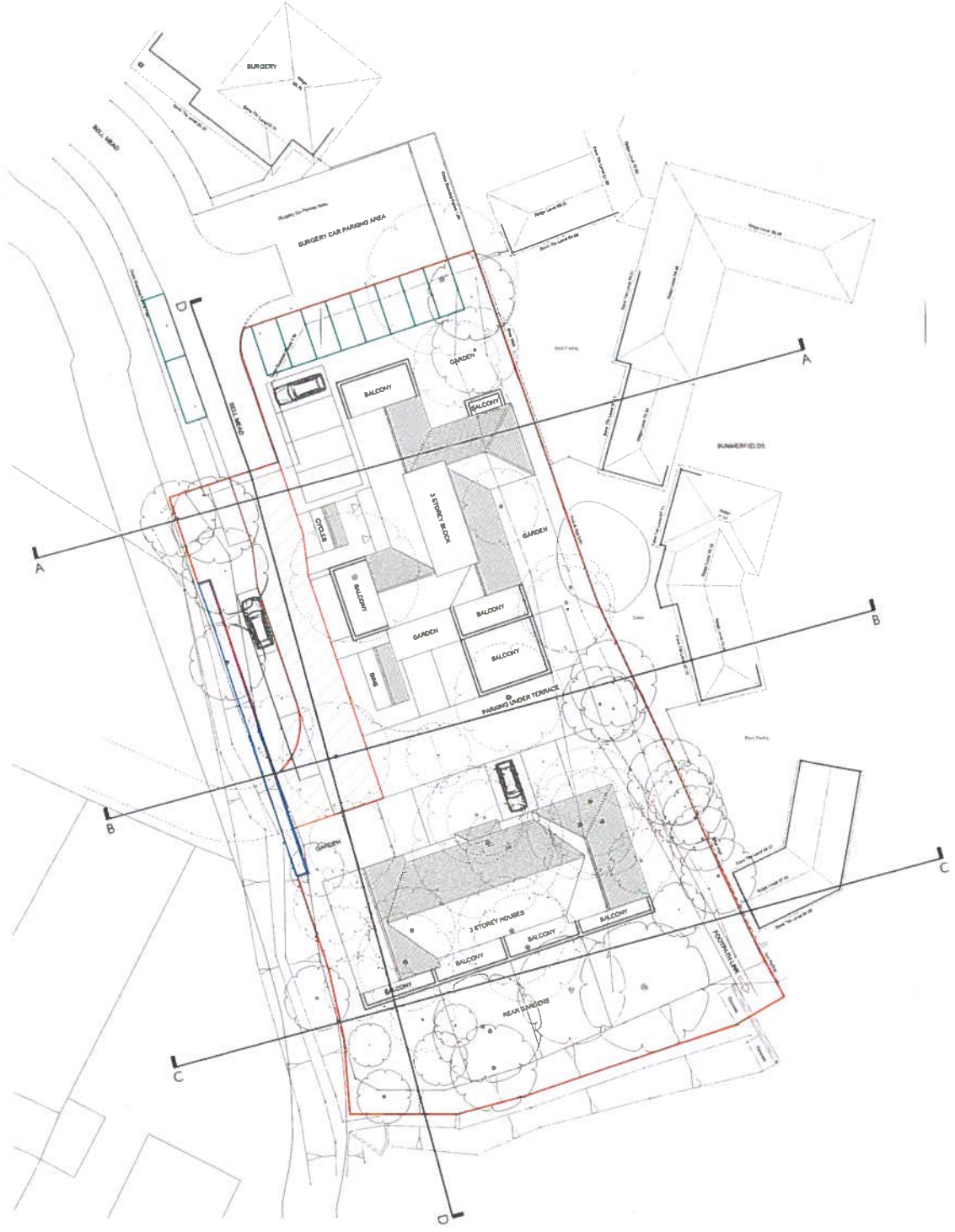
**E-mail:** john.parling@brentwood.gov.uk

## Appendix A

Appendix contains exempt information and is therefore not publicly available.

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- Key**
- Site Boundary
  - Access Rights
  - Ransom Strip
  - A - B Future Access Point
  - Proposed Community Parking Bays



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-  Hard Landscaping
-  Soft Landscaping
-  Proposed Roof Plans
-  Existing Buildings



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**30 June 2015**

**Policy, Finance and Resources Committee**

**Hutton Football Club**

**Report of:** *Adrian J Tidbury Estates and Valuation Surveyor*

**Wards Affected:** *Hutton East*

**This report is:** *Public*

## **1. Executive Summary**

- 1.1 This report considers the recommendation of the 27<sup>th</sup> March 2015 Asset and Enterprise Committee which dealt with the lack of rent reviews prior to the provision of a new lease as agreed by the 23<sup>rd</sup> January 2013 Asset Panel

*Hutton Football Club had put forward an offer of £900.00 per annum going forward until the lease expires in 2019*

*That the offer from Hutton Football Club be submitted to the next Finance and Resource Committee with a recommendation that it should be accepted*

## **2. Recommendation(s)**

- 2.1 That the recommendation of the 27 March 2015 Asset and Enterprise Committee to accept the offer of £2,000 back rental and £900 per annum going forward from Hutton Football Club until the lease expires in 2019.**
- 2.2 That the debt of the non crystallised back rent amounting to approximately £13,000 be written off**
- 2.3 That negotiations be commenced concerning the provision of a new lease to the Hutton Football Club having regard to the terms agreed by the 23 January 2013 Asset Panel and revised in this report.**

### **3. Introduction and Background**

3.1 Members will be aware that following the decision of the 23 January 2013 Asset Panel, officers have been in negotiations with Hutton Football Club ('the Club') for the provision of the new lease.

3.2 The decision of the 23 January 2013 Asset Panel was as follows:

- That the Panel Committee recommends to the Policy, Projects and resources Board that the Council agrees in principle to a new lease being provided to the Hutton Football Club, subject to the points raised above, for a period of 25 years, to give the Club confidence to be able to move forward with their proposals.

3.3 The points raised in the report were:

- Proposals for replacement facilities on the site would require planning permission and the Club should commence pre application discussions with the Council to move the scheme forward and there would need to be consultation around the proposal.
- Any land transaction would be subject to planning permission being obtained.
- The Club being able to attract funding for the proposal.
- A business case was prepared and submitted to the Council for consideration.

3.4 The new lease would be subject to:

- the negotiation of the deal, including an appropriate rental for the site - this would take into account the business case, community benefits generated and any business elements of the proposal.
- Assurance about community use

3.5 Since that meeting a significant amount of correspondence has taken place with the Club regarding the provision of the new lease to fulfil the requirements of the Asset Panel culminating in the decision of the 27 March 2015 Asset & Enterprise Panel.

### **4. Issue, Options and Analysis of Options**

4.1 Prior to any new lease by negotiated with the Club, the Council must first deal with any remaining issues outstanding from the existing lease.

- 4.2 The current lease is dated 25th December 1984 with rent reviews at 7 year intervals with the first 7 years at £1 p.a., the second 7 years at £60 p.a. and the remaining 7 year periods at market rent. However, no rent reviews have been yet been carried out and therefore need to be resolved before negotiations can take place on a new lease. Current negotiations with the Club concern payments of the back rent and rental going forward for the current lease.
- 4.3 The offer by the Club was presented to the Asset and Enterprise Committee on 27 March 2015 by the Chair and is significantly lower than best value on the site.
- 4.4 Members will be aware that valuation carried out by Bidwell's of the site was for between £1,200 and £1,400 per annum.
- 4.5 The back rent which can only be an estimated value and approaches the sum of £15,000
- 4.6 The recommendation of the Asset and Enterprise Committee was to accept the sum of £2,000 back rent and £900 per annum for the remainder of the lease term or until a new lease is negotiated under the terms of the 23 January Asset Panel.
- 4.7 Members will be aware that the 27 March 2015 Asset and Enterprise Committee agreed new policies under the report Asset Acquisition, General Disposal and Disposals at less than Best Value.
- 4.8 The policy shown in Appendix C sets out the statutory background to property disposals
- 4.9 Para 2.1 of the policy sets out section 123 of the Local Government Act 1972 in that Councils, except with the expressed consent of the Secretary of State, cannot dispose of land (other than by way of a short tenancy i.e. grant of a lease term not exceeding 7 years) for consideration less than best that can be reasonably obtained in the market.
- 4.10 Para 2.2 of the policy sets out General Disposal Consent (England) 2003 which gives local authorities greater freedom to dispose of any interest in land at less than best consideration without specific consent to the Secretary of State. Under this General Disposal Consent local authorities may consider disposal at a reduced price if the purpose for which the land is to be disposed of is likely to contribute to the promotion or improvement of the economic, social or environmental well being of its area.

- 4.11 The policy sets out the criteria to be met when considering a disposal of less than best consideration as well as the appropriate term of the lease and members will be aware that the Asset Panel resolved to approve a 25 year lease which is now contrary to the policy as set out in para 4.5 of the policy in that the funding body requires a longer lease term.
- 4.12 Whilst the rent arrears may be significant to the Club, the Committee is at liberty to consider a system of staged payments leading to full payment being accomplished over a number of years which would not fall foul of any consideration of discount and remain consistent across the Borough.
- 4.13 In addition, the assessment of arrears of rent are fixed by the lease for the first 14 years but in the 3rd and 4th 7 year period, are of course subject to estimation using the current valuation as the starting point.
- 4.14 Clearly Members will be aware of the offer made by the Club and its shortfall in comparison to the valuation by Bidwells.
- 4.15 Should Members decide to accept the back rental offer of £2000 the Committee needs to follow due process for the writing off of the remainder of the unpaid debt.

## **5. Consultation**

- 5.1 No formal consultation has been undertaken regarding the proposed refurbishment

## **6. References to Corporate Plan**

- 6.1 Value for Money: policies that invest in key services to create opportunity for all, provide better value for Brentwood's taxpayers and enhance the Borough's infrastructure whilst modernising and transforming Brentwood Borough Council. We will re-prioritise and focus our resources and be innovative in our approach.
- 6.2 Our Borough: Policies which promote our environment, support sustainable growth, and safeguard our high quality environment including heritage and countryside. We will provide responsive, accessible and forward thinking services for vulnerable residents, supporting people back into work and providing good quality housing making Brentwood our residents' Borough of Choice.



## 7. Implications

### Financial Implications

**Name & Title:** Chris Leslie, Finance Director

**Tel & Email** 01277 312542 / christopher.leslie@brentwood.gov.uk

- 7.1 The writing off of back rent is a potential loss of income to the General Fund of £13k.

### Legal Implications

**Name & Title:** Christopher Potter, Monitoring Officer and Head of Support Services

**Tel & Email** 01277 312860 / christopher.potter@brentwood.gov.uk

- 7.2 The legal implications are set out in the body of the report.

## 8. Background Papers (include their location and identify whether any are exempt or protected by copyright)

None

## 9. Appendices to this report:

- Appendix A – Valuation Report from Bidwells (Exempt)
- Appendix B - Estimated Rent Arrears (Exempt)
- Appendix C - Policy - Asset Acquisition, General Disposal and Disposals at less than Best Value

## Report Author Contact Details:

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## Appendix A

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## Appendix B

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## Disposals at Less Than Best Consideration Policy

### 1. Introduction

- 1.1 This document sets out the Council's policy on the disposal of Council owned land and property at less than best consideration reasonably obtainable. The policy relates to both granting of leases and the disposal of freehold and long leasehold interests.

### 2. Statutory Background

- 2.1 Section 123 of the Local Government Act 1972 states that Council's, except with the express consent of the Secretary of State, cannot dispose of land (other than by way of a short tenancy i.e. grant of a term not exceeding 7 years) for consideration less than best that can be reasonably obtained in the market.
- 2.2 The 1972 Act authorised the Secretary of State to issue General Disposal Consents covering particular types of cases. However, the General Disposal Consent (England) 2003 gives Local authorities greater freedom to dispose of any interest in land at less than best consideration without the specific consent of the Secretary of State. Under this General Disposal Consent LA's may consider disposal at a reduced price if the purpose for which the land is to be disposed of is likely to contribute to the promotion or improvement of the economic, social or environmental well being of its area.
- 2.3 There are a limited number of cases where the General Disposal Consent will not apply, housing land, open space land and land held under specific statutory powers that preclude a sale under the Local Government Act 1972.
- 2.4 The Council must be aware of the rules regarding state aid. Selling land at under value confers a benefit upon the purchaser and a Council vendor must not breach the European Commission rule which relate to the importance of avoiding distortion in competition.

- 2.5 The General Disposal Consent strongly advises Councils to obtain a realistic valuation on the under value in all cases. All values are to be reported in capital, not rental, terms i.e. discounted rent multiplied by the number of years granted.

### **3. Purpose of the Policy**

- 3.1 A clear statement of the terms under which the Council will consider the sale of land and property at an under value is important because of the likely impact on the capital programme if capital receipts are lower than they would be if the asset was disposed of at best consideration.
- 3.2 The adoption of a policy will also provide the Council with a clear and consistent basis for making decisions about using its property assets as a means of achieving community objectives, recognising that best consideration in terms of asset value on disposal is not necessarily always measured simply in monetary terms.

### **4. Policy Scope**

- 4.1 The Council will consider disposals at less than best consideration in accordance with the General Disposal Consent (England) 2003 where it is satisfied that the proposed use to which the property will be put assists in achieving the Council's objectives and in excess of that currently provided. Where possible assistance should be in the form of annual grants rather than discounts to value.
- 4.2 The Council must be satisfied that the promoting local body, voluntary group or association ("the body") is properly constituted and managed. This will be verified beforehand by appropriate investigation and audit.
- 4.3 The application for the Council to consider any concessions regarding value should be submitted to the Asset & Enterprise Committee and should include:



- a) An assessment as to the extent which the organization activities contribute towards achieving the Council's aims and objectives
  - b) Include a copy of the organisation's constitution and three years of accounts.
  - c) Set out the extent to which the organization is proactive in seeking to share and make available the assets to other
  - d) community and voluntary sector uses on a not for profit basis
  - e) A recommendation as to the length of any discount
  - f) Confirmation that the organization will submit its activities and accounts on an annual basis or when required by the Council.
- 4.4 The Council will consider the sale of a freehold at less than best consideration only in very exceptional circumstances.
- 4.5 The Council, where appropriate, will consider disposing of leasehold interests at less than best consideration:
- For up to 7 years.
  - For up to 25 years in circumstances where a significant investment is to made by the body which involves external funding and where the funding body requires a longer term.
  - In both cases the granting of the leases will only be made when the investment is approved by the Council and funding has been obtained to undertake the investment.
- 4.6 The Council will include in any lease an appropriate clause under which the asset will revert to the Council in the event of:
- a) Bankruptcy
  - b) Corruption
  - c) Failure to deliver benefits
  - d) Mutual annual break clauses
- 4.7 All leases will contain rent review provisions indicating that the market rent will be reviewed at appropriate intervals (annually at RPI)
- 4.8 All leases will include provisions to exclude any security of tenure rights

## 5. Implementation of the Policy

- 5.1 Due to the variety of arrangements currently in place in respect of the use of the Council's assets by voluntary and community organizations it will be necessary to phase in the policy as follows:-
- a) As soon as possible where lease arrangements have already expired
  - b) As and when existing lease is due to expire
  - c) When the Council agrees to enter into a new lease arrangement
6. All disposals will be conducted in accordance with the Council's Financial Standing Orders and Schemes of Delegations.

**30 June 2015**

## **Policy, Finance and Resources Committee**

### **King Georges Playing Fields Cafe – Lease Renewal**

**Report of:** *Russell Clinker, Senior Asset Manager*

**Wards Affected:** *Brentwood South*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 This cafe is let to Emine Mani t/a Mani Caterers. The tenant was originally granted a lease from May 2006 which has now expired. Provisional agreement has been reached regarding a new lease and approval is sought from the Committee to conclude and regularise the tenancy.

#### **2. Recommendation (s)**

- 2.1 That delegated authority be given to the Head of Paid Service to grant a new lease to Emine Mani t/a Mani Caterers incorporating the terms as set out in Appendix A (Exempt).

#### **3. Introduction and Background**

- 3.1 The property is situated in the principal pavilion complex close to the first tee of Hartswood golf course and the main car park for King Georges Playing Fields.
- 3.2 The subject property comprises ground floor cafe with ancillary accommodation. The cafe has 20 covers.
- 3.3 Outline Heads of Terms have now been agreed details of which are set out in Appendix A.

#### **4. Issues, Options and Analysis of Options**

- 4.1 If the recommendation is not approved the tenant may decide to vacate and the Council would lose revenue.

4.2 The provisionally agreed renewal provides that Council with an increased and more secure revenue stream.

4.3 The proposed terms for the new lease are set out in Appendix A.

## 5. **Reasons for Recommendation**

5.1 To ensure that an revenue stream is maintained

## 6. **Consultation**

6.1 None at this stage

## 7. **References to Corporate Plan**

7.1 The key links to the Corporate Plan 2013 –16, are specifically:

- a) A Prosperous Borough
- b) Set planning policy that supports discerning economic growth and sustainable development
- c) Promote a mixed economic base across the Borough, maximising opportunities in the town centres for retail and balanced night time economy

## 8. **Implications**

### 8.1 **Financial Implications**

**Name & Title:** Christopher Leslie/ Finance Director/ s151 Officer  
**Tel & Email** 01277 312542 / christopher.leslie@brentwood.gov.uk

The new lease will provide an increase in revenue providing additional income to the General Fund.

### 8.2 **Legal Implications**

**Name & Title:** Christopher Potter/Monitoring Officer & Head of Support Services  
**Tel & Email** 01277 312860/christopher.potter@brentwood.gov.uk

The Council's disposal powers are contained in section 123 of the Local Government Act 1972, and section 1 of the Localism Act 2011 also provides local authorities with a general power of competence. Under section 123 of the Local Government Act 1972 the Council has the power to dispose of land in any manner that they wish. The main constraint is that the disposal (other than a short tenancy i.e. one with a term of less than seven years) must be for the best consideration reasonably obtainable unless there is ministerial consent or the transfer is to further

local well being. The recommendation is within these powers and the letting represents best consideration.

- 8.3 **Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

None

## 9 **Appendices**

Appendix A – (Exempt)

### **Report Author Contact Details:**

**Name:** Russell Clinker, Senior Asset Manager

**Telephone:** 01277 312931

**E-mail:** russell.clinker@brentwood.gov.uk

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## Appendix A

**King Georges Playing Fields Café – Lease Renewal** – Appendix A contains exempt information and is therefore not publicly available

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**30th June 2015**

## **Policy, Finance & Resources Committee**

### **Shenfield Scout Lease**

**Report of:** *Adrian J Tidbury Estate & Valuation Surveyor*

**Wards Affected:** *Shenfield*

**This report is:** *Public*

#### **1. Executive Summary**

- 1.1 This report considers the provision of a new lease to the Shenfield Scouts for the Scout Headquarters in the Shenfield Road.

#### **2. Recommendation(s)**

- 2.1 That a new lease be granted in accordance with the terms set out in the draft lease (Appendix B – Exempt)**

#### **3. Introduction and Background**

- 3.1 The 1<sup>st</sup> Shenfield Scouts formed in 1909 currently occupy the Scout Headquarters built by the Scout group under a lease dated 1<sup>st</sup> January 1980 and also a small area of land to the rear of the property under a separate lease dated 1<sup>st</sup> January 1981. The Scouts have been in occupation of this site since 1951.
- 3.2 The lease to the main hall has now expired and the Scouts are being invoiced for £10 p.a. rent as mesne profits. The lease of the land to the rear of the property has also expired and the Scouts are being invoiced for £30 p.a.
- 3.3 A valuation on the property has been undertaken by the Council's agent and is contained in Appendix A.
- 3.4 Delegated authority was sought from the Head of Localism and Partnership in consultation with Chair/Vice Chair of the Asset, Infrastructure and Localism Panel and the Ward Members on the provision of a new 25 year lease at £100 p.a. in March 2013.

- 3.5 Since being advised of the Council's offer, the Scouts have secured funding to renew the roof to the hall and completed these works in August 2013.
- 3.6 During negotiations of the new lease the Scouts changed their view and requested a 35 year lease term in a letter dated 9<sup>th</sup> May 2013.
- 3.7 A lease has now been drafted although negotiations to prepare this draft have taken some considerable time with protracted negotiations.

#### **4. Issue, Options and Analysis of Options**

- 4.1 Since the commencement of the drafting of the lease, the Council has now developed its policy 'Disposals at Less than Best Consideration' which was adopted at the Asset and Enterprise Committee at its meeting on 27<sup>th</sup> March 2015.
- 4.2 The current proposal for a 35 year lease at rent of £100 per annum is not a disposal at best consideration and the Council has to have due regard to the provisions of sections 123(1) and (2) of the Local Government Act 1972, whereby the Council shall not dispose of land under this section, otherwise than by way of a short tenancy, for a consideration less than the best consideration that can be reasonably obtained (except with the consent of the Secretary of State).
- 4.3 Where rental proposals for less than best consideration are to be considered the reduced rental needs to match or exceed the community value provided by the organisation.

#### **5. Reasons for Recommendation**

- 5.1 That a new lease for the Scouts be put in place to provide continuity of accommodation under the provisions of that lease.

#### **6. Consultation**

- 6.1 No formal consultation has been undertaken regarding the proposed refurbishment

#### **7. References to Corporate Plan**

- 7.1 Value for Money: policies that invest in key services to create opportunity for all, provide better value for Brentwood's taxpayers and enhance the Borough's infrastructure whilst modernising and transforming Brentwood Borough Council. We will re-prioritise and focus our resources and be innovative in our approach.

7.2 Our Borough: Policies which promote our environment, support sustainable growth, and safeguard our high quality environment including heritage and countryside. We will provide responsive, accessible and forward thinking services for vulnerable residents, supporting people back into work and providing good quality housing making Brentwood our residents' Borough of Choice.

## **8. Implications**

### **Financial Implications**

**Name & Title: Chris Leslie, Finance Director**

**Tel & Email: 01277 312 542 christopher.leslie@brentwood.gov.uk**

8.1 The rental income is at less than best consideration.

### **Legal Implications**

**Name & Title: Chris Potter, Monitoring Officer**

**Tel & Email: 01277 312 860 christopher.potter@brentwood.gov.uk**

8.2 A short tenancy for the purposes of section 123 of the Local Government Act 1972 is a lease of seven years or less.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

**9. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

9.1 None

## **10. Appendices to this report**

- Appendix A - External Valuation (Exempt)
- Appendix B - Revised Heads or Terms (Exempt)

### **Report Author Contact Details:**

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**Telephone:** 01277 312678

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## Appendix A

**Shenfield Scout Lease** – Appendix A contains exempt information and is therefore not publicly available

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## Appendix B

**Shenfield Scout Lease** – Appendix B contains exempt information and is therefore not publicly available

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**30<sup>th</sup> June 2015**

**Policy, Finance and Resources Committee**

**Performance Indicators Fourth Quarter and Year End  
2014/15**

**Report of:** *Greg Campbell, Project Manager Customer Transformation*

**Wards Affected:** *All*

**This report is:** *Public*

## **1. Executive Summary**

- 1.1 The report details the Operational Performance Indicators agreed for 2014/15 and gives performance detail for the fourth quarter and year end 2014/15.

## **2. Recommendation(s)**

- 2.1 That the Committee notes the Operational Performance Indicators for 2014/15.**
- 2.2 That the Committee considers and notes the performance and contextual information against the Fourth Quarter and Year End Key Performance Indicators 2014/5.**

## **3. Introduction and Background**

- 3.1 Members are reminded that the Corporate Leadership Board (CLB) met with a cross party group of O&S Members in January 2014 to discuss performance management.
- 3.2 It was agreed that key strategic performance indicators for 2014/15 would be reviewed focusing on monitoring the delivery of the Council's Corporate Plan and service plans. These are reviewed by CLB on a quarterly basis and reported to Members by exception.
- 3.3 The key Strategic indicators will be measured annually and will involve a customer satisfaction survey to gauge how residents and businesses rate the Council's performance.

#### **4. Issue, Options and Analysis of Options**

4.1 Performance data for the fourth quarter and year end 2014/15 is available at Appendix A.

4.2 Only exception reporting where indicators are not on target is provided below.

#### **4.3 Strategic Indicators**

4.3.1 The reductions achieved from efficiency reviews and management restructures will be assessed in later reports but are under constant review by senior officers. Officers have continued to target the reduction of back office costs and the provision of services by outside organisations.

#### **4.4 Community – Health and Wellbeing**

4.5 As anticipated, there have been fewer gardening jobs throughout the winter months, resulting in a drop in performance.

#### **4.6 Environment – Street Scene and Environment**

4.6.1 Although not yet audited, the initial indication is that there will be a reduction of 1% in recycling for 14/15. It is felt that this is mainly due to the increase in fly tipping.

4.6.2 Since September 2014, work has been taking place with all authorities across Essex through the Waste Partnership. It is evident that other councils are seeing a reduction in recycling, but this is mainly due to the increase in residual waste.

4.6.3 There has been a number of road shows and education programmes in schools to highlight the need to recycle and reduce waste. The Council will be taking a more proactive role in enforcement and will also be installing cameras in some areas of the Borough to provide evidence needed to take legal action.

#### **4.7 Finance and Resources – Human Resources**

4.7.1 Sickness levels are being reviewed on a regular basis. All managers and staff have been contacted to remind them of the Absence Policy. Management continue to note all sickness levels and ensure compliance with sickness policy. A key element of the review is monitoring of the data

by service to see if this impacts performance levels. This is now conducted via the introduction of online sickness reporting.

#### **4.8 Finance and Resources – Council Tax and NNDR**

4.9 A successful appeal by the Regional Blood Transfusion Centre against its rateable value has resulted in loss in estimated income of £79,393.

#### **4.10 Finance and Resources – Contact Centre**

4.10.1 No target has been set for calls received to the main Council telephone number but is presented so that the trend can be analysed.

4.10.2 There is no target for calls taken by the Contact Centre for those undertaken by the Contact Centre (currently Environmental Health, Housing Estates Management (from Sept 14), Licensing, Planning and Building Control, Street Scene and (from February 15) Housing General, Needs and Repairs). These are presented for analysis purposes.

4.10.3 The percentage of calls resolved by the Contact Centre for those services undertaken by the Contact Centre varies by service, with some outcomes falling short of target.

#### **4.11 Housing and Health - Housing**

4.11.1 KPI workshops with staff continue to help improve performance of average re-let times.

4.11.2 There has been an increase in the number of people presenting as homeless during the winter months. The KPI workshop continues to identify new methods of improving our processes. The highest number of reasons been received, has been from people evicted from the private sector and parental evictions. Housing are planning to work with private landlords through the Essex Landlords Accreditation Scheme and considering mediation for families to help prevent eviction.

#### **4.12 Planning and Development - Planning**

4.12.1 Appeals allowed against the authority's decision to refuse planning permission for major applications could result in government control & intervention.

**5. Reasons for Recommendation**

- 5.1 That the Finance and Resources Committee review the 2014/15 Performance Indicators and the performance for the fourth quarter and year end 2014/15 as required by the Terms of Reference.

**6. Consultation**

- 6.1 The Policy, Finance and Resources Committee undertakes a quarterly review of performance indicators.

**7. References to Corporate Plan**

Performance Indicators should be appropriate to monitoring progress against the Corporate Plan.

**8. Implications**

**Financial Implications**

**Name & Title: Chris Leslie, Finance Director**

**Tel & Email: 01277 312 542 christopher.leslie@brentwood.gov.uk**

- 8.1 There are no direct financial implications arising from this report.

**Legal Implications**

**Name & Title: Chris Potter, Monitoring Officer**

**Tel & Email: 01277 312 860 christopher.potter@brentwood.gov.uk**

- 8.2 There are no direct legal implications arising from this report.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Equality and Diversity, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

- 8.3 There are no other implications arising from this report.

**9. Background Papers** (include their location and identify whether any are exempt or protected by copyright)

- 9.1 There are no background papers to this report.

**10. Appendices to this report**

- Appendix A – Performance Indicator Dashboard 2015

**Report Author Contact Details:**

**Name:** Greg Campbell

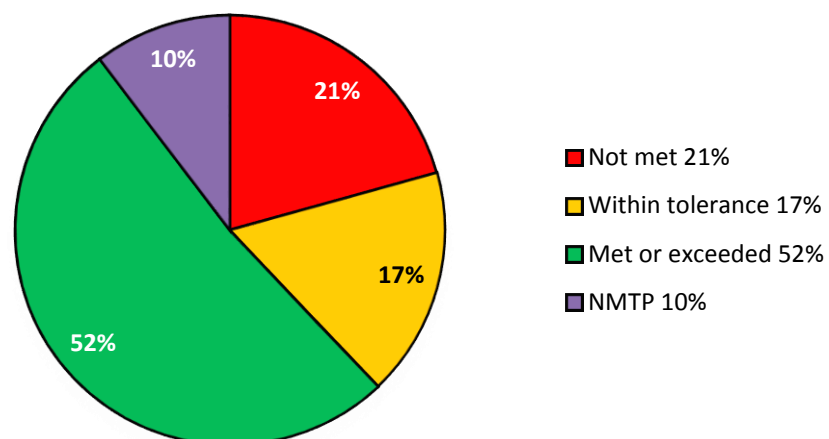
**Telephone:** 01277 312738

**E-mail:** greg.campbell@brentwood.gov.uk

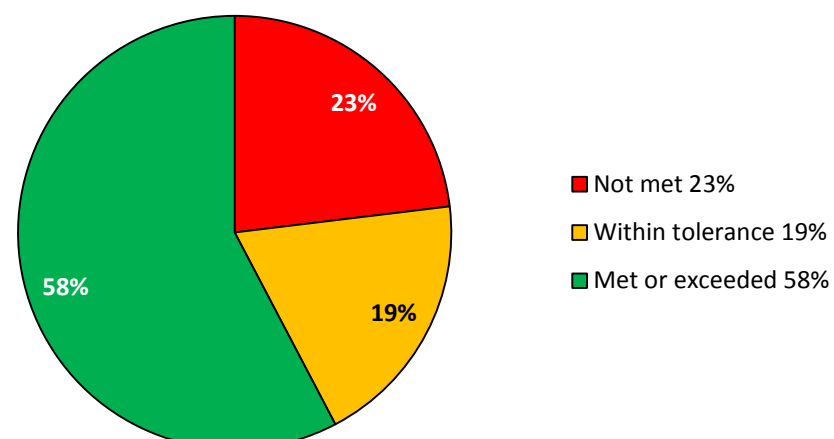
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Performance Dashboard - Fourth Quarter and Year End 2014/15

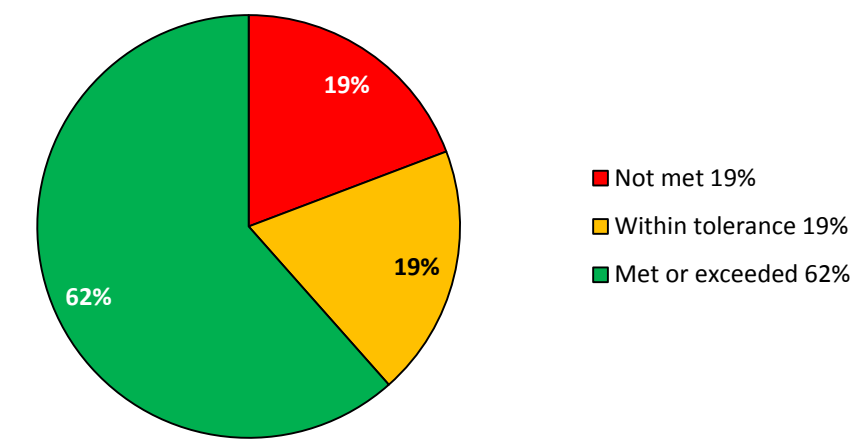
Fourth Quarter 2014/15 Overall Council Performance



Fourth Quarter 2014/15 Overall Council Performance excluding NMTP



Year End 2014/15 Overall Council Performance excluding NMTP



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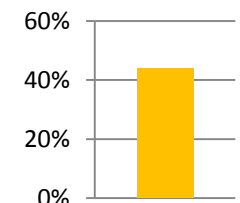
Fourth Quarter 2014/15 Performance by Department

Dept.							NMTP		Total
	No	%	No	%	No	%	No	%	
Contact Centre	0	0	2	67	1	33	0	0	3
Corporate Plan	0	0	0	0	1	25	3	75	4
Council Tax and NNDR	1	50	0	0	1	50	0	0	2
Environmental Health	0	0	0	0	1	100	0	0	1
Finance	0	0	0	0	2	100	0	0	2
Health and Wellbeing	1	100	0	0	0	0	0	0	1
Housing	1	20	1	20	3	60	0	0	5
Human Resources	0	0	2	100	0	0	0	0	2
ICT	0	0	0	0	2	100	0	0	2
Planning	0	0	0	0	5	100	0	0	5
Street Scene and Environment	2	100	0	0	0	0	0	0	2
<b>Total</b>	<b>6</b>	<b>21</b>	<b>5</b>	<b>17</b>	<b>15</b>	<b>52</b>	<b>3</b>	<b>10</b>	<b>29</b>
<i>Previous Quarter Total</i>	<i>4</i>	<i>14</i>	<i>5</i>	<i>18</i>	<i>14</i>	<i>50</i>	<i>5</i>	<i>18</i>	<i>28</i>

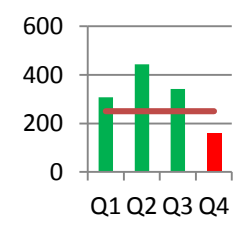
Key

	Current performance is below target by more than the specified target deviation.
	Current performance is below target but is within tolerance.
	Current target has been met or exceeded.
NMTP	Not measured this period.
KPI	Key Performance Indicator
	Performance for the quarter or year to date is improving (up) or deteriorating (down) compared to previous quarter or across the year.



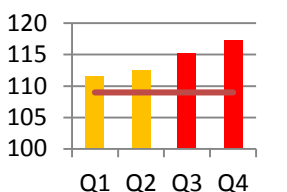




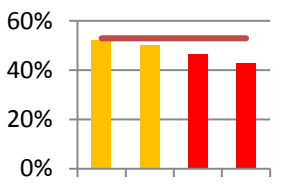


Appendix A



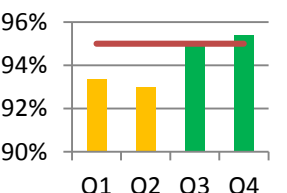


Strategic Indicators														
Dept. & PI code	Performance Indicator	Measure	2014/15 Quarterly Results							2014/15 Year End			Commentary	
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status /Trend	Graphic	YE Result	YE Target	YE Status /Trend		
Corporate Plan CP01	Reduction in operating costs	Operating budget - annual	NMTP	NMTP	NMTP	NMTP	NMTP	NMTP	Thousands		£0	£17,000	✓	A breakeven outturn position represents an under spend of £17k compared to the mid year forecast.
Corporate Plan CP02	Increase in customer satisfaction	3 year customer satisfaction survey – annual sampling	NMTP	44%	NMTP	NMTP	No target	NMTP	60%		44%	No target.	NMTP	No change from those results presented after Quarter 2. Information for Members to note only. Comparison is not made here to the most recent resident survey, the 2008 Place Survey, due to disparities in the survey sample size and the length of time between the two surveys. Further benchmarking is required before a target can be set.
Corporate Plan CP03	Increase in customer view that the Council provides value for money	3 year customer satisfaction survey – annual sampling	NMTP	28%	NMTP	NMPT	No target	NMTP	30%		28%	No target.	NMTP	No change from those results presented after Quarter 2. Information for Members to note only. Comparison is not made here to the most recent resident survey, the 2008 Place Survey, due to disparities in the survey sample size and the length of time between the two surveys. Further benchmarking is required before a target can be set.
Corporate Plan CP04	Increase in income and/or entrepreneurial activities	TBC	NMTP	NMTP	NMTP	NMTP	TBC	NMTP	NMTP	NMTP	TBC	NMTP	NMTP	Nothing to report in this period.



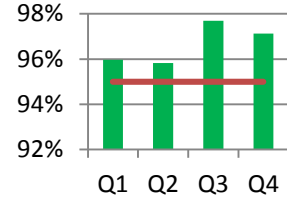




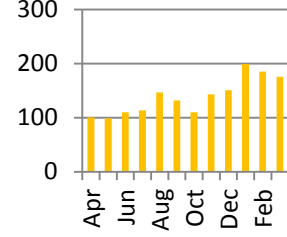




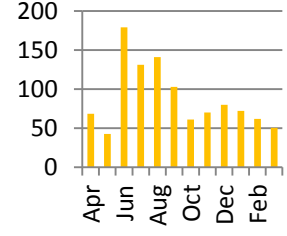




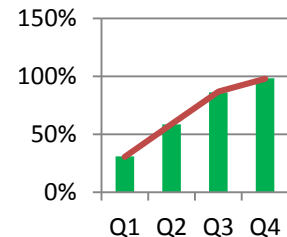




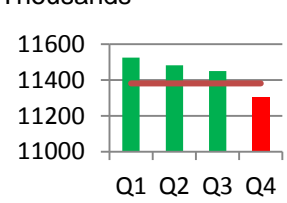


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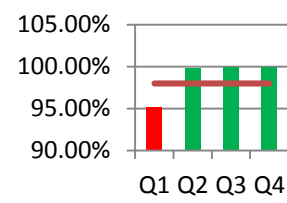




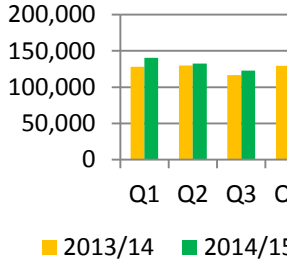




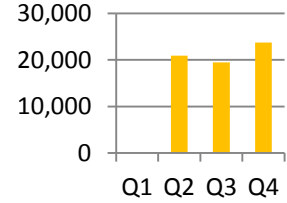




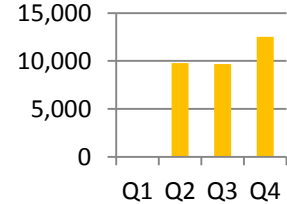




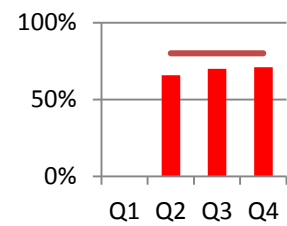


Operational Indicators - Community														
Dept. & PI Code	Performance Indicator	Measure	2014/15 Quarterly Results							2014/15 Year End			Commentary	
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status /Trend	Q Graphic	YE Result	YE Target	YE Status /Trend		
Health and Well-being HW01	Number of homes assisted to enable independent living	Adaptations and other works to assist vulnerable residents	307	443	342	160	250	●	600		1152	1000	✓	Due to the summer's good weather, an abnormally high number of gardening jobs were completed in the second quarter. This bolstered the performance of this indicator considerably. As anticipated, this performance reduced in the third and fourth quarters over the winter months.



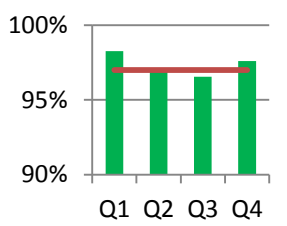




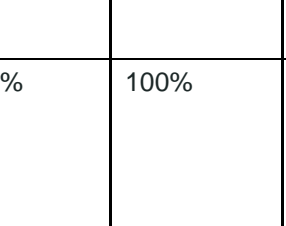




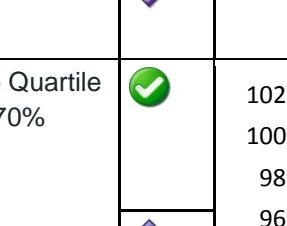




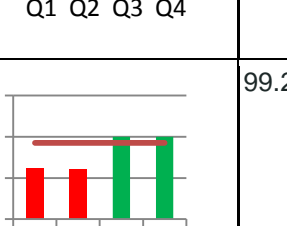




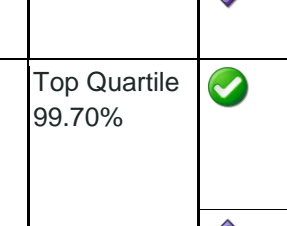




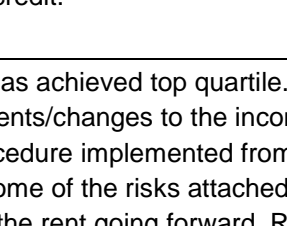




Operational Indicators - Environment													
Dept. & PI Code	Performance Indicator	Measure	2014/15 Quarterly Results						2014/15 Year End			Commentary	
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status /Trend	Q Graphic	YE Result	YE Target		YE Status /Trend
Street Scene and Environment E01	Residual household waste per household	kg per household - Quarterly	111.61kg	112.45kg	115.10kg	117.30kg	109kg	 		456.46kg	436kg	 	<p>It should be noted that these are not the audited figures, but initial indication is that there will be a reduction of 1% in recycling for 14/15. It is felt that this is mainly due to the increase in fly tipping, which is occurring on a regular basis in some areas of the Borough.</p> <p>Since September 2014, work has been taking place with all authorities across Essex through the Waste Partnership. It is evident that other councils are seeing a reduction in recycling, but this is mainly due to the increase in residual waste.</p> <p>There has been a number of road shows and education programmes in schools to highlight the need to recycle, and reduce waste. Officers will be taking a more proactive role in enforcement, but this is challenging as evidence is needed to take legal action. Officers will also be installing cameras in some areas of the Borough to provide further evidence.</p>
Street Scene and Environment E02	Percentage of household waste arisings which have been sent by the authority for reuse, recycling, composting or anaerobic digestion	% of total arisings - Quarterly	52.25%	50.30%	46.40%	42.64%	53.00%	 		47.90%	53.00%	 	See E01 above.

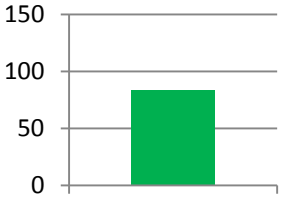
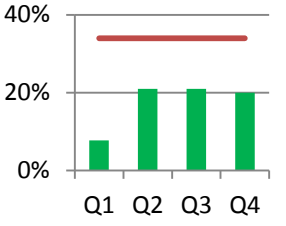
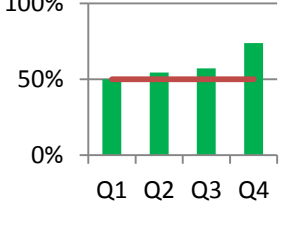
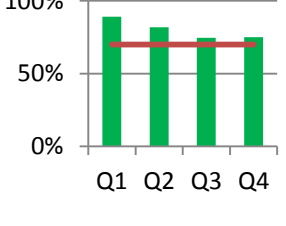
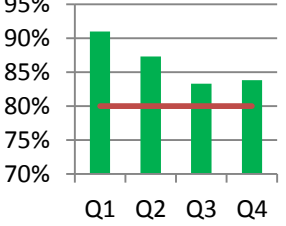
Operational Indicators – Finance and Resources													
Dept. & PI Code	Performance Indicator	Measure	2014/15 Quarterly Results						2014/15 Year End			Commentary	
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status /Trend	Q Graphic	YE Result	YE Target		YE Status /Trend
Finance F01	% of invoices to local suppliers paid within 20 days	Monthly	93.39%	93.99%	94.97%	95.42%	95%	 		94.20%	95%	 	Officers have added an extra column in the report circulated to all invoice authorisers, showing clearly the date invoices are due. Finance is proactive in progressing invoices for payment when the due date is approaching, and in resolving purchase order mismatches. This action has helped improve performance.

Operational Indicators – Finance and Resources													
Dept. & PI Code	Performance Indicator	Measure	2014/15 Quarterly Results							2014/15 Year End			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status /Trend	Q Graphic	YE Result	YE Target	YE Status /Trend	
Finance F02	% of invoices to all suppliers paid within 30 days	Monthly	95.97%	95.68%	97.69%	97.13%	95%	 		96.44%	95%	 	Officers have added an extra column in the report circulated to all invoice authorisers, showing clearly the date invoices are due. Finance is proactive in progressing invoices for payment when the due date is approaching, and in resolving purchase order mismatches. This action has helped improve performance.
Human Resources HR01	Working days/shifts lost to short term sickness	Monthly	April 100.5 May 99 June 110	July 113.5 Aug 147 Sept 132	Oct 110 Nov 143 Dec 151	Jan 199.5 Feb 185 Mar 175.5	No target.	 		1666	No target.	 	Sickness levels are being reviewed on a regular basis. All managers and staff have been contacted to remind them of the Absence Policy. Management continue to note all sickness levels and ensure compliance with sickness policy. A key element of the review is monitoring of the data by service to see if this impacts performance levels. This is now conducted via the introduction of online sickness reporting.
Human Resources HR02	Working days/shifts lost to long term sickness	Monthly	April 68.5 May 42.5 June 179	July 131 Aug 141 Sept 103	Oct 61 Nov 70 Dec 80	Jan 72 Feb 62 Mar 50.6	No target.	 		1060	No target.	 	Sickness levels are being reviewed on a regular basis. All managers and staff have been contacted to remind them of the Absence Policy. Management continue to note all sickness levels and ensure compliance with sickness policy. A key element of the review is monitoring of the data by service to see if this impacts performance levels. This is now conducted via the introduction of online sickness reporting.
P 89 11 22 Council Tax/NNDR CT01	Council Tax collection	Monthly	31.8%	58.47%	86.29%	98.33%	98% annual	 		98.33%	98%	 	Collection of Council Tax finished at 0.33% ahead of the estimated collection figure for 2014/15.
Council Tax/NNDR CT02	Business rates collection in line with or exceeding Government Assumptions	Quarterly	£11,524,000	£11,481,000	£11,449,000	£11,301,607	£11,381,000	 	Thousands 	£11,301,607	£11,381,000	 	This represented a loss in estimated income of £79,393. The reduced income reflects a recent reduction in rateable value of the Regional Blood Transfusion Centre, Crescent Drive, Shenfield. Following an appeal its rateable value was reduced from £535,000 to £290,000.

Operational Indicators – Finance and Resources													
Dept. & PI Code	Performance Indicator	Measure	2014/15 Quarterly Results						2014/15 Year End			Commentary	
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status /Trend	Q Graphic	YE Result	YE Target		YE Status /Trend
ICT ICT01	Website uptime	Quarterly	95.18%	99.80%	99.94%	99.92%	98%	 		98.71%	98%	 	Drops in website availability can be attributed to a number of factors, usually external, such as the power surge experienced in Q1. No major incidents have occurred since that time
ICT ICT02	Website sessions	Quarterly	140,420	132,454	122,643	145,452	No target	 		540,969	No target.	 	Website sessions are affected by seasonal variances, with the start of the financial year and the summer months providing more hits on average. This trend is reflected in previous years. Year end comparison with 2013/14 shows an average 7.43% increase in sessions, with 9.76% in Q1, 2.09% in Q2, 5.24% in Q3 and 12.45% in Q4.
Contact Centre CC01	Telephone calls received via auto attendant	Quarterly	NMTP	20,904	19,469	23,742	No target.	 		64,115	No target.	 	This figure depicts the number of calls received by the Contact Centre via the main Council telephone no. 01277 312500. We continue to monitor trends associated with these statistics.
Contact Centre CC02	Telephone calls taken by the Contact Centre for those services undertaken by the Contact Centre	Quarterly	NMTP	9,772	9,665	12,507	No target.	 		31,944	No target.	 	This figure depicts the number of calls received via the main Council telephone no. 01277 312500 and that have selected the applicable service from the options provided in the auto attendant. It does not include calls that have selected option '0'. The services currently undertaken by the Contact Centre are Environmental Health, Housing Estates Management (from Sept 14), Licensing, Planning and Building Control, Street Scene and in February 2015 Housing General, Needs and Repairs were also undertaken.
Contact Centre CC03	% of telephone calls resolved for those services undertaken by the Contact Centre	Quarterly	NMTP	65.66%	69.84%	71%	80%	 		68.83%	80%	 	<p>As above. March is traditionally a busy month for customer calls and this month was no exception; the contact centre handled an additional 2,100 enquiries in comparison to the previous month. The individual outcomes per service for March range from 58% - 87%.</p> <p>Monthly meetings are held between the Contact Centre Manager and Supervisors with each service area to identify areas of improvement and training needs, however further work is being undertaken with services to review processes and procedures in respect of the Customer Access Strategy.</p>

Operational Indicators – Housing and Health													
Dept. & PI Code	Performance Indicator	Measure	2014/15 Quarterly Results							2014/15 Year End			Commentary
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status /Trend	Q Graphic	YE Result	YE Target	YE Status /Trend	
Environmental Health EH01	Food safety/hygiene standards in food premises	% of broadly compliant food premises - Quarterly	98.27%	97.10%	96.55%	97.59%	97%	 		97.38%	97%	 	Our performance on broad compliance has increased recently due to working more closely with food business operators. In particular, tabling meetings with them to discuss their food safety management systems.
Housing H01	Average re-let times for Local Authority Housing	Monthly	32.67 days	28 days	26.89 days	24.30 days	Top Quartile 22 days	 		27.96 days	Top Quartile 22 days	 	The KPI workshop has been working hard throughout the year to improve performance. We are pleased to report continuing improvement of this KPI; a reduction of 8.37 days in the total average re-let time over the year has been achieved.
Housing H02	% rent arrears of current tenants as a proportion of the authority's rent roll	Monthly	1.63%	1.65%	1.68%	1.89%	Top Quartile 1.95%	 		1.71%	Top Quartile 1.95%	 	We are pleased to report this KPI continues to achieve top quartile performance. The KPI workshop is reviewing the income management service to ensure complies with best practice and to help provide our tenants with information on preparing for universal credit.
Housing H03	% rent collection	Quarterly	98.44%	98.39%	100%	100%	Top Quartile 99.70%	 		99.21%	Top Quartile 99.70%	 	This KPI has achieved top quartile. We hope the improvements/changes to the income management policy/procedure implemented from 6 April 2015; will help to mitigate some of the risks attached to universal credit in collecting the rent going forward. Rent collection continues to be a top priority for us.
Housing H04	Households living in temporary accommodation	Monthly	45	42	52	49	29	 		47	29	 	Housing continues to see an increase in the number of people presenting as homeless during the winter months. The KPI workshop continues to identify new methods of improving our processes. The highest number of reasons been received, has been from people evicted from the private sector and parental evictions. Housing are planning to work with private landlords through the Essex Landlords Accreditation Scheme and considering mediation for families to help prevent eviction.
Housing H05	Gas servicing in Council homes	Quarterly	NMTP	NMTP	NMTP	100%	100%	 		100%	100%	 	This is the first time that Gas Servicing has been published on the central Council Performance Dashboard. We believe it's important that Members are aware of this critical KPI. Improvement has been made to the gas servicing processes/procedures to improve our performance in this area. We are pleased to report 100% compliance.

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Operational Indicators – Planning and Development														
Dept. & PI Code	Performance Indicator	Measure	2014/15 Quarterly Results							2014/15 Year End			Commentary	
			Q1 Result	Q2 Result	Q3 Result	Q4 Result	Q Target	Q Status/Trend	Q Graphic	YE Result	YE Target	YE Status/Trend		
Planning P01	Number of new homes approved to be built in the Borough	Annual	NMTP	NMTP	NMTP	NMTP	NMTP	NMTP	NMTP	150 	84	No target	✓	The gross number of new homes approved to be built in the Borough. This gives an indication of new homes expected to be completed in the Borough in future. Approvals for new homes help towards the Borough's supply of homes, specifically the required five year housing supply and meeting objectively assessed needs.
Planning P02	% of appeals allowed against the authority's decision to refuse planning applications	Quarterly	7.69%	21%	21%	20%	34%	✓		16.56%	34%	✓	Major applications in this category could result in government control & intervention which would impact future performance levels.	
Planning P03	Processing of planning applications as measured against targets for 'Major' application types	Quarterly	50%	54.55%	64.29%	73.91%	50%	✓		54%	50%	✓	Exceeding target due to the lower level of complexity of the applications processed.  Q3 has a revised a figure of 64.29 as an extension of time was agreed with the developer on a major that was missed in the monthly stats as the system did not pick this up, this was highlighted when producing the Q3 stats for DCLG.  The year end/Q4 is correct at 73.91%. Total for the year of 23 applications decided, 17 within time.	
Planning P04	Processing of planning applications as measured against targets for 'Minor' application types	Quarterly	89%	81.72%	74.65%	75%	70%	✓		82%	70%	✓	Q4 has maintained the performance due to staff levels remaining the same.	
Planning P05	Processing of planning applications as measured against targets for 'Other' application types	Quarterly	91%	87.35%	83.33%	83.85%	80%	✓		87%	80%	✓	Q4 has maintained the performance due to staff levels remaining the same.	

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**30 June 2015**

## **Policy, Finance & Resources Committee**

### **Write Offs**

**Report of:** *Rick Steels (Revenues & Benefits Manager)*

**Wards Affected:** *N/A*

**This report is:** *Public*

#### **1. Executive Summary**

1.1 As outlined within the Council's constitution, all outstanding debts over £5,000 cannot be written off without Member approval.

1.2 This report requests the authorisation of the Committee to write off the Housing Benefit overpayment and Sundry debt listed within Appendices A and B to this report.

#### **2. Recommendation(s)**

**2.1 To approve the write off of all debts listed within Appendices A and B (both exempt) to this report.**

#### **3. Introduction and Background**

##### **3.1 Housing Benefit Overpayments**

3.2 An overpayment of Housing Benefit can occur when too much benefit has been awarded, following a change in a claimant's circumstances which were not immediately notified to the Council. In these instances, the resulting overpayment may be recovered from the claimant, provided the claimant could reasonably have known they were being overpaid.

3.3 The Council receives a subsidy payment equal to 40% of the overpayment value from the Department for Work & Pensions (DWP) for each overpayment identified. If the Council decides to pursue recovery of an overpayment, any monies recovered are also retained by the Council.

3.4 In accordance with the Council's Housing Benefit Overpayment Policy, where there is no on-going benefit to recover from, an invoice for the overpayment value is issued and the debt is pursued through the normal debt recovery procedures.

3.5 Unfortunately during the recovery process, the debtor (Appendix A) passed away with no funds within his estate.

### **3.6 Unpaid Sundry Debts**

3.7 Invoices are raised for a number of Council services and if the fee remains unpaid it is passed to the Corporate Debt team and payment of the debt is pursued through the normal debt recovery procedures.

3.8 This resident was provided with a replacement staircase but unfortunately during the recovery process the debtor was established as being severely mentally impaired and therefore the debt (Appendix B) can no longer be pursued.

## **4. Issue, Options and Analysis of Options**

4.1 Before requesting a write off, officers must satisfy themselves that all reasonable steps have been taken to collect the monies outstanding and that no further recovery action is practicable.

## **5. Reasons for Recommendation**

5.1 Not applicable

## **6. Consultation**

6.1 None

## **7. References to Corporate Plan**

7.1 None

## **8. Implications**

### **Financial Implications**

**Name & Title:** Chris Leslie, Finance Director

**Tel & Email:** 01277 312 542 christopher.leslie@brentwood.gov.uk

8.1 Debts are fully pursued in accordance with the Council's policies. A provision is maintained to fund the write off.

### **Legal Implications**

**Name & Title:** Chris Potter, Monitoring Officer

**Tel & Email:** 01277 312 860 christopher.potter@brentwood.gov.uk

8.2 None



9.0 Background Papers (include their location and identify whether any are exempt or protected by copyright)

9.1 Background papers are held by the Revenues & Benefits service.

Appendices

Appendix A – exempt

Appendix B - exempt

**Report Author Contact Details:**

**Name:** Rick Steels – Revenues & Benefits Manager

**Telephone:** 01277 312855

**E-mail:** rick.steels@brentwood.gov.uk

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## Appendix A

**Write-Offs** – Appendix A contains exempt information and is therefore not publicly available

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## Appendix B

**Write-Offs** – Appendix B contains exempt information and is therefore not publicly available

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**Revenues and Benefits Restructure** – The report contains exempt information and is therefore not publicly available.

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## **Members Interests**

Members of the Council must declare any pecuniary or non-pecuniary interests and the nature of the interest at the beginning of an agenda item and that, on declaring a pecuniary interest, they are required to leave the Chamber.

- **What are pecuniary interests?**

A person's pecuniary interests are their business interests (for example their employment trade, profession, contracts, or any company with which they are associated) and wider financial interests they might have (for example trust funds, investments, and asset including land and property).

- **Do I have any disclosable pecuniary interests?**

You have a disclosable pecuniary interest if you, your spouse or civil partner, or a person you are living with as a spouse or civil partner have a disclosable pecuniary interest set out in the Council's Members' Code of Conduct.

- **What does having a disclosable pecuniary interest stop me doing?**

If you are present at a meeting of your council or authority, of its executive or any committee of the executive, or any committee, sub-committee, joint committee, or joint sub-committee of your authority, and you have a disclosable pecuniary interest relating to any business that is or will be considered at the meeting, you must not :

- participate in any discussion of the business at the meeting, of if you become aware of your disclosable pecuniary interest during the meeting participate further in any discussion of the business or,
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

- **Other Pecuniary Interests**

Other Pecuniary Interests are also set out in the Members' Code of Conduct and apply only to you as a Member.

If you have an Other Pecuniary Interest in an item of business on the agenda then you must disclose that interest and withdraw from the room while that business is being considered

- **Non-Pecuniary Interests**

Non –pecuniary interests are set out in the Council's Code of Conduct and apply to you as a Member and also to relevant persons where the decision might reasonably be regarded as affecting their wellbeing.

A 'relevant person' is your spouse or civil partner, or a person you are living with as a spouse or civil partner

If you have a non-pecuniary interest in any business of the Authority and you are present at a meeting of the Authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest whether or not such interest is registered on your Register of Interests or for which you have made a pending notification.

## **Policy, Finance and Resources Committee**

1. The functions within the remit of the Policy, Finance and Resources Committee include all financial matters relating to the budget, (and for the avoidance of doubt, being the superior Committee on all such matters including capital, revenue and the Housing Revenue Account (HRA) except where the law otherwise requires), and, without prejudice to the generality of this, include the specific functions which are set out below.

### **Policy**

To undertake and discharge any functions in relation to strategic policies including periodic reviews of the policy framework adopted by full Council from time to time except where required by law to be undertaken elsewhere.

### **Finance**

- 1) Financial Services
  - 2) Contracts, commissioning, procurement
  - 3) Legal services
  - 4) Health and safety at work (in so far as it relates to the Council as an employer)
  - 5) Corporate communications and media protocols
  - 6) Corporate and Democratic services
  - 7) Member Development
  - 8) Data quality
  - 9) Human resources
  - 10) Information Communication Technology
  - 11) Revenues and Benefits
  - 12) Customer Services
  - 13) Assets (strategically)
2. Overall responsibility for monitoring Council performance.
3. To formulate and develop relevant corporate policy documents and strategies including the Corporate Plan.
4. To formulate the budget proposals in accordance with the Budget and Policy Framework, including capital and revenue spending, and the Housing Revenue Account Business Plan (including rent setting for Council homes), in accordance with the Council's priorities and make recommendations to Council for approval.
5. To formulate the Council's Borrowing and Investment Strategy and make recommendations to Council for approval.
6. To take decisions on spending within the annual budget to ensure delivery of the Council's priorities.

7. To approve the making of a virement or payment from the Council's reserves with a maximum value of £200,000.
8. To approve the write-off of any outstanding debt owed to the council above the delegated limit of £5,000.
9. To determine capital grant applications.
10. To make recommendations on the allocation and use of resources to achieve the Council's priorities.
11. To manage and monitor the Council approved budgets;
12. To provide the lead on partnership working including the joint delivery of services.
13. To consider any staffing matters that are not delegated to Officers, such as proposals that are not contained within existing budgetary provision.
14. To strategically manage any lands or property of the Council and provide strategic property advice relating to the Council's Housing Stock and without prejudice to the generality of this, to specifically undertake the following:-

#### The Council's Asset Management Plan

- (a) The acquisition and disposal of land and property and taking of leases, licenses, dedications and easements.
- (b) The granting variation renewal review management and termination of leases licenses dedications and easements.
- (c) Promoting the use of Council owned assets by the local community and other interested parties.
- (d) To manage any lands or property of the Council;
- (e) To include properties within the Council's Asset Management Portfolio including Halls etc.
- (f) To take a strategic approach to asset management, ensuring that the use of all of the Council's Property assets achieves Value for Money and supports the achievement of the Council's corporate priorities.
- (g) To review the Corporate Asset Management Plan annually.
- (h) The acquisition of land in advance of requirements for the benefit, improvement or development of the Borough.
- (i) Disposal of land (including by lease) surplus to the requirements of any Panel or Committee.
- (j) Appropriation of land surplus to the requirements of a committee.
- (k) Promote the use of Council owned assets by the local community and other interested parties where appropriate.
- (l) Property and asset management, including acquisitions and disposals not included in the approved Asset Management Plan.

(m) To take a strategic approach to commercial activity, both existing and new, ensuring the Council realises revenue generation opportunities and supports the achievement of the Council's corporate priorities.

(n) Promoting a culture of entrepreneurialism and building the required skills and capacity.

(o) To consider, and approve, business cases and commercial business plans for commercial activity.

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