

EAST CAMBS TRADING COMPANY LIMITED

COMMERCIAL SERVICES

BUSINESS PLAN

Emma Grima Director Commercial

East Cambs
Trading CO. Ltd

2017/18

MISSION STATEMENT

As set out in the 'Commercial Opportunities Plan' East Cambs Trading Company Limited is committed to assist East Cambridgeshire District Council to:

- Balance the Budget
- Improve Services
- Build New Homes
- Maximise Devolution Opportunities
- Promote Open for Business and 'Can Do' Attitude

To achieve this commitment the Commercial Services Division will:

- Offer consultancy services to others
- Bid and win external contract
- Make our services more profitable
- Build our reputation
- Make a case to operate Council Services

As set out in the Business Plan December 2015 we will continue to:

- Provide a high quality service to all its customers
- Work with our customers to create services that are needed and fit-for-purpose
- Develop innovative models that champion quality, and
- Inspire staff to do the best work of their lives

We believe that by continuing to develop the services that we offer we will be able to deliver services that are profitable, sustainable, flexible and focused on meeting the needs of local people and businesses in East Cambridgeshire.

We believe that continuing to build our brand in East Cambridgeshire will enable us to expand the delivery of our service beyond the boundaries of East Cambridgeshire.

VISION

We believe in improving the quality of life of the taxpayer of East Cambridgeshire and we believe in the Council's objectives that are set out in the Corporate Plan 2015-2019. Our Commercial Services Division will continue to support the Council in achieving these objectives.

VALUES

Strategic Objectives

- To maximise on every commercial opportunity available, and
- To trade in a manner that, wherever possible, acts in the best interest of the Council.

Our Services will be:

- Flexible- Innovative and tailor made options to meet the needs of the individual customer,
- Local- Wherever possible (and relevant) utilise local suppliers, and
- Trusted- reliable services delivered by skilled staff.

1. COMMERCIAL SERVICES

1.1 Introduction

The Commercial Services Business Plan (December 2015) set out the financial and non-financial case for managing and operating the East Cambridgeshire District Council's (ECDC) Markets Service and Sanctuary Grounds Maintenance Contract. The Business Plan (December 2015) was adopted by Council in January 2016.

The Commercial Services Division of East Cambs Trading Company Limited (ECTC) began commercial operation in April 2016.

ECTC has been established as a tool to enable ECDC to do more than it already does. Whilst ECTC is a legal entity in its own right, and should be free to operate commercially to generate the maximum available returns, it is important to remember that it is a company that is wholly owned by ECDC, i.e. what is good for ECTC is good for ECDC and vice versa.

As the sole shareholder ECDC has an interest to ensure, wherever practicably possible, that ECTC is profitable. Profit for ECTC will ultimately benefit the Council as sole shareholder. Profit will either be reinvested in ECTC to achieve greater profits or will be paid to ECDC, as a dividend, to enable it to achieve the aims of the MTFs and the Corporate Plan 2015-2019.

In order to promote a shared vision for ECTC and ECDC a 'Commercial Opportunities Plan' has been developed. This plan acts as a commitment from ECTC to ECDC.

It is important to note that the aims of the shared vision cannot be achieved if both parties do not work co-operatively to achieve the aims and this will have a significant impact on the operational and financial assumptions that have been made.

The Shared Vision

- Balance the budget

ECDC has a balanced budget until 2018/19. ECTC will, wherever possible, work with ECDC to assist in the delivery of a balanced budget beyond 2018/19.

ECTC can assist ECDC in working towards a balanced budget in two key areas; delivering the Council's commercial services and generating enough profits to pay a dividend to ECDC.

- Improve services

ECDC has a challenge to continue to deliver services to the community with reduced public funding. Despite reduced public funding the community expectations continue to grow and the Council must find a balance to manage this delivery and expectation.

In order to overcome this ECDC must look at the services that it offers (for example, waste services & open spaces).

ECTC can assist ECDC to achieve this balance by finding new opportunities for services that generate income and can provide opportunities to do more.

- **Build new homes**

ECTC will harness community experience and local knowledge to deliver successful well-designed property developments which bring significant community benefit, are right for their place and respond to the needs of the local market.

- **Maximise devolution opportunities**

ECTC will work with ECDC to maximise every available opportunity that may arise from being a member of the Combined Authority. For example, CLT consultancy services and CLT development opportunities.

- **Be 'Open for Business' and 'Can do'**

ECDC and ECTC have a shared vision of being positive and proactive in responding to the needs of the community of East Cambridgeshire and beyond.

ECTC Commitment

- **Offering consultancy services to others**

ECDC has a very talented and knowledgeable work force. Through ECTC this talent and knowledge can be capitalised by creating a package that can be sold to both the public and private sector.

ECTC will work with ECDC to maximise opportunities through devolution, particularly on CLT consultancy services which could lead to other development opportunities. ECTC are in a unique position where they have the knowledge and expertise to deliver a service to other local authorities both on a consultancy basis and on a delivery basis.

ECTC can expand the geographical footprint of the CLT East Cambridgeshire CLT so that other CLTs within the Combined Authority area can be part of the delivery programme.

- **Bid and win external contracts**

ECTC is able to bid for contracts outside of ECDC's administrative boundary and generate a profitable return. ECTC will continue to focus on developing this area of the business.

- **Make our services more profitable**

ECTC is able to generate a profit for the services that it provides. ECTC has the flexibility that it needs to ensure that a quality service is provided at a cost that will generate a profitable return. Services delivered through ECTC can be provided in areas outside of ECDC's administrative boundary and can achieve a profit.

- **Build our reputation**

ECTC is a new company and needs time to build a good reputation; to date ECTC has a good reputation and this is mainly accredited to the dedication of the existing staff that work hard to promote ECTC as a company to do business with.

ECTC is currently benefiting from being a company that is wholly owned by ECDC; this is a trusted brand. In partnership with ECDC, ECTC will continue to build this brand and ensure

that both organisations are seen as a true partnership with a shared goal of providing quality services to the communities they serve.

- **Make a case to operate Council Services**

ECTC will develop individual business cases which will set out the benefits of ECTC managing and operating Council services. ECTC has already proven, through the Markets Service, that transferring a service can generate more income, empower staff to be more commercial and increase the offer to the community. ECTC will take this model and apply it to other Council services.

During the implementation stage of setting up ECTC, statements were made that ECTC would only consider ECDC services that were making a profit. This is no longer the case so long as a case can be made whereby ECTC can demonstrate that running the service on behalf of the Council meets one or more of the objectives set out in this strategy.

- **Build more homes**

ECTC, through its trading brand Palace Green Homes (PGH), will build out quality new homes for all sectors of the market.

PGH will have a focus on delivering Community Led Housing Schemes and will maximise opportunities that arise through devolution.

This business plan seeks to provide:

- The upcoming year for Ely Markets
- A business case for operating and managing ECDC Parks & Open Spaces Service
- An initial work programme for 2017/18

1.2 Ely Markets

ECTC manages and operates Ely Markets on behalf of ECDC. This has been secured by way of a three year operations management contract.

The main objectives of the service are:

- Run a profitable Market; Thursday, Saturday, Farmers and Additional
- Provide a focal point for the community
- Increase the vibrancy of the city centre
- Promote employment
- Provide a choice for the community
- Be a stepping stone for small businesses

1.2.1 Update

The Commercial Services Business Plan (December 2015) provided a profiled profit and loss statement that identified £66,189 (before tax and interest). Throughout the year, with the necessary board approvals being sought, Ely Markets expenditure increased to enable the service to expand and explore more opportunities. The large areas of expenditure relate to the payment of business rates, purchase of software, the purchase of a website and the purchase of gazebos (with a view to hire).

Whilst the cost of software and cost of website had been profiled in the original budget, it was intended that the Council make these purchases through the £20,000 invest to save reserve. It was subsequently agreed that this reserve would not be utilised; ECTC would use profits generated from Ely Markets and the Council would use the invest to save reserve on other initiatives that may arise.

1.2.1.1 Budget Update (as at 31 December 2016)

	Total Budget	Actual Spend
Salaries	£83,549	£73,426*
Premises Costs	£16,930	£18,138
Vehicle Costs	£2,096	£1,212
Supplies & Services	£10,548	£23,283
Income	£191,255	£148,508

*Includes cost of consultants and additional casuals for additional events

1.2.2 In the first year of operation Ely Markets has

- Launched a new brand
- Established a website
- Increased income levels from previous years
- Strengthened the relationship with Market Traders
- Developed an action plan for service improvements

- Developed and delivered a Vegan Food Fair
- Developed and delivered a series of 'Festive Lates' in the run up to Christmas
- Commissioned a feasibility study for Wifi in Ely City Centre
- Generated profit

1.2.3 Expenditure 2017/18

1.2.3.1 Electrical infrastructure improvements on the Market Place

The current provision of electrical points for Traders is sub-standard which constrains the ability for diversification of the market. There is a growing trend for food traders on the market and this is demonstrated by the increasing success of the Farmers Market and the recent Continental Market. The nature of these stalls requires a "hook-up" to electrical points. Whilst there is provision on the Market Square, it is in need of upgrade and improvement. Ely Markets has commissioned a survey to establish what improvements need to be made and where new points could be safely installed.

Exact cost of this investment is not yet known but is likely to be in the region of £20,000.

1.2.3.2 Exploring and expanding the success of Ely Markets

ECTC has commissioned ROI to complete a study that will inform the options for expanding and extending Ely Markets. The focus of the study will be to understand the spending patterns of Ely Markets customers; spend in the market/spend in the rest of the town, project the economic contribution of Ely Markets to the town, gain an understanding of customer appetite for an extended Ely Market (what is missing from the market? What is missing in the town/) and understand the ability of the market to draw new visitors to Ely.

In carrying out the study ROI will investigate:

- What aspects of the offer do Ely Market customers/visitors like and dislike
- How much and where are visitor spending their money- in the market and in the city
- Which stalls are most favoured by customers and how well is the current offer matching customer aspirations
- How well are the market and shops complementing one another and how might retailer concerns be addressed
- What is the market's effect on out-of-town visitor numbers

This will be achieved by carrying out in depth interviews with market traders, a survey of 150 customers and visitors, a footfall count, financial modelling and an interview with the markets team.

The study will be completed in April 2017.

This piece of work will enable Ely Markets to investigate and develop areas of physical and business expansion.

In order for ECTC to continue to invest in initiatives that will lead to increased profitability and footfall in the Centre of Ely, for example the electrical infrastructure and Wifi project referenced above, it will be essential that ECTC have a legal interest in the Market Square.

ECDC is the freehold owner of the Market Square in Ely, Ely Markets currently utilise and occupy this space in accordance with the business plan and pay the business rates for the space.

ECTC propose to enter into a 10 year lease with the Council on the site known as the Market Square. ECTC shall pay an annual sum of £30,000 for the lease of the site. Such an arrangement will bring benefit to both parties; ECTC will benefit from the security of a formal legal relationship with ECDC for the use of the land and ECDC will benefit from receiving income that had not previously been accounted for in its budget.

As plans begin to materialise from other parties for the development of the Market Square (owned by a third party), there may be an added opportunity for ECTC to become more involved in influencing this commercial venture.

In the same vein, ECTC propose to extend the operations management agreement to end at the same time as the above mentioned lease arrangements. This will ensure that ECTC have the necessary reassurances that they are protecting their investment and securing the service relevant to the investment.

1.2.3.3 Marketing Strategy

Ely Markets will develop a marketing strategy that will focus on increasing footfall from outside of the District. The marketing strategy will focus on the use of targeted social media and blogs to raise awareness of Ely Markets. This has two benefits; low cost and wider reaching. This will allow Ely Markets to maximise its marketing budget.

Part of the marketing strategy will be to install signage in different areas in Ely that signposts residents and visitors to the market.

The exact cost of this investment is not known at this time, but is likely to be in the region of £10,000.

1.2.4 Ely Markets Budget 2017/18

Salaries	£86,890
Premises	£67,607
Vehicle	£2,179
Supplies & Services	£20,969
Total	£177,645
Income	£195,000
Net	£17,355

The increased premises costs for 2017/18 relate to the £30,000 (ongoing) cost of the lease arrangements and the £20,000 (one-off) cost relating to the upgrade of electrical infrastructure, both referenced in 1.2.3.2 above.

The increased supplies and services costs relate to the £10,000 (one-off) cost of purchasing signage as referenced in 1.2.3.3 above.

1.3 Grounds Maintenance

The December 2015 Business Plan set out the case for ECTC managing and operating the Sanctuary Grounds Maintenance Contract and this was approved by both ECDC and ECTC.

Throughout the year agreement was reached with Sanctuary that enabled ECDC to sub-contract the operation and management of the contract to ECTC. ECTC will begin management and operation of this contract in May 2017.

Throughout 2016/17 ECTC submitted several bids to carry out grounds maintenance service to a variety of different organisations. ECTC was successful in winning some of the bids for schools outside of the East Cambridgeshire district and Parish Council's within the East Cambridgeshire district.

For the unsuccessful bids ECTC sought feedback. The bid had a value of more than £2,000,000. The organisation tendering for the work indicated that ECTC turnover (£195,000) was too low to pass the financial test and would not accept ECDC turnover as a financial guarantee.

ECTC has been using ECDC staff and equipment to fulfil the contracts that have been awarded to it. ECDC has recharged ECTC for the use of staff and equipment. Whilst this solution has been beneficial to both ECTC and ECDC, operational issues have arisen throughout the year and this is mainly due to the administration of the service, for example, raising invoices, logging time spent on sites and flexibility to employ grounds maintenance operatives.

ECTC has now begun to target schools and Parish Council's outside of the East Cambridgeshire District and ECTC is currently providing quotes for several Parish Council's and schools.

ECTC has also identified an opportunity for providing a sustainable urban drainage system (SUDS) maintenance service. As SUDS generally form part of open spaces within new housing developments, the maintenance of these SUDS can either be a standalone service or part of a wider grounds maintenance service. The team of Grounds Maintenance Operatives have been trained to maintain SUDS.

Engagement with developers and training providers has proved that there is a demand for this service, one which ECTC would be able to capitalise on. Discussions with Cambridgeshire County Council (the SUDS adopting authority) have indicated support for ECTC maintaining the SUDS; as a company wholly owed by the Council, the County Council feel reassured that it is not a 'fly by night' private management company that would close up shop and disappear.

1.3.1 Operation and Management of ECDC Parks & Open Spaces Service

The Council currently operates a Parks & Open Spaces Service which maintains Parks & Open Spaces throughout the district. As well as land that it owns the Council also maintain land for other organisations within the district, for example, the Sanctuary Grounds Maintenance Contract and Parish Council's within the district.

The operation and management of ECDC Parks & Open Spaces will be secured by a ten year operations management agreement.

This business plan provides a case for operating and managing the Council's Parks & Open Spaces Service.

1.3.2 Staffing

Currently, the in-house Parks & Open Spaces Service is managed by the Open Spaces & Facilities Manager and sits within the Open Spaces & Facilities Service.

The Parks & Open Spaces Service consists of 20 members of Council staff; 1 Open Spaces & Facilities Manager, 1 Parks & Open Spaces Team Leader, 1 Open Spaces & Facilities Support Officer, 1 Open Spaces & Facilities Administrative Officer, 2 Gardeners, 9 Grounds Maintenance Operatives, 2 Grounds Maintenance Operatives (Seasonal), 2 Grounds Maintenance Operatives (Fixed Term) and 1 Apprentice Grounds Maintenance Operative.

The Open Spaces & Facilities Manager, Open Spaces & Facilities Support Officer and Open Spaces & Facilities Administrative Officer undertake duties that fall outside of the Parks & Open Spaces Service.

Once seconded the non-Parks & Open Spaces element of their duties will continue to be undertaken by the post holder. ECTC will recharge these services to the Council.

The posts mentioned above will be seconded to ECTC on the same job profiles, pay scales and terms and conditions as with the Council. The length of secondment shall be equal to the term of the operations management contract.

Any future staff would be directly employed by ECTC.

1.3.3 Building a Case

1.3.3.1 The Teckal Exemption

The income received from ECDC to manage and operate the Council's Parks & Open Spaces Service will assist ECTC in maintaining the "Teckal" balance as this will count towards the 80% turnover.

1.3.3.2 Building a Reputation

Managing and operating the Council's Parks & Open Spaces Service will enable the Service to continue to build a commercial reputation and increase the potential of winning new and profitable contracts both inside and outside the East Cambridgeshire boundary.

1.3.3.3 Efficiencies

As identified elsewhere in this business plan, ECTC has been established as a tool to enable ECDC to do more and seeks wherever possible to create efficiencies between the two organisations.

At present ECTC utilise Council staff and equipment in order to fulfil their contractual obligations to provide grounds maintenance service for its clients. In the short-term these arrangements worked well for the organisations. However, over time it has become increasingly difficult to manage the process in terms of invoicing, purchasing and staffing.

Having one grounds maintenance solution through ECTC will provide the economies of scale (equipment and staffing) that ECTC need to continue to succeed and resolve

operational issues that have been identified. All invoicing and purchasing will be managed by ECTC and once ECTC start to win more contracts they will begin to employ staff directly.

1.3.3.4 The Financial Case

The financial case for transferring the Parks & Open Spaces Service is linked to the case for assisting in maintaining the Teckal Exemption, i.e. enabling ECTC to win profitable contracts outside of the East Cambridgeshire Boundary whilst maintaining the Teckal Exemption.

There will be no detriment to the Council; the Council will pay ECTC the cost set out in the budget. This income will assist ECTC when declaring its annual turnover when bidding for contracts and thus increasing the chances of being awarded larger value contracts.

As the Grounds Maintenance Operatives are now trained to carry out SUDS maintenance services ECTC will be able to maximise this benefit; the staffing and equipment is already available to ECTC.

1.3.4.1 Income and Expenditure

Whilst ECTC already has rights to operate and manage the Sanctuary Grounds Maintenance Contract on behalf of the Council the figures have been included in this business plan for completeness.

There is a break clause in the Sanctuary Grounds Maintenance Contract which could provide ECTC with an opportunity to have the contract directly assigned. The Commercial Director will begin discussions with Sanctuary to novate the contract.

The budgeted costs of the Parks & Open Spaces Service for 2016/17 is £699,548.

Salaries	£516,214
Premises	£55,839
Transport	£85,320
Supplies & Services	42,175
Total	£699,548
Income	£208,949

Using the 2016/17 budget as a baseline, the Council will pay ECTC £699,548 (+ inflation) per annum to carry out the management and operation of the Parks & Open Spaces Service.

The income of £208,949 mostly relates to income from Sanctuary for the performance of the Sanctuary Grounds Maintenance Service. The Council shall continue to receive this money directly which it can then use to pay its operation and management fee to ECTC.

This management fee will be secured by an operations management agreement. Such agreement will clearly define the scope of areas to be maintained for ECTC, the cost of such agreement and provide Key Performance Indicators (KPIs) which both parties will adhere to.

1.3.5 Maintaining or Improving Quality of Service

The Parks & Open Spaces Service will continue to perform to the same standard as if it were being delivered by the Council. This will be controlled by the Open Spaces & Facilities Manager and the Team Leader Parks & Open Spaces. Work will be carried out in Year 1 to identify any possible improvements which will be included in the Year 2 business plan.

1.3.5.1 Plan for Maintaining or Improving Quality of Service

Benefit	Method assumption	Suggested measure	Timeframe
Maintained or improved quality of service provision	Working in a truly commercial manner in the best interest of ECTC, ECDC and the community	Customer satisfaction	Baseline to be established prior to transfer, subsequent annual measure

1.3.6 ECTC Grounds Maintenance Service

ECTC currently carries out Grounds Maintenance Services for a variety of different customers; Parish Council's, Schools and other interested parties. Most recently ECTC has been successful in winning contracts at Bottisham Village College, Netheralls Primary School and Bottisham Parish Council.

ECTC has recently targeted all schools and parish council's in the Cambridgeshire area offering a grounds maintenance service. Several schools and parish council's have invited ECTC to tender for their grounds maintenance needs.

As identified earlier in this business plan there is an opportunity to expand the Grounds Maintenance Service to SUDS. ECTC, through ECDC, already has the knowledge and capability to deliver this service. Discussions have already commenced with developers on a site in Witchford to carry out SUDS maintenance services.

ECTC will also work with SUDS training providers to offer this service beyond development sites that we are already aware of. ECTC will also work with other local authorities to promote this service.

Subject to the agreement from ECDC to transfer its current Parks & Open Spaces Service to ECTC there is no requirement for additional investment in 2017/18, i.e. ECTC have the necessary resources to service its current client base.

When tendering for contracts ECTC will have regard to the resources required to carry out the service.

From time to time, ECTC may need to make an investment in equipment that could not be charged to an individual contract, for example, equipment to maintain 3G pitches. A business plan will be produced and presented to the board which will set out the case for the investment and the opportunities that could arise from such an investment.

1.3.7 Grounds Maintenance Budget 2017/18

Salaries	£536,862
Premises	£58,072
Transport	£88,732
Supplies & Services	£43,862
Total	£727,527
Income	£785,428
Net	£57,901

This budget reflects the costs and income of maintaining the current service; ECDC Parks & Open Spaces, Sanctuary, Parish Councils and Schools referred to above.

1.3.8 The Future

As already identified ECTC has targeted parish council's and schools in the Cambridgeshire area to offer grounds maintenance services and will develop the SUDS maintenance service as part of its grounds maintenance service.

ECTC is also in discussions with a Registered Housing Provider to offer grounds maintenance services. Early discussions indicate that this is a promising area that will be developed further as the year progresses.

By delivering a Grounds Maintenance Service that goes beyond the East Cambridgeshire Boundary, ECTC will be best placed to maximise on opportunities that could arise from Devolution and Public Service Reform.

By continuing to build the economies of scale needed to truly develop this service area, eradicating boundary constraints and increasing profit opportunities ECTC will be able to offer a fit-for-purpose service that covers the entire Combined Authority Area.

Other specialised areas being considered are:

- 3G pitch maintenance
- Sports pitches maintenance (line painting)

1.3.9 SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none">• Income generator• Reputation• Established team with skills and expertise• Diverse offer of skills• Contacts	<ul style="list-style-type: none">• Lack of experience in tendering for contracts• Limited experience in a commercial environment
Opportunities	Threats
<ul style="list-style-type: none">• Economies of scale increase potential new business• Expand the teams skill base, i.e. investment in training• Increase reputation• Develop new business areas; e.g. SUDS• New trade contracts for goods and services	<ul style="list-style-type: none">• Competition from other service deliverers• Contracts ending and not being renewed• Weather• Employment of skilled workers

1.4 Cumulative Budget 2017/18

	Cost	Income	Net
Ely Markets	£177,645	£195,000	£17,355
Grounds Maintenance	£727,527	£785,428	£57,901
Total	£905,172	£980,428	£75,256

1.6 Other Business Areas

The Commercial Services Division has made a commitment to explore all areas of income generation that will enable the Council to continue to deliver good quality services to its residents, visitors. This business plan is not an exhaustive list of services that can be provided. Over the course of the year the Commercial Service will seek to offer services in the following areas:

- CIL and S106
- Housing and Homelessness
- Events Management
- CLT
- LATC consultancy advice
- Opportunities arising from Devolution

Where necessary individual business plans will be developed for approval by the board.

The Outline Business Plan for Waste Services has already been approved and a full business plan is being developed for approval in the coming months.

1.6 Work Programme

COMMITMENT	SERVICE	WORK PLAN
Offer consultancy service to others	CIL & S106 Consultancy	Write to authorities in the East of England offering service
		Engage with CIL training providers
	Housing & Homelessness Consultancy	Offer housing & homelessness advisory service nationally
	CLT East	Develop CLT East Services in Combined Authority
	LATC Development Consultancy	Develop relationship with external organisations
	Land Advisory Service	Continue to deliver advisory service to ECDC
Bid and win external contracts	Grounds Maintenance	Operate and Manage ECDC's Parks & Open Spaces Service
		Offer GM service to Parish Councils
		Investigate Registered Providers GM contract
		Identify schools GM contracts due for renewal
		Identify GM bidding opportunities
	SUDS	Develop SUDS charging schedule
Make our services more profitable	Ely Markets	Write to developers with SUDS requirements
		Identify offer and potential customers
	Grounds Maintenance	Conduct Economic Assessment of Ely Markets
		Deliver more events
		Expand footprint of market
Build our reputation	Operate & Manage ECDC Grounds Maintenance; including Sanctuary	
	Develop our brand	Develop marketing strategy for Ely Markets
		Develop marketing strategy for Grounds Maintenance (including SUDS)
Make a case to operate Council Services		Develop marketing strategy for CLT East Cambridgeshire
	Waste & Recycling	Develop business case for Waste Services
	Parks & Open Spaces	Business case for Grounds Maintenance Service (including SUDS)
Build more homes	Palace Green Homes	Individual business plans are prepared by Property & CLT Division