## **Cabinet Meeting**

Moot Hall, Town Hall, High Street, Colchester, CO1 1PJ Wednesday, 09 March 2022 at 18:00

**The Cabinet** deals with the implementation of all Council services, putting into effect the policies agreed by Full Council and making recommendations to Full Council on policy issues and the budget.

#### Information for Members of the Public

#### Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda (the list of items to be discussed at a meeting), which is usually published five working days before the meeting, and minutes once they are published. Dates of the meetings are available here:

https://colchester.cmis.uk.com/colchester/MeetingCalendar.aspx.

Most meetings take place in public. This only changes when certain issues, for instance, commercially sensitive information or details concerning an individual are considered. At this point you will be told whether there are any issues to be discussed in private, if so, you will be asked to leave the meeting.

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#### COLCHESTER BOROUGH COUNCIL Cabinet Wednesday, 09 March 2022 at 18:00

Leader and Chairman Councillor Paul Dundas (Conservative)

Councillor Crow (Conservative)
Councillor Ellis (Conservative)
Councillor Laws (Conservative)
Councillor Lissimore (Conservative)

Councillor B. Oxford (Highwoods Independent)

# AGENDA THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING (Part A - open to the public)

Please note that Agenda items 1 to 5 are normally dealt with briefly.

#### **Live Broadcast**

Please follow this link to watch the meeting live on YouTube:

#### (107) ColchesterCBC - YouTube

#### 1 Welcome and Announcements

The Chairman will welcome members of the public and Councillors to the meeting and remind those participating to mute their microphones when not talking. The Chairman will invite all Councillors and Officers participating in the meeting to introduce themselves.

#### 2 Urgent Items

The Chairman will announce if there is any item not on the published agenda which will be considered because it is urgent and will explain the reason for the urgency.

#### 3 Declarations of Interest

Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of the item or participating in any vote upon the item, or any other pecuniary interest or non-pecuniary interest.

#### 4 Minutes of Previous Meeting

The Councillors will be invited to confirm that the minutes of the meeting held on 26 January 2022 are a correct record.

#### Cabinet minutes 26-01-22

9 - 24

#### 5 Have Your Say (Hybrid Cabinet Meeting)

Members of the public may make representations to the meeting. This can be made either in person at the meeting or by joining the meeting remotely and addressing the Cabinet via Zoom. Each representation may be no longer than three minutes. Members of the public wishing to address the Council remotely may register their wish to address the meeting by e-mailing <a href="mailto:democratic.services@colchester.gov.uk">democratic.services@colchester.gov.uk</a> by 12.00 noon on the working day before the meeting date. In addition a written copy of the representation will need to be supplied for use in the event of unforeseen technical difficulties preventing participation at the meeting itself.

There is no requirement to pre register for those attending the meeting in person.

#### 6 Decisions Reviewed by the Scrutiny Panel

The Councillors will consider the outcome of a review of a decision by the Scrutiny Panel under the call-in procedure. At the time of the publication of this agenda, there were none.

#### 7 Economy, Business and Heritage

#### 7(i) Colchester Town Deal

25 - 162

Cabinet will consider a report providing an update on Colchester's 'We are Colchester' Town Deal programme and reporting on the outcome of the development and assessment of the Town Deal Business Cases ahead of the submission of the summary Business Cases to Government.

#### 7(ii) Cultural Strategy

163 -

230

Cabinet will consider a report inviting it to endorse a new Cultural Strategy for Colchester. The Strategy was commissioned by the Council and its strategic arts partners from specialist consultant Counterculture, and has been developed in consultation with the public, the local cultural sector, related stakeholders, and Arts Council England (ACE).

0	Resources	
8(i)	Additional New Homes Bonus Allocations 2022/23  Cabinet will consider a report recommending the allocation of £254k of New Homes Bonus and other spending priorities to deliver the Strategic Plan priorities in 2022/23.	231 - 234
8(ii)	Council Company Business Plans 2022-26  Cabinet will consider a report inviting it to approve the annual business plans of Colchester Commercial Holdings Ltd and its three subsidiary companies, Colchester Amphora Housing Ltd, Colchester Amphora Trading Ltd and Colchester Amphora Energy Ltd.	235 - 264
9	Communities/Resources	
9(i)	West End Sports Ground, Eudo Road  Cabinet will consider a report on the future operation of the West End Sports Ground at Eudo Road proposing an option to retain it as a sports facility and to seek to enhance facilities on the site. It provides details of the process that has been commenced to market part of the site as a leasehold opportunity, which could secure external investment to improve sports facilities and provide a new income stream for the Council.	265 - 272
10 10(i)	Communities  Business Case for Grounds Maintenance Contract Delivery	273 -
	Model  Cabinet will consider a report inviting it to agree the recommendations of the Policy Panel in respect of the Grounds Maintenance Contract and to delegate authority to the Assistant Director, Environment, to agree to extend the current contract for a period of three years.	346
11	Strategy	
11(i)	Corporate Key Performance Indicator (KPI) Targets 2022-23  Cabinet will consider a report proposing the Key Performance Indicator targets for 2022-23.	347 - 372

12

**Housing and Planning** 

## 12(i) Request for Delegated Authority for Award of HRA Contracts 2022/23

373 -378

Cabinet will consider a report seeking delegation of authority to the Portfolio Holder for Housing and Planning to approve the award of a number of maintenance contracts as they arise during the course of the 2022/23 municipal year.

## 12(ii) Award of Contract for Asbestos Surveying to Social Housing Stock and Corporate Buildings

379 -384

Cabinet will consider a report requesting that authority be granted to procure a contract to deliver the asbestos surveying services to properties directly managed by Colchester Borough Homes and commercial and corporate buildings managed by Colchester Amphora Trading Ltd.

#### 12(iii) Award of Contract for Stairlift Equipment

385 -390

Cabinet will consider a report requesting that authority be granted to procure a contract with Stannah Lift Service through the Procurement for Housing (PfH) Materials Framework, Lot 6 Stairlifts, to deliver stairlift equipment to residents with mobility issues across the borough, in accordance with statutory duties.

#### 13 General

#### 13(i) Progress of Responses to the Public

391 -

392

Cabinet will be invited to note a report containing details of responses to those members of the public who have addressed meetings of the Cabinet and Council under the Have Your Say! provisions.

#### 14 Exclusion of the Public (Cabinet)

In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 to exclude the public, including the press, from the meeting so that any items containing exempt information (for example personal, financial or legal advice), in Part B of this agenda (printed on yellow paper) can be decided. (Exempt information is defined in Section 100I and Schedule 12A of the Local Government Act 1972).

## Part B (not open to the public including the press)

#### 15 Economy, Business and Heritage - Part B

#### 15(i) Colchester Town Deal - Part B

Cabinet may wish to discuss the Town Deal Full Business Cases appended to the Assistant Director's report at item 7 above, which are not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial/business affairs of a particular person, including the authority holding the information).

#### 16 Resources - Part B

#### 16(i) Council Company Business Plans 2022-26 - Part B

The not for publication business plans for Colchester Amphora Housing Ltd, Colchester Amphora Trading Ltd and Colchester Amphora Energy Ltd are submitted to Cabinet for approval.

#### 17 Housing and Planning - Part B

## 17(i) Award of Contract for Asbestos Surveying to Social Housing Stock and Corporate Buildings - Part B

Cabinet will consider a not for publication report setting out the procurement process for tendering a contract to carry out asbestos surveys to properties that are in the social housing stock and corporate buildings.

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## CABINET 26 January 2022

Present: - Councillor Dundas (Chair)

Councillors Crow, Ellis, Laws, Lissimore and B. Oxford

Also in attendance: Councillors Harris\*, King\*, Lilley\*,

Scordis, T. Young

\*Attended remotely

#### 619. Minutes

RESOLVED that the minutes of the meeting held on 17 November 2021 be confirmed as a correct record.

#### 620. Urgent Item – Recommendation from the Scrutiny Panel – Youth Zone

The Chair announced that he had agreed to consider the recommendation made by the Scrutiny Panel at its meeting on 25 January 2022 in respect of the Youth Zone as an urgent item. The urgency arose from the need to consider the recommendations before the next meeting of the Cabinet on 9 March 2022.

Councillor Laws, Portfolio Holder for Economy, Business and Heritage, explained the process by which projects had been selected for funding through the Town Deal by the Town Deal Board. This had led to a set of viable schemes being brought forward for funding which met the criteria set by government.

Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, explained that Cabinet supported the principle of a Youth Zone but that a site and a realistic funding stream needed to be identified. He noted that the Scrutiny Panel had effectively reached the same conclusion.

The Cabinet was supportive of the recommendations pf the Scrutiny Panel and thanked the Panel for its work. It considered that they should be expanded and further detail added to give greater clarity.

#### RESOLVED that:-

- Cabinet thanks the Scrutiny Panel for their work in respect of a potential Youth Zone.
- Cabinet notes that there appears to be agreement a Youth Zone cannot proceed at this time. The opportunity for a Youth Zone was explored extensively but the Youth

Zone was removed from the Town Deal Fund bid in early 2021 due to a lack of clarity around identifying a suitable site, the capital financing shortfall and the annual running costs.

- The recommendation from Cabinet on 13 October 2021 asked for a broad consensus on future funding, an agreed site, and a solution to incorporating the £400,000 or above annual cost in the budget to be identified. The lack of specific recommendations on these leads Cabinet to deduce that the Panel agrees that there is no current acceptable way of incorporating a Youth Zone in the budget's Medium Term Financial Forecast.
- Cabinet fully agrees with the recommendation that, in the short to medium-term, the Council cooperates with Essex County Council to boost youth services throughout the Borough, such as those at the Town House, supporting these and an increase in outreach activities.
- Cabinet notes and agrees that the aspiration for a Youth Zone had cross-party support in principle. Cabinet accepts the Panel's recommendation that an ambition be maintained for a Youth Zone to be completed in Colchester Borough by 2027. However, to achieve this target a suitable site will need to be identified quickly and gain wide cross-party Councillor support as due to the nature of long term planning and master-planning the necessary land will need to be reserved.
- Cabinet accepts the recommendation that the Council continue to engage with Onside to outline the Council's ambitions and expectations, and to understand Onside's criteria for optimum site selection and critical issues for inclusion in a business case for a Youth Zone serving Colchester Borough. However Cabinet is disappointed that the Scrutiny Panel have failed to suggest any specific potential sites.
- Cabinet accepts the recommendation that the Council engages with One
  Colchester Partnership to take the ambition of a Youth Zone from principle to
  reality, including ways to gain contributions from partners but it should be noted
  One Colchester does not have the necessary financial resources itself for a project
  of this magnitude.
- Cabinet agrees with the Panel's comment that, for a Youth Zone to successfully serve the whole Borough, the concomitant public or project-specific transport plan for the proposed location must be comprehended, costed and funded to guarantee that a future Youth Zone in the Borough is accessible to all.

Councillor Lissimore (as Chair of the North Essex Parking Partnership) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).

#### 621. Have Your Say!

Mr Orton addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to express his concern about the condition of the Town Centre. He had been a resident of Colchester for thirty years and cared about the town. He had been raising his concerns with the Council since 2015. The bid for City Status would fail unless this was addressed. The Council should form a small team dedicated to addressing these issues.

Councillor Crow, Portfolio Holder for Environment and Sustainability, explained that he recently undertaken a walk round the town centre with Councillor Scott, the Portfolio Holder from Essex County Council, and had highlighted a number of issues which he knew were of concern to Mr Orton. This would lead to some of the problems being addressed. The Town Centre manager was also addressing a number of particular problem sites.

Councillor Laws, Portfolio for Economy, Business and Heritage, stressed that the political groups and various levels of government had never been more united on how to improve the public realm in the town centre, and Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, stressed the importance of enforcement action.

Councillor Harris attended remotely and with the consent of the Chair addressed Cabinet. The ward Councillors from Berechurch and Old Heath and the Hythe had jointly written to the Prime Minister asking him to act on the principles set out in his speech in October 2021 on preventing development on greenfield sites by stopping the development on the Middlewick Ranges. He also sought an update on whether there had been any progress on developing a nature reserve or country park on the Middlewick site.

Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, explained that he was writing in similar terms following a request from the Local Plan Committee. Budget had been allocated for the creation of a nature reserve or country park at Middlewick. Councillor Ellis, Portfolio Holder for Housing and Planning, explained that the Council was awaiting the final Inspector's report on section 2 of the Local Plan before committing the funding.

Councillor Lissimore, Portfolio Holder for Resources, highlighted that Middlewick had been allocated as a site in the Local Plan by the previous administration and the suggestion for a nature reserve or country park had been raised through an amendment brought forward by the Conservative group.

Councillor Lilley attended remotely and with the consent of the Chair addressed the Cabinet. Whilst the new electric charging points in Priory Street were welcomed, he noted that users had to pay for parking and for the electricity, which might deter use. Obstructive parking on pavements remained an issue throughout Colchester. It was appreciated that legislation was needed to enable the Parking Partnership to address this, but could the Portfolio Holder lobby the government on this issue.

Councillor Crow, Portfolio Holder for Environment and Sustainability, explained that he felt paying for parking and electricity to use the charging points was reasonable but he would raise the issue with officers. Councillor Laws, Portfolio Holder for Economy, Business and Heritage, highlighted that officers were looking into a number of environmental schemes designed to encourage alternative methods of transport and were seeking to increase the use of cycles by the delivery sector. Councillor Lissimore, Portfolio Holder for Resources, explained that the North Essex Parking Partnership was doing what it could to address obstructive parking but was awaiting legislation. Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, explained that it would be useful if guidance on the issue could be circulated to all Councillors.

Councillor King attended remotely and with the consent of the Chair, addressed the

Cabinet. In view of cost of living crisis, would the Cabinet make representations to government that they should intervene and provide more help for the vulnerable. Some residents would be choosing between heating and paying Council Tax. Had the Cabinet considered this in setting the budget and could it publish any analysis it had undertaken? What was the Leader's view of issues surrounding the Prime Minister in respect of compliance with Covid regulations?

Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, explained that the Council did much valuable work supporting vulnerable residents. Extra funding had been provided which residents in need could claim and there had been changes to the taper. There had been a small increase in enquiries to the Council following the end of the Universal Credit uplift, but no long term impact. In terms of the issues around compliance with Covid regulations by senior politicians, he had made it clear he was disappointed by what appeared to have happened, but it was important that the facts were established before reaching conclusions.

Councillor Lissimore, Portfolio Holder for Resources, highlighted the work undertaken by the Council's officers to support residents. As well as providing help through the Council, they signposted residents to other sources of help. A dedicated area of the website contained very clear advice on what help was available. The Community Hub set up Colchester 360 provided help for those without access to digital services. Whilst there was much concern about the impact of inflation and e cost of living crisis, the Council had the necessary polices and arrangements in place to ensure residents were given the necessary help.

Councillor Scordis attended and with the consent of the Chair, addressed the Cabinet. In respect of Middlewick, the root cause of the problem was that the Ministry of Defence had decided to sell the site. Concern was expressed about the impact of graffiti in many areas of Colchester. This was a particular problem in New Town and the Hythe. Despite being cleaned, graffiti reappeared quickly. The Council should consider a strategy to deal with graffiti based on the following:-

- The use of professional street artists;
- The introduction of light sensors in particular problem areas;
- Better liaison with Greater Anglia to lobby for more ticketing checks and other measures at Colchester Town station.

Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, Councillor Laws, Portfolio Holder for Economy Business and Heritage and Councillor Crow, Portfolio Holder for Environment and Sustainability, responded and indicated their support for elements of the proposed Strategy, in particular the greater liaison with Greater Anglia, which it was felt could have wider benefits.

#### 622. Budget 2022-23 and Medium Term Financial Forecast

The Chief Operating Officer submitted a report a copy of which had been circulated to each Member.

Councillor Lissimore, Portfolio Holder, presented the report and thanked officers for their hard work in bringing forward a balanced budget in what had been a very difficult year, with challenges of Covid 19 and inflation. Thanks were also extended to the Scrutiny

Panel for its work in scrutinising the budget proposals.

#### RESOLVED that:-

- (a) The 2022/23 Revenue Budget and revised Medium Term Financial Forecast as set out in Appendix A of the Chief Operating Officer's report be approved.
- (b) The budget resilience statement and forecast level of balances set out in Appendix B of the Chief Operating Officer's report be noted.
- (c) The Treasury Management Strategy Statement 2022/23 to 2025/26 set out in Appendix C of the Chief Operating Officer's report be approved.

#### RECOMMENDED to COUNCIL

- (a) The 2022/23 revenue budget requirement of £21.875m;
- (b) Colchester's element of the Council Tax at £205.47 per Band D property being an increase of £4.95.

#### REASONS

To balance the 2022/23 budget and revise the Medium Term Financial Forecast.

#### **ALTERNATIVE OPTIONS**

No alternative options were proposed.

Councillor Dundas (as a member of Stanway Parish Council) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).

#### 623. Resetting the Capital Programme and Strategy

The Chief Operating Officer submitted a report a copy of which had been circulated to each Member.

Councillor T. Young attended and with the consent of the Chair, addressed Cabinet in respect of the Heart of Greenstead project. It was vital that funding was allocated to this project which would improve and enhance facilities in Greenstead. This was a once on a lifetime opportunity. It was important that as the project went forward that the views of residents were listened to.

Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, stressed that he fully supported the Heart of Greenstead project and that he appreciated the need for residents' views to be heard and acted on. The Capital Programme overall was a very ambitious programme which would a very real difference to Colchester in the long term.

#### RECOMMENDED to COUNCIL

- (a) The Capital Strategy set out in Appendix A of the Chief Operating Officer's report be approved.
- (b) The reset capital programme 2022/23 to 2025/26 as set out in Appendices B and C of the Chief Operating Officer's report be approved subject to resolutions (a) and (b) below.

#### RESOLVED that:-

- (a) Approval of the Town Deal schemes in the Reset Capital Programme be conditional on project business cases being approved by Cabinet, and the Department for Levelling Up, Housing and Communities.
- (b) Further advances to Council companies be reviewed in the light of the Department for Levelling Up, Housing and Communities consultation on minimum revenue provision as set out in Section 6 of the Chief Operating Officer's report.

#### REASONS

To take forward continuing investment in Colchester, in the interests of regeneration and the health, social and economic wellbeing of residents and how they are housed, local businesses and the local economy and the attractiveness of Colchester as a destination.

#### **ALTERNATIVE OPTIONS**

A reduced Capital Programme would reduce the benefits investments will provide in the health and wellbeing of Colchester, impacting regeneration, the quality of services, the accessibility of housing and the state of the public realm, regeneration and economic recovery.

## 624. Request for Delegated Authority to Agree the Award of Contract for Microsoft Licensing

The Assistant Director, Corporate and Improvement Services submitted a report a copy of which had been circulated to each Member.

RESOLVED that authority to award the contract to the preferred supplier for Microsoft Licensing, under the CCS Microsoft Cloud Services Aggregation opportunity, be delegated to the Portfolio Holder for Resources, in consultation with the Assistant Director Corporate and Improvement Services.

#### REASONS

The existing contract period is coming to an end and a new licensing contract must be in place to continue to use the business tools and services the Council, CBH, and CCHL rely upon.

Utilising the aggregation opportunity outlined ensures that the procurement is compliant and provides best value through maximising our volume-based buying power;

Delegating authority to the Portfolio Holder and Assistant Director for Corporate and Improvement enables the Council to agree the new contract within required timescales following the procurement exercise.

#### ALTERNATIVE OPTIONS

Consideration was given to seek approval from Cabinet at the point of award of contract under the aggregated procurement but the timeline for this means that we would not have sufficient time at the point the award of contract is required.

The decision could be taken to run a separate procurement process to contract for licences separately and not take part in this aggregation. This is likely to lead to higher pricing and increase the costs to the Council of running the procurement exercise.

## 625. Request for Delegated Authority to Agree the Award of Contract for Telephony System

The Assistant Director, Corporate and Improvement Services, submitted a report a copy of which had been circulated to each Member.

RESOLVED that authority to award the contract to the Preferred Supplier, under the CCS Framework RM3808 – Network Services 2, be delegated to the Portfolio Holder for Resources in consultation with the Assistant Director Corporate and Improvement Services.

#### **REASONS**

The existing contract period is coming to an end and the Council must undertake a procurement exercise.

Utilising the Crown Commercial Services (CCS) Framework, agreement RM3808 ensures that the procurement is compliant and that all major suppliers of a Microsoft Teams based service are engaged and provided with the opportunity to submit a tender; helping ensure best value and deliver the best solution.

Delegating authority to the Portfolio Holder and Assistant Director for Corporate and Improvement enables the Council to agree the new contract within required timescales following the procurement exercise.

#### **ALTERNATIVE OPTIONS**

Consideration was given to seek approval from Cabinet at the point of award of contract under the aggregated procurement but the timeline for this means that we would not have sufficient time at the point the award of contract is required.

The decision could be taken to conduct a full OJEU compliant tender process. This would be highly unlikely to provide any added value in terms of options or price and would significantly increase the timescales for delivery and the cost to the council of running the procurement exercise.

## 626. Mitigations the Council can make regarding the Loss of Universal Credit Uplift and Financial Inequalities

Cabinet considered minute 33 from the meeting of the Policy Panel of 24 November 2021, a copy of which had been circulated to each Member.

Councilor T. Young attended and with the consent of the Chair addressed the Cabinet to explain that his casework had increased very significantly as a consequence of the loss of the Universal Credit Uplift, combined with the impact of Christmas. This was resulting in hunger and desperation. Whilst it was acknowledged that the Council did great work in addressing these issues, more needed to be done as the extremes of poverty were getting worse and returning to levels seen before the introduction of the minimum wage. These issues also had an impact on the mental health of residents. Consideration should be given to putting greater resources into the teams who addressed these issues.

Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy, stressed that he was very proud of the work the Council undertook to help residents in need. He would be willing to consider requests for more resources where this was highlighted by the relevant teams.

Councillor Lissimore, Portfolio Holder for Resources, thanked Councillor Young for his comments and highlighted the very quick decision making by officers which enabled help to be given to residents at the earliest point. The introduction of a dedicated area of the website providing clear advice on the help and benefits available was highlighted, as was the Community Hub which provided drop in advice. A member briefing session had been provisionally scheduled for 1 March 2022.

#### RESOLVED that:-

- (a) The report and appendix submitted to the Policy Panel be circulated to all elected members of the Council;
- (b) An all-member briefing be held in February or March 2022 to provide further information on Council mitigations and outcome data;
- (c) Cabinet considered the report and the comments and deliberations of the Policy Panel.

#### REASONS

Cabinet supported the recommendations of the Policy Panel.

#### **ALTERNATIVE OPTIONS**

It was open to the Cabinet not to agree the Policy Panel recommendations or to agree them subject to amendment.

#### 627. Housing Revenue Account Business Plan 2022 -2052

The Assistant Director, Place and Client Services, submitted a report a copy of which had been circulated to each Member.

Councillor Ellis, Portfolio Holder for Housing and Planning introduced the report, which was the culmination of considerable high quality work by officers from the Council and Colchester Borough Homes. The HRA Business Plan set spending priorities for the Housing Revenue Account in line with local demand and need. Whilst the scale of the borrowing on the HRA was large it was offset against the housing stock. The Business Plan provided for investment in the housing stock, improving the living conditions of tenants, improving energy efficiency and increasing the stock of new homes. This Business Plan would replace the previous Business Plan published in 2013. It provided short and medium term objectives and a long term 30 year financial forecast.

RESOLVED that the revised Housing Revenue Account Business Plan 2022 to 2052 be approved.

#### REASONS

The HRA Business Plan sets out the Councils strategic plan for managing and maintaining the Borough's social housing stock. It sets out in detail the council's short to medium term plans and priorities for its housing and asset management services (5 years) and provides a long term (30 year) forecast on stock investment and financial planning.

The HRA Business Plan shows a sound and sensible balance for the priorities of the Council being advanced over the Business Plan period. It gives an economically sustainable strategy for which to go forwards, meeting the statutory health and safety requirements, improving the decency of homes, providing more homes and starting the journey towards carbon neutrality. This is a good framework from which to make decisions on a daily basis moving forwards, aligned with the Strategic Plan and Council priorities.

#### ALTERNATIVE OPTIONS

To continue with the existing plan but this is out of date and does not reflect the Councils current priorities for delivery of new affordable housing or maintaining its existing stock.

To start the HRA Business Plan review afresh, however, this would not reach any better outcome and would delay ongoing work and planning.

#### 628. Housing Revenue Account Estimates 2022-23

The Assistant Director, Place and Client Services, submitted a report a copy of which had been circulated to each Member.

#### RESOLVED that:-

(a) The 2022/23 HRA revenue estimates as set out in Appendix A of the Assistant

Director's report be approved.

- (b) The dwelling rents as calculated in accordance with central Governments rent policy (set out in paragraph 5.7 of the Assistant Director's report) be approved.
- (c) The HRA revenue funded element of £7,855,100 included within the total management fee for Colchester Borough Homes (CBH) (set out in paragraph 5.14 of the Assistant Director's report) be approved.
- (d) The revenue contribution of £3,979,300 to the Housing Investment Programme (HIP) included in the budget (paragraph 5.29 of the Assistant Director's report) be noted.
- (e) The HRA balances position in Appendix B of the Assistant Director's report be noted.
- (f) The Medium Term Financial Forecast (MTFF) set out at Appendix C and the 30 Year HRA financial position set out at Appendix E of the Assistant Director's report be noted.

#### REASONS

Financial Procedures require the Assistant Director for Place and Client Services to prepare detailed HRA estimates for approval by the Cabinet, setting the new rent levels for the new financial year.

#### **ALTERNATIVE OPTIONS**

No alternative options were proposed.

#### 629. Housing Investment Programme 2022-23

The Assistant Director, Place and Client Services, submitted a report a copy of which had been circulated to each Member.

#### RESOLVED that:-

- (a) The Housing Investment Programme for 2022/23 be approved
- (b) The Capital Medium Term Financial Forecast (CMTFF) set out at Appendix A of the Assistant Director's report be noted.

#### **REASONS**

- (a) Each year as part of the process to agree the Council's revenue and capital estimates the Cabinet is required to agree the allocations to the Housing Stock Investment Programme. These allow for work to be undertaken to maintain, improve, and refurbish the housing stock and its environment.
- (b) Members annually agree to accept a proposed 5 year Housing Investment Programme (HIP) in principle as the framework for procuring housing related planned

works, improvements, responsive and void works and cyclical maintenance.

- (c) The proposed investment programme is linked to the Asset Management Strategy (AMS) and reviewed annually in the light of available resources and for each annual allocation to be brought to Cabinet for approval as part of the overall HIP report.
- (d) The Colchester Borough Homes (CBH) Board have considered the content of the Cabinet report submitted and is now seeking approval for the 2022/23 Capital programme.
- (e) The Assistant Director's report seeks the release of funds under grouped headings as described in the AMS and supported by the Management Agreement dated 9<sup>th</sup> August 2013, which governs the contractual relationship between Colchester Borough Council (CBC) and CBH.

#### ALTERNATIVE OPTIONS

No alternative options were proposed.

## 630. Half Year April 2021 – September 2021 Performance Report – Key Performance Indicators (KPI) and Other Performance News)

The Assistant Director, Corporate and Improvement Services, submitted a report a copy of which had been circulated to each Member.

RESOLVED that performance against Key Performance Indicators be noted and it be noted that where Key Performance Indicators have not been met that appropriate corrective action has been taken.

#### REASONS

To review half year performance for 2021 – 2022 and ensure robust performance management of key Council services.

#### **ALTERNATIVE OPTIONS**

No alternative options were proposed.

## 631. Half Year April 2021 to September 2021 Performance Report – 2020-23 Strategic Plan Action Plan

The Assistant Director, Corporate and Improvement Services, submitted a report a copy of which had been circulated to each Member.

RESOLVED that satisfactory delivery against the Strategic Plan Action Plan be confirmed and it be noted that the Council has made satisfactory progress in meeting its strategic goals.

#### REASONS

To ensure the Council has robust performance management of delivery against

key strategic goals.

#### **ALTERNATIVE OPTIONS**

No alternative options were proposed.

#### 632. Councillor Development Policy and Strategy

The Assistant Director, Corporate and Improvement Services, submitted a report a copy of which had been circulated to each Member.

*RESOLVED* that the draft Councillor Development Policy and Councillor Development Strategy be approved.

RECOMMEDED to COUNCIL that the Councillor Development Policy be adopted.

#### REASONS

The Councillor Development Policy needs to be reviewed to ensure it remains relevant and up to date. The updated policy proposed the introduction of a Councillor Development Strategy.

Both the Councillor Development Policy and Strategy are key documents that will support the Council's bid for reaccreditation for the Councillor Development Charter. The benefits of the Charter are that it demonstrates that the Council's member development processes are in line with good practice. This provides reassurance to current and potential members, and to other external inspections such as Peer Reviews. It also provides a reassurance to residents that their elected representatives are provided with effective support to enable them to undertake their roles and responsibilities effectively

#### **ALTERNATIVE OPTIONS**

No alternative options were proposed.

#### 633. St Nicholas Square Contractor Appointment

The Assistant Director, Place and Client Services, submitted a report a copy of which had been circulated to each Member.

Councillor Laws, Portfolio Holder for Economy, Business and Heritage, introduced the report and explained that a rigorous procurement process had been undertaken to select the contractor. He was pleased that a relatively local firm had been selected. Work to improve the public realm was not easy, but these proposals were very exciting. It would fulfill a long standing aim to create a public square in Colchester town centre. This was a complex site with multiple landowners a graveyard, and tribute was paid to the work of officers in developing the scheme and bringing it to this stage. It would be designed to put the needs of people first, and would be a site that worked in both the daytime and nighttime.

RESOLVED that:-

- (a) A contract be awarded to Brooks and Wood to undertake the works for a contract period to the end of 2022.
- (b) If the recommended bidder cannot fulfil their obligations under the contract, to award a contract to the next highest ranked bidder.

#### REASONS

Following evaluation of submitted bids against the criteria and process detailed in the Invitation to Tender, the recommended bidder submitted a bid that met the essential requirements and scored the highest overall marks to offer the best combination of technical merit, social value benefits and pricing compared to other bidders.

#### **ALTERNATIVE OPTIONS**

The project cannot be completed without appointment of a contractor and as the preferred contractor scored the highest on value and was also the cheapest bid there is no other alternative.

#### 634. Siting of Covid 19 memorials

Cabinet considered minute 32 from the Policy Panel meeting of 24 November 2021 a copy of which had been circulated to each Member.

Councillor B. Oxford, Portfolio Holder for Communities, explained that she had attended the recent meeting of the Policy Panel who had expressed concerns about Covid memorials. There had ben some confusion about the Blossom Circles which were being delivered as part of the Woodland Diversity project rather as Covid memorials. Whilst the delivery of memorials to Covid 19 were important they needed to be delivered in the right place at the right time and given that the pandemic was still ongoing so there, the timing may need further consideration. The request for a memorial at Holy Trinity churchyard was noted, but a more accessible location may be more appropriate, such as near the cemetery and crematorium.

Councilor Dundas, Leader of the Council and Portfolio Holder for Strategy, explained that there may have been a breakdown-own in communications with the Panel on the issue. Memorials to such events needed the involvement of the wider community. The recommendation from the Panel could be accepted, subject to recognition of this. Therefore, whilst the Cabinet would consider the request from the Policy Panel, it would also consider suggestions and ideas put forward by the wider community.

RESOLVED that Cabinet consider the Policy Panel's suggestions regarding the siting of memorials, including for a town centre memorial to be provided in a location such as the church yard of Trinity Church but the wider public and other community group views must also be taken into account.

#### **REASONS**

Whilst Cabinet supported the recommendation of the Policy Panel the views of the wider

public and community groups on the siting of Covid memorials needed to be recognised.

#### ALTERNATIVE OPTIONS

It was open to Cabinet not to agree to the recommendation from the Policy Panel or to agree it without amendment.

#### 635. Progress of Responses to the Public

The Assistant Director, Corporate and |improvement Services, submitted a progress sheet a copy of which had been circulated to each Member.

RESOLVED that the contents of the Progress Sheet be noted.

#### REASONS

The progress sheet was a mechanism by which the Cabinet could ensure that public statements and questions were responded to appropriately and promptly.

#### **ALTERNATIVE OPTIONS**

No alternative options were presented to the Cabinet.

The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

#### 636. Resetting the Capital Programme and the Capital Strategy

The Chief Operating Officer submitted a not for publication appendix to the report considered at minute 623, a copy of which had been circulated to each Member.

RESOLVED that the not for publication appendix to the Chief Operating Officer's report be noted.

The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

#### 637. St Nicholas Square Contractor Appointment

The Assistant Director, Place and Client Services submitted a not for publication appendix to the report considered under minute 632 a copy of which had been circulated to each

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*RESOLVED* that the not for publication appendix to the Assistant Director's report be noted.

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#### **Cabinet**

Item

**7(**i)

9 March 2022

**Report of** Assistant Director Place and Client

Author

Matthew

Services

Sterling

**Title** 

**Colchester Town Deal** 

Wards

All wards affected

affected

#### 1. Executive Summary

- 1.1 This report provides an update to Cabinet on Colchester's 'We are Colchester' Town Deal programme and provides the outcome of the development and assessment of Business Cases ahead of the submission of the summary Business Cases to Government.
- 1.2 Colchester has already received an 'accelerated' £1m Town Deal funding which has enabled two key public realm schemes at St Nicholas Square and Balkerne Gate to proceed; these are now entering their final design and construction stages. This report concerns the remaining £18.2m award, including the process of developing business cases, and finally moving to project delivery.
- 1.3 The projects within the Town Investment Plan (TIP) were developed and selected thoughtfully with significant engagement with residents and businesses. The TIP sets out a clear statement of intent for our Town and will help to attract wider and long-term investment in Colchester. The projects in the TIP were outlined in the Cabinet report 10th March 2021 so for expediency details of the specific projects are not replicated here.
- 1.4 Following the announcement of the £18.2m award in March 2021, the Town Deal Board facilitated by the Town Deal programme team undertook a process to prioritise and then confirm all the projects in the programme. The programme team prepared and issued the final confirmation of projects to Government in June 2021.
- 1.5 We have now developed detailed business cases for all projects, including ongoing further engagement. The Council's Section 151 Officer, in his statutory role, has independently assessed the Sustainability, Viability and Value for Money of each business case.
- 1.6 The next stage will be to submit Summaries to Government by 24 March 2022. We would then expect to hear whether our funding is approved during May ahead of starting to draw down funding and moving to the delivery and implementation phase of all projects from Spring 2022 to Spring 2026. Once we have the response from Government, the Council will sign Service Level Agreements with partners who are leading on the delivery of projects to govern the release of monies and delivery of agreed outcomes.

1.7 The Summaries for each Business Case are attached as appendices. Cabinet members may wish to review the full Business Cases which are also available online via the links at the end of the report. Please note however that these full Business Cases contain information which is exempt and therefore confidential as they contain information considered commercially sensitive. Cabinet members may wish to review them to inform their decision making but they should be treated as confidential and any reference to their content should be in part B of the meeting.

#### 2. Recommended Decisions

- 2.1 It is recommended that Cabinet:
  - a. Confirms Colchester Borough Council's ongoing commitment to the Town Deal Programme in the role of Accountable Body
  - b. Notes the findings of the Section 151 Officer's Internal Assurance process for the Town Deal Business Cases.
  - c. Approves the Town Deal Business Cases and the Summary Documents
  - d. Approves, as the Accountable Body, the Summary Document being submitted to Government on behalf of the independent We Are Colchester Board

#### 3. Reason for Recommended Decision

3.1 The completion of Business Cases and the submission to Government of Summary Documents is required to allow the funding awarded to Colchester from the Government's Towns' Fund to be accessed. This funding will enable We Are Colchester's c£19m programme to move into delivery. This programme will boost Colchester's opportunities to realise its economic development, place-making, inward investment, and regeneration ambitions now and on a long-term basis, through delivery of a specific programme of coherent, targeted interventions.

#### 4. Alternative Options

4.1 No alternative options have been presented to Cabinet. Town Deal is recognised as a once in a generation opportunity for Colchester, and there are few other current or anticipated sources of funding and investment of comparable size and scope. Some of the interventions included in the Town Investment Plan see Town Deal as the funder of last resort as they are unlikely to attract suitable investment from other sources; and cannot be funded within the Council's resources, particularly in the light of the current financial situation arising from the Covid-19 pandemic.

#### 5. Background Information

In response to the Government's Town Deal Programme; see <a href="https://www.gov.uk/government/publications/towns-fund-prospectus">https://www.gov.uk/government/publications/towns-fund-prospectus</a> Colchester was one of 101 English towns invited to prepare and submit a Town Investment Plan (TIP) and bid for up to £25m. In response, Colchester Borough Council (CBC) with Essex County Council and others established a 'We are Colchester' (Town Deal) programme and board. The TIP for Colchester was submitted to Government on 29 October 2020, and an £18.2m award was made to Colchester in March 2021. The TIP covers just the wider urban area of Colchester; population 136,300.

- 5.2 The Town Deal Programme and thus our TIP was required to reflect six specific intervention themes prescribed by Ministry of Housing, Communities and Local Government, these being: 1) Local transport, 2) Digital connectivity, 3) Urban regeneration, planning and land use, 4) Arts, culture, and heritage, 5) Skills infrastructure, 6) Enterprise infrastructure.
- 5.3 'We are Colchester' (Town Deal) was established and formally launched in January 2020, comprising of a board; chaired by an independent person and representing key organisations and stakeholders, supported by an Advisory Group and Assemblies, with further key organisations and interests represented. The programme developed a vision which was designed to provide a platform for strategic intervention at a scale which will achieve transformation, whilst complementing local economic and place-making activity which the partners deliver.
- 5.4 Decisions about which projects to include in the Town Deal are made by the independent We Are Colchester Board. Colchester Borough Council acts as accountable body for the monies. The accountable body role includes a:
  - Commitment to manage the secretariat function to the Town Deal board, including member and senior officer leadership and involvement in the board;
  - Commitment to managing external relationships including with the members of the partnership, local MPs, and other key stakeholders;
  - Commitment to help to develop the role of the Town Deal board into the next phase and provide wider leadership including for example developing our strategic relationships with BID, University, Health and Business to drive investment in Colchester in a strong, coherent and visible 'whole place' manner;
  - Commitment of CBC officer time and capacity to progress to the next stage (business case development), noting there will be no further provision of capacity funding from government;
  - Committing to CBC ultimately holding responsibility for financial management, audit and delivery assurance of the £19.2m capital programme; in line with and using existing CBC models of governance for capital projects and programmes.
- 5.5 Following the announcement of Colchester's Town Deal award in March 2021, the Town Deal Board agreed plans to cater for the lower £19.2m award (from the £25m original grant submission).
- 5.6 This configuration of projects delivers the strongest possible overall package of impacts/benefits and maintains all the strands and intervention priorities in the programme in a cohesive package, recognised as a key strength of our programme by Government.

- 5.7 The original Towns Fund prospectus, set out the key criteria for the programme.
  - The geographic boundary of each town was set by Government. Whilst there was scope for towns to negotiate on the exact boundary, only very slight variation to the zone was allowed; for example adding or removing a small area. But the focus had to remain on the urban area only.
  - The three broad themes Town Deal and element projects had to address within this defined boundary were:
    - Urban regeneration, planning and land use
    - Skills and enterprise infrastructure
    - Connectivity (physical and digital).
  - The specific interventions devised by Towns had to be strategic in nature, capable of complementing other investments and schemes, and above all make places more attractive to live, work, visit and invest in.
- 5.8 Colchester was required to, and completed the following key steps:
  - Instigate a specific Town Deal board (makeup prescribed by Government): set up in January 2020
  - Prepare and submit a full Town Investment Plan: submitted October 2020
  - Following submission, and confirmation of our conditional award and Heads of Terms in March 2021, the Council has been required to:
    - Confirm final list of projects to be taken forward to business case development - submit project confirmation documents to Government: June 2021
    - Submit updated financial profiles for each project: September 2021
  - These activities were completed, with each stage of the process prepared with full involvement and approval by the Town Deal Board and where additionally required in the role of accountable body, CBC's Cabinet.
  - 7 Business Cases for the key workstreams or where required projects, have been prepared between June and December 2021, and are now complete.
  - The next stage of approval of Colchester's suite of Town Deal projects comprises of submission of summary documents (relating to each of the 7 business cases) to be submitted to Government by 24th March 2022.
  - The final stage in the process is the decision by Government to award funding to Colchester's projects. Decisions are expected in the summer of 2022; with projects moving straight into delivery phase thereafter if successfully approved.
- 5.9 Further, more detailed guidance for participating Towns was then issued by Government in June 2020, with updated guidance provided in December 2020. This set out more detailed criteria for Towns in developing their projects into business cases, including more detailed and specific requirements and success criteria. Throughout the process these guidelines have been followed diligently by the Town Deal Programme Office, with frequent liaison with lead officers in Department of Levelling Up, Communities and Homes, and scrutiny by the Town Deal Board.

- 5.10 To summarise, the key criteria governing preparation of business cases for projects includes:
  - Must be prepared in the format of full 5-case business cases and completed in line with 'Green Book' (HM treasury) guidance.
  - Must include strong evidence of the need for each intervention or project.
  - Must include a Benefit to Cost Ratio (BCR) which must be set out clearly within a robust value for money assessment, where the BCR must be better than 1:1
  - Prior to submission of business cases, they must undergo internal self-assurance including through the accountable body's S151 Officer and Cabinet.
  - Business cases must pay regard to responsibilities under the accountable body's Public Sector Equality Duty as set out in Section 149 of the Equality Act 2010.
  - Business cases, and subsequent delivery of projects must comply with MHCLG's
    mandatory monitoring and evaluation requirements. This includes preparing and
    signing up to a monitoring and evaluation plan including relevant indicators and
    targets for these indicators, and reporting twice a year on inputs, activities and
    outputs.
- 5.11 Since the summer, officers and partners have been developing detailed Business Cases for each project. This work has included convening project teams, engagement with stakeholders, detailed planning, architectural design work and cost estimation.
- 5.12 Specialist support has been provided to help project managers complete the more technical aspects of these Business Cases such as the Economic Cases through a combination of workshops, templates and 1-2-1 guidance. This support has been provided by members of the programme team and commissioned from specialist agency The Nichols Group.
- 5.13 Each Business Case covers five themes which cover the strategic scope, alignment and case for the project, the economic benefits, the financial case, commercial opportunities and viability, and the approach to management.
- 5.14 As Businesses Cases have been developed and completed, they have been reviewed by the Section 151 Officer. This is a formal part of the journey to submitting the Summaries to Government. The Council's Section 151 Officer has independently assessed the Sustainability, Viability and Value for Money of each business case to ensure they are sound.
- 5.15 The development of these Business Cases has resulted in all projects being assumed sound and viable to progress and so the necessary documents confirming this will be sent to Government.
- 5.16 The development of Business Cases, and in particular the detailed cost estimation work which formed part of this, has necessitated some changes to projects within workstreams and with agreement of the Department and Town Deal Board to mitigate cost inflation for materials and construction.

#### **Summary of Business Cases**

- Greenstead: This scheme will build new affordable homes, a refreshed and expanded 5.17 community hub, and attractive public space in the centre of the community whilst helping those furthest from employment and training to participate including through much better physical and digital connectivity. It will deliver a 'liveable neighbourhood' where walking and cycling is easy, safe and accessible for all, including the provision of free bikes to local residents. Alongside and interwoven with these physical assets the scheme proposes digital infrastructure, a digital working hub, digital skills development, and a new Memorandum of Understanding with the neighbouring University of Essex. The community in Greenstead is proud and this once-in-a-generation investment will create the conditions for local people and families to flourish building on the existing strengths of the community. The project recently secured an additional £2.3m DLUHC grant, and a further bid for £5m to Homes England is planned, closing the financial gap for the whole scheme. Subject to full engagement with the community and local stakeholders the project proposes 640 sqm of new or improved public realm created to 'liveable neighbourhood' principles, will support 68 people into employment, create up to 139 highquality new or refurbished homes of which 100% will be affordable through 'routes to home ownership' and social rent, and provide up to 700 new bikes.
- 5.18 Digital Working Hub: This project will include the development of grow-on workspace for creative and digital business and Digital Hub via the redevelopment of the old bus depot site on Queen Street. It will provide an immersive innovation Centre and facilitate training and skills development and cross-sectoral links with other industries. It represents a huge opportunity for inward investment and will have supported 86 full time jobs by end of year 15.
- 5.19: Digital Skills Hub: This project will see an underutilised gym building at Wilson Marriage in Colchester fully refurbished and kitted out to create a new Digital Hub. This will support the identified need for improved digital skills and enable residents to access digital services and gain good jobs (including those in the digital sector), The facility will give residents access to opportunities to progress into Higher Education Studies, Apprenticeships to access the digital workforce, Skills for work from basic to advanced levels, and flexible options to undertake online courses in a facilitated environment. The Hub aims to upskill a minimum of 145 residents each year.
- 5.20 This investment will kick-start a true-5G network in the town centre the first deployment of its type in Colchester. It is designed to enable and facilitate future Smart City technologies. Research has confirmed the best, current real-life use application of 5G in Colchester is virtual-reality tourism, and its footprint will include the new Digital Working Hub as well as the main town centre tourist venues.
- 5.21: Youth provision: This theme aims to support happier, healthier, and more confident young people with improved life chances and reduced inequalities. It will include a major investment in the town centre 'universal offer' site of the Town House, along with investments to improve Youth Facilities in Highwoods and Stanway. The redevelopment of the Town House will include an updated electrical system and a full redecoration, an upgrade to the Sports Hall, improved IT infrastructure and an enhanced Teaching Kitchen, Recording studio, and Garden area. The project will create 21 full-time equivalent jobs, provide in work / life skills sessions for 250 people, 1:1 support (e.g. mental health support) for 250 people, and enable 25 groups to deliver services. It

- will also provide support to 100 people in employment and accredited training for 100 people.
- 5.22 Physical connectivity: This project provides coherent walking and cycling infrastructure addressing current deficits. It links the town, Greenstead and the University together making travel by the greenest, healthiest option also the best most attractive and convenient choice. The project will deliver a new or upgraded 2.96kms walking and cycling route with improved facilities. It is expected to generate additional cycle trips of 190 per day in 2026, 700 by 2033, and 1,324 by 2041.
- 5.23: Town Centre and Gateways: This theme will bring two iconic heritage assets back into use and enhance the public realm at several town centre locations. Coupled with £1m of accelerated Town Deal funding, this is £5,5m investment to deliver improvements and to unlock additional funding from other sources.
  - 5.23.1: Heritage Assets: The theme will fund urgent repairs to the Jumbo water tower and facilitate an Architectural Heritage Fund submission to adapt building into tourist attraction / destination (retail, restaurant, museum, events). It will also provide funding (as match for bid to National Lottery Fund) to bring Grade 1 Holy Trinity Church building back as community hub.
  - 5.23.2: Public Realm: This theme will support the enhancement of public realm in St Nicholas's Square and Balkerne Gate (Phase 1), the development of kerbless Streets in St Isaac's Walk (to improve access and enable cycling and walking), improvements to the public realm at Holy Trinity Square, develops and improves the wider Balkerne Gate area around Jumbo and south to Church Street, and delivers public space in the redevelopment of Essex County Hospital.
  - 5.23.3: To address cost inflation, several changes to this theme's individual projects have been necessary to ensure we are still able to have a wide positive impact and achieve high quality schemes. These changes have been approved by the We Are Colchester Board and include:
    - Assigning more funding to St Nicholas's Square and removing a small area of land not in public ownership from this scheme
    - Reducing the cost of Balkerne Gate Phase II by adopting a lighter touch to the scheme and retaining grass areas
    - Adopting a greener scheme for Holy Trinity Square including retaining the existing boundary as recommended by English Heritage
    - Phasing the scope of Kerbless Streets to Sir Issacs Walk only now, to accommodate cycle way, retaining our ambition to make other streets kerbless with future funding
    - Removing Town Deal funding from Vineyard Street, achieving the public realm there within the development's own financial envelope
- 5.24 The table below summarises the findings of the Section 151 Officer's independent assurance checks.

Business Case number		Lead Organisation	Financial	Project expenditure	5% early capital (CDEL) included in project costs	Proportionate	Green Book compliant - strategic, economic, commercial, financial, management	Value for money	Delivery plan	Special conditions met	Public sector equalities duty assessment	M&E plan
	Town Deal Programme	СВС	£18,200,000	,	1	1	1	1	1	1	,	1
1	Digital working hub / Queen St grow-on space	CBC	£900,000	,	,	1	,	,	1	,	,	,
2	Transformed Youth Facilities	ECC	£1,320,000	<b>/</b>	1	1	1	1	1	1	1	1
	Digital Skills Hub Wilson Marriage Centre	ECC	£900,000	<b>,</b>	1	1	,	1	1	1	<b>,</b>	1
4	Town Centre and Gateways	СВС	£4,502,800	J	1	1	1	1	1	1	,	1
5	Heart of Greenstead	CBC/ECC	£6,627,200	<b>√</b>	1	1	1	1	1	J	1	1
6	5G Town Centre	СВС	£1,000,000	1	1	1	1	1	1	1	1	1
7	Walking and Cycling links	ECC	£2,950,000	1	1	1	1	1	1	4	1	J

Note: S151 signature means fully functioning relationships, strong local assurance processes in place to build on and apply in the Towns Fund context.

S151 is not responsible or accountable for how local policies are applied to the Towns Fund programme or applicability of those projects for addressing needs in the area.

S151 is responsible for independently applying his statutory role as part of the assurance process on the Sustainability, Viability and Value for Money of each business case

5.25 Essex County Council would lead on the practical delivery of six projects: Transforming Youth provision, the Digital Skills Hub, Physical Connectivity, Essex County Hospital, Liveable Neighbourhood and Essex Pedal Power. On 18 January Essex County Council's Cabinet approved the Business Cases they have led on for submission to Colchester Borough Council, for onward submission to Central Government. They also agreed, subject to confirmation of such funding, that ECC enters into an agreement with Colchester Borough Council for the delivery of the projects.

#### 6. Equality, Diversity and Human Rights implications

- 6.1 Consideration has been given to equality and diversity issues in respect of individual schemes, initiatives and projects that contribute to the delivery of the Town Investment Plan through the development of the specific business cases. Further consideration will be given as delivery plans are developed.
- 6.2 Colchester Borough Council has required all partners preparing business cases for specific projects to prepare Equality Impact Assessments as part of developing and implementing specific project activities within the programme, and the Council will have due regard to its Public Sector Duty continuing to work to tackle discrimination and inequality and help to create a fairer society, improve housing choice and social mobility (including for protected groups).

#### 7. Strategic Plan References

7.1 The following Strategic Plan References are relevant to the Town Investment Plan:

#### Growing a fair economy so everyone benefits:

- Ensure our borough becomes stronger post Covid-19 by supporting businesses to recover, adapt and build resilience.
- Work with partners to facilitate a high skill, high wage, low carbon workforce.
- Work with our partners to enable Colchester town centre to be more vibrant, resilient, and adaptable to future change.

• Tackle local skills shortages working with businesses, University of Essex, Colchester Institute, and other partners.

#### Work with partners to deliver a shared vision for a vibrant town:

- Work with partners to deliver a shared vision for a vibrant town.
- Continue to regenerate Colchester Town Centre using Council assets, aligned private investment, the Town Deal and Town Investment Plan.

### Create an environment that attracts inward investment to Colchester and help businesses to flourish:

- Ensure our strategy for inclusive economic growth supports the ambitions outlined in the North Essex Growth Strategy, the Local Industrial Strategy, and our Town Deal.
- Ensure a good supply of employment land and premises to attract new businesses and allow existing firms to expand and thrive.
- Ensure the Council's assets continue to contribute to economic growth and opportunity.

#### 8. Consultation

- 8.1 The Town Investment Plan has been developed following full consultation with each of the Councils at both Member and officer level, with the board, and its advisory group. In parallel, a series of wider consultations took place. These included a physical assembly with over 100 attendees in March 2020, a survey which generated 1,000 responses, and focus groups, discussions with businesses, discussion with BID board, local authority and further and higher education representatives.
- 8.2 The project Business Cases within the overall Town Investment Plan contain further detailed plans for consultation and engagement as appropriate.

#### 9. Publicity Considerations

9.1 None specific to this report. The Town Deal programme is subject to a communications and engagement plan which includes publicity, branding, etc.

#### 10. Financial implications

- 10.1 To date, the costs of developing the Town Investment Plan, providing the secretariat and programme management function to the Town Deal Board, developing Business Cases, engagement/communications and wider associated work undertaken has been enabled primarily via 'capacity funding' awarded by what was then the Ministry of Housing, Communities and Local Government (MHCLG) to Colchester Borough Council, part of the revenue 'feasibility' element of the Town Deal award provided early on, and the core resources of partner organisations.
- 10.2 The Government has made £910k of our overall Towns' Fund allocation available as an up-front payment to fund feasibility work connected with preparing the Business Cases. The projects and programmes within the Town Deal programme have been drawing down appropriate and foreseeable development and design costs and professional fees as part of the individual project elements overall budget, thus they will not incur any

additional and unplanned revenue budget pressures to Colchester Borough Council and partners. Similarly, any further costs associated with providing overall programme management, the secretariat function to Town Deal Board, and ongoing engagement/communications to residents and businesses have been built into the detailed programme budgets; and will be met and fully recovered from within the £18.2m Town Deal award; incurring no cost to Colchester Borough Council. Where a project will require 'over and above' project management and facilitation/support, a revenue allocation has been allowed within the Town Deal award; avoiding placing additional pressure on existing staff to deliver these projects.

- 10.3 Taken as a whole, the Town Deal programme (i.e., across all projects, and noting the draw-down for programme overheads as explained above) is within the thresholds permitted by the Department of Levelling Up, Housing and Communities (DLUHC) (a minimum of at least 90% capital and no more than 10% revenue). Some of the professional fees associated with developing projects to planning application have been treated as capitalised revenue (i.e., capital) for the purposes of the programme.
- 10.4 The development of full business cases has allowed for full consideration to be given to the realistic costs of projects and to the ongoing revenue implications of for example the maintenance and management of physical assets created through this programme, notably enhanced public realm and green infrastructure. They also identify where there are new income steams to offset these costs.
- 10.5 The Council's Section 151 Officer has assessed each Business Case and judged that the financial plans to deliver these projects and to raise any additional funding required are robust and do not place a burden on Colchester Borough Council as accountable body.
- 10.6 The table below summarises the Town Deal funding allocation for each project following Business Case development. This includes funding from the £18.2m award alongside the extra £1m accelerated funding.

Theme	Project	June 2021 allocation	March 2022 allocation following Business Case preparation		
Accelerated	St Nicholas' Square	£650,000	£1,025,000		
schemes	Balkerne Gate Phase 1	£350,000	£350,000		
		· · · · · · · · · · · · · · · · · · ·	2350,000		
Transformed Youth Facilities	01 Improved Youth Provision	£1,000,000	£1,320,000		
Todil Facilities	02 Townhouse Youth Centre	£320,000	00		
	03 Vineyard Gateway	£595,800	£0		
	04 Essex County Hospital	£500,000	£500,000		
	05 Balkerne Gate Phase 2	£1,100,000	£747,598		
Town Centre	06 Jumbo	£1,000,000	£1,000,000		
Town Ochic	07 Holy Trinity Church	£517,000	£517,000		
	08 Holy Trinity Square	£500,000	£661,598		
	09 Kerbless and Green streets	£290,000	£640,289		
	10 Tamarisk Way	£6,000,000			
Heart of	11 Big Bikes (Greenstead)	£327,200	£6,627,000		
Greenstead	12 Liveable Neighbourhood Greenstead	£300,000	. £0,021,000		
	13 5G	£1,000,000	£1,000,000		
Digital Connectivity	14 Wilson Marriage Digital Skills Hub	£900,000	£900,000		
	15 Digital Working Hub	£900,000	£900,000		
Physical	16 Town Cen to Greenstead & Uni	£2,950,000	£2,950,000		
Connectivity	17 Liveable Neighbourhoods	£0	£0		
	18 St Botolph's Roundabout	£0	£0		
Totals		£19,200,000	£19,138,485		

#### 11. Health, Wellbeing and Community Safety Implications

11.1 There are no specific implications but the proposal aims to promote positive health and well-being for our residents, and this policy theme features prominently in several the programme interventions being developed. The 'We are Colchester' board, advisory group and groups preparing specific projects include representation from the Health Sector, 'One Colchester' Partnership, Colchester Borough Council's Communities team and several other bodies with responsibility and focus on health and wellbeing including links to the Sport England funded Local Delivery Pilot.

#### 12. Health and Safety Implications

12.1 There are no specific concerns at this stage of the development of the Town Investment Plan. Risk will be identified and assessed at individual project level and addressed at that stage.

#### 13. Risk Management Implications

- 13.1 The Business Cases have identified project risks with mitigations. None of these risks has been considered to undermine the viability of the projects. The chief risks include:
  - The rate of cost inflation in materials and construction is currently very high and some projects may see their costs rise during their lifetime. This is being mitigated by robust cost estimation and management of materials and timing.
  - Some projects rely on attracting further external funding (such as Greenstead, Holy Trinity Church, Jumbo and Physical Connectivity. Business Cases show credible plans to secure these funds and alternatives in place.
  - Poor public and community reaction to designs. This risk is being mitigated by engaging with and involving stakeholders throughout the life of projects to inform designs.

#### 14. Environmental and Sustainability Implications

14.1 Environmental and sustainability considerations are considered of paramount importance and are a cross-cutting theme within the Town Investment Plan. As specific projects and interventions within this programme are developed, each is being considered in relation to the Climate Emergency Action Plan to ensure that the Council's climate change, environmental and sustainability ambitions and policies are actively addressed and promoted throughout the development of specific projects and programmes.

**Appendices:** Summaries of the Business Cases

Equality Impact Assessment

#### **Background Papers:**

Please note that the following documents are not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (financial/business affairs of a particular person, including the authority holding the information).

<u>Business Case 1 – Digital Working Hub</u>

<u>Business Case 2 – Transformed Youth Facilities</u>

Business Case 3 – Digital Skills Hub

Business Case 4 – Town Centre and Gateways

Business Case 5 – Heart of Greenstead

Business Case 6 – Town Centre 5G

Business Case 7 - Walking and Cycling

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## **Part 1: Project Summary Document**

Towns should complete this for each project.

#### **Summary Document table**

## 1. Project name: Digital Working Hub

#### 2. Heads of Terms project conditions

- Actions taken to address any conditions attached to the project in the Heads of Terms, where applicable.
- Where the condition was to provide a delivery plan please input in the section below (no.9) and/or attach to this document.

No conditions were attached for this scheme.

#### 3. Business case appraisal

Provide details of how the business case has been appraised including:

- business case type
- any internal or external assurances

Proportionality testing concluded that this business case must be prepared at the <u>medium to high</u> level of detail and granularity. Whilst the projects Gross Development Value is low at £900k Town Deal contribution within a c. £5m overall project, the digital working hub is relatively novel/innovative with reliance on 5G and other technologies which are relatively immature, and the partnership arrangements and governance methods to manage and operate this scheme will also be new, rather than established.

This business case has been prepared in conjunction with the process to finalise the appointment of the managing operator for the new facility, and the first steps towards the delivery of the core grow-on scheme. Much of this document builds on and reflects the already-approved South East Local Enterprise Partnership (SE LEP) Local Growth Fund (LGF) business case; finalised autumn 2020, approved spring 2021. All consents including full planning, and the remaining parts of the funding package required (aside from Towns Fund – subject to this business case) are all in place, agreed and documented.

Therefore this business case and this project is considered relatively low risk. AIXR Ltd have now been appointed to develop and manage the new Digital Working Hub and Grow-on facility. They are nationally indeed globally significant in virtual and augmented reality, have strong support and backing, and will give the new centre some real Unique Selling Propositions and distinctiveness.

Coupled with the emerging Town Deal project on 5G which is slanted towards virtual reality tourism, the confirmed 5G infrastructure that will be going into this building, the link to use of VR/AR (virtual and Augmented Reality) in developing Care Tech products which we are actively pursuing locally within our wider economic strategy for the Borough; together we now have the opportunity to do something really interesting at 43 Queen Street, maximising this scheme's delivery against the skills infrastructure and enterprise infrastructure intervention themes of Town Deal, and bringing strong additionality to other Town Deal projects, and other recent public sector investment in Colchester for example the Innovation Centre at the University of Essex, and the adjacent 37 Queen Street Business Centre.

A range of internal and external assurances have been obtained, through a robust five step approach to business case appraisal.

- 1.Project Manager/Lead appraisal. The Business Case has been appraised by Project Managers/Leads from the Accountable Body (Colchester Borough Council) and delivery partner (Essex County Council). Throughout the process, Section 151 Officer has had 'on demand' access to the business case, so that changes and improvements could be made in an iterative manner.
- 2.Independent check and challenge. It has also been subject to independent third party drafting and review, including tailored comments and a 'flying review' having regard for other Colchester Town Deal project business cases to ensure dependencies and synergies were identified.
- 3.Political challenge. The Business Case has in turn been reviewed and ratified by the Accountable Body's internal and political governance forums.
- <u>4.Section 151 Officer approval.</u> The Business Case has, with the above check and challenge in mind, been reviewed and ratified by the Accountable Body's Section 151 Officer.
- <u>5.Independent Board ratification.</u> The business case has been ratified by the independent We Are Colchester Board.

#### 4. MHCLG capital (CDEL) 5% payment

With most of the work to prepare this business case already underway through the SE LEP-funded scheme, no draw-down of the £910k initial DLUHC payment has been requested for this scheme, and the work to prepare business case has been completed entirely within existing resources (officer time: CBC programme lead and Amphora project manager working together).

This should be considered in the context of an already approved, and already technically evaluated full business case to which this project forms an annexe. So the key priority has been to hold back the full £900k town deal allocation until needed for the main (delivery) phase of this scheme, to cover the costheadings outlined in the financial case.

# 5. Quantified benefit-cost ratio/value for money (e.g. Benefit Cost Ratio or Net Present Social Value)

A quantified benefit-cost ratio should be provided. If it has not been generated, a summary of evidence used by the S151 Officer to demonstrate value for money should be stated.

To recap, the 'core' grow-on scheme to which the Digital Working hub is attached demonstrated an adjusted BCR of 2.31:1 when independently assessed and evaluated. This specific (new) business case within the Town Deal is assessed as having **an adjusted BCR of 1.97:1** (acceptable Value for Money, and close to good VfM) in its own right.

#### 6. Deliverability

Will this project still be delivered within the Towns Fund timeframe? (Y/N)

Yes. The 'core' grow-on scheme (which has to be delivered in tandem with the Digital Working Hub) is running approximately 12 months behind the original timeline estimates. This is due to the implications of extensive archaeology being required and further complications through demolition of existing structures being linked with an adjacent, delayed development scheme. However, the completion and delivery of outcomes for the entire scheme including the Digital Working Hub is well within the spend timeline needed for Town Deal, with construction completion estimated at December 2023 (originally July 2022). The Digital Working Hub will open, and benefits realisation will commence shortly thereafter.

The recent appointment of a managing operator partner brings greater certainty to the next stages in the project, and removes a key project risk.

#### 7. Delivery plan

Including details of:

- timescales and key milestones
- partnerships
- interdependencies
- risks and mitigation measures (if not provided above).

The key parameters of the scheme (summarised below from the business case, with location of main content noted for each) are as follows:

7a.1) High-level timeline: (see 5.7.1. & 5.7.2. within this business case).

The project timeline has two elements which are inter-related and integrated in the overall project plan contained in full at 5.7.1. *The first of these elements* is the already-approved Grow-on scheme which is now fully in its final delivery (build) phase:

Grow-on scheme: (SE LEP funded) timeline

Activity	Dates
Initial feasibility work (Grow-on scheme).	2017-2018.
Strategic Outline Business Case submitted to LEP.	2018-2019 including
	resubmission.
Outline Business case submitted to LEP.	2020. (Mar)
Full Business case submitted to LEP.	2020. (Oct)
Full Business approval; £3.77m award from LEP and partner	2021 (Feb).
match funding of £0.9m PWLB agreed (CBC).	
Full planning permission	2021 (Mar).
Detailed design, preparatory on-site works for construction	2021 (Summer-Autumn)
phase; studies, surveys, archaeology, demolition, appointment	to 2022 (Oct).
of managing agent.	
On site construction starts.	2022 (Nov)
Construction ends, hand-over to managing operator. Tenants	2023 (Dec)
take up business space in new centre.	
Benefits evaluated.	2024 (Jan) onwards

Integrated with the above timeline, <u>the second element</u> is the project plan timeline for the preparation and delivery of the <u>Digital Working Hub (DWH)</u> itself; the subject of this business case, as follows.

Digital working hub: (Town Deal funded) timeline

Bigital Working Hab: (10011 Boar fariaba) timeline				
Activity	Dates			
Prepared as a concept and included within Town Investment	2020 (Oct)			
Plan (Colchester Town Deal Programme).				
Managing Operator scoping workshop.	2021 (Apr)			
Project development work to refine and develop scope.	2021 (May-Nov)			

Tender process to identify partner organisation to finalise development of the scheme, and manage the building in its operational phase.	2021 (Sep-Nov)
Develop technical (IT) specification for DWH.	2021 (Dec)
Prepare project plan for launch of DWH.	2022 (Jan-Mar)
Prepare management agreement between CBC and operator.	2022 (Jan-Apr)
Initial on-site publicity for DWH (during construction phase).	2022 (Mar)
Formal management agreement entered and public launch of partnership.	2022 (May-June)
Set-up & promotion of DWH (during construction phase).	2023 (throughout)
Start-up of centre and business as usual.	2024 (Jan) onwards

#### 7a.2) Financial deliverability: (see financial case within this business case).

The project is felt to carry a low financial risk to the authority with all the co-funding to the wider (grow-on scheme) project now being secure, and only the Towns Fund contribution being needed to deliver the Digital Working Hub in full.

The key financial dimensions for the digital working hub included within the business case are the funding sources table and the spend profile, as follows:

REVENUE, by Financial Yr:	21-22	22-23	23-24	24-25	25-26	Totals
Subsidy of Management and scheme overheads years 1-3 of operation.	Nil	Nil	£46,000	£71,000	£20,050	£137,050
Subsidy to allocate 5x visitor car parking spaces at Priory Street car park.	Nil	Nil	£7,000	£7,210	£7,426	£21,636
Professional Fees.	£20,000	£16,453	Nil	Nil	Nil	£36,453
This scheme's contribution to core TD Programme Overheads.	£2,751	£4,334	£4,377	£4,414	£4,451	£20,328
Revenue subtotals	£22,751	£20,787	£57,377	£82,624	£31,927	£215,466

CAPITAL, by Financial Yr:	21-22	22-23	23-24	24-25	25-26	Totals
Contribution to shell and core works for Digital Working Hub.	Nil	£219,534	Nil	Nil	Nil	£219,534

Contribution: match funding to "VR/AR lab and studio set-up".	Nil	£200,000	Nil	Nil	Nil	£200,000
Contribution: match funding to creation of café facilities including technology.	Nil	£100,000	Nil	Nil	Nil	£100,000
Contribution to set-up of 5G infrastructure and other ICT requirements.	Nil	£165,000	Nil	Nil	Nil	£165,000
Capital subtotals	Nil	£684,533	Nil	Nil	Nil	£684,534

#### Total scheme costs (combined revenue & capex):

	£22,751	£705,320	£57,377	£82,624	£31,927	£900,000
Overall scheme totals						
Financial Years:	21-22	22-23	23-24	24-25	25-26	Totals

#### Funding sources: specifically for the Digital Working Hub\*:

Year, Value	'20-'21	'21-'22	'22-'23	'23-'24	'24-'25	'25-'26	Total
Towns Fund*	Nil	£0.022751m	£0.705320m	£0.057377m	£0.082624m	£0.031927m	<b>£</b> 0.9 <b>m</b>
Total Funding	Nil	£0.022751m	£0.705320m	£0.057377m	£0.082624m	£0.031927m	£0.9m

breakdown of the sources of funding to the Grow-on scheme are provided in the financial case

7a.3) outputs: (see economic case within this business case).

The outputs prescribed in our original Town Investment Plan have been met or exceeded in the final version of this business case, taken across the grow-on and Digital Working Hub combined. The latter has created a further 8 NET FTE jobs through the operation of the hub, plus an additional 2 NET FTE jobs through the creation of new posts for the day-do-day running and operation of the centre; these are over and above the job levels projected in the original SE LEP business case.

A detailed and robust monitoring & evaluation plan and benefits realisation plan are included in full in this business case. These and their associated Key Performance Indicators will form a key component of the new management agreement between CBC and the managing operator for the new centre.

#### 7b) Partnerships: (see 1.12.1 within this business case)

The key stakeholders for this aside from Colchester Borough Council are:

- Colchester Amphora Trading Ltd Development partner leading design and construction of the building.
- AIXR Appointed (26<sup>th</sup> November 2021) Managing Operator for the Digital Hub and Grow-On Workspace.
- Creative Colchester Board Local partnership bringing together creative business and arts organisation leaders alongside Higher Education and Local Authority representatives who work on developing a strategic vision to grow Colchester's creative, cultural and digital economy.

Furthermore, a wider range of organisations will be crucial to maximising the outputs and outcomes of this scheme, and its ability to play a leading role in and become a core component of Colchester's existing and emerging innovation & enterprise and tech sector infrastructure, notably:

- Mercury Theatre: crucial for the 'access point' for young people described elsewhere in the business case, maximising the opportunities and the role this centre can play in the arts industries locally.
- Oxford Innovation (Innovation Centre at the University of Essex): strong links to this
  existing, established and complementing centre which includes a virtual reality studio
  (Studio X). Whilst this is primarily focussed on undergraduates, there are links and the
  digital working hub managing operator recognises, and will develop these.
- Colchester Business Enterprise Agency (Colbea): Colbea runs two successful local business incubation hubs and opportunities will be identified to onboard relevant businesses to the new centre at 43 Queen Street.
- Space Studios: operators of the existing 37 Queen Street business centre which is adjacent to the new 43 Queen Street facility. As the Grow-on Scheme was originally positioned as boosting the jobs and businesses outputs of 37 Queen Street Busienss Centre through developing 'churn', this will be an important aspect for the new managing operator of 43QS to focus on. Therefore they will build a positive relationship between the two adjacent and complementing facilities, together nurturing the 'cluster' for the creative and tech sectors as part of the economic renaissance of the Queen Street / St Botolph's Quarter.

These partners and the wider community have been, and continue to be fully engaged and consulted in the scheme throughout the life of this project through to final delivery.

#### 7c) Interdependencies:

The key interdependency for this project (Digital Working Hub) is the 'core' grow-on scheme which underpins and enables it. The relationship between these two parallel elements is described in detail throughout this business case. This project remains on a trajectory well within the spend window for Town Deal projects. All key assurances (planning, wider funding package, council commitment) have been in place since Feb/March 2021 so, along with the managing operator now being confirmed as at November 2021, there are no remaining risks/dependencies which would prevent or delay this project from proceeding. However we are actively managing the risks identified in the risk register, notably for the construction phase now in progress.

- <u>Transformed Youth Facilities</u>: The Digital Working Hub can, should and will provide an
  'access point' for young people (see 1.2 in this business case). The digital working hub
  project can highlight opportunities and raise aspirations for young people in Colchester for
  example local opportunities for apprenticeships, work tasters, careers, and jobs in the
  creative and digital sectors of the economy.
- In particular the strong appeal of digital; and in particular augmented and virtual reality, which this centre will specialise in is appealing to young people. In this context should be

noted the nationally and globally significant levels of innovation and intellectual property that will be developed within the digital working hub once in operation.

- <u>5G</u>: There is a clear cross-dependency as we have committed to the new 43 Queen Street / grow-on facility and Digital Working Hub being the first actual physical deployment of 5G infrastructure / delivery within Colchester Town Centre. Budget has been set aside within this (Digital Working Hub) project to assist towards the cost of this capital infrastructure investment and planning of the technical requirements for the building is in progress.
- <u>Digital skills</u>: whilst the main thrust of the new Digital Skills Hub / Wilson Marriage Centre
  is on working age adults developing digital skills needed to enter or remain in employment
  (rather than high-end digital jobs), there is some synergy between the two, and the
  working hub could inspire and serve as an exemplar i.e. showcasing the types of jobs and
  careers that can result from enhanced IT skills, and the types of industry that require
  talented people with strong IT skillsets.

7d) Risks and risk mitigation measures: (see 5.6.3 within this business case for the full risk register) – summary of key risks with residual scores in range 0-15 are provided here:

Summary of risk	Mitigation
Final construction cost exceeds budget available (8/15).	<ol> <li>Clear briefing to architect including budget parameters.</li> <li>Ongoing cost modelling and cost analysis to provide certainty of associated scheme costs such as demolition, archaeology and construction, so that business case and cost plan are refreshed and kept realistic throughout programme to final completion.</li> <li>Value engineering.</li> <li>Generous contingencies in budget.</li> </ol>
Risk that scheme cannot be completed within Towns Fund spend window (8/15).	<ol> <li>Construction end (Dec 2023) allows a significant margin for further time over-runs.</li> <li>Thorough engagement and regular communication with all parties throughout the process.</li> <li>Timeliness requirements built into construction phase tenders and contracts.</li> </ol>
Officer & staff capacity & skillset to deliver project (5/15).	<ol> <li>Project is baked into the current roles and responsibilities of two key staff at CBC and CATL (delivery partner).</li> <li>This includes those personnel who originally prepared the scheme and business case (2017-2021).</li> <li>The managing agent has made allowance for 2x FTE new positions to operate this scheme and the new building.</li> </ol>

#### 8. Town Deal Board Chair name & signature

Name of the Town Deal Board: We are Colchester

Chair's name and signature: Simon Blaxill

Date: 24/03/2022

### 9. By signing, I agree that:

- 1. The business case, in a proportionate manner, is Green Book compliant.
- 2. The 5% early capital (CDEL) has been included in the Town Fund project costs across the programme.
- 3. This project and expenditure represent value for money, including the 5% early capital (CDEL) provided.
- 4. Project-level Equality Impact Assessments such as Public Sector Equalities Duty and/or Environmental Impact Assessments have been undertaken.
- 5. For final submission programme-level Public Sector Equality Duty assessment has been undertaken by the accountable body.

# Name of the lead Local Authority and signature of the Chief Executive Officer or S151 Officer

Name of the lead Local Authority: Colchester Borough Council

Job title: Section 151 Officer

Name and signature: Paul Cook

Date: 24th March 2022

## Part 2: Town Investment Plan (TIP) conditions

Towns are **only** required to submit this with the **first batch** of Summary Document if any TIP conditions are listed in the Heads of Terms. All TIP conditions must be met **before funding can be released.** 

## TIP conditions table: Digital Working Hub

#### 1. TIP improvement condition

Set out TIP improvement conditions as agreed in Heads of Terms

None

#### 2. Evidence

Provide evidence of how conditions have been addressed

N/A

## 3. Name of the Town Deal Board Chair & signature

Name of the Town Deal Board: We Are Colchester

Chair's name and signature: Simon Blaxill

Date: 24/03/2022

# 4. Lead Local Authority's name & signature of the Chief Executive Officer or S151 Officer.

Name of the lead Local Authority: Colchester Borough Council

Job title: Section 151 Officer

Name and signature: Paul Cook

Date: 24/03/2022

## **Part 1: Project Summary Document**

Towns should complete this for each project.

#### **Summary Document table**

#### 10. Project name: Transforming Youth Facilities in Colchester

#### 11. Heads of Terms project conditions

- Actions taken to address any conditions attached to the project in the Heads of Terms, where applicable.
- Where the condition was to provide a delivery plan please input in the section below (no.9) and/or attach to this document.

Consultation Plan for engaging young people. A plan has been developed and will be updated throughout the life of the project. The Engagement Plan which formed part of our Town Investment Plan submission in October 2020 has also been updated to reflect confirmed projects and will evolve further to ensure that specific activities optimise general awareness of We Are Colchester and stimulate meaningful, innovative engagement at project level to help ensure positive outputs and outcomes.

Plans for the sustainable funding of the facility. This project was based on two separate but complementary elements, the refurbishment of the existing Townhouse Youth Centre, and development of a new additional facility. Due to reduction in funding limit for the project from £2.42M to £1.32M, all projects in the programme were tested for viability and deliverability by and for our Town Deal Board. With the focus now exclusively on improving existing rather than newly constructed facilities, this obviates the need for plans regarding sustainable funding as the project now focuses on Essex County Council owned and managed sites.

Essex County Council as the statutory body will ensure that the facilities and services for young people will continue to be managed by ECC Youth Service, who will fund the staff that manage the centres and all future maintenance and cleaning requirements necessary. In order to maximise the opportunities that the Town Deal has given these youth projects, ECC will also pursue additional funding like the Youth Investment Fund which will help expand and compliment the work that will be delivered through the Town Deal.

#### Quantified outputs and outcomes.

#### **Outputs:**

- 100 young people supported into employment or receiving accredited training.
- 250 young people taking part in group work / life skills sessions.
- 150 people completed accredited training courses.
- 25 organisations/youth groups using the centre to deliver their services, including Social Care, young people's health services, 1:1 tutoring for young people unable to attend mainstream education. Anticipate 250 people receiving 1:1 support (e.g., mental health support).
- 500 young people regularly attending session across all three youth centres

#### **Outcomes:**

- Increased skills levels for young people within Colchester and surrounding areas.
- Increased access and opportunities for young people to support their wellbeing.
- Prospect for greater engagement and social mixing of young people within Colchester and surrounding communities
- Increased variety of services and opportunities available to young people
- Increased footfall to the Townhouse (and therefore town centre).

In this newly combined project, we will look to work across several different partners, including the Essex Local Delivery Pilot (LDP), Essex Youth Services and the voluntary sector.

#### 12. Business case appraisal

Provide details of how the business case has been appraised including:

- business case type
- any internal or external assurances

The business case for Transformed Youth Facilities is '**standard track**' as opposed to 'fast track', meaning that it is being submitted to a March 2022 deadline rather than an accelerated timetable. In turn, funding is expected to be drawn down in accordance with the financial profile provided in June 2021.

**Proportionality has been applied**, drawing on Towns Fund best practice guidance, together with a Project Owner/Lead assessment of general requirements along with a considered specific view of each of the 5 Cases making up the whole Business Case (Strategic, Economic, Financial, Commercial and Management Cases).

This concluded that there was merit in producing a more detailed Business Case.

Colchester has several youth centres in good, accessible locations. Notably, the Townhouse.

Lack of any significant investment over many years has led to a situation where the existing facilities no longer fully meet the needs of service users and consequently are not used to their full capacity.

This in turn excludes many younger people from being able to access the activities and support they want – which then reduces the opportunities to improve mental and physical health, as well as chances to develop employability skills.

Updating buildings is not the only solution to the problem, but it is the catalyst for all other relevant indicators – increased number of service users, range and richness of support available, quantitative and qualitative impact on mental and physical wellbeing, improved and sustainable social connections, a sense of purpose in life, and meaningful work experience or employment.

After talking and listening to young people, it was very easy to see what improvements could positively influence the level and frequency of interest in the facilities. We were told safety and variety of activities under one roof were important, as well as job-hunting, apprenticeship opportunities and independent living support.

From this feedback, it was relatively easy to build up a costed 'wish list' of the 'must haves' and 'could haves' considered by service users to be most important to them. We were pleased to find that the available budget enabled us to deliver all the features considered most important.

A range of internal and external assurances have been obtained, through a robust five step approach to business case appraisal.

- 1.Project Manager/Lead appraisal. The Business Case has been appraised by Project Managers/Leads from the Accountable Body (Colchester Borough Council) and delivery partner (Essex County Council). Throughout the process, Section 151 Officer has had 'on demand' access to the business case, so that changes and improvements could be made in an iterative manner.
- <u>2.Independent check and challenge</u>. It has also been subject to independent third party drafting and review, including tailored comments and a 'flying review' having regard for other Colchester Town Deal project business cases to ensure dependencies and synergies were identified.
- <u>3.Political challenge</u>. The Business Case has in turn been reviewed and ratified by the Accountable Body's internal and political governance forums.
- <u>4.Section 151 Officer approval.</u> The Business Case has, with the above check and challenge in mind, been reviewed and ratified by the Accountable Body's Section 151 Officer.
- <u>5.Independent Board ratification.</u> The business case has been ratified by the independent We Are Colchester Board.
- 13. MHCLG capital (CDEL) 5% payment

Not applicable.

# 14. Quantified benefit-cost ratio/value for money (e.g., Benefit Cost Ratio or Net Present Social Value)

A quantified benefit-cost ratio should be provided. If it has not been generated, a summary of evidence used by the S151 Officer to demonstrate value for money should be stated.

The Transformed Youth Facilities business case demonstrates **good value for money** with an adjusted **Benefit Cost Ratio of 2.67.** 

The appraisal period for this project has been set at 15 years to consider the natural lifespan of the facilities and technology that will be procured and installed.

	Appraisal Summary Table: Transforming Youth Facilities	Value	Explanation / Notes
A	Value of monetised benefits under prefoption	£4,697,742	Undiscounted
В	Present value of monetised benefits under preferred option	£3,520,259	Discounted to 2022/23 values
С	Present Value Costs (marginal cost impact of preferred option)	£1,320,000	The total cost of the scheme, including £1,320,000 of Towns Fund money
D	Present Value of marginal cost impact of preferred option	£1,320,000	Assuming the development phase is completed in 2022/2023
E	Net Present Value of preferred option vs do nothing option (reference case)	£2,200,259	(B-C + D).
F	Initial Benefit: Cost Ratio (BCR)	0:00	(B/C) Zero as no land value benefit has been assumed.
G	Adjusted BCR	<ul><li>2.67</li><li>allowing for 3.5%</li><li>optimism bias</li><li>10% contingency</li><li>to allow increase</li><li>in costs.</li></ul>	
Н	Scheme delivers significant non-monetised impacts	<ul> <li>Access for equipment</li> <li>Better quato use the</li> <li>Increased</li> <li>Increased activities, lability to see</li> <li>Reduction for young pound advice</li> <li>Improved pouldering</li> <li>Improved producing</li> <li>Healthy ea</li> </ul>	opportunity for young people to access skilled essionals who will be able to give them support exphysical health and wellbeing (e.g., due to facility and sports hall facilities) mental health through listening, performing and

		lead to imple health  Increased of people and food project meals or all young peouse of new  Number of developme achieving rethem to act traineeship  Number of (youth work wellbeing elements of the facilities and fac	people receiving accredited training k, safeguarding, mental health and etc) mental health and wellbeing of young people in being able to access improved sports and music, drama and dance capacity for our holiday activity and food young people receiving free school meals and ple from working families due to the modern tchen g carers and young people leaving care able cooking on a budget sessions g people able to access safe, ing and participative activities, due to the
I	VFM	Good Value for Money	DLUHC appraisal category
J	Switching values and rationale for VfM category	Good Value for Money	
K	DLUHC Financial Cost (£m)	2022/23	From Towns Fund
L	Risks		See risk sections in strategic case and management case.

## 15. Deliverability

Will this project still be delivered within the Towns Fund timeframe? (Y/N)

Yes.

## 16. Delivery plan

Including details of:

- timescales and key milestones
- partnerships
- interdependenciesrisks and mitigation measures (if not provided above).

A detailed programme of works setting out the principal stages and workstreams will be developed with the preferred contractors, once appointed.

It is anticipated that the project can be realistically **delivered well within an 18-month timeframe** once the contractors have been appointed to undertake the work on all three sites.

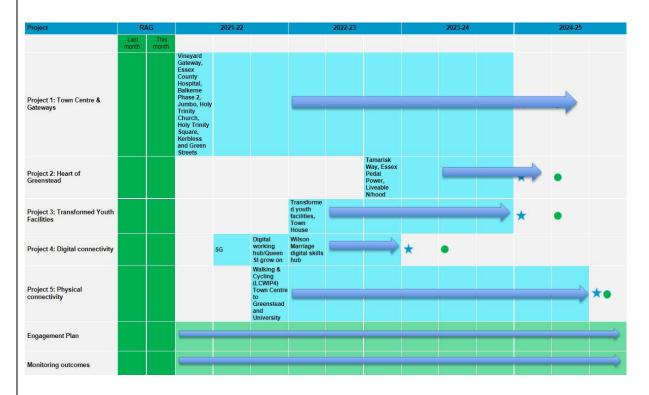
Depending on the successful contractor, their preferred delivery approach and extent of resources at their disposal, this will either be done concurrently or one youth centre after the other, which will have an impact on the overall timescales of project delivery.

Ultimately the project will be guided by the assumptions expertise of the chosen contractor and these factors will feature heavily in the procurement advertising, shortlisting and selection decision process.

A further significant consideration is that of any necessary planning application and approvals processes that must be undertaken in order to deliver the project features specified.

Additionally, key project reviews will need to be built into the timeframe as part of the overall project assurance process as well as the identification of any decision-based milestones required by ECC and/or CBC governance channels.

A high-level overview of timescale and key milestones for Transformed Youth Facilities, in the wider context of Colchester's Town Deal Programme of work, can be found below:



The capital element of this project will be delivered between 2022/23 and 2023/24, with revenue expenditure spread across 2021/22 to 2025/26.

The project will be delivered in accordance with Financial Profile information submitted.

	RDEL/	20/21				24/25	25/26		l
Project	CDEL	(£)	21/22 (£)	22/23 (£)	23/24 (£)	(£)	(£)	Total (£)	<u></u>

	RDEL	0	25,773	20,055	64,500	21,243	22,158	153,729
	CDEL	0	0	297,134	839,324	0	0	1,136,458
Transforming Youth Facilities	Total	-	25,773	317,189	903,824	21,243	22,158	1,290,187

The revenue allowance for this project includes specific project management costs. Any unspent monies will be released to projects.

#### **Partnerships**

The project is led by Essex County Council, supported by the Accountable Body, Colchester Borough Council. The project lead has identified and is actively engaging with a range of stakeholder groups and individuals.

Stakeholder	Interest	Engagement
Essex Youth Service	Redevelopment of Youth Service Centre	Head of Youth Service is part of the project group or youth service lead
Building Leaseholders	Refurbishments to owned Centre	Regular briefing meetings updating them on the approach and progress
Service Users including Community Group Partners	Redevelopment and improvements to centers facilities and provisions	Regular public announcements updating on the approach and progress
ECC Cabinet Members	Cabinet Members for Education, Communities, Economic Development, Children & Families	Regular briefing meetings updating them on the approach and progress
Neighbours & Wider Community	Increased provisions, social action and interactions	Regular public announcements updating on the approach and progress
Colchester Borough Council	Leading on the Towns deal project	Assisting with engagement process, two-way approach.
Children &Young People	Building users, social action and opportunities for engagement	Young people engaged at all levels throughout process through both digital and Face to face methods.
ECC departments – including Finance, Legal, Property Services, Procurement, Comms & Marketing, Localities	Supporting the development of the business case and development of the project.	Engaged throughout process to assist with making sure the project is value for money and all internal and external processes are followed.
Youth Offending Service	Key users of the buildings moving forward	Identifying the needs of the young people they work with and engaging them in the consultation process.
Social Care	Key users of the buildings	identifying the needs of the young people they work with and engaging them in the consultation process
Schools, Children and Families	Commissioners of the Youth Service. Supporting the "Future Ready" COVID-19 recovery programme, which includes provision for young people who are struggling to return to education due to multiple school closures and experiencing issues with their emotional health and wellbeing.	Discussions around increased opportunities for young people

Police, Fire and Crime	Commissioning the delivery of	Making them aware of project and the
Commissioners Office	Goodman and Sisters in Strength	possibilities it could bring to enhance future
	programmes, which are mentoring	partnerships
	programmes supporting young	
	people who are displaying	
	behaviours linked to perpetrator,	
	victim or witnesses of domestic	
	abuse or unhealthy relationships	
Adult Community Learning	Commissioning the Plan B	Making them aware of project and the
	traineeship	possibilities it could bring to enhance future
		partnerships
Local schools and Colleges	This is the best way to access the	Through digital consultation and possible
/ other further education	most important stakeholder,	focus groups
providers (e.g., Colchester	children and young people,	
Institute)		
Essex Council for Voluntary	Umbrella body for voluntary youth	Acting as a conduit between the youth
Youth Services (ECVYS)	services in Essex	service and voluntary sector to assist with
		engagement.

#### Interdependencies

There are identified interdependencies with other Town Deal projects – Town Centre/Gateways, Wilson Marriage Digital Skills Hub, 5G and Heart of Greenstead.

It is simpler to optimise project dependencies than to operate in silos. Transformed Youth Facilities provide an opportunity for young people to access services and support which improve life chances. This in turn creates an opportunity for structured linkages to adult community learning and in turn other Town Deal projects which support the local economy including Jumbo. Further, the importance of 5G and walking and cycling links between Town Centre, Greenstead and University to young people cannot be overstated.

#### **Risks and Mitigations**

Outputs and outcomes may not be achieved – meaning the modal shift to using improved facilities is not realised and Town Deal funding is withheld. Budget overspend is also a risk, which in turn jeopardises future Town Deal funding. Further, ineffective engagement with young people could lead to low use of improved facilities and consequent negative PR. Should match funding not be available this would also affect the features which can be delivered. Political pressure also cannot be ignored and may lead to a lack of focus on objectives.

These risks are mitigated by effective engagement and consultation, building in contingency (min 10%) and closely monitoring and escalate risks, as well as securing agreements for match funding. Political risks must be effectively managed by senior managers.

#### **Risks**

Outputs/outcomes not achieved Budget overspends Engagement not effective Match funding insufficient Loss of support from political leaders

#### **Mitigations**

Ensure effective engagement/consultation.

Build in contingency. Closely monitor and escalate risks.

Ensure any match funding is secured.

Political representatives kept closely engaged and informed with opportunities to ask questions and express opinions.

17. Town Deal Board Chair name & signature
Name of the Town Deal Board:
We Are Colchester
Chair's name and signature:
Simon Blaxill
Date:
<ol> <li>By signing, I agree that:         <ol> <li>The business case, in a proportionate manner, is Green Book compliant.</li> <li>The 5% early capital (CDEL) has been included in the Town Fund project costs across the programme.</li> </ol> </li> <li>This project and expenditure represent value for money, including the 5% early capital (CDEL) provided.</li> <li>Project-level Equality Impact Assessments such as Public Sector Equalities Duty and/or Environmental Impact Assessments have been undertaken.</li> <li>For final submission - programme-level Public Sector Equality Duty assessment has been undertaken by the accountable body.</li> </ol>
Name of the lead Local Authority and signature of the Chief Executive Officer or S151 Officer
Name of the lead Local Authority:
Colchester Borough Council
Job title: Section 151 Officer
Name and signature: Paul Cook
Date: 24/03/2022

## Part 2: Town Investment Plan (TIP) conditions

Towns are **only** required to submit this with the **first batch** of Summary Document if any TIP conditions are listed in the Heads of Terms. All TIP conditions must be met **before funding can be released.** 

#### TIP conditions table

#### 5. TIP improvement condition

Set out TIP improvement conditions as agreed in Heads of Terms

Consultation Plan for engaging young people

Plans for sustainable funding of facilities (see Part 1 (2))

Quantified outputs and outcomes specified

#### 6. Evidence

Provide evidence of how conditions have been addressed

#### Consultation Plan.

Under the Heads of Terms offer for the Townhouse Youth Centre refurbishment element of the funding bid, there is a requirement to provide a consultation plan for engaging young people, in particular. This plan is therefore set out below and includes the target audience, aims and format of the proposed consultation. Within the plan there is a commitment to seek a wide range of views (i.e. current users and non-users, young people, local adults and community groups) and via different formats to enhance the collection of data that can inform the Townhouse Youth Centre bid.

The next steps of this plan would be to set timescales around the relevant consultations and develop the content and structure for the focus groups and surveys. As part of our commitment to ongoing engagement, we will also seek to involve the key stakeholders identified post-consultation in specific ways; for example, a young people's working group to have a continued involvement in the Townhouse Youth Centre bid is one potential option.

Consultation / engagement topic	Audience	Method	Activity lead	Activity commence s	Resources needed
What would young people would like to see in the youth centres? Consult the YEA members around them assisting with the wider consultation of children and young people	Young Essex Assembly members in Colcheste r	Face to face through captured convers ation	Youth Service Staff	October 20 21	Flip chart and pens; venue
What would current and potential stakeholders like to see in the centre?	Stakehold er event at the Townhous e for the same as above	Face to face through captured convers ation	Youth Service staff and YEA members	November 2021	Stakeholder packs
What young people would like to see in the youth centres	Youth Service team in North Essex are aware of the investmen t and	Face to face through captured convers ation	Youth Service staff	Ongoing  - weekly conversatio ns happening with staff and community groups	Paper and pens

	Τ .	ı			1
	have			using the	
	been			Townhouse	
	asked to			and other	
	talk to the			centres	
	Children			around	
	and			Town	
	Young				
	People				
	they are				
	working				
	with for				
	their ideas				
	and				
	input				
Questionnaire/survey/co	Children	Digitally	Youth Service staff	January -	IT equipment
nsultation on the	and			March	
Townhouse/ Current	young			2022	
use/future us as well as	people,				
other youth provisions in	families,				
the town centre	wider				
	communit				
	y, schools				
	from				
	Town				
	Deal area,				
	neighbour				
	S,				
	profession				
	als				
	_				
	Two				
	different				
	digital				
	consultati				
	ons one				
	for				
	primary				
	and one				
	for				
	teenagers				
	and adults				
	22 444110				
What young people	Children	Face to	Youth Service staff,	January -	Young people's co
would like to see in the	and	face	YEA members, Town	March	nsultation packs,
	Young		*	2022	
youth centres	_	through	deal engagement lead	2022	mood boards, flip
	People's	captured			chart paper, pens
	stakehold	convers			
	er events	ation,			
		within			
		schools			
		from			
		Town			
		Deal			
		area and			
		youth			
		groups			
Consultation with	Local	Face to	Youth Service staff,	February	Feedback/
immediate neighbours	residents,	face and		2022	consultation docs
and local residents	all ages	letter		<del>-</del>	and plans images
	a agoo	.001			and plane inages

П				Ι	of what is
					proposed.
Consultation with wider community	Communit y	Face to face	Youth service staff in partnership with community 360	March 2022	Digital and paper- based survey, IT equipment, pens and printed survey
Design and layout of building	Focus group of children and young people from communit y and YEA, partner organisati ons and stakehold ers, families	Face to face or through MS Teams	Youth Service staff, In frastructure Delivery, YEA members	March 2022 Design Phase	Designs and plans for layouts.
Interior designs and fit out	Focus group of children and young people from communit y and YEA, partner organisati ons and stakehold ers, families	Face to face or through MS Teams	Youth Service staff, Infrastructure Delivery team YEA members	April 2022 Design Phase	Designs, mood boards, computers for young people's research to input ideas to design process
Finalisation of designs	Focus group of children and young people from communit y YEA, partner organisati ons and stakehold ers, families	Face to face or through TEAMS	Youth Service staff, Infrastructure Delivery team YEA members	May 2022 Design Phase	Designs, mood boards, computers for young people's research to input ideas to design process
Consult with partner organisations using buildings around minimum need to continue delivery of services	All partners organisati ons	Email, face to face	Youth Service staff	Oct – Nov 2022	Map space and other facilities

Notify building users/partners of closures for renovations/building works	All partners organisati ons and building users	Email, face to face	Youth Service staff	Nov – Dec 2022	Look at possible other assets to relocate delivery to. Detached work, mobile youth centre.
Grand Opening of buildings	Focus group of children and young people from communit y YEA, families, schools, key stakehold ers	Face to face or through TEAMS	Youth Service staff, Infrastructure Delivery team YEA members	July 2023 Launch Phase	

The following table summarises the key stakeholders and their interests and power to influence delivery.

Stakeholder	Interest	Engagement
Essex Youth Service	Redevelopment of Youth Centre	Head of Youth Service is part of the project group or youth service lead
Building freeholders	Refurbishments to owned Centre	Regular briefing meetings updating them on the approach and progress
Service Users including Community Group Partners	Redevelopment and improvements to centers facilities and provisions	Regular public announcements updating on the approach and progress
ECC Cabinet Members	Cabinet Members for Education, Communities, Economic Development, Children & Families	Regular briefing meetings updating them on the approach and progress
Neighbours & Wider Community	Increased provisions, social action and interactions	Regular public announcements updating on the approach and progress
Colchester Borough Council	Leading on the Towns deal project	Assisting with engagement process, two-way approach.
Children & Young People	Building users, social action and opportunities for engagement	Young people engaged at all levels throughout process through both digital and Face to face methods.
ECC departments – including Finance, Legal, Property Services, Procurement, Comms & Marketing, Localities	Supporting the development of the business case and development of the project.	Engaged throughout process to assist with making sure the project is value for money and all internal and external processes are followed.
Youth Offending Service	Key users of the buildings moving forward	Identifying the needs of the young people they work with and engaging them in the consultation process.
Social Care	Key users of the buildings	identifying the needs of the young people they work with and engaging them in the consultation process
Schools, Children and Families	Commissioners of the Youth Service. Supporting the "Future Ready" COVID-19 recovery programme, which includes provision for young people who are struggling to return to	Discussions around increased opportunities for young people

	education due to multiple school closures and experiencing issues with their emotional health and wellbeing	
Police, Fire and Crime Commissioners Office	Commissioning the delivery of Goodman and Sisters in Strength programmes, which are mentoring programmes supporting young people who are displaying behaviours linked to perpetrator, victim or witnesses of domestic abuse or unhealthy relationships	Making them aware of project and the possibilities it could bring to enhance future partnerships
Adult Community Learning	Commissioning the Plan B traineeship	Making them aware of project and the possibilities it could bring to enhance future partnerships
Local schools and Colleges/other further education providers (e.g. Colchester Institute)	This is the best way to access the most important stakeholder, children and young people	Through digital consultation and possible focus groups
Essex Council for Voluntary Youth Services (ECVYS)	Umbrella body for voluntary youth services in Essex	Acting as a conduit between the youth service and voluntary sector to assist with engagement.

ECC Youth Service believe young people should be at the centre of all decisions made for the service, so are very experienced in consulting with young people and stakeholders in respect of the direction of the service. The youth work team are working with the Young Essex Assembly Members (ECC-county wide Youth Council that mirrors the full council) as a consultative body, but also working with other current building users across the three centres and working with the local schools and colleges to publicise a digital consultation regarding the investment.

The Youth Service will work with CBC and its own internal Communications department to publicise the consultation events and the project and will also use local stakeholder / partner events and meetings as well as colleagues attending (for example) the Children's Partnership Board, Health and Wellbeing Boards and Essex Council for Voluntary Youth Services (ECVYS) as a conduit to the voluntary sector.

**Financial Profile** previously submitted, supplemented by a 5 Case approach the Business Plan informed by proportionality.

**Outputs and Outcomes** in accordance with project confirmation submission and supplemented by the Business Case.

#### 7. Name of the Town Deal Board Chair & signature

Name of the Town Deal Board:

We Are Colchester

Chair's name and signature:

Simon Blaxill

Date:24/03/2022

#### 8. Lead Local Authority's name & signature of the Chief Executive Officer or S151 Officer.

Name of the lead Local Authority:

**Colchester Borough Council** 

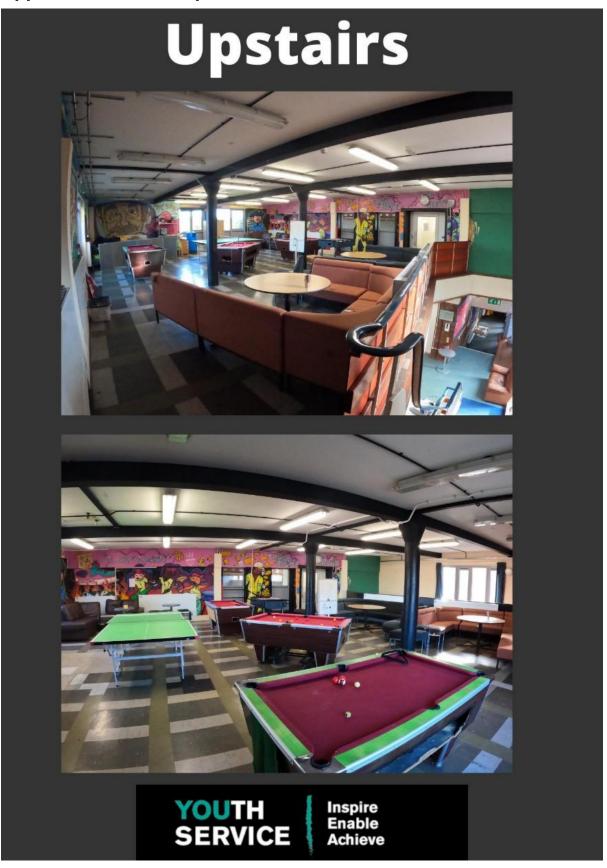
Job title: Section 151 Officer	
Name and signature: Paul Cook	
	Date:

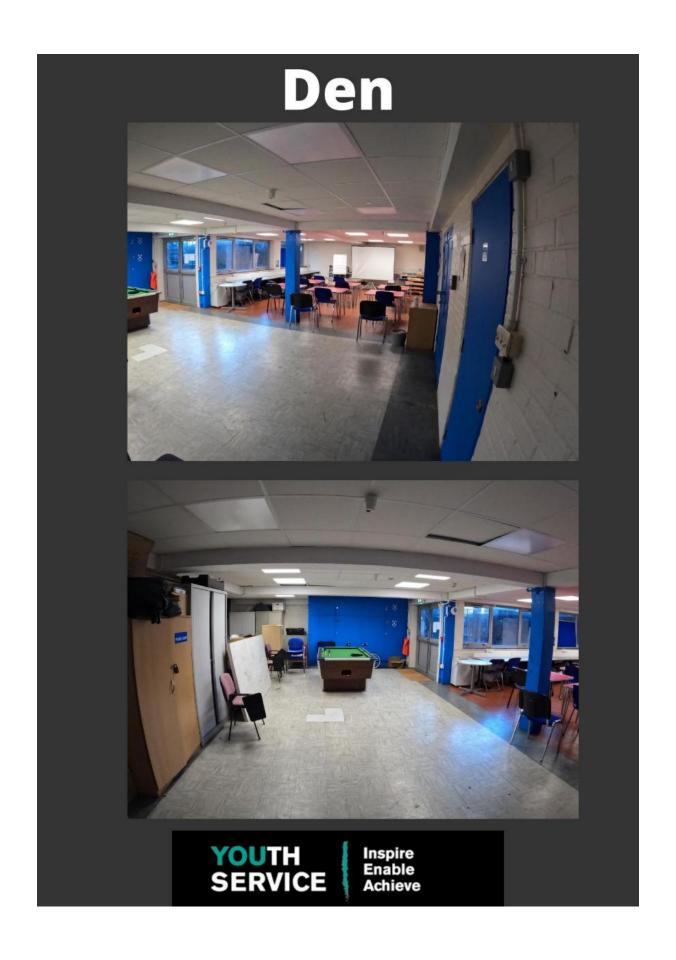
## **Annex: submission checklist**

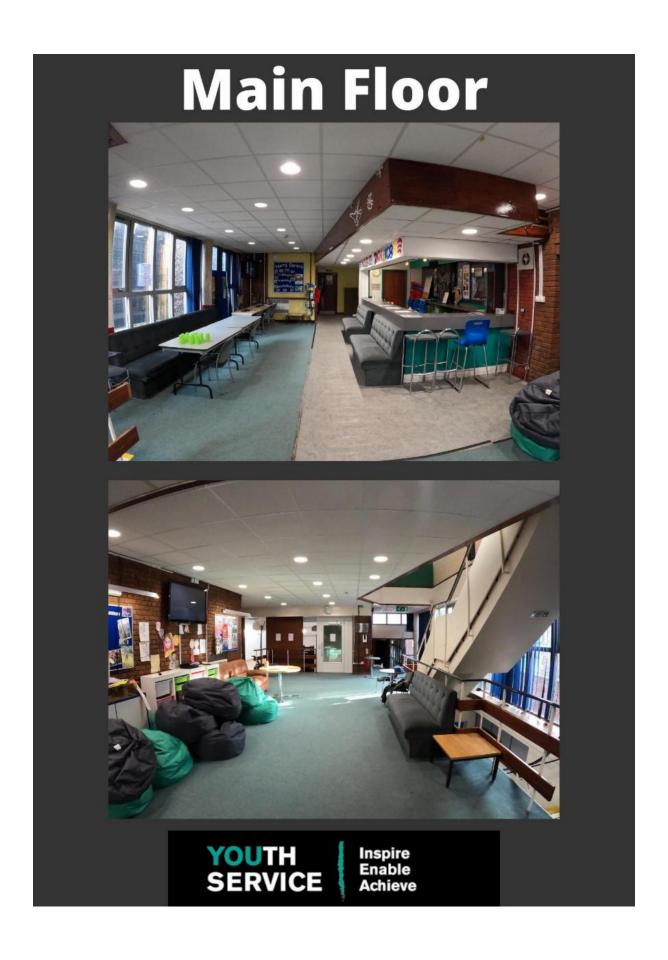
Use this as guidance when submitting the Summary Documents.

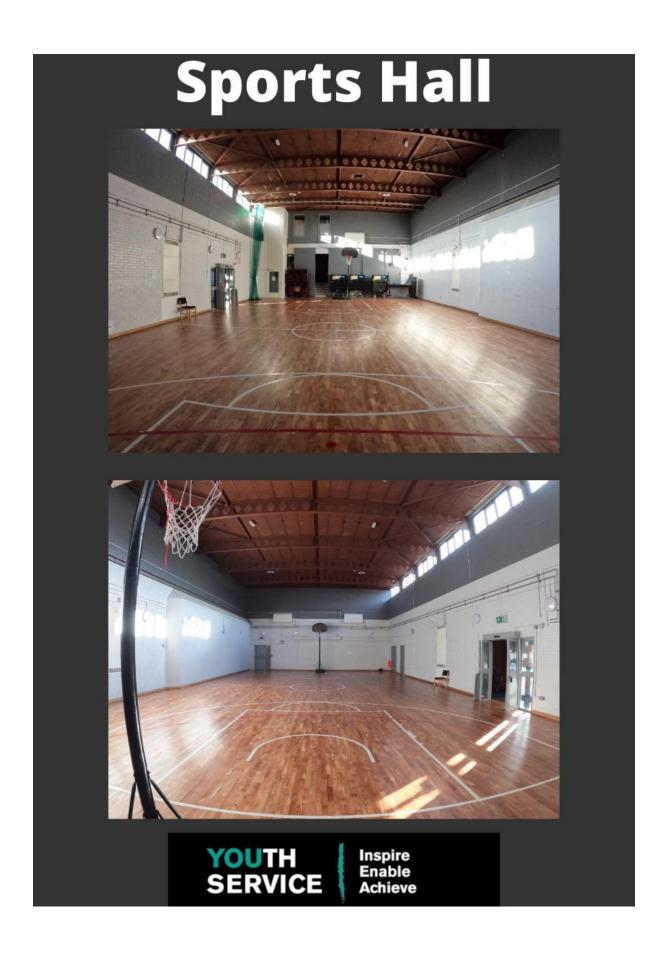
Items	Checked	Qty			
first submission					
Programme-level update					
2. Part 1: Project Summary Document					
3. Part 2: Town Investment Plan (TIP) conditions					
4. Final Monitoring & Evaluation (M&E) plan					
5. Any other documents					
all other submissions					
Programme-level update					
2. Part 1: Project Summary Document table					
3. Final M&E plan					
4. Any other documents					

Appendix 1 – Internal photos of the Townhouse Youth Centre









## Appendix 2 – High-Level Project Plan

Activity	Dates	Owner / accountable team		
Approval of Outline Business Case by ECC internal governance (Cabinet)	18 January 2022	ECC – Localities Team		
Approval of Outline Business Case by CBC internal governance	Late January to Mid-March 2022	CBC / ECC		
Submission of Business Case Summary to DLUHC	24 March 2022	CBC		
ECC Business Case preparation and approval (for inclusion into 2022/23 expenditure)	April through to early May 2022	ECC – Infrastructure Delivery, Localities Team and Youth Service		
Preparation of project brief/ scope/tender documentation, consideration of optimal procurement route	May to end of June 2022	ECC Infrastructure Delivery		
Tender period to contractors	July and August 2022 (propose 8 weeks)	ECC Infrastructure Delivery		
Tender evaluation and appointment	September 2022	ECC Infrastructure Delivery		
ECC Final Business Case preparation and approval to enter construction contract	October – mid November 2022	ECC – Infrastructure Delivery, Localities Team and Youth Service		
Legal contracts prepared and signed by ECC and contractor. Propose concurrent with FBC process.	October – mid November 2022	ECC Legal Services		
Contractor may need to submit planning application dependent upon agreed scope of works	Planning process will add at least 13, probably 20 weeks to this process	Contractor		
Contractor mobilisation and set up	December 2022 (April 2023 if planning required)	Contractor		
Construction work (length will be dependent upon the service needs to remain operational)	January to June 2023 (June 2023 to November 2023 if planning required)	Contractor, Infrastructure Delivery to project manage		
Townhouse / Stanway & Highwoods youth centre relaunch	July 2023 (December 2023 if planning required)	ECC – Youth Services, Comms & Marketing		

## **Part 1: Project Summary Document**

Towns should complete this for each project.

#### **Summary Document table**

#### 19. Project name: Digital Skills Hub / Wilson Marriage

#### 20. Heads of Terms project conditions

- Actions taken to address any conditions attached to the project in the Heads of Terms, where applicable.
- Where the condition was to provide a delivery plan please input in the section below (no.9) and/or attach to this document.

No conditions were attached to this scheme.

#### 21. Business case appraisal

Provide details of how the business case has been appraised including:

- business case type
- any internal or external assurances

A Project Business Case has been produced to demonstrate the strategic rationale, feasibility, viability and value for money of this project. The business case is 'standard track' as opposed to 'fast track', meaning that it is being submitted to a March 2022 deadline rather than an accelerated timetable. In turn, funding is expected to be drawn down in accordance with the financial profile provided in June 2021.

Proportionality has been considered using the Towns Fund Delivery Partners Proportionality Assessment Tool and best practice guidance, together with the Project Owner and Sponsor's assessment of general requirements as well as a considered view of each of the 5 Cases making up the whole Business Case (Strategic, Economic, Financial, Commercial and Management Cases). On the basis that this is a relatively straightforward project involving refurbishment of an existing building which is structurally sound and understanding that project size and value is less than £1m at £900k and much of the work can be achieved through already established contractors e.g. Mitie (ECC's contracted supplier for facilities management and property) and within the ACL's current resource, it was concluded that there was merit in producing a less detailed Business Case.

A range of internal and external assurances have been obtained, through a robust five step approach to business case appraisal.

- Project Manager/Lead appraisal. The Business Case has been appraised by Project
  Managers/Leads from the Accountable Body (Colchester Borough Council) and delivery partner
  (Essex County Council). Throughout the process, Section 151 Officer has had 'on demand' access
  to the business case, so that changes and improvements could be made in an iterative manner.
- 2. Independent check and challenge. It has also been subject to independent third party drafting and review, including tailored comments and a 'flying review' having regard for other Colchester Town Deal project business cases to ensure dependencies and synergies were identified.
- 3. Political challenge. The Business Case has in turn been reviewed and ratified by the Accountable Body's internal and political governance forums.
- 4. Section 151 Officer approval. The Business Case has, with the above check and challenge in mind, been reviewed and ratified by the Accountable Body's Section 151 Officer. As well as receiving approval from Essex County Council's S151 Officer as ECC is the delivery body for this project.
- 5. Independent Board ratification. The business case has been ratified by the independent We Are Colchester Board.

#### 22. MHCLG capital (CDEL) 5% payment

Not Applicable

# 23. Quantified benefit-cost ratio/value for money (e.g., Benefit Cost Ratio or Net Present Social Value)

A quantified benefit-cost ratio should be provided. If it has not been generated, a summary of evidence used by the S151 Officer to demonstrate value for money should be stated.

#### **Economic Appraisal and Benefit-to-Cost Ratio (BCR):**

	Appraisal Summary Table: ACL Digital Skills Hub	Value (for the public realm element of scheme only	Explanation / Notes		
Α	Value of monetised benefits under preferred option	£4,318,164	Undiscounted		
В	Present value of monetised benefits under preferred option	£3,229,591	Discounted to 2022/23 values		
С	Present Value Costs	£1,000,000	The Towns Fund grant sought (subject to BC) plus partner match funding. Total Public Cost		
D	Present Value of marginal cost impact of preferred option	£1,000,000			
Е	Net Present Value	£3,229,591	(B-C + D).		
F	Initial Benefit: Cost Ratio (BCR)	3.23	(B/C)		
G	Adjusted BCR	3.23 (Good value for money) allowing for 3% optimism bias			
Н	Scheme delivers significant non-monetised impacts	<ul> <li>Greater breadth of opportunity to access digital skills.</li> <li>Opportunities to grow digital provision that supports present and future workforce challenges.</li> <li>Join up between existing services within Colchester to reduce duplication and close skills gaps.</li> <li>Providing greater opportunity for businesses to engage with education.</li> <li>Bring communities closer together.</li> <li>Improved join up between other educational establishments to progress students into higher education or apprenticeships – especially those from deprived backgrounds or disadvantaged groups.</li> </ul>			
I	VFM	Good Value for Money.	DLUHC appraisal category as >2		
J	Switching values and rationale for VfM category	Good Value for Money.	BCR is well within the 'High' VfM category (BCR between 2 and 4)		
K	DLUHC Financial Cost (£m)	£900,000 in 2022/23	From Towns Fund		

L	Risks	Analysis based on	See risk sections in strategic
		estimated construction costs, and current values for	case and management case.
		all other parameters.	

The outputs and outcomes set out in the 2020 Colchester Town Investment Plan cited 210 residents as gaining employment as a direct result of the project. There is a high level of confidence that the activities referenced within this Business Case will support delivery of this output.

#### 24. Deliverability

Will this project still be delivered within the Towns Fund timeframe? (Y/N)

Yes. The work on this project is expected to start in April 2022 and be completed for lessons to commence in October 2022. As the current space is not fully utilised there will be minimum impact on the existing provision which has been planned for other spaces within the main Adult Community Learning (ACL) building.

A 20% budget contingency has been included to ensure any issues encountered during delivery can be mitigated.

#### 25. Delivery plan

Including details of:

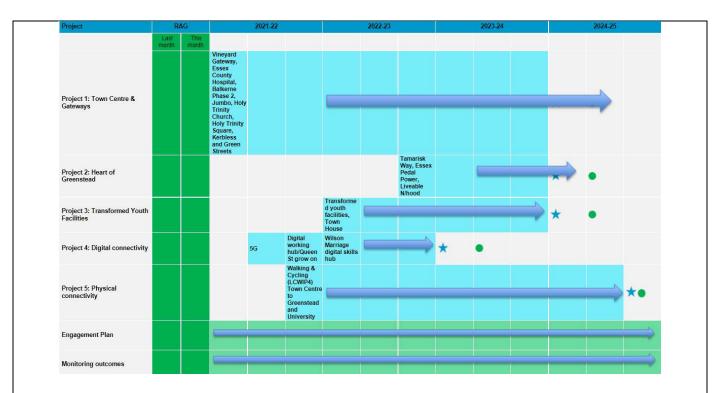
- timescales and key milestones
- partnerships
- interdependencies
- risks and mitigation measures (if not provided above).

#### 7.1 Timescales and Key Milestones

ACL teams will employ a part time Project Lead to work closely with MITIE at all times to ensure the project meets the required milestones. The building work will take place on our existing site. Planned works should not be subject to building regs as it will be internal works which are carried out. Work can be carried out as soon as approved - there will be little impact on current classes/usage.

- 1. Detailed line by line reports of works and costings to be completed by end of January 2022
- 2. Contractors secured to complete the work are named and confirmed by end of February 2022
- 3. ACL project lead in place for 1st March 2022
- 4. Work starts on refurbishment of the facilities 1st April 2022
- 5. Work is completed by 31st August 2022
- 6. Facility is cleaned and furnished and ready to launch during September 2022
- 7. First classes are delivered from 1st October 2022.

A high-level overview of timescale and key milestones for Wilson Marriage Digital Skills Hub, in the wider context of Colchester's Town Deal Programme of work, can be found below:



The capital element of this project will be delivered in 2022/23, with revenue expenditure incurred in 2021/22.

The project will be delivered in accordance with Financial Profile information submitted.

Project	RDEL/CDEL	20/21(£)	21/22 (£)	22/23 (£)	23/24 (£)	24/25 (£)	25/26 (£)	Total (£)
	RDEL	£0	£15,000	£28,984	£0	£0	£0	43,984
	CDEL	0	0	£835,689	0	0	0	835,689
C: The Wilson Marriage Digital	Total	-	15,000	864,673	0	0	0	879,673

#### 7.2 Partnerships

- Essex County Council the gym is a Local authority property with services delivered by ACL
- Colchester Borough Council the building sits within their district and will support their residents
- Existing ACL Learners this will be a space for ACL Learners to utilise to improve their studies and learning experience
- Colchester Residents a space to go to improve employment opportunities and gain self and digital confidence. A useful and rentable space.
- Colchester Businesses a useable space for conferences and meetings and the place to train staff members
- Colchester Community Groups a good quality rentable space with good accessibility to meet a range of needs and services.
- Digital Skills Partnership highlighted the need for more level 3 and above IT apprenticeships and qualifications to meet skills gaps

#### SELEP: Digital Skills Partnership

'A new centre that could enable SME's across various sectors to experiment with up-to-date and coming technologies and understand their potential benefits now and in the future (similar to the Care Technologies centre for service users planned in Tendring) and could be constantly monitoring industry-relevant software and technologies and give young people real, tangible experience of them, would be of huge, huge value. Too often, as we know, technology becomes out-of-date and obsolete, and I wonder whether there's any way of establishing a centre that isn't tied by licenses or funding to fading technologies or software and can instead constantly refresh its offer and provision as things change (or even before) would be game-changing.'

#### Essex County Council: Adult Social Care

'Consideration of space usage to deliver courses and mandatory training for care providers. This would include training for technology enabled care for existing workforces.'

#### Essex County Council: Schools and Education

Link in with STEM and Code Clubs. There is also currently talk of T Levels being offered remotely but must not be offered remotely in student homes, so a site where this can be delivered would support localised needs.

#### Essex County Council: Skills Commissioner

We have a big piece of consultancy work currently being carried out on 'Barriers to Innovation in Essex' by SQW, the findings should inform the best way forward to use the digital skills hub as an Innovation Asset. It will be reporting back early January 2022.

#### Connectivity Essex and 5G innovation hub

'This could be a 5G hub. Is there scope to look at training for sensor technology plus associated telecoms and big data management? Could the centre attract companies that do this who would operate from there? Even if not, they need to make sure there is adequate telecoms provision to the site – fixed and mobile. More generally, we should capture the centre as part of our emerging list of Essex innovation centres'.

#### Ambitious Women in Essex Network

Networking spaces for this group would be fantastic for dedicated women's events Is there potential for this to be a co-working space for ECC too?

#### University of Essex

Discussed the plans and there is appetite for this project to support outreach initiatives that the University are involved with. Good scope to support applicants with maths, English and Digital skills so that they are prepared for university life. Opportunity for linkage for those completing level 3 qualifications with ACL to be moved onto Degrees and Degree level apprenticeships.

#### 7.3 Interdependencies

#### Wider External Interdependencies include:

<u>Government policy, regulation & legislation</u> - Digital technologies are evolving fast and transforming traditional sectors across the economy, so policymakers must respond to this, and the Digital Skills offered to learners must take this into account to ensure that learning is up to date and relevant and pathways to employment are identified.

Internal Interdependencies: There are identified interdependencies with other Town Deal projects – Transformed Youth Facilities, Heart of Greenstead, Digital Working Hub and 5G.

<u>Transformed Youth Facilities</u> – good links can be made here to support both the young people who attend to access career information, advice and guidance as well as supporting their parents and carers to access courses and opportunities at the Digital Skills Hub. ACL will participate in the upcoming consultations with the Youth Council to gain insight as to what they feel a good digital facility would look like, what might encourage them to study a digital course and in addition their perception of the digital skills held by their parents and carers.

<u>Heart of Greenstead</u> – ACL will work closely with library colleagues and the existing charities that work from this space. As residents from the Greenstead area may find travel to the ACL Digital Skills Hub challenging there is opportunity to deliver programmes offered at the hub within the proposed new library space. This will enhance existing provision delivered here rather than duplicate and enable some of the districts most disadvantaged residents to benefit from the opportunities created by the hub.

<u>Digital Working Hub</u> – the working hub could inspire and serve as an exemplar i.e. showcasing the types of jobs and skills that can result from enhanced IT skills, and the types of industry that require talented people with strong IT skillsets potentially providing a pathway for learners coming from ACL.

#### 7.4 Risks & Mitigation Measures

At this stage the following risks have been identified. A detailed Risk register will be completed once the project manager is assigned.

Risk	Mitigation	Risk rating	Impact
If works are not started/completed on time some planned classes may be required to start remotely or in the main ACL Colchester Building.	Project progress will be monitored and fed back to curriculum and business operations teams weekly and monthly so they can plan in any required contingencies e.g., alternative rooming.	Med	Med
Uptake of courses is slower/lower than expected	ACL teams will start working with businesses and communities in June/July 2022 to build momentum for October	Med	High
Release of money is delayed which may compromise the commencement of the work required	Discussions with contractors in December 2022 to look at payment terms	Med	High

#### 26. Town Deal Board Chair name & signature

Name of the Town Deal Board:

#### We Are Colchester

Chair's name and signature:

Simon Blaxill

Date:24/03/2022

#### 27. By signing, I agree that:

- 11. The business case, in a proportionate manner, is Green Book compliant.
- 12. The 5% early capital (CDEL) has been included in the Town Fund project costs across the programme.
- 13. This project and expenditure represent value for money, including the 5% early capital (CDEL) provided.
- 14. Project-level Equality Impact Assessments such as Public Sector Equalities Duty and/or Environmental Impact Assessments have been undertaken.
- 15. For final submission programme-level Public Sector Equality Duty assessment has been undertaken by the accountable body.

#### Name of the lead Local Authority and signature of the Chief Executive Officer or S151 Officer

Name of the lead Local Authority:

Job title: Section 151 Officer

Name and signature: Paul Cook

Date:24/03/2022

## Part 2: Town Investment Plan (TIP) conditions

Towns are **only** required to submit this with the **first batch** of Summary Document if any TIP conditions are listed in the Heads of Terms. All TIP conditions must be met **before funding can be released.** 

### TIP conditions table: Digital Skills Hub / Wilson Marriage

## 9. TIP improvement condition

Set out TIP improvement conditions as agreed in Heads of Terms

Not required as there are no special conditions for this business case and project.

#### 10. Evidence

Provide evidence of how conditions have been addressed

#### 11. Name of the Town Deal Board Chair & signature

Name of the Town Deal Board:

We Are Colchester

Chair's name and signature:

Simon Blaxill

Date:24/03/2022

# 12. Lead Local Authority's name & signature of the Chief Executive Officer or S151 Officer.

Name of the lead Local Authority:

#### **Colchester Borough Council**

Job title: Section 151 Officer

Name and signature: Paul Cook

Date:24/03/2022

## Part 1: Project Summary Document

Towns should complete this for each project.

## **Summary Document table**

#### 28. Project name: Town Centre & Gateways

### 29. Heads of Terms project conditions

- Actions taken to address any conditions attached to the project in the Heads of Terms, where applicable.
- Where the condition was to provide a delivery plan please input in the section below (no.9) and/or attach to this document.

The Heads of Terms Project conditions highlighted the following for the town centre suite of projects:

#### Vineyard Gateway:

• Consult with Historic England.

#### Essex County Hospital:

- Provide evidence of specific public benefit for this scheme.
- Quantified outputs and outcomes need to be specified for this project for it to be taken forward.

A considerable amount of time has been spent working up the business case to ensure that these conditions have been fully met.

This is evidenced in the business case itself, and highlighted in the summary below (part 2).

#### 30. Business case appraisal

Provide details of how the business case has been appraised including:

- business case type
- any internal or external assurances

Proportionality testing concluded that this business case must be prepared at the <u>medium to high</u> level of detail and granularity due to its relative complexity. It comprises of a suite of 7 individual projects, led by a wide range of project leads spanning the voluntary sector (2 separate projects), the county council (1 project) and the remaining 4 projects led within the borough council / accountable body; though with significant inter-dependencies across all elements.

This business case has been split down into the 7 projects (6 now remaining), and each of the 5 cases has a chapter for each scheme, written by the relevant lead; whilst the executive summary and introduction includes a narrative on how they fit together and their synergy as a cohesive whole written by the umbrella theme lead.

Given the relative complexity of this suite of projects as described above, it has been supported by a project team with regular meetings of the owner and sponsor, some specific project-themed meetings and work for example treating the suite of public realm schemes as one cohesive sub-programme, specific liaison with the leads of Holy Trinity Church and Jumbo in terms of specific and detailed liaison for example lease arrangements and heads of terms, and confirmation of the asset transfer respectively.

Consultation and engagement has been undertaken at a project-specific level for example with Historic England and CBC's planning team. The cluster of projects have featured prominently in a series of 'walkabouts' of the town centre (7 in all!) held during the Autumn of 2021 to give key stakeholders such as Town Deal Board, councillors, Colchester Civic Society and key council staff the opportunity to see the sites and understand the detail of the projects.

A couple of the projects (Jumbo and Holy Trinity Church) have dependencies to other funding streams to augment their overall funding package, i.e. the Towns Fund is contributing or providing match funding to a wider scheme. So in these cases work towards this business case has been conducted alongside programme funding applications.

Prior to submission to DLUHC in March 2022 the outline business case has been reviewed and ratified by Town Deal Board, CBC cabinet and CBC scrutiny panel. It has also undergone external check-and-challenge to ensure consistency with other business cases across the town deal programme.

External consultants have supported the Jumbo and Holy Trinity Church projects with preparation of their business cases noting the limited capacity of the central Town Deal team, the relatively limited prior experience of these project leads in preparing business cases notably economic and financial cases, and the comparative simplicity of these projects relative to others in the wider Town Deal programme requiring substantial officer inputs.

Cost surety and cost assurance has been a key factor of project development, with work undertaken by quantity surveyors in tandem with the lead architects in a number of the projects. As the costs of several of the public realm schemes has risen significantly in a few instances, adjustments to the funding allocations previously agreed 08/06/21 by Town Deal Board have been required. The key implication is that *it is recommended that the Vineyard Street public scheme is removed for the purposes of the Town Deal monies*, though the long-term ambition remains to deliver the public realm at Vineyard Street when this ultimately proceeds as a component of a key housing-led regeneration scheme.

Across the 5 (or 4 remaining) Town Centre projects which feature public realm; due to the more detailed cost information now available indicating a significant increase in costs it has been necessary to reduce the amount of public realm created from a combined 13,374 sqm at TIP to 10,826 sqm now confirmed (including the two initial 'accelerated' public realm schemes), a 20% reduction. This is through the complete removal of the Vineyard Gateway scheme, significant reduction in the reach/scope of Kerbless Streets, and a slight reduction at Balkerne Gate Phase 2.

A range of internal and external assurances have been obtained, through a robust five step approach to business case appraisal.

- 1.Project Manager/Lead appraisal. The Business Case has been appraised by Project Managers/Leads from the Accountable Body (Colchester Borough Council) and delivery partner (Essex County Council). Throughout the process, Section 151 Officer has had 'on demand' access to the business case, so that changes and improvements could be made in an iterative manner.
- <u>2.Independent check and challenge</u>. It has also been subject to independent third party drafting and review, including tailored comments and a 'flying review' having regard for other Colchester Town Deal project business cases to ensure dependencies and synergies were identified.
- <u>3.Political challenge</u>. The Business Case has in turn been **reviewed and ratified by the Accountable Body's internal and political governance forums.**
- <u>4.Section 151 Officer approval.</u> The Business Case has, with the above check and challenge in mind, been reviewed and ratified by the Accountable Body's Section 151 Officer.
- <u>5.Independent Board ratification.</u> The business case has been **ratified by the independent We Are** Colchester Board.

#### 31. MHCLG capital (CDEL) 5% payment

Initial capitalised spend totalling £152k from the £910k advance DLUHC payment has allowed for development work across this suite of 7 projects, specifically:

- £20k for Holy Trinity Church as match funding to second-stage or Project Development Grant (Architectural Heritage Fund), leading to £85k recently being successfully secured from AHF.
- £7,640 to the Jumbo project for preparation of their business case.

<u>For the Balkerne Gate Phase 2, Holy Trinity Square and Kerbless Streets schemes (treated together):</u>

- £35,164 (WSP) Traffic and civil engineering consultancy.
- £52,000 (HAT) for architecture.
- £2,400 (CAT) for archaeology desktop study.
- £2,400 (DCP) for quantity surveyor.

#### Then a further:

• £2,500 for cost planning for the Vineyard Gateway scheme.

In addition to this, a share of the associated internal professional fees for development management (Colchester Amphora Trading Ltd) at 30% share of the overall 5% development management cost for the relevant schemes i.e. £30k.

Finally, the Essex County Hospital project has not requested a contribution to project development costs as this work is already covered within core Essex Housing Ltd work for their housing scheme, within

existing resources, and with light check-and-challenge and input provided from the core Town Deal programme team.

# 32. Quantified benefit-cost ratio/value for money (e.g. Benefit Cost Ratio or Net Present Social Value)

A quantified benefit-cost ratio should be provided. If it has not been generated, a summary of evidence used by the S151 Officer to demonstrate value for money should be stated.

The Benefit to Cost ratios for the seven individual elements of this scheme are:

- Jumbo BCR 1.98:1 (allowing for 3% Optimism Bias)
- Balkerne Gate Phase 2 BCR 1.05:1 (allowing for 3% OB)
- Holy Trinity Church BCR 2.32:1 (allowing for 3% OB)
- Holy Trinity Square BCR 1.21:1 (allowing for 3% OB)
- Kerbless Streets BCR 1.09:1 (allowing for 3% OB)
- Essex County Hospital BCR 2.93:1 (allowing for 3% OB)
- Vineyard Gateway BCR 2.38:1 (allowing for 3% OB), though note this scheme is not now proceeding under Town Deal funding.

Given the varying proportions of these seven projects in terms of overall programme cost and spend profiles, no aggregate/average BCR for the overall 'Town Centre and Gateways' programme is provided here, however all project elements deliver 'acceptable' or better VfM, with all BCR's better than 1:1, and several better than 2:1.

It should be noted in this context that public realm schemes in the absence of significant co-funding or as part of major £100m+ investments and widespread mixed-use development schemes generally return fairly low BCR's, however the non-monetised benefits of these schemes are strong individually, and outstanding collectively. Furthermore they respond to significant resident and visitor feedback on our town centre.

#### 33. Deliverability

Will this project still be delivered within the Towns Fund timeframe? (Y/N)

Yes. The 7 (6 remaining) schemes featured have slightly different project timelines, but all can readily be delivered within the Towns Fund spend window.

#### 34. Delivery plan

Including details of:

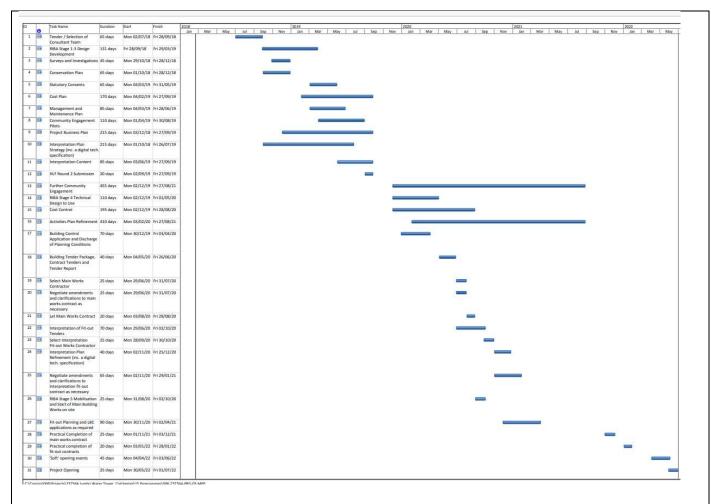
- timescales and key milestones
- partnerships
- interdependencies
- risks and mitigation measures (if not provided above).

The key parameters of each of the 7 schemes are summarised below:

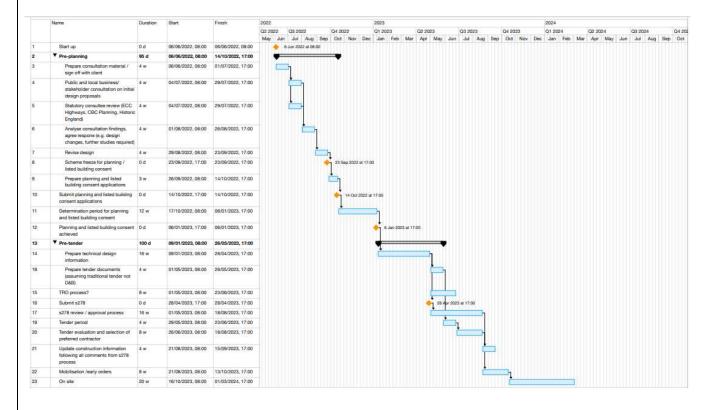
7a.1) High-level timeline: (see management case sections within this business case).

Each of the 7 project elements has its own specific timeline, for expediency only the GANTT chart from each of the schemes is included here, as follows:

7a.1.a) Jumbo



#### 7a.1.b) Balkerne Gate Phase 2



#### 7a.1.c) Vineyard Gateway

Please note this scheme is not proceeding at this time deploying Towns Fund monies and is included within the business case for completeness. Therefore, a project GANTT or timeline is not provided for this project as the timings will be subject to several factors and externalities beyond the scope of this business case at this time.

#### 7a.1.d) Holy Trinity Church

Mor	nths/ Weeks (from)	Apr 21	Aug 21	Sep 21	Oct 21	Nov 21	Dec 21	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22 -	Jan 23 -
Mor	Months/ Weeks (to)													Dec 22	Jun 23
	Viability Phase:														
	AHF Viability Grant														
	Development Phase:														
В	Funding applications:														
В	Funding Strategy														
В	AHF Development Grant submission														
В	Historic England & National Lottery Heritage										Co-				
С	TD Business Case completion														
D	Negotiations on Lease & Heads of Terms CBC														
D	Lease & Heads of Terms agreement CBC &														
E	Funding Building Repairs identified														
E	CBC agreement to fund Repairs works														
E	Research funding sources for Repairs works										•	•			
F	Planning permission approval														
F1	Pre-Application enquiries														
F2	Historic England Heritage & Conservation														
G	Stakeholder Strategy & Action Plan:														
G	Identify & contact key Stakeholders														
Н	Marketing & Publicity (develop Plan)														
I	Design and Implement Community Engagement														
J	Recommission Architects														
J1	Surveys to be completed:														
J2	Fire Survey														
J3	Ecological (Bats) Survey														
J4	Drainage survey														
J5	Acoustics Survey														
J1	Archeological Survey (tbc?)														
K	Receive & approve new Architect plans & costs														
	Delivery Phase:														
	1st Construction Phase - Repairs Works:	Co-d	epende	ncies	with:										
L	C360 Trustee Board Approval	u	Jonac								_				+
М	Building Repairs Works - Tendering process														+
M	Building Repairs Works - Tendering process  Building Repairs Works - Construction	-	<del>                                     </del>				<u> </u>	<del>                                     </del>							+
N	2 <sup>nd</sup> Construction Phase -	Cord	epende	ncies	with:										+
N	Building Refurbishment Works - Tendering	- CO-u	Pende	110163				_							+
N	Building Refurbishment Works -														
N	Bulluling relationstituent works -	1	1	1	1	1	1	1	1	1	1	1	1		

#### <u>7a.1.e) Holy Trinity Square</u> and <u>7a.1.f) Kerbless Streets</u>

The project timeline is the same as Balkerne Gate Phase 2 – see 7a.1.b above.

#### 7a.1.g) Essex County Hospital



#### 7a.2) Financial deliverability:

Each of the 7 project elements has its own specific financial profile, which follow. Before looking at the financial profiles and cost totals on a project-by-project basis, it is worth noting that during extensive and detailed cost analysis of the public realm schemes including the two that are being funded under the initial 'accelerated' £1m Towns Fund and are now in delivery phase, adjustments were required to the allocation of monies between the projects.

These financial values supersede the values that were set out in Heads of Terms (March 2021) and which formed the basis of our confirmation documents shortly thereafter. These amendments have been agreed by Colchester's Town Deal board in December 2021 and confirmed to DLUHC, prior to business case finalisation and submission, as follows (changes highlighted in red font):

Scheme	Town Investment Plan (p22)	Heads of Terms (Mar '21)	Submission Docs (Mar '22)
Vineyard Gateway	£1m	£595,800	£0
Essex County Hospital	£500k	£500,000	£500,000
St Nicholas Square ACCELERATED*	£650k*	£650k*	£1,025,000
Balkerne Gate Ph1 ACCELERATED*	£350k*	£350k*	£350k*
Balkerne Gate Ph2 (inc. Jumbo lighting)	£1.1m	£1,100,000	£747,598 #1
Jumbo	£1,080,000	£1,080,000	£1,080,000
Holy Trinity Church	£517k	£517k	£517,000
Holy Trinity Square	£500k	£500k	£661,598 #2
Kerbless Streets	£1.5m	£290k	£640,289 #3
TOTAL (including 'accelerated' funding)*	£7,117,000	£5,502,800	£5,521,485 #4

#4 Overspend of £18,685 or 3.4% beyond available funds (Heads of Terms column). Justified as scheme costings denoted #1-3 now include a contingency allowance of £133,000 combined.

#### 7a.2.a) Jumbo

This scheme has an overall financial envelope of £4,307,000

Туре	Source	Total Amount
Public sector: Towns Fund	Towns Fund	£1.08m
Public sector: co-funding non DLUHC	National Lottery Heritage Fund	£2.73m
Public sector: co-funding non DLUHC	Historic England	£0.12m
Public sector: co-funding non DLUHC	Arch. Heritage Fund	£0.08m
Private sector	Local fundraising	£0.2m
Sub-Total		£4.21m

The further lines of income are created alongside grants and fundraising;

Туре	Source	Total Amount
Income	Sales	£0.047m
Income	Sub-lease	£0.05m
Grand Total		£4.307m

The £1.08m Town Deal contribution is meeting the following eligible project costs:

Funding Drofile	<b>21/22</b> £m	<b>22/23</b> £m	<b>23/24</b> £m	<b>24/25</b> £m	<b>25/26</b> £m	
Funding Profile: costheadings:	development	development	development	delivery	delivery	Total £m
Central TD Programme overheads	0.003	0.004	0.004	0.005	0.005	0.021
design team	0.002	0.034	0.016	Nil	Nil	0.052
stage 1 activities		0.040	0.040	Nil	Nil	0.080
web site and promo	0.002	0.003	Nil	Nil	Nil	0.005
engagement	0.002	0.004	Nil	Nil	Nil	0.006
business case	0.005	Nil	Nil	Nil	Nil	0.005
emergency repairs	0.010	Nil	Nil	Nil	Nil	0.010
land retention	Nil	0.005	0.005	Nil	Nil	0.010
refurbishment inc. floodlighting	Nil	Nil	Nil	0.445	0.445	0.890
Spend profile: TOWNS FUND	0.024 £m	0.09 £m	0.065 £m	0.45 £m	0.45 £m	1.079 £m
	21/22	22/23	23/24	24/25	25/26	Total

#### 7a.2.b) Balkerne Gate Phase 2

This project is funded entirely through Towns Fund without any external funding dependencies.

Cost headings, by FY:	21-22	22-23	23-24	24-25	25-26	Totals
Capital: construction	Nil	Nil	£448,155	Nil	Nil	£448,155
Capital: professional fees	£55,000	Nil	£121,598	Nil	Nil	£176,598
Capital: archaeology	Nil	Nil	£50,000	Nil	Nil	£50,000
Capital: construction contingency and QRA	Nil	Nil	£48,000	Nil	Nil	£48,000
Revenue: contribution to Town Deal Programme Office overheads	£3,362	£5,297	£5,351	£5,395	£5,440	£24,845
subtotals	£58,362	£5,297	£673,104	£5,395	£5,440	£747,598*

<sup>\*</sup>In line with the updated financial allocations across the Town Centre Public Realm schemes including the two 'accelerated' schemes: see explanation before the project-level summaries.

## 7a.2.c) Vineyard Gateway

Please note this scheme is not proceeding at this time deploying Towns Fund monies and is included within the business case for completeness. Therefore, a project spend profile is not provided for this

project as this will be subject to several factors and externalities beyond the scope of this business case at this time.

## 7a.2.d) Holy Trinity Church

Funding sources: funding secured to date:

Type, source	Value
Towns Fund (subject to business case)	£517,000
Architectural Heritage Fund	£81,592
Community 360 contribution	£15,000
CBC contribution (repairs works)	£100,000
subtotals	£713,592

Funding sources: further funding to be secured:

Type, source	Value
National Lottery Heritage Fund	Tbc
Historic England	Tbc
Architectural Heritage Fund	Tbc
Other grant making trusts, fundraising, giving, etc.	Tbc
subtotals	£789,397

### Costs:

Cost Heading	<b>Development Phase Costs</b>	Cost (net)
Fees	Professional fees (RIBA 3-4)	£76,592
Other costs	Project management, admin, financial support	£30,000
Contingencies	10% fees	£11,000
Volunteers' time	Assisting engagement activities	£3,500
Sub Total		£121,092

Cost Heading	<b>Delivery Phase Costs</b>	Cost (net)
Repairs and Conservation	Construction works (RIBA 5 – 7)	£195,738
New build	Construction works (RIBA 5 – 7)	£857,530
Other capital works	Digital Installations (estimate)	£85,000
Equipment and materials	Furnishings and fittings	£65,000
	Kitchen fit-out	£70,000
Contingencies	20% fees	£14,634
Other Costs	Project management & Management, Admin & Financial support	£41,360
	Project web site enhancement (estimate)	£5,000
Volunteers time	Supporting Hub operations	£7,500
Fees	Professional fees (Delivery phase RIBA 5 -7)	£28,457
Towns Deal Programme	Programme Overheads contribution	£11,678
Sub Total		£1,381,897

Totals	<b>Development &amp; Delivery Phase Costs</b>	Cost (net)
Totals		£1,502,989

## Spend profile:

Cost headings, by FY:	21-22	22-23	23-24	24-25	25-26	Totals
Capital: construction	Nil	£195,738	£857,530	Nil	Nil	£1,053,268
Capital: professional fees (incl. Architects, QS	Nil	£64,092	£28,457	Nil	Nil	£92,549
Project Mngt, Admin, etc.	Nil	£30,000	£41,360	Nil	Nil	£71,360
Capital: archaeology/surveys	Nil	£12,500	Nil	Nil	Nil	£12,500
Capital: digital installations	Nil	Nil	£85,000	Nil	Nil	£85,000
Capital: furnishings & fittings	Nil	Nil	£65,000	Nil	Nil	£65,000
Capital: kitchen fit out	Nil	Nil	£70,000	Nil	Nil	£70,000
Capital: construction contingency and QRA	Nil	£11,000	£14,634	Nil	Nil	£25,634
Revenue: volunteers time	Nil	£3,500	£7,500	Nil	Nil	£11,000
Revenue: website enhancement	Nil	Nil	£5,000	Nil	Nil	£5,000
Revenue: contribution to Town Deal Programme Office overheads	£1,580	£2,490	£2,515	£2,536	£2,557	£11,678
subtotals	£1,580	£319,320	£1,176,996	£2,536	£2,536	£1,502,989

#### 7a.2.e) Holy Trinity Square

Note, this project is funded entirely under Towns Fund, with no dependency on other sources of funding and co-funding, the spend profile below therefore mirrors the funding profile, i.e. the spend of the Towns Fund in relation to this scheme:

Cost headings, by FY:	21-22	22-23	23-24	24-25	25-26	Totals
Capital: construction	Nil	Nil	£431,000	Nil	Nil	£431,000
Capital: professional fees	£30,654	£50,944	£30,000	Nil	Nil	£111,598
Capital: construction contingency and preliminaries	Nil	Nil	£107,707	Nil	Nil	£107,707
Revenue: contribution to Town Deal Programme Office overheads	£1,528	£2,408	£2,432	£2,452	£2,473	£11,293
subtotals	£32,182	£53,352	£571,139	£2,452	£2,473	£661,598*

<sup>\*</sup>In line with the updated financial allocations across the Town Centre Public Realm schemes including the two 'accelerated' schemes: see explanation before the project-level summaries.

#### 7a.2.f) Kerbless Streets

Note, this project is also funded entirely under Towns Fund, with no dependency on other sources of funding and co-funding, the spend profile below therefore mirrors the funding profile, i.e. the spend of the Towns Fund in relation to this scheme:

Cost headings, by FY:	21-22	22-23	23-24	24-25	25-26	Totals	

Capital: construction	Nil	Nil	£422,000	Nil	Nil	£422,000
Capital: professional fees	£21,309	Nil	£70,980	Nil	Nil	£92,289
Capital: construction contingency and preliminaries	Nil	Nil	£126,000	Nil	Nil	£126,000
Revenue: contribution to Town Deal Programme Office overheads	£887	£1,396	£1,411	£1,422	£1,434	£6,550
subtotals	£22,196	£1,396	£620,391	£1,422	£1,434	£640,289*

<sup>\*</sup>In line with the updated financial allocations across the Town Centre Public Realm schemes including the two 'accelerated' schemes: see explanation before the project-level summaries.

## 7a.2.g) Essex County Hospital

The overall cost of the public realm scheme, and the sources and status of funding are as follows:

Scheme element	Cost			
		Towns Fund	Council Borrowing (PWLB)	Total all Funding
Public Realm for 120 Unit Scheme	£740,000	£488,707	£251,293	£740,000
Contribution to Town Deal Programme overheads (RDEL)	£11,293	£11,293	Nil	£11,293
TOTALS	£751,293	£500,000	£251,293	£751,293
		Towns Fund	Council Borrowing (PWLB)	Total all Funding
Funding Status as at November 2021:		Agreed subject to Business Case	Approved at ECC Cabinet 15 <sup>th</sup> December 2020	

#### Funding and spend profile:

Funding source & funding status:	2022/23	2023/24	Total
	£m	£m	£m
Capital source public funding: <b>Town Deal</b> - subject to this business	0.5	Nil	0.5
case,			
Capital source public funding (ECC: Partner funding) - Approved at ECC Cabinet 15 <sup>th</sup> December 2020	0.251293	Nil	0.251293
Total funding requirement	0.751293	Nil	0.751293

### 7a.3) Outputs:

The following table identifies the high-level outcomes and outputs that were included for this suite of projects within the Town Investment Plan. These are then compared with the totals of outputs across the suite of projects as confirmed at business case (within the Economic case for each scheme).

Overall this analysis confirms that that the vast majority of original TIP outputs/outcomes have been fully met by these schemes at business case and will be delivered subject to business case approval. For those outputs that are slightly below the prescribed levels following preparation of the business case, a detailed explanation is provided:

Intended outcome / output as set out in TIP part 2 (October 2020)	Updated outcome / output as at Business Case completion (January 2022)	Difference & Rationale
Overall TIP listed 17,014sqm new or improved public realm for the whole programme. Of this 3,640 sqm was within the Heart of Greenstead programme.  So a total 13,374sqm was to have been within the town centre.	Following business case preparation, the revised town centre allocations of new/improved public realm are as follows:  • 2,297 sqm of new communal amenity space at Essex County Hospital  • 1,427sqm at Balkerne Gate Phase 1 (accelerated)  • 850 sqm at St Nicholas Square (accelerated)  • 1,820sqm at Balkerne Gate Phase 2  • Upto 3,032 at Holy Trinity Square  • 1400 at the Kerbless Street  The overall total to be delivered now stands at 10,826sqm new or improved public realm.  This shows an overall reduction of 2548sqm of public realm or 20% reduction in output compared to TIP.	<ul> <li>This is due to removal of:</li> <li>Around 1500 sqm was to have been built at Vineyard Gateway, however this has been removed from the final funding allocations under Town Deal.</li> <li>A further 1000 sqm or so would have been provided under the Kerbless Streets scheme which originally included further streets: Long Wyre Street, Short Wyre Street, Culver Street West.</li> <li>These reductions were required in response to final project costings coming in somewhat higher than initial estimates due to (construction) cost inflation.</li> </ul>
40-70 new direct jobs created (Gross).	<ul> <li>16 Gross jobs / 7.84 Net at Jumbo</li> <li>10 volunteers / 4.9 Net volunteers at Jumbo</li> <li>3 gross jobs / 1.49 at Holy Trinity Church</li> <li>10 volunteers / 4.9 NET at Holy Trinity Church</li> <li>2 gross jobs / 1 NET at Holy Trinity Square</li> <li>2 gross jobs / 1 NET at Kerbless Street</li> <li>Total 43 Gross Jobs.</li> </ul>	TIP Output is met: 2 further Gross jobs which would have been accrued at the Vineyard Gateway scheme are not now being claimed as this scheme will not receive Town Deal Funding.
19.4 (Gross) construction jobs (based on £21.34m spend on construction).	<ul> <li>7.5 FTE jobs at Jumbo (Net jobs),</li> <li>0.7 FTE jobs at Balkerne Gate Phase 2 (Net jobs)</li> <li>0.5 FTE jobs at Holy Trinity Church (Net jobs)</li> <li>0.5 FTE jobs at Holy Trinity Square (Net jobs)</li> <li>0.61 FTE jobs at Kerbless Street (Net jobs)</li> <li>5 FTE jobs at Essex County Hospital (Net jobs)</li> <li>14.81 Net construction jobs = 30 Gross Jobs.</li> </ul>	TIP Output is met: A further 29 gross or 14 net construction jobs which would have been accrued at the Vineyard Gateway scheme are not now being claimed as this scheme will not receive Town Deal Funding.
Upto 3 key historic buildings preserved.	The latest business cases sets out very detailed plans for the restoration of two historic buildings at Jumbo and Holy Trinity Church, whilst the third (Essex County Hospital) is already in delivery stage as a key element in a housing development scheme linked to this business case.	Output will be fully met.
220 new high-quality homes in or adjacent to town centre.	120 homes are currently going ahead at Essex County Hospital and are already under construction at time of publishing this business case summary.	The further 100 homes at Vineyard Gateway are expected to come forward but at a later

		stage, subject to planning etc. They are not now claimed as a Town Deal output as are not now associated with the Towns Fund monies.
Delivery of new public spaces.	The latest business cases set out very detailed plans for the creation of new/improved public spaces in three locations (Balkerne Gate, Holy Trinity Square, Essex County Hospital), plus the first kerbless street.	Output will be fully met.
New or upgraded cycle or walking paths.	The first kerbless street provides safe traffic-free cycle access to new secure cycle parking, whilst this and the other public realm schemes enhance and improve prominent existing and established walking routes in the town centre.	Output will be fully met.
Wider cycling infrastructure such as cycle parking.	A new secure cycle parking facility is now in delivery phase in the town centre (Portal Precinct) linked to the kerbless street, and a key enabler to the Greenstead and University and Town Centre cycle route.	Output will be fully met.
Remediation and/or development of abandoned or dilapidated sites.	A number of key sites which would not otherwise be publicly accessible or cared for will be restored and substantially enhanced through this business case including the Jumbo monument, Holy Trinity church and its grounds, Essex County Hospital and St. Nicholas Square.	Output will be fully met.
Delivery of quality residential or commercial space in key locations (town centre, gateway areas, employment sites)	The Essex County Hospital scheme brings forward high quality residential space in a key location. Jumbo brings forward commercial space & Holy Trinity Church brings forward key community space. Whilst outside of this business case, the Digital Working Hub brings forward further new workspace / commercial space in the town centre.	Output will be fully met.

#### Summary of non-monetised benefits.

For expediency, the specific monetised and non-monetised benefits of each of the 7 (6 included) schemes is not provided here, however this information can be found in the economic case for each scheme. However, non-monetised benefits across this suite of projects can be summarised as:

#### Heritage and cultural:

- Restoration and adaptation of Grade 1 & Grade II\* heritage assets
- Removal of buildings from the Historic England national Buildings at Risk Register (BAR).
- Creation of a new visitor attraction for the town centre that complements the existing tourism
  offer
- Improved showcasing of strong heritage assets.
- Long-term, sustainable and secure models of ownership and governance for historic assets including long-term lease arrangements in public stewardship.
- Public satisfaction that long-standing unused assets have been resolved and civic pride in the outcomes.

#### Placemaking and regeneration:

- Completion of the regeneration of the Balkerne Gardens 'Arts Zone' and enhancement of the Town Centre Conservation Area.
- Facilitate and create activities that develop productive partnerships across stakeholders (including conservation contractors, education providers, local residents, disability groups, general public, business, cultural and town management with Jumbo project planners).

- Brings strong additionality to recent and current investments in vicinity to the Town Deal funded scheme(s).
- Boosts a key gateway to town centre, and enabler to area with strong economic growth potential.
- Attractive and innovative public spaces created.
- Improved amenity, public perception and safety for evening visitors to key town centre attractions.
- Reduced crime and anti-social behaviour.
- Market stalls with high footfall create an optimal environment for local entrepreneurs to 'test and learn' in a safe low-risk retail setting, complementing Colchester's enterprise infrastructure and adding a further Unique Selling Proposition to our town centre.
- Multiplier effects from creating a destination, resulting in higher spend in the immediate part of the town centre.
- Brings additionality to existing and planned future investments in the St Botolph's quarter a long-standing target for regeneration and investment.
- Enables site(s) to properly fulfil core 'community use' function which is not currently possible.

#### **Environment & Public Amenity:**

- Protection and enhancement of habitat for protected species.
- The public space around the buildings will be repaved to a high standard.
- Lower crime through environmental enhancement.
- Installation of a water sculpture/ drinking fountain in the square.
- Improved air quality through reduction in car use (through the '15 minute' or walkable neighbourhood, with zero car provision), noting the current 60% over-provision of town centre car parking.
- Improved environmental performance through the higher specifications of the new buildings (for example zero-carbon ready homes) compared to the existing industrial and mixed-use buildings on part of the development site which will be removed.
- Contributes to an uplift in use of active and sustainable travel as complements the planned and improved cycling infrastructure adjacent to the development site.

#### Economic including skills and training:

- Additional commercial floorspace created for restaurant and service use, further converted floorspace provided for mixed use, and further converted space for new community uses.
- Creation of new jobs and training opportunities within a business located within the premises (increases in local employment and Gross Value Added).
- Further research into training and skills gaps and creates a programme to help develop appropriate and transferable skills within the project. Balkerne Tower Trust and Colchester 360 to possibly assist in training volunteers.
- Deliver skills training, pilot activities to assess their impact and value for later roll-out within the delivery phase.
- More pedestrians will be drawn into the area because of the presence of the Jumbo Heritage Experience and the heritage bar and restaurant.
- Generally, there will be greater footfall within the square benefiting nearby businesses and facilities.
- Local businesses benefits derived from additional attractor and service industry support.
- Students, pupils, and teachers additional learning resource adaptable to all Key Stages.
- Improved showcasing of strong heritage assets bringing educational benefits.
- Increased footfall and dwell time resulting in increased spend in local economy.
- Brings additionality to existing and planned future investments in the Trinity Square area.

#### Social Benefits:

- Reduces crime & Anti Social Behaviour and improves personal security and public safety.
- Provides additional housing numbers.
- Provides new affordable homes.
- Improves income deprivation.
- Brings new opportunities for skills development.

- New job opportunities.
- New volunteering opportunities.
- Quantifiable social value.

#### Health benefits:

- Increased physical activity through active travel and promoting the '15 minute' or walkable neighbourhood, and promotes use of the new public / green spaces created.
- Addressing targeted quality of life aspects such as: Winter resilience (avoiding excess winter deaths); obesity; physical activity; mental health; loneliness and social isolation.

#### 7b) Partnerships:

As demonstrated in the business case, each project has already engaged all the key partners required for its delivery.

Whilst each of the 7 projects has its own individual partners, a number of key stakeholders and interest groups are common to most or all of the projects in this suite. They have been, and will continue to be engaged as the projects evolve and move into their delivery phase. These are summarised as follows:

Stakeholder	Input to projects	Level of Influence
Colchester Borough Council (CBC)	Accountable Body, plus direct interfaces between the projects and various council functions including planning team (CBC is the local planning authority and will determine planning applications where required within this programme), environment team, licensing, etc.	2
Essex County Council	Highways Authority – key partner and enabler for several of the projects.	2
Historic England	Statutory consultee for all projects that contain an element of Heritage preservation.	2
Co-Funders (Such as Historic England & National Lottery Heritage Fund)	Essential revenue and capital funding to several of the projects.	1
Colchester Civic Society	Community support. Specific interest in conservation of heritage assets.	2
Local reference groups	Represent key interests and users such as people with a disability, cyclists, etc.	2
Diocese of Chelmsford	Covenant on graveyard at Holy Trinity Square and ownership of part of St Nicholas Square.	1
Colchester Business Improvement District	Represents more than 400 businesses across Colchester town centre.	2
Lion Walk and Culver Centre Shopping Centres, specific businesses, cultural.	Schemes have positive impacts on increasing footfall to the local retail area. Positive impacts on key cultural assets including Mercury Theatre and Arts Centre.	1
Key Professionals	Architects, designers, other consultants – vital to lead the preparation and delivery of the schemes including consultation and engagement in the designs.	2

#### 7c) Interdependencies:

There are a number of Interdependencies within and across this suite of projects; to other projects and schemes (within and beyond Town Deal), and/or through reliance on other partner organisations.

- 1. Several of the schemes within this suite of projects have inter-dependencies across one or more other schemes in the bundle of town centre and gateways projects and sites, for example:
  - a. Holy Trinity Church with Holy Trinity Square; dependencies in terms of access and usage, planning the construction phases, liaison with stakeholders, preparing planning applications, etc.
  - b. The cluster of town centre public realm schemes which will be delivered as a suite together, and with consistent 'look and feel'.
  - c. The Jumbo project with Balkerne Gate phase 2: consistency and joint design work on the public realm for both schemes, careful timings and phasing of works, etc.
  - d. The Jumbo and Holy Trinity Church schemes will be applying to programme-level funding opportunities within the key heritage funding bodies, so co-ordination on timings will aid both schemes where targetting the same national funding streams.
- 2. Several of the projects have dependencies with other projects or work, including for example
  - a. Kerbless streets with the planned secure cycle parking facilities in the town centre.
  - b. The St Nicholas Square public realm scheme with walking and cycling infrastructure and routes in the town centre.
- 3. Several of the projects have dependencies with or can benefit from other parts of the Town Deal programme, including for example:
  - a. The public realm schemes with wider investment in walking and cycling routes and infrastructure.
  - b. The town centre projects and in particular new cycling facilities with the LCWIP4 walking and cycling route to Greenstead and the University.
  - c. The 5G project and investments in Colchester's core fibre network which could benefit each of the buildings and sites included in this business case.
  - d. The new community hub (Holy Trinity Church) with parallel work to invest in new facilities for communities, including the new neighbourhood model currently being launched throughout the borough, and investment in new / expanded community facilities elsewhere in the programme, for example at Greenstead.
- 4. Several of the projects have dependencies on or links to funding bodies or future funding opportunities, for exmaple:
  - a. Several schemes are already working across, and hope to secure wider investment from grant-making trusts and funding bodies, particularly those projects featuring preservation of historic buildings and heritage
  - b. Several schemes have potential to draw down S106 contributions to support current project costs, or to help with further development or expansion in the future (for exmaple Kerbless Streets)
  - c. Future investment opportunities such as 'Levelling Up Fund' may bring potential to develop further public realm and other regeneration investment in the town centre.

#### 7d) Risks and risk mitigation measures:

Each of the 7 project elements has its own specific and detailed risk register, included here, as follows:

#### 7d.1) Jumbo

## Development Phase:

Risk	Likelihood	Impact	Mitigation	Who will lead this
The appointed design team fail to have direct relationships with funding organisations and a convincing record of accomplishment of delivery.	low	high	Tender process designed and managed so that the appropriate skills and experience are secured. Evidence of positive relationships with funders to be sought and verified prior to appointment	development Project Manager
Cost of project proves to be in excess of previous estimates putting the viability of the project in doubt.	low	medium	Ensure the budget costs are as realistic as possible and that adequate contingencies are provided to areas of greater pricing risk	Architect and Cost Consultant
Costs increase unexpectedly due to 1) poor labour supply or 2) shortage of materials or 3) monetary inflation	low	high	Ensure the budget costs are as realistic as possible and that adequate contingencies are provided across the whole project.  After selection of contractor team, maintain close liaison prior to start of works on site.  Value Engineer as appropriate.	Architect and Cost Consultant NEH
Planning consent is not granted	low	medium	Continue to maintain working relationships with the local planning authority officers and Members and liaison with Historic England and neighbours	development Project Manager
Matched grant offers are not forthcoming	medium	high	Continue to make grant enquiries leading up to the HLF Round 1 decision. Instigate high level meetings with the Borough Council. Build up PR profile and public awareness of the project. Effectively use PR resources.	development Project Manager
Inadequate or incomplete design	low	medium	Ensure level of information is in accordance with relevant RIBA work stage and that sub-consultants provide information of satisfactory quality at the appropriate time.	Architect
Significant design changes requested by client or regulatory organisation or consultants	low	medium	Continue to maintain working relationships with the local planning authority officers and Members and liaison with Historic England and neighbours.  Ensure consultants are provided with adequate design information at an early stage to minimise their own risks.	Architect development Project Manager
Loss of critical staff and consultants	low	medium	Produce a succession plan and keep it under review. Train staff and volunteers to possible promotion or for interim positions if the need arises.  Ensure key consultants have a robust methodology in place for succession.	development Project Manager Chair of NEH All key consultants.
Late payment of grants after claims	low	medium	Temporary use of trust funds or bank borrowing	development Project Manager

## Delivery Phase:

Risk	Likelihood	Impact	Mitigation	Who will lead this
Tender prices prove to be in excess of cost plan estimate putting the viability of the project in doubt.	medium	medium	Select contractor based upon score and negotiate potential savings.	Architect, Cost Consultant and North Essex Heritage
Costs increase unexpectedly due to 1) poor labour supply or 2) shortage of materials or 3) monetary inflation	low	high	After selection of contractor team, maintain close liaison prior to start of works on site. Risk passed to contractor after signing contract. Design or cost amendments may be required.	Architect, Cost Consultant and delivery Project Manager
Unexpected archaeological finds uncovered as part of the watching brief.	low	low	Cessation of groundworks whilst recovery of finds may lead to slight delay and some increased costs. Advise main contractor within tender documentation.	Architect
Construction delays	medium	medium	Regular client meetings to receive progress reports that identify slippage early on. Delays contained by contractor by moving additional resources to the problem.	Architect, delivery Project Manager and contractor North Essex Heritage
Inadequate or incomplete design	low	medium	Ensure level of information is in accordance with relevant RIBA work stage and that subconsultants provide information of satisfactory quality at the appropriate time.	Architect
Significant design changes requested by client or contractors	low	medium	Ensure contractors are provided with adequate design information at an early stage to minimise their own risks. Ensure tenant understands and properly interprets the drawings and specifications.	Architect delivery Project Manager
Loss of critical staff and consultants	low	medium	Produce a succession plan and keep it under review. Ensure key consultants have a robust methodology in place for personnel succession.	delivery Project Manager North Essex Heritage All key consultants.
Late payment of grants after claims	low	low	Trust accountants with PM to regularly monitor cash flow forecasts.	development Project Manager Trust Accountants (Granite Morgan Smith) Trust lawyers (Fisher Jones Greenwood)
Loss of critical staff and volunteers	low	medium	Produce a succession plan and keep it under review. Train staff and volunteers to possible promotion or for interim positions if the need arises.	North Essex Heritage
Unforeseen void period in occupation and rental income of ground floor restaurant	low	medium	Seek pre-let during project development period. Use knowledgeable commercial agents and local contacts to maximum effect.	North Essex Heritage
Unforeseen relinquishment of ground floor tenancy	low	medium	Close collaboration and support to help make this business a success. Referral of visitors to restaurant. Promotion within project web site and on social media. Exhibition material on ground floor refreshed periodically. Use of upper level for pre-booked dining experiences organised by restaurant operator.  North Essex Heritage to use its own resources backed up by soft loans if required	North Essex Heritage

Unexpectedly low	low	medium-	to meet the annual ground rent, ensuring that the building remains open whilst a replacement catering operator is found.  Ensure effective use of PR and publicity	Project Manager
number of visitors to the project that impacts upon financial sustainability		high	budget during development period and throughout contractor stages and continue to allocate sufficient annual funds from the operating profit.  Use knowledgeable PR and Media consultant for development period and throughout contractor stages and produce a Media and Publicity Strategy to guide on-going work post completion.  Allocate funds within contract for the construction of an exhibition centre where the community can observe work in progress.	(up to Hand-over) working with, Media consultant (prior to handover) Project Architect (prior to handover) Thereafter, Jumbo Water Tower Manager with North Essex Heritage
Poor take-up of school learning places that reduce ability to meet project outcomes	low	low	As above, ensure schools remain engaged throughout the development period. Arrange a series of Open Days prior to/ immediately after project launch for school representatives.	Jumbo Water Tower Manager
Unexpectedly high number of visitors to the project that make it difficult to manage. Risk that the visitor experience is adversely affected.	low	medium	Introduction of timed tickets if necessary but taking into account the likely impact upon sales of multi-site tickets issued elsewhere.	Jumbo Water Tower Manager
Damage caused by catastrophic fire	low	high	Various complementary measures put in place: - fire and escape consultant employed at design stage - adequate building and contents insurance - fabric and fittings specified for avoidance of spread of flame - provision of fire extinguishers at key positions at all levels - staff trained in accordance with individual Training Plans.	Project Architect (prior to handover) Fire and escape consultant (prior to handover) Jumbo Water Tower Manager
Damage caused by vehicular accident	low	low	External space designed to stop private and commercial vehicles getting within 1m of the ground floor fabric. Loading and unloading area designed with building protection.	Project Architect working with consultants for design of Balkerne Gardens phase II (Town Deal design and implementation)) Jumbo Water Tower Manager
Falls and injuries sustained by visitors or staff	medium	low	Surfaces designed to reduce the risk of slips and falls.  Adequate signs and lighting to highlight potential dangers.  Staff and volunteers trained to avoid hazards.  Adequate PL insurance carried by project and NEH.	Project Architect Jumbo Water Tower Manager North Essex Heritage

# 7d.2) Balkerne Gate Phase 2

Risk	Impact	Risk	Action Required
		Owner	

Costs may be higher than expected.	Scope may need to be reduced or the quality of delivered project may be impacted.	Client and design team	Review initial costings once completed by the QS
A lack of information about or coordination with The Balkerne Tower's (Jumbo) restoration and conversion work may create issues during construction.	A programme clash or other coordination issues could lead to delays and additional costs during the delivery of the Balkerne Gate project.	Client	Continue to engage with the Balkerne Tower's owners and The Balkerne Towers Trust to ensure that the design team is kept up to date with any developments.
Archaeology and the unknown below ground condition of the site.	Though there is very limited excavation work any unexpected below ground discoveries would impact both programme and costs during construction	Design team and client	Continue to review all available site survey information and review the need for, and then commission appropriate surveys in due course. Commission the below ground services survey requested by WSP
Local interest groups may raise objections to the proposed scheme due to the sensitivities and interest around the Balkerne Tower (Jumbo) and the Balkerne Gate	A perceived lack of public support could impact on the successful delivery of the scheme	Design team and client	Public engagement and consultation should be undertaken as part of the next design stage
Over running of kerb lines could lead to a pedestrian injury	Tracking studies have shown that this is an existing issue to the north of the Balkerne Tower that needs to be addressed as part of the design work	Design team	HAT to continue to work with WSP, and to engage with Highways about ways to mitigate the risk - such as limiting vehicle size etc.
Businesses around Balkerne Gate may have concerns about the construction work affecting their customers or deliveries.	A lack of buy in from businesses would make delivering the project more difficult and could create programme delays.	Design team	Public engagement and consultation should be undertaken as part of the next design stage. The BID group should be involved in this consultation.

### 7d.3) Vineyard Gateway

Please note this scheme is not proceeding at this time deploying Towns Fund monies and is included within the business case for completeness. Therefore, a risk register is not provided for this project as the project risks are subject to factors and externalities beyond the scope of this business case at this time.

## 7d.4) Holy Trinity Church

### Development Phase:

Risk	Likelihood	Impact	Mitigation	Who will lead this
Funding to cover costs of essential repairs is not available	medium	high	Continue to negotiate with CBC – building owners and to research and source other funding opportunities (e.g. Historic England Repairs grant).	CBC Senior officers C360 CEO Development Project Manager
Lease agreement is not in place to meet grant funding requirements	medium	high	Continue to negotiate with CBC – building owners via solicitors as required.	CBC Senior officers C360 CEO Development Project Manager
Cost of project proves to be in excess of previous estimates	medium	high	Ensure the budget costs are as realistic as possible and that adequate contingencies are provided to areas of	Architect and Quantity Surveyor

			•				
			greater pricing risk e.g. archaeological survey costs).				
Costs increase unexpectedly due to 1) poor labour supply or 2) shortage of materials or 3) monetary inflation	medium	high	Ensure the budget costs are as realistic as possible and that adequate contingencies are provided across the whole project.  After selection of contractor team, maintain close liaison prior to start of works on site.	Architect and Quantity Surveyor			
Planning consent is not granted	medium	high	Continue to maintain working relationships with the local planning authority officers and Members and liaison with Historic England and neighbours	Project Manager Community360 and Architect			
Matched grant offers are not forthcoming	medium	high	Continue to make grant enquiries throughout and beyond Development phase. Instigate high level meetings with key stakeholders. Build up PR profile and public awareness of the project. Effectively use PR resources. Explore commercial funding opportunities.	development Project Manager Community360, PR and fundraising experts			
Inadequate or incomplete design	low	medium	Ensure level of information is in accordance with relevant RIBA work stage and that sub-consultants provide information of satisfactory quality at the appropriate time.	Architect			
Significant design changes requested by client or regulatory organisation or consultants	low	medium	Continue to maintain working relationships with the local planning authority officers and Members and liaison with Historic England and neighbours.  Ensure consultants are provided with adequate design information at an early	Architect development Project Manager			
Loss of critical staff and consultants	low	medium	stage to minimise their own risks.  Produce a succession plan and keep it under review. Train staff and volunteers to possible promotion or for interim positions if the need arises.  Ensure key consultants have a robust methodology in place for succession.	development Project Manager Community360 CEO and Board of Trustees All key consultants.			
Late payment of grants after claims	low	medium	C360 CEO and Ho Finance with PM to regularly monitor cash flow forecasts.  Temporary use of Charity reserve funds where necessary	development Project Manager C360 CEO and Board of Trustees			

# Delivery Phase:

Risk	Likelihood	Impact	Mitigation	Who will lead this
Tender prices prove to be in excess of cost plan estimate putting the viability of the project in doubt.	medium	medium	Select contractor based upon score and negotiate potential savings.	Architect, Quantity Surveyor and C360

			•	
Lack of Contractor interest from tendering process resulting in little or no response causing project delays and need for repeat tender process	medium	medium	Use soft market testing approach, e.g. Early contact and discussions with potential specialist contractors pre-tender phase.	Architect & CBH
Costs increase unexpectedly due to 1) poor labour supply or 2) shortage of materials or 3) monetary inflation	medium	high	After selection of contractor team, maintain close liaison prior to start of works on site. Risk passed to contractor after signing contract. Design or cost amendments may be required.	Architect, Quantity Surveyor and delivery Project Manager
(Ref: Construction				
Building Index data) Unexpected archaeological finds uncovered as part of the watching brief.	low	medium	Cessation of groundworks whilst recovery of finds may lead to slight delay and some increased costs. Advise main contractor within tender documentation.	Architect
Construction delays	medium	medium	Regular client meetings to receive progress reports that identify slippage early on. Delays contained by contractor by moving additional resources to the problem.	Architect, delivery Project Manager and contractor C360
Inadequate or incomplete design	low	medium	Ensure level of information is in accordance with relevant RIBA work stage and that sub-consultants provide information of satisfactory quality at the appropriate time.	Architect
Significant design changes requested by client or contractors	low	medium	Ensure contractors are provided with adequate design information at an early stage to minimise their own risks. Ensure tenant understands and properly interprets the drawings and specifications.	Architect delivery Project Manager
Loss of critical staff and consultants	low	medium	Produce a succession plan and keep it under review. Ensure key consultants have a robust methodology in place for personnel succession.	delivery Project Manager C360 All key consultants.
Late payment of grants after claims	low	low	C360 Ho Finance meets with PM to regularly monitor cash flow forecasts.	development Project Manager C360 Ho Finance

# Operational / Business as Usual Phase:

Risk	Likelihood	Impact	Mitigation	Who will lead this	
Tender prices prove to be in excess of cost plan estimate putting the viability of the project in doubt.	tting e		Select contractor based upon score and negotiate potential savings.	Architect, Quantity Surveyor and C360	

## 7d.5) Holy Trinity Square

Risk	Impact	Risk Owner	Action Required
Costs may be higher than expected.	Scope may need to be reduced or the quality of delivered project may be impacted.	Client and design team	Review initial costings once completed by the QS.
Historic England may not support design proposals.	This would make moving the design forward difficult as a lack of support from Historic England may also impact on CBC Planner's support.	Design team	Continue to engage with Historic England and the CBC Planning team.
Local interest groups may raise objections to the proposed scheme due to the sensitivities and interest around the Grade I listed church.	est groups may ctions to the scheme due to vities and interest  A perceived lack of public support could impact on the successful delivery of the scheme.		Public engagement and consultation should be undertaken as part of the next design stage.
Failure to coordinate plans for square with C360 as operators of the Church building.	A future disagreement or a change of view about the inclusion of the churchyard within the Trinity Square scheme could lead to redesigning and programme delays.	Client	Continue to engage with Community 360 to ensure that all parties have a clear understanding of both schemes.
Archaeology and the unknown below ground condition of the site.	Unexpected below ground discoveries would impact both programme and costs during construction.	Design team and client	Continue to review all available historical reference information and review the need for, and then commission appropriate surveys in due course.
A lack of information about or coordination with Holy Trinity Church's restoration work may create issues during construction.	A programme clash or other coordination issues could lead to delays and additional costs during the delivery of the Trinity Square project.	Client	Continue to engage with Community 360 about their project at Holy Trinity Church and ensure that the design team is kept up to date with any developments.
Businesses around Trinity Square may have concerns about the construction work affecting their customers or deliveries.	A lack of buy in from businesses would make delivering the project more difficult and could create programme delays.	Design team	Public engagement and consultation should be undertaken as part of the next design stage. The BID group should be involved in this consultation.

## 7d.6) Kerbless Streets

Risk	Impact	Risk Owner	Action Required
Costs may be higher than expected.	Scope may need to be reduced or the quality of delivered project may be impacted.	Client and design team	Review initial costings once completed by the QS.
Issues with the unregistered land along Sir Isaac's Walk.	A lack of clarity about the responsibility (financial, maintenance etc) for these small bits of pavement may delay the delivery of this project.	Client.	Engage with Highways and local businesses along the street so that there are no misunderstandings about the issue.
Over running of kerb lines could lead to a pedestrian injury.	Tracking studies have shown that this is an existing issue that needs to be addressed as part of the design work.	Design team.	HAT to continue to work with WSP, and to engage with Highways about ways to mitigate the risk - such as limiting vehicle size etc.

Businesses along the route	A lack of buy in from businesses	Design	Public engagement and consultation
may not be supportive of the	along the route would make	team.	should be undertaken as part of the
scheme as they may have	delivering the project more		next design stage. The BID group
concerns about the	difficult and could create		should be involved in this consultation.
construction work affecting	programme delays.		
their customers or			
deliveries.			

## 7d.7) Essex County Hospital

Description of Risk	Impact of Risk	Risk Owner	Risk Manage r	Likelihoo d (1-5)	Impac t (1-5)	Risk Ratin g	Risk Mitigation	Residual Likelihood/Impa ct Scores
Problems found on site during construction – Construction Issues	Increased project costs and/or delays to completion resulting in reduced/delay ed benefits realisation.	Essex Housin g	Essex Housing	3	3	9	Award of a robust contract with fixed price so contractor responsible for unforeseen issues,	6
Contractor goes into receivership - Need to replace contractor.	Increased project costs and/or delays to completion resulting in reduced/delay ed benefits realisation.	Essex Housin g	Essex Housing	1	5	5	Tender process included assessment of bidders' commercial strength.	4
Contractor claims loss and expense and/or extension of time - Contractor wants additional costs and/or extended delivery timescales.	Increased project costs and/or delays to completion resulting in reduced/delay ed benefits realisation.	Essex Housin g	Essex Housing	2	2	4	Award robust contract with clauses to limit contractor claims for additional cost or time.	4
Sub-contractors' default - Need to replace sub-contractors	Increased project costs and/or delays to completion resulting in reduced/delay ed benefits realisation.	Essex Housin g	Essex Housing	2	2	4	Main contractor is responsible via minor works contract.	3
ECC issues significant change orders during construction - Requirements change during construction	Scheme profit reduced.	Essex Housin g	Essex Housing	3	3	9	Clear sign- off at every stage of design and pre-contract. Detailed Employers Requirement s. Change order procedure in place during construction.	5
Quality of workmanship is poor during construction. Leaseholder/tena nt identifies	Increased project costs and/or delays to completion resulting in reduced/delay	Essex Housin g	Essex Housing	2	3	6	Appoint Clerk of Works to monitor quality of work and	4

Г	defects - Cost	ed benefits			adherence to	
	incurred to	realisation.			design as set	
	remedy defects.				out in	
					Employers	
					Requirement	
					s. Contract	
					to include	
					defect	
					liability	
					period.	

### 35. Town Deal Board Chair name & signature

Name of the Town Deal Board: "We Are Colchester"

Chair's name and signature: Simon Blaxill

Date: 24/03/2022

#### 36. By signing, I agree that:

- 16. The business case, in a proportionate manner, is Green Book compliant.
- 17. The 5% early capital (CDEL) has been included in the Town Fund project costs across the programme.
- 18. This project and expenditure represent value for money, including the 5% early capital (CDEL) provided.
- 19. Project-level Equality Impact Assessments such as Public Sector Equalities Duty and/or Environmental Impact Assessments have been undertaken.
- 20. For final submission programme-level Public Sector Equality Duty assessment has been undertaken by the accountable body.

# Name of the lead Local Authority and signature of the Chief Executive Officer or S151 Officer

Name of the lead Local Authority: Colchester Borough Council

Job title: Chief Execut

Name and signature: Paul Cook

Date: 24/03/2022

## Part 2: Town Investment Plan (TIP) conditions

Towns are **only** required to submit this with the **first batch** of Summary Document if any TIP conditions are listed in the Heads of Terms. All TIP conditions must be met **before funding can be released.** 

#### TIP conditions table: Town Centre & Gateways

## 13.TIP improvement condition

Set out TIP improvement conditions as agreed in Heads of Terms

The Heads of Terms Project conditions highlighted the following for the town centre suite of projects:

#### Vineyard Gateway:

Consult with Historic England.

#### Essex County Hospital:

- Provide evidence of specific public benefit for this scheme.
- Quantified outputs and outcomes need to be specified for this project for it to be taken forward.

#### 14. Evidence

Provide evidence of how conditions have been addressed

<u>Vineyard Gateway</u>: since submission of the Town Investment Plan, outline design has been completed by Architects Ash Sakula on behalf of Colchester Amphora and the council. This work was undertaken through close engagement with both Historic England and the Council's Planning Team.

Historic England provided a letter of support dated 21<sup>st</sup> May 2021 from Sheila Stones, Inspector of Historic Buildings and Areas, which strongly endorses the proposed scheme; an extract from which is provided below:

"Following preliminary discussions over the past few months regarding proposals for residential redevelopment of this major site within the Colchester City Centre Conservation Area, in principle we welcomed the online presentation of the latest iteration of the scheme by Ash Sakula architects on 21 April 2021, which is now confined within the redline boundary of the application site. We have also considered the comprehensive Draft Heritage Statement produced by Pegasus Group. Overall, whilst the scheme is still at a relatively early design stage we are of the view that in principle the general scale, height, massing and density of the development is the most contextually appropriate we have seen since the original St Botolph's Masterplan, which included this site, was adopted in 2004."

As the housing-led regeneration scheme and its associated public realm which is the focus of the town deal monies are developed through the next and final stages of design, we will of course continue to keep Historic England engaged in this work.

However; note this scheme is not now being progressed using Town Deal funding.

<u>Essex Housing</u> have gone above and beyond expectations through the support of Town Deal to deliver a unique site at the gateway to Colchester Town Centre. In respect of public realm, the scheme provides the following public benefits:

- Reinstatement of a large public open space at the front of the main building, bringing the site back to how it originally looked when the hospital was built and providing an aesthetically pleasing centerpiece.
- A campus character to the site with the retention of existing boundary walls, to help keep the sites historical significance within the conservation area.
- Attractive lawns and the planting of new trees throughout the site to greatly improve its visual appearance.
- The restoration of 5 heritage assets including listed and locally listed building.
- 149 parking spaces provided in a sustainable location, to prevent overspill onto local roads.
- Extensive work has gone into accessibility on the site to provide ramped access to pedestrians, wheelchair users and cyclists for the use of the residents and the local community.
- The creation of 5,395 sqm of private and shared open space and 2,297sqm of communal amenity space.
- Providing secure storage for 240 resident cycles and 26 for visitors and the local community which is over double the standard requirement.
- 12 electronic charging points for electronic vehicles together with a car club and two cars dedicated to the users of the site and the local community.
- A public exhibition of archaeological findings from the site in the town centre.
- Pocket spaces and courtyards throughout the development.
- Enhanced cycle provision to enable better access through the site to the town centre.

The site delivers an array of other benefits including:

- Providing a range of apartments and houses of different unit sizes which offer generous living accommodation.
- Incorporating a variety of house / apartment styles with a variety of private amenity space in the form of patios, gardens, terraces, and balconies.
- Providing solar panels through-out to bring renewable energy to the site.
- Redevelopment of redundant buildings for residential use. A number of nonlisted building are also to be retained to give the offering of a refurbed accommodation rather than new build.

#### 15. Name of the Town Deal Board Chair & signature

Name of the Town Deal Board: We Are Colchester

Chair's name and signature: Simon Blaxill

Date: 24/03/2022

# 16. Lead Local Authority's name & signature of the Chief Executive Officer or S151 Officer.

Name of the lead Local Authority: Colchester Borough Council

Job title: Section 151 Officer

Name and signature: Paul Cook

Date: 24/03/2022

## **Part 1: Project Summary Document**

Towns should complete this for each project.

### **Summary Document table**

## 37. Project name: Heart of Greenstead

## 38. Heads of Terms project conditions

- Actions taken to address any conditions attached to the project in the Heads of Terms, where applicable.
- Where the condition was to provide a delivery plan please input in the section below (no.9) and/or attach to this document.

No conditions were originally set for this Business Case.

However: Liveable Neighbourhood was (at TIP submission) a stand-alone project in its own right.

The original Liveable Neighbourhood proposal as submitted in the original Town Investment Plan is not being taken forward. <u>However</u> as Liveable Neighbourhood has now become an element of the Heart of Greenstead business case, for completeness, a response against the original conditions that were set for Liveable Neighbourhood is provided here:

#### Rationale:

- The original Liveable Neighbourhoods proposal was £2.1m covering 4 discrete urban hubs. The residual Liveable Neighbourhood which has been retained in the Heart of Greenstead package has a budget of only £300k and covers only one urban hub.
- Outputs expressed at TIP therefore need to be scaled back proportionally.
- Expected outputs and outcomes from Heads of Terms (HoT):
  - o Doubling of local journeys by walking and cycling modes.
  - o Improved air quality, increase in local spend as people travel short distances sustainably and to shop locally.
  - Inequalities are tackled effectively improving wider social and economic outcomes, focussing on areas of deprivation, families, older people and those with poor mental health.
- Conditions (from HoT):
  - Quantified outputs and outcomes need to be specified for this project for it to be taken forward

The response to these conditions is provided in Part 2 below.

#### 39. Business case appraisal

Provide details of how the business case has been appraised including:

- business case type
- any internal or external assurances

Proportionality testing concluded that this business case must be prepared at the <u>maximum</u> level of detail and granularity due to the core regeneration project having a £41.7m gross development value. Our full 5-cases business case combines three project elements into one.

Given the complexity, interdependencies with other projects and programmes, and required high level of inter-agency working, a 2-stage approach has been taken to preparing this business case.

1) This <u>outline</u> business case was prepared September 2021 – January 2022 based largely on an existing scheme masterplan and work undertaken previously (2017-2018), but with several key enhancements made and features added; responding to opportunities to maximise benefits to the community and broaden outputs. This outline business case has therefore been prepared to

- provide the level of detail, granularity and certainty required to meet both internal assurance processes in the Spring of 2022, and DLUHC assessment thereafter.
- 2) As the site Masterplan will be refreshed and refined following submission of this outline business case to DLUHC, a <u>full</u> business case will be prepared October to December 2022; based on a more comprehensive and sympathetic evolution of the current masterplan and design, backed by refreshed cost certainty and cost analysis.

Given the size and scale of this overall scheme (with three project components), it has been developed by a large cross-functional and inter-agency project team including representatives from both local authorities, the NHS and the council's in-house development partner. The development of this programme is further supported by a programme board, and facilitated by a core team of a sponsor (the Council's chief operating officer), an owner, and key personnel leading the project, including the business case author.

In tandem with business case development, parallel supplementary work has focussed on leveraging further match-funding. This has resulted in a further £2.3m secured so far for the project, through a successful application to the Estates Regeneration Fund in the autumn of 2021. A further £5m bid to Homes England will be prepared and submitted in early 2023. The project leads have also negotiated and agreed the approach to residual council borrowing through the HRA, facilitated by the accountable body's S151 officer and his team.

The two smaller project elements; Essex Pedal Power and Liveable Neighbourhood have been developed alongside the core regeneration scheme led by Essex County Council (ECC) officers. These project elements have now received S151 officer approval from ECC.

Prior to submission to DLUHC in March 2022, the outline business case has been reviewed and ratified by Heart of Greenstead Programme Board, Town Deal Board, CBC cabinet and CBC scrutiny panel. It has also undergone external check-and-challenge to ensure consistency with other business cases across the town deal programme.

Whilst the project is still technically in its developement rather than delivery phase, opportunities have been taken where it is expedient, to begin work on delivering some more complex aspects of the scheme including for example land assembly & land acquisition, and early stages of community and stakeholder engagement; as these activities could be undertaken without creating undue risk to the accountable body in the event that the business case is not approved.

Planning consent has not been sought for the scheme at the time of submitting this outline business case, as the physical form of the scheme will evolve significantly beyond the current 2017 masterplan iteration; noting this is a >£40m scheme. However substantial pre-application planning advice has been provided by the lead planning authority both for the original masterplan and the refresh work undertaken recently to prepare this business case.

A range of internal and external assurances have been obtained, through a robust five step approach to business case appraisal.

- 1.Project Manager/Lead appraisal. The Business Case has been appraised by Project Managers/Leads from the Accountable Body (Colchester Borough Council) and delivery partner (Essex County Council). Throughout the process, Section 151 Officer has had 'on demand' access to the business case, so that changes and improvements could be made in an iterative manner.
- **2.Independent check and challenge**. It has also been subject to **independent third party drafting and review**, including tailored comments and a **'flying review'** having regard for other Colchester Town Deal project business cases to ensure dependencies and synergies were identified.
- <u>3.Political challenge</u>. The Business Case has in turn been reviewed and ratified by the Accountable Body's internal and political governance forums.

**4.Section 151 Officer approval.** The Business Case has, with the above check and challenge in mind, been **reviewed and ratified by the Accountable Body's Section 151 Officer**.

<u>5.Independent Board ratification.</u> The business case has been ratified by the independent We Are Colchester Board.

#### 40. DLUHC capital (CDEL) 5% payment

Initial capitalised spend of £175k to date; enabled from a share of the CDEL payment (max £300k for this scheme from the £910k DLUHC payment) has provided for:

- External professional fees for preparation of this outline business case (Tamarisk Way) along with associated cost analysis. £85k
- Associated Internal professional fees: development management (Amphora) at 30% share of the overall 5% development management cost i.e., £90k
- Above includes initial preparation and scoping of next phases of work (refreshed masterplan and cost plan, first steps towards preparing full planning application) which will culminate in the preparation of the <u>full</u> business case.
- The balance of £125k will be used for remaining work to prepare the next masterplan iteration, planning application and full business case.
- Costs of land acquisition are treated separately as these are being wholly funded through the Estate Regeneration Fund (£2.3m secured) so do not form part of our request for funding from the Towns Fund.

# 41. Quantified benefit-cost ratio/value for money (e.g., Benefit Cost Ratio or Net Present Social Value)

A quantified benefit-cost ratio should be provided. If it has not been generated, a summary of evidence used by the S151 Officer to demonstrate value for money should be stated.

The Benefit to Cost ratios for the three components of this scheme are:

- Tamarisk Way BCR 2:37:1 (allowing for 3% Optimism Bias)
- Essex Pedal Power BCR 3.18:1
- Liveable Neighbourhood BCR 1.35:1 or better (estimated).

Given the much smaller proportions of these final two projects in terms of overall programme cost and spend profiles, no aggregate/average BCR for the overall Heart of Greenstead programme is provided here, however all project elements deliver 'acceptable' or better VfM, with all BCR's better than 1:1.

#### 42. Deliverability

Will this project still be delivered within the Towns Fund timeframe? (Y/N)

Yes. Subject to remaining approvals such as this business case, and pending full planning approval; start-on-site is scheduled for September 2023 for the core development scheme, construction concluding approximately two years later but in any case before 31<sup>st</sup> March 2026. The smaller elements (Essex Pedal Power, Liveable Neighbourhood) will be delivered sooner than this.

#### 43. Delivery plan

Including details of:

- timescales and key milestones
- partnerships
- interdependencies
- risks and mitigation measures (if not provided above).

The key parameters of the scheme (summarised below from the business case, with location of main content noted for each) are as follows:

7a) High-level timeline: (see 1.16, 5A.4 & 5A.6 within this business case for full details).

The following table provides an aggregate timeline for all three elements of the scheme: shaded as Tamarisk Way (black font), Essex Pedal Power (Magenta Font) and Liveable Neighbourhood (Green Font) respectively.

- Tamarisk Way (Black font) no project name shown:
- Essex Pedal Power (Magenta font):
- Liveable Neighbourhood (Green font):

Action	Date
Confirm full £6m allocation to Tamarisk Way within reduced Towns Fund offer	June '21 (done)
Establish sponsor, owner and project team for 'Heart of Greenstead'.	Aug '21 (done)
Submit Estate Regeneration Fund EOI to Local Government Association.	Aug '21 (done)
Prepare project initiation documents (x3).	Sep '21 (done)
Launch Heart of Greenstead Programme Board.	Sep '21 (done)
Prepare outline business case.	Sep '21 – Mar '22
Submit £2.3m Estate Regeneration Fund bid to Local Government Association.	Oct '21 (done)
Prepare for Land Acquisition (CBC cabinet decision taken 17-11-21).	Oct/Nov '21 (done)
Outcome of Estate Regeneration Fund bid. SUCCESSFUL £2.3m award.	Oct '21 (success)
Initial engagement with Homes England re. co-funding for the affordable housing	Oct '21 – Dec
(HE).	'21 (done)
Prepare phasing plan for the development.	Nov '21 & ongoing
Undertake cost analysis based on <i>current</i> (2017) masterplan and drawings (KC&A	Nov '21 – Jan '22
Architects with Gleeds as cost consultant).	(done)
Confirm action plan for land acquisition and implement purchase from NHG upto	Nov '21 – Mar '22
exchange of contracts stage. (Contract completion, TUPE, etc. to follow).	(underway)
Develop and confirm models for mixes of types and tenures of housing created.	Nov '21 – Mar '22
Public Engagement STAGE 1.	Jan '22 – Mar '22
Internal approvals of Business Case including cabinet approval for HRA borrowing.	Feb-Mar '22
Complete and submit Outline Business Case to DLUHC.	Mar '22
Essex Pedal Power approval from Government.	Mar '22
Public Engagement STAGE 2.	Apr '22 – Jun '22
Liveable Neighbourhood: Develop quick wins.	May '22 – Jul '22
Liveable Neighbourhood: Community engagement.	May '22 – Oct '22
Liveable Neighbourhood: prepare blueprint.	Jun '22 - Oct '22
Likely date of confirmation/approval of Business Case by DLUHC.	Jun '22 / Jul '22
Essex Pedal Power: ordering of bikes and assembly.	June '22
Develop <b>new</b> strategic masterplan and associated cost plan (to RIBA stage 3).	Jul '22 – Sep '22
Essex Pedal Power: Rollout 1 of bikes.	Aug '22
Prepare full planning application & full business case.	Oct '22 – Dec '22
Liveable Neighbourhood: Quick wins, design and consultation.	Nov '22 – Jun '23
Submit full planning application.	Dec '22
Full planning application determination.	Jan '23 – Mar '23
Seek and confirm further project co-funding for the affordable housing (HE).	Jan'23 – Mar '23
Full planning approval.	Mar '23
Essex Pedal Power: Rollout 2 of bikes.	Mar '23
Detailed design (RIBA stage 4) and Procurement Phase to Appoint Main	Mar-Sep '23
Contractor.	0 (00
Construction start. (RIBA stages 5-6) Phased plan for decantment commences.	Sep '23
Liveable Neighbourhood: quick wins delivered.	Sep '23
Liveable Neighbourhood: Capital from new TBE funding bid.	Oct '23

Liveable Neighbourhood: Design work (main phase).	Jan '24- May '24
First housing units released.	Mar '24
Liveable Neighbourhood: Public Consultation (main phase).	Jun '24- Sep '24
Liveable Neighbourhood: Construction tenders (main phase).	Oct '24 – Jan '25
Liveable Neighbourhood: Construction (main phase).	Mar '25 – Mar '26
Construction end – handover of whole site to BAU.	Sep '25
Final eligible spend of Towns Fund monies.	Mar '26

Given the size, scale and complexity for the Tamarisk Way core regeneration scheme a block diagram / flowchart for this project is also provided:

## Stage 1 - Public Enagement (Jan-Mar 2022)

(i.e. what do you like about The Centre, what would improve the area)

Engagement will hopefully show public desire and willingness for change and regeneration.

Insights will feed into the business case, strengthening the evidence base and demonstrating that the community are onboard with the overall project theme.

## Outline Business Case submission (Mar 2022)

## Stage 2 Public Engagement (Apr-Jun 2022)

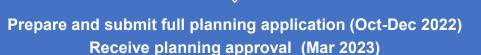
(i.e. asking more detailed questions; wants, desires, features etc)

Working alongside system partners, building into the CCG's Colchester South model (Multi-disciplinary team).

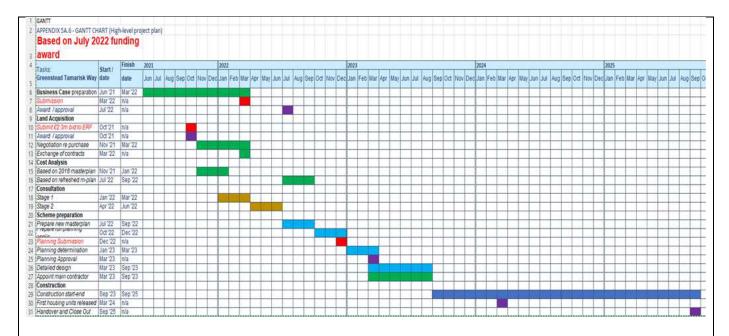
Establishing a more detailed evidence base from which a new or improved masterplan can be formulated.

### Formulating a new / improved development masterplan (Jul-Sep 2022)

(incorporating insights gathered via community engagement, and re-evaluating costs structures)



Tamarisk Way timeline provided seperately for ease of reference:



#### Essex Pedal Power timeline provided seperately for ease of reference:

	2022			2023				
	Jan to Mar	Apr to Jun	Jul to Sep	Oct to Dec	Jan to Ma	r Apr to Jun	Jul to Sep	Oct to Dec
Submission of Business Case	Mar 2022							
Business Case Approval		Apr 2022						
Planning & development		May 2022						
Place order for bikes		May 2022						
Set up hub & support		M	ay to Oct 20	22				
Delivery of bikes to UK - 1st Phase					Jan 2023			
Delivery of bikes to customers					Feb to	Apr 2023		
Delivery of bikes to UK - 2nd Phase						May 2023		
Delivery of bikes to customers						Jun to .	Jul 2023	

#### Liveable Neighbourhood timeline provided seperately for ease of reference:



	Jan to Mar Apr to Jun   Jul to Sep   Oct to Dec			2025				2026	
	Jan to Mar	Apr to Jun	Jul to Sep	Oct to Dec	Jan to Mar	Apr to Jun	Jul to Sep	Oct to Dec	Jan to Mar
Design work for Liveable Neighbourhood	Jan to M	1ay 2024							
Public Consultation	Jun to Sep 2024		ep 2024						
Tender(s)				Oct 2024 t	o Jan 2025				
Construction						Mar	2025 to Mar	2026	

<u>7b) Finances</u>: (see 1.15 & 1.22 within this business case). Taking each project element in turn, the key financial parameters for the projects are:

<u>Tamarisk Way:</u> (including breakdown of costs into main costheadings)

Scheme element	Cost					
			Fui	nding Soul	ces	
		Towns Fund	Estate Regeneration Fund	Homes England #08	Council Borrowing (HRA)	Total all sources
Construction A: upto 103 new homes	£23,309,685			£5m	£18,309,685	£23,309,685
Construction B: upto 36 replaced homes (supported living)	£8,301,186				£8,301,186	£8,301,186
Construction C: New commercial/retail space created.	£1,817,129				£1,817,129	£1,817,129
Construction D: Refurbished or expanded Community Health & Wellbeing Centre	£5,459,184	£5,459,184				£5,459,184
Land acquisition	£2,300,000		£2.3m			£2.3m
Contribution to Town Deal Programme overheads	£239,522	£239,522				£239,522
'21 to '22 and '22 to '23 project development work & fees (capitalised revenue).	£301,294	£301,294				£301,294
TOTALŚ	£41,728,000	£6m	£2.3m	£5m	£28.428m	£41,728,000
		Towns Fund	Regeneration	Homes England (Inv Partner)	Council Borrowing (HRA)	Total all Funding
Funding Status as at January 2022:		Agreed subject to Business Case	Secured. Supported by cabinet decision taken 17 <sup>th</sup> November 2021.	application under HE	Subject to approval at CBC cabinet 9th March 2022 as part of Business Case approval	

(For Tamarisk Way – funding profile):

Funding Profile	Previous	21/22	22/23	23/24	24/25	25/26	Total
Value	£m	£m	£m	£m	£m	£m	£m
Towns Fund		0.1	0.2	5.4	0.2	0.1	6
Estate Regeneration Fund		2.3					2.3
HE Investment Partner				2.5	2.5		5
CBC Borrowing: (HRA)				14	14.4		28.4
Total Funding		2.4	0.2	21.9	17.1	0.1	41.7

(For Tamarisk Way – co-funding commitment / status):

	V	<u>alue</u>	Source, (type)	Commitment (as at full business case)		
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£6,000,000	Towns Fund	The Towns Fund is confirmed on condition of approval of the
	(Capital)	business case by DLUHC. The project will not proceed without this
		assurance.
£2,300,000		The ERF was confirmed 27/10/21 as part of the autumn statement and must be fully spent by 31/03/22.
£28,428,000	CBC borrowing through Housing Revenue Account	The HRA borrowing was approved by the CBC cabinet meeting held 9 <sup>th</sup> March 2022.
£5,000,000	Delivery Partner	Engagement with Homes England was made in 2020/2021 and the 'Investment Partner' model has already been used to support smaller housing delivery schemes. The bid to support the affordable housing at Greenstead will be prepared early 2023 as the timing needs to coincide with full planning approval and be in place around 6 months prior to construction start on site.
£41,728,000	Total	

#### **Essex Pedal Power:**

- Core funding of £327,000 from Towns Fund / Town Deal (subject to approval of this business case)
- Supplemental funding of £300,000 from Local Delivery Pilot: considered very low / high certainty as it is within an existing and approved Colchester LDP allocation of £1.6m.

## **Liveable Neighbourhood:**

- Core funding of £300,000 from Towns Fund / Town Deal (subject to approval of this business case), which funds part 1 (£150k) and part 2 (£150k) of this scheme
- Aspiration to leverage in significant, further funding Supplemental funding alongside the part 2 funding. However, no financial risks are created if this is not achieved.

7c) Outputs: see Economic Cases of each project element for full details.

With the exception of the number of bikes initially delivered, all outputs identified in the 2020 Town Investment Plan (TIP) are set to be delivered in full through this scheme:



In addition to the original TIP outcomes/outputs, a number of further outputs and outcomes have emerged during the preparation of this business case and are captured including in the final benefits realisation / monitoring & evaluation plans for these projects, including:



Monetised and then non-monetised outputs are provided in summary here. Taking each project element in turn:

#### **Tamarisk Way:**

Monetised Benefits: (based on 15-year economic appraisal window)

<u>Value</u>	Source, (type) - summary.
£3,321,500	Land Value Uplift.
£11,630,640	68 People supported into employment.
£2,944,000	Construction phase impacts.
£385,400	New/additional council tax retained by CBC.
£463,500	Household spend – direct localised impacts.
£1,177,458	Non-domestic business rates – CBC.
£546,000	A share (10%) of domestic & commercial rents.
£204,000	Quantified Social Value of core regeneration scheme.

£20,672,498	Total
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#### **Non-monetised benefits:**

## Social & Community benefits:

- Aids community cohesion, reduces crime & Anti Social Behaviour (ASB) and improves personal security and public safety.
- Enhances community and public perception of this estate.
- Boosts social inclusion and digital inclusion and improves accessibility for those with a disability.
- Reduces deprivation through provision of enhanced community facilities to help people improve
  employability and skills, to access training, jobs and volunteering opportunities.
- Builds on the function of the community centre as a vital local satellite for services. Boosts take-up of services by low-income households.
- Develops resilient community networks and increases social connectedness.
- Provides additional housing numbers.
- Provides new affordable homes.

## **Health & Wellbeing benefits**

- Facilitates a whole-system approach with councils, health and voluntary sector which tackles the determinants of poor health.
- This includes laying the foundations for more extensive models of social prescribing.
- Increased / enhanced partnership working to reduce delays in accessing appropriate support.
- Improved mental health through reduced social isolation and building confidence & self-esteem.
- Increased physical activity through active travel, and use of new public / green spaces.

#### **Environmental benefits**

- Improved air quality through reduction in car use.
- Improved environmental performance through the higher specifications of the new buildings, for example zero-carbon ready homes.
- Improved environmental performance through shared and more efficient use of community buildings and spaces.

#### **Essex Pedal Power:**

The monetised benefits from the bike loan scheme have been quantified and appraised in Active Mode Appraisal Toolkit (AMAT). These primarily consist of health benefits (reduced risk of premature death and absenteeism) and benefits associated with modal shift. Whilst Essex Pedal Power does not capture journey quality benefits (assessment of new bike users only), this is further explored and quantified in the LCWIP 4 proposal contained the wider Colchester Town Fund bid - as Pedal Power users will benefit once this route is constructed.

Analysis of Monetised Costs and Benefits (£000's)						
Congestion benefit * 48						

Infrastructure maintenance *	0
Accident *	3
Local air quality *	0
Noise *	0
Greenhouse gases *	1
Reduced risk of premature death	855
Absenteeism	123
Journey ambience	0
Indirect taxation *	-2
Government costs	481
Private contribution	0
PVB	1046
PVC	481
NPV	566
BCR	2.18 (High)

#### Non-monetised Benefits:

### Skills development

The scheme will work alongside multiple agencies from schools, higher education, and job centres to create opportunities for people of all ages, backgrounds and beliefs. The scheme offers opportunities for people to learn new skills with cycle training and bikeability provided in a safe and controlled environment.

#### Access to services

The scheme will improve people's opportunities in terms of access to employment (local business park, high street etc.), education, health and leisure to promote economic growth and activity in Greenstead but also wider Colchester.

#### Community cohesion

The scheme will engage 'hard to reach' groups and encourage new people to take up cycling. It also has the potential to strengthen relationships within the community (as shown in Birmingham – where this approach was first developed) with participants meeting new people and forging friendships. This further emphasises the social value of the scheme in terms of improving the life of residents in Greenstead, thereby reducing community isolation and reliance on social service provision.

#### Job creation

As referenced, initially, the job-related benefits of the Birmingham scheme were related to people reporting an ability to travel further for work, either for a new job, or a better job. In addition, during the life of the scheme, participants started to report that they used the bike for jobs in courier and delivery roles. By the end of the scheme, some previously unemployed and non-cycling participants had been taught to ride, received a bike, undertaken the ride leader course, and were now working as paid Bikeability instructors in local schools in their communities. It is believed that similar patterns will develop through the Essex Pedal Power Scheme in Greenstead, creating direct local employment opportunities.

Furthermore, the scheme will support enterprise investing in the local economy, including start-up or local businesses that could include e-cargo bike delivery, leisure rides, mobile repair shops, cycling cafes and bike building / recycling.

## Promoting inclusivity

The blend of bikes will include adaptive and mobility bikes for those with disabilities and impairments preventing them from riding a standard bike.

## Links to other cycle schemes/infrastructure in Colchester

The scheme will benefit from existing and proposed cycling infrastructure in Colchester which include LCWIP 3, 8 and 4 - with funding from the Active Travel Fund, as well as proposed active travel links from the Garden Communities and Rapid Transit System.

## **Liveable Neighbourhoods: (examples of non-monetised benefits)**

Type of intervention	Description of benefit(s)
Air Quality	Improved air quality and residents' well-being.
Climate Change Adaptation and Mitigation	Provide green infrastructure to adapt to a changing climate with items such as street trees to provide shade and shelter, sustainable urban drainage systems etc. Also, green walls, planters, and other features to help cool the area in future heatwaves.
Crossings	New or improved pedestrian crossings (safety, accessibility).
Cycle Parking	Additional cycle parking.
Cycling	Improved cycling conditions for cyclists.
Health	In Liveable Neighbourhoods, life expectancy increases by 7–9 months, due to improved air quality and residents' increased activity.
Healthy Streets	Reduce traffic to enable streets to be transformed in line with the 'Healthy Streets' approach to create a quality environment for people walking, spending time, and moving through the area.
Low Traffic Neighbourhoods	Create Low Traffic Neighbourhoods to reduce the impact of traffic.
Modal filters	<ul> <li>Reduce traffic on residential streets by restricting general traffic.</li> <li>Reduce through traffic.</li> <li>Reduce rat-running in residential areas</li> <li>'Streets are for residents'.</li> </ul>
Parking	Additional parking controls.
Public Realm	<ul> <li>Improve public spaces and widened footways.</li> <li>Reducing car dominance, increases the active use of streets and public spaces.</li> <li>Increase 'green' infrastructure.</li> <li>Create vibrant streets that help local businesses to thrive and provide places for the community to come together and interact.</li> </ul>
Public Transport	Ensure neighbourhoods have good connections to public transport.
Safety	<ul> <li>Safer neighbourhood environment.</li> <li>Improved personal safety.</li> <li>Improved safety for pedestrians and cyclists.</li> <li>Benefits for the elderly, disabled and children as reduced car traffic allows them to move around their neighbourhood more safely</li> <li>Improved junction layouts.</li> <li>Traffic reduction measures to improve the number of road collisions.</li> </ul>
School Streets	Introduce school streets to make it easier for pupils to get to school without car traffic.

Walking	• Improvements for pedestrians.
Walking and Cycling	New walking and cycling routes.
	• Improve local connections.

7d) Partnerships: Taking each of the three project elements in turn:

## **Tamarisk Way:**

Aside from Colchester Borough Council (the developer), the key project partners include:

- 1) "Notting Hill Genesis" (NHG); a registered housing provider and the current operator of the sheltered housing scheme on the site, and the current landowner of around one third of the site that may be acquired for development.
- 2) "Essex County Council" (ECC); The library owner (the building is technically owned by CBC but we anticipate that ECC will claim possessory title) and operator, and deliverer of several other statutory services on the site, leading the delivery of the 'Liveable Neighbourhood' and 'Essex Pedal Power' cycling investment aspects of the wider scheme.
- 3) "North East Essex Clinical Commissioning Group" / Integrated Care System from April 2022; engaged with the council and partners to develop social prescribing models and commission the GP practice and pharmacy which will be relocated and enhanced through this scheme.
- 4) "University of Essex"; developing a new/refreshed memorandum of understanding with the council and other partners given the large numbers of its students who reside on the estate.
- 5) "Community 360"; developed the key community engagement document "Communities Can", using ABCD 'asset-based community development' principles to ensure effective community and stakeholder engagement.
- 6) "Colchester Borough Homes"; manages the council's housing stock on its behalf.
- 7) "Active Essex" who, through the <u>Local Delivery Pilot</u> are promoting and implementing the Essex Pedal Power element of the Greenstead programme.
- 8) "Clarion Futures" and "Latimer"; who together are the lead developer of the social housing and community building in the significant (<12,000 homes) Tendring Colchester Borders Garden Community approx. 1 mile from the development site and who are bringing extensive experience of delivering significant community renewal and estate development schemes across the UK.
- 9) "Local Community"; i.e., the people who will be most directly impacted by and benefit from the redevelopment. Community leaders include the local CBC ward Cllrs and ECC Cllr, schools and faith groups, together with the SAINT group providing the initial contacts. All engagement work with the local community will follow ABCD principles.
- 10) "Other Service providers;" a variety of organisations are working on the Greenstead estate. This includes organisations such as the DWP, Essex Police, Signpost, Food Bank. Barnardo's.

## Essex Pedal Power & Liveable Neighbourhood (combined):

Key Stakeholders	Nature of involvement
Essex County Council (Transport / Localities / Place / Public Health)	Lead – strategic, management and political advocacy, support
Colchester Borough Council	Strategic management and political advocacy, support
Active Essex / Local Delivery Pilot (LDP)	Support, delivery, process learning and community development, data and evaluation leads
The Active Wellbeing Society (TAWS) - Birmingham	Expert partner, co-production and mentoring, process and delivery training and procurement support
Inclusion Ventures (Hub)	Community anchor organisation and delivery partner / designer
Citizens / Residents	Co-production, volunteers, workforce
Sport England	LDP learning and outcomes
Access Sport	Expert partner for all wheeled facility and club development in deprived areas
Cycling UK	Community Cycle Club Development and Big Bike Revival
British Cycling	Training and facilities
Sustrans	National Cycle Network – promotion of network and improvements
Health - CCG's / GP's / PCN's	Funding for health outcomes, data trials or cycling on social prescription, delivery and distribution sites
Commercial / Business	Sponsorship investment
Schools	Access to families, potential training room and support for modal shift and health / wellbeing of young people
Safer Essex Roads Partnership	Delivery of Bikeability Training across the County – insight and school access for promotion to families
Community Safety Partnerships	Funding help, promotional support, access to communities most at need.  Partnership includes;
	Tendring District Council, Essex Police, Essex County Council, Police and Crime Commissioner's Office, Essex Fire Authority, Essex Community Rehabilitation Company, North East Essex NHS and Community Voluntary Services Tendring
NHS	Social prescribing

#### 7e) Interdependencies:

The key inter-dependencies for this project taken as a whole (all three project components) are as follows:

#### Within the Town Deal programme:

- a. The walking and cycling route: key dependency as this will reach from the Town Centre to Greenstead roundabout. Therefore with the Heart of Greenstead scheme including the Liveable Neighbourhood and its complementary route from the centre of Greenstead to the Greenstead / Town Centre route - together these form two 'halves' of a single coherent cycle route. Similarly the cycle route provides the infrastructure needed to optimise the usefulness of the 'Essex Pedal Power' scheme which provides bikes to Greenstead residents; i.e. somewhere to ride them!
- b. Transformed Youth Facilities: key dependency noting the severe deprivation (see 1.2 in this business case) and restricted access to opportunities for young people in Greenstead. Appreciating that the key investments within the £1.3m transformed youth facilities project will be made in the Town Centre, Stanway and Highwoods; it will be important that youth facilities are also considered in Greenstead as these are widely accepted to not meet current or anticipated future need. This (Greenstead) project can highlight opportunities and raise aspirations for young people in Greenstead for example opportunities for apprenticeships, work tasters, careers and jobs in the construction sector noting that the Heart of Greenstead and Garden Community schemes feature significant levels of new construction.
- c. Digital skills, working hub and 5G: There is scope to 1) add a Digital Working hub to the scope of the enhanced new/expanded community hub, 2) add a digital skills and training offer to this hub via one or both of Adult Community Learning / Department of Work and Pensions, and 3) add 5G connectivity along with the planned / already approved and funded rollout of gigabit fibre from VX fibre.

#### Across other external projects, programmes and initiatives:

- a. The Tendring Colchester Borders Garden Community (TCBGC) 1 mile south-east of the development site. There needs to be strong and joined-up planning, community engagement and community development spanning these two projects. This is being facilitated and enhanced through joint working with Clarion Futures and Latimer; who are developing the social housing within the new development.
- b. New Model Neighbourhood: effective joint working with the NHS, ECC and other partners in the rollout of the new model to the Greenstead community.
- c. NHS: joint work focusing on young people and anchor institutions (see construction as above), along with close joint working on the re-provision of primary care delivery at the site
- d. ECC: Libraries, provision of social care, development of wider walking and cycling initiatives and investment including rapid transit system, co-lead for the Garden Community scheme.
- e. University of Essex: new memorandum of understanding and key partner for example research partner in new community wellbeing hub.

#### 7f) Risks and risk mitigation measures:

The key risks (highest scores) from the Risk Register for Tamarisk Way are summarised below:

Description of Risk Impact of Risk	Likely?		Risk Rating	Risk Mitigation	Residual Scores
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Description of Risk	Impact of Risk	L	I		Risk Mitigation	R
Community: proposed masterplan is disliked or derided.	Lack of trust, community feel 'done to' by this scheme. Resistance/objections hamper or prevent scheme progressing	4	5	20	Clear messaging and robust communications planning. Active, extensive and authentic engagement.  Inputs are captured and directly feed next iteration of masterplan and scheme design. 'You said, we did'.  Full adoption of ABCD & Neighbourhood model?	15
Community: sensitivity in the timing of releasing information and messaging in line with the planning process (for example).	The community / key stakeholders do not support the project. It cannot proceed or scope is greatly compromised.	3	5	15	These risks are already being mitigated effectively through a planned and comprehensive approach to community and stakeholder engagement already underway and intensifying.	10
Lack of appetite to borrow for this scheme given CBC's existing and planned borrowing commitments.	Scheme cannot proceed or scope has to be reduced significantly.	3	5	15	Early and pro-active engagement with and advice from finance business partners, detailed modelling of spend types, sources of funding, seeking other investment and funding opportunities to reduce level of borrowing required. Highlight scheme's outstanding nonmonetised benefits and explain the potentially extensive long-term financial savings to health and care economy from investing in prevention / determinants of health.	5
Asset transfers required cannot be agreed: Requirement to spend Estate Regeneration Fund monies before 31st March 2022 cannot be met.	£2.3m grant has to be returned. This cost then has to be met from wider scheme budget.	3	5	15	This risk is being mitigated; we are working closely with partners concerned and are identifying terms and status of all extant leases on the development site. Options are available to sequence a number of tasks required in the 3-month period between exchange of contracts and completion.  Engagement with DLUHC is ongoing and time slippage beyond 31st March 2022 for exchange of contracts may be permitted; where the cause was beyond the control of the Council within best endeavours.	10
Officer capacity: full planning and delivery phase: Council does not possess the single, central	In reality the Council is not currently set up to deliver a scheme of this nature.	3	4	12	Covered in management case. The council will need to either expand upon its current LA delivery model; attracting development specialism with focus on major housing regen or look at a joint	8

physical regen function needed to deliver this scheme. venture / development agreement with a housing developer / registered provider.

Risk registers for Essex Pedal Power and Liveable Neighbourhood project elements will be prepared by their respective project leads ahead of project implementation.

## 44. Town Deal Board Chair name & signature

Name of the Town Deal Board: "We Are Colchester"

Chair's name and signature: Simon Blaxill

Date: 24/03/2022

## 45. By signing, I agree that:

- 21. The business case, in a proportionate manner, is Green Book compliant.
- 22. The 5% early capital (CDEL) has been included in the Town Fund project costs across the programme.
- 23. This project and expenditure represent value for money, including the 5% early capital (CDEL) provided.
- 24. Project-level Equality Impact Assessments such as Public Sector Equalities Duty and/or Environmental Impact Assessments have been undertaken.
- 25. For final submission programme-level Public Sector Equality Duty assessment has been undertaken by the accountable body.

## Name of the lead Local Authority and signature of the Chief Executive Officer or S151 Officer

Name of the lead Local Authority: Colchester Borough Council

Job title: Chief Executive

Name and signature: Adrian Pritchard

Date: 24/03/2022

## Part 2: Town Investment Plan (TIP) conditions

Towns are **only** required to submit this with the **first batch** of Summary Document if any TIP conditions are listed in the Heads of Terms. All TIP conditions must be met **before funding can be released**.

#### **TIP conditions table: Heart of Greenstead**

## 17. TIP improvement condition

Set out TIP improvement conditions as agreed in Heads of Terms

No conditions were originally set for the Business Case.

However: Liveable Neighbourhood was (at TIP submission) a stand-alone project in its own right. As Liveable Neighbourhood has now become an element of the Heart of Greenstead business case, for completeness, a response against the original conditions that were set for Liveable Neighbourhood are provided here:

For Liveable Neighbourhood:

 Quantified outputs and outcomes need to be specified for this project for it to be taken forward

#### 18. Evidence

Provide evidence of how conditions have been addressed

Please note that the current Liveable Neighbourhood programme, included within the Heart of Greenstead project, has now been reduced to £300k, down from the £2.1m original scheme included at TIP. It should also be noted, therefore, that the £300k being sought from the Towns Fund will provide the funding to shape the opportunities for a longer-term detailed planning proposal and bid(s), which can then be submitted when future funding opportunities become available.

This proposal is to deliver the early phases of a Liveable Neighbourhood programme including initial feasibility, design and engagement, in the evolution of the Greenstead Liveable Neighbourhood.

The measurable Outputs and Outcomes listed below relate to the longer-term programme, and not to this bid, which is only for the development of this 'Blueprint' of future opportunities.

## **Outputs**

- Improved conditions for walking and cycling
   To be measured by available 'comfort assessment tools' such as 'Pedestrian and Cycling Comfort Guidance' and 'Pedestrian and Cycling Level of Service.'
- Improved pedestrian crossings
   The plan is to provide a number of improved crossings, the final number of which will be dependent on the 'discovery phase' of the programme conducted with the local community and could result in anywhere between 4 and 20 sets of improvements. The actual number delivered can clearly be measured.
- Additional cycle parking Several Sheffield Stands, cycle hoops or other parking devices will be provided, at the new community hub and other key sites. At a minimum, it is believed that 20

stands will be provided, but the actual number will be based on available costs and local community requirements. Again, the number can clearly be measured.

## Low traffic neighbourhood

The intent is to introduce a low traffic neighbourhood, so this will be a simple measurable – 'yes.'

#### School streets

The intent is to introduce school streets around the two main schools in Greenstead -Colchester Academy and Hazelmere Junior School. Depending on local community agreement, the number of streets could be up to six. Again measurable.

#### Modal filters

The intent is to introduce modal filters at key points within Greenstead. Depending on local community agreement, the number of filters could be up to four. Again measurable.

## Improved public realm

One of the main thrusts of the programme is to significantly improve the public realm, especially around the centre of Greenstead adjacent to the Community Hub. Although this will be public perception, it should not be difficult to provide a simple 'yes' statement.

#### Active travel hub

The intent is to introduce an active travel hub linked to the Community Hub, so this will be a simple measurable – 'yes.'

#### Green infrastructure

Essex have developed a 'Green Infrastructure Strategy' which has been developed with Natural England. The guidance contained within this strategy provides clear measurables.

#### **Outcomes**

## Improved air quality

Along with other major towns in Essex, Colchester produces annual Air Quality Status Reports, so all aspects of air quality - NO2, PM2.5, PM10 etc are measured and reported on annually.

#### More people travelling sustainably

As part of the Active Travel monitoring and evaluation programme, Vivacity cameras are being installed in key locations around Colchester. These cameras will allow us to obtain before and after data for pedestrians and cyclists at key points.

## Less congestion

Network traffic flows can be obtained through Teletrac and analysed for comparison with other years.

## • Links to LCWIP schemes

A clear measurable with a 'yes' answer.

- Links to Heart of Greenstead regeneration programme A clear measurable with a 'yes' answer.
- Improved community resilience
   The Active Travel monitoring and evaluation programme provides an analytical framework including key indicators for measurement
- Enhanced mobility choices
   This can be measured through resident surveys and compared with prior data.
- Improved safety
   Regularly provided police collision data can provide safety information and allow
   analysis with prior years.

Whilst specific outputs and outcomes (drawn from above) will not be prepared until the development of the Blueprint; our intention is to include a number of these features (see 'outputs') which will generate outcomes including those indicated.

## 19. Name of the Town Deal Board Chair & signature

Name of the Town Deal Board: 'We are Colchester' (Colchester Town Deal) board.

Chair's name and signature: Simon Blaxill

Date: 24/03/2022

# 20. Lead Local Authority's name & signature of the Chief Executive Officer or S151 Officer.

Name of the lead Local Authority: Colchester Borough Council.

Job title: Chief Executive

Name and signature: Adrian Pritchard

Date: 24/03/2022

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#### **Part 1: Project Summary Document**

Towns should complete this for each project.

Summary Document table

#### 46. Project name: Town Centre 5G - Connected Tourism

## 47. Heads of Terms project conditions

- Actions taken to address any conditions attached to the project in the Heads of Terms, where applicable.
- Where the condition was to provide a delivery plan please input in the section below (no.9) and/or attach to this document.

No conditions were attached for this scheme.

#### 48. Business case appraisal

Provide details of how the business case has been appraised including:

- business case type
- any internal or external assurances

Proportionality testing concluded that this business case must be prepared at the <u>medium to high</u> level of detail and granularity. Whilst the projects GDV is low at £872,586, the project is relatively novel/innovative with reliance on 5G and other technologies which are relatively immature, and the partnership arrangements and governance methods to manage and operate this scheme will also be new, rather than established.

The business case type is a standard five-case "Green Book" model as approved by the OBR for local authority-led and Central Government-funded infrastructure deployments. The business case is presented as a considered set of technical options with an underlying decision tree to be used in conjunction with further stakeholder engagement. These options have been assessed for their commercial viability and commercial/economic outcomes, as well as the deployment viability.

The business case has been developed in close cooperation with a number of leading industry specialists. These include:

- An overall viability assessment, based on careful market research and two preceding engagements with relevant internal stakeholders, conducted by specialist consultants.
- An assessment of economic and commercial viability, and likely commercial outcomes, conducted by specialists with a relationship with DCMS and Central Government.
- An assessment of the potential of the initial deployment to attract follow-on investment from the Mobile Network Operators (MNOs), conducted by a leading investor.
- A view from Central Government provided by Ed King, the 5G Creative Technical Lead at DCMS.
   Ed has shaped the overall government approach to 5G trial and testbeds in the UK and will remain a key figure in the content-generation elements of the Colchester project.

The strategic case presents a range of five overall options for the focus of the project. From this **Option 3** – '**Tourism use case**' was selected: this use case having sparked the greatest interest among those interviewed particularly given the extent of Colchester's unique Roman heritage.

Based on this selected strategic option, the economic case then identifies a range of different levels of

Based on this selected strategic option, the economic case then identifies a range of different levels of technical sophistication ranging from 0 (do nothing) through to 5 (best in breed). **Option 4: 'Intermediate private 4G/5G AR/VR experience**' is then selected and forms the basis of the remainder of the business case.

The financial case then develops option 4 further, presenting two scenarios based on different levels of income generation. **Scenario 1 (Castle and Walls)** is selected as this is the most realistic at this time, but the scope remains to pursue Scenario 2 (broadening the project to other attractions such as the Roman Circus) depending on the successful take up of the project in its initial years of operation and its commercial returns.

The project is felt to carry a low financial risk to the authority as it is not reliant on co-funding from other sources, and can be implemented as soon as the Towns Fund contribution is confirmed.

A range of internal and external assurances have been obtained, through a robust five step approach to business case appraisal.

- 1.Project Manager/Lead appraisal. The Business Case has been appraised by Project Managers/Leads from the Accountable Body (Colchester Borough Council) and delivery partner (Essex County Council). Throughout the process, Section 151 Officer has had 'on demand' access to the business case, so that changes and improvements could be made in an iterative manner.
- <u>2.Independent check and challenge</u>. It has also been subject to independent third party drafting and review, including tailored comments and a 'flying review' having regard for other Colchester Town Deal project business cases to ensure dependencies and synergies were identified.
- <u>3.Political challenge</u>. The Business Case has in turn been reviewed and ratified by the Accountable Body's internal and political governance forums.
- <u>4.Section 151 Officer approval.</u> The Business Case has, with the above check and challenge in mind, been reviewed and ratified by the Accountable Body's Section 151 Officer.
- <u>5.Independent Board ratification.</u> The business case has been **ratified by the independent We Are** Colchester Board.

## 49. MHCLG capital (CDEL) 5% payment

Main activities, if applicable:

The 5% payment has been used to fund the development of a comprehensive business case setting out the technical options for the project, its independent assessment conducted to date, and the overall project management of this workstream undertaken by Colchester Amphora Trading Ltd.

50. Quantified benefit-cost ratio/value for money (e.g. Benefit Cost Ratio or Net Present Social Value) A quantified benefit-cost ratio should be provided. If it has not been generated, a summary of evidence used by the S151 Officer to demonstrate value for money should be stated.

Independent assessment has provided the following calculations based on the project options selected within the strategic and economic cases of this business case:

NPV of project -£251,000 PV of Additional Economic Impact £1,121,000 NPV: Economic Benefit £869.000

Benefit Cost Ratio 1.23:1

51. Deliverability

Will this project still be delivered within the Towns Fund timeframe? (Y/N)

We confirm the project will be delivered within the Towns Fund timeframe. It will continue to be delivered beyond March 2026; however the core scheme will be fully up and running and operational from August 2023.

## 52. Delivery plan Including details of:

- timescales and key milestones
- partnerships
- interdependencies
- risks and mitigation measures (if not provided above).

The key parameters of the scheme are as follows:

1) High-level timeline: see 'Timescale/Key Milestones' in the management case.

#### Timescales/Key Milestones (based on DLUHC funding decision/award July 2022)

- August 2022: Further market engagement
- September-October 2022: Tender documentation preparation
- November 2022: Issue Contract Notice and ITT
- February 2023: Evaluation Process and Confirmation of Preferred Bidder
- April 2023: Launch of Project Build Phase
- August 2023: Completion of Build Phase and public launch of project.

## 2) Financial deliverability (see financial case within this business case).

The key financial dimensions for the 5G: Connected Tourism project are as follows, based on option 3,4 scenario 1 (5G Tourism / 'Intermediate' 4G/5G with Artificial Reality / Virtual Reality (AR/VR) / Castle and Town Walls only):

### 2a) Overall project costheadings:

(All in £ unless otherwise stated) <sup>1</sup>	5-year cost GBP
Platform & Content Costs (see 11a for breakdown)	571,000
Operating Costs	229,000
Refresh and upgrade costs	50,000
Central programme overheads for Town Deal	22,586
TOTAL OUTLAY (project cost)	872,586
Contingency (3%)	27,414
Total Town Deal Allocation	900,000

Detailed 5-year spend and funding profile follows on next page.

2b) Funding and spend profile for chosen scenario:	

	EOP	2022	2023	2024	2025
	PERIOD	0	1	2	3
	YEAR	2022	2023	2024	2025
Annual Visitors Projection	#	63,213	120,899	121,178	120,899
Existing Visitors Taking AR/VR Tours	#	6,321	12,090	12,118	12,090
New Visitors	#	3,161	6,045	6,059	6,045
REVENUE			·	-	
AR/VR Tour Price	£	3.50	3.50	3.50	3.50
Castle Entry Price	£	10.95	10.95	10.95	10.95
Additional Revenue from Existing Visitors	£	22,125	42,315	42,412	42,315
Additional Revenue from New Visitors	£	45,672	87,350	87,551	87,350
TOTAL REVENUE	£	67,796	129,665	129,963	129,665
COSTS					
Platform Costs	£	-271,000	-	-	-
Content Costs	£	-300,000	-	-	-
Refresh Costs	£	-	-	-15,000	-
Upgrade Costs	£	-	-	-	-35,000
Central Programme Overheads	£	-3,057	-4,815	-4,864	-4,905
Operating Costs	£	-	-45,800	-45,800	-45,800
TOTAL COSTS		-574,057	-50,615	-65,664	-85,705
AUTHORITY NET POSITION					
ВОР		-	393,739	472,789	312,088
Authority Funding	£	900,000	-	-	
Total Costs	£	-574,057	-50,615	-65,664	-85,705
Total additional Revenues	£	67,796	129,665	129,963	129,665
AVAILABLE DEVELOPMENT CAPITAL		393,739	472,789	537,088	356,048
Potential Phase 2 Project1	£	-	-	-225,000	-
Potential Phase 2 Project2	£	-	-	-	-225,000
Potential Phase 2 Project3	£	-	-	-	
NET AUTHORITY POSITION (EOP)		393,739	472,789	312,088	131,048

Continued on next page:

Funding and spend profile (continued):

	ЕОР	2026	2027	TOTAL
	PERIOD	4	5	
	YEAR	2026	2027	
Annual Visitors Projection	#	120,899	120,899	667,989
Existing Visitors Taking AR/VR Tours	#	12,090	12,090	66,799
New Visitors	#	6,045	6,045	33,399
REVENUE				
AR/VR Tour Price	£	3.50	3.50	3.50
Castle Entry Price	£	10.95	10.95	10.95
Additional Revenue from Existing Visitors	£	42,315	42,315	233,796
Additional Revenue from New Visitors	£	87,350	87,350	482,622
TOTAL REVENUE	£	129,665	129,665	716,418
COSTS				
Platform Costs	£	-	-	-271,000
Content Costs	£	-	-	-300,000
Refresh Costs	£	-	-	-15,000
Upgrade Costs	£	-	-	-35,000
Central Programme Overheads	£	-4,945	-	-22,586
Operating Costs	£	-45,800	-45,800	-229,000
TOTAL COSTS		-50,745	-45,800	-872,586
AUTHORITY NET POSITION				
ВОР		131,048	34,968	
Authority Funding	£	-	-	900,000
Total Costs	£	-50,745	-45,800	-872,586
Total additional Revenues	£	129,665	129,665	716,418
AVAILABLE DEVELOPMENT CAPITAL		209,968	118,832	743,832
Potential Phase 2 Project1	£	-	-	-225,000
Potential Phase 2 Project2	£	-	-	-225,000
Potential Phase 2 Project3	£	-175,000	-	-175,000
NET AUTHORITY POSITION (EOP)		34,968	118,832	118,832

## 3) Outputs

The key project output specified in Colchester's 2020 Town Investment Plan (TIP) is the delivery of 5G deployment / infrastructure in Colchester Town Centre. This requirement has been met through the initial deployment of 5G within the associated Digital Working Hub project (please see business case for Digital Working Hub for details).

Outputs and outcomes for the 5G: Connected Tourism scheme are as follows:

Long term Impact	Medium Term Outcomes	Short term Outputs
Build on the Borough's economic development strategy to be future proof and digitally enabled.	Adoption of 5G and other emerging technologies within Colchester Borough Council to increase productivity, reduce spend, improve service delivery, and support environmental and social impacts.	Reduce barriers for private investment in 5G, particularly small cells.
Enhance and accelerate the availability of world class connectivity across Colchester.	Increased awareness, knowledge, and awareness of the benefits of 5G	Demonstrate Return on Investment (RoI) for tourism use case.

	and advanced technologies among business community.	
Stimulate inward private investment in digital infrastructure and similar e.g., 6G technologies.	Increased use of 5G and technology to enhance the people experience for visitors to the Borough.	Enhance perception of the benefits of 5G and the role of technology within Colchester.
Public sector benefits and wide adoption of technology and 5G to achieve business outcomes.	Rollout of enhanced technology experience to multiple visitor attraction sites.	
Wide scale adoption of 5G and other technologies across industry sectors to enhance business outcomes.	Prove sustainability of 5G and technology enabled tourism cases.	
To be known as a leader and early adopter of innovative technologies.		
To have developed an ecosystem around future technology and 5G.		

#### **Key Indicators**

Improved 5G coverage and speed statistics

More than two mobile operators present in the borough

Visible evidence of small cell deployments and technology sector engagement

Adoption of 5G / Internet of Things use cases across broad range of Council services

Increase in the number of numbers of pioneering technology businesses investing and relocating to Colchester

Increased investment in technolog**y** research and industry collaboration and formation of 'tech hubs'

Business announcements on 5G and IoT investments and trials

Increase in technology related jobs being advertised

#### **Key indicators**

Adoption of 5G and technology-based use cases (with demonstrable Rol cases) across a small range of Council services e.g., social housing, roads/lighting etc.

AR/VR tourism use case is rolled out to other sites with enhanced features and capabilities

Increase in technology related business enquiries to COLBEA

Reduced or no public subsidy required to invest in 5G or other technologies

Increase in geographical area being considered for enhanced 5G coverage by neutral host provider

Neutral host provider supports multiple mobile network operators (MNOs)

Neutral host provider commits to investment in small cells or enhanced 5G coverage to proposed site with support at least one mobile network operator (MNO)

Use case able to generate reasonable and sustainable revenue streams

Reduced number of enquiries to members regards the safety of 5G

Implemented tourism use case

Increase in AR/VR use case usage and take up statistics at deployed sites

Evidence of small cell deployment at proposed sites

## 4) Partnerships

A Project Board has been created in accordance with the Council's Governance and Audit Committee Procedure Rules, with the project delivered primarily by Colchester Amphora Trading, overseen by CBC,

with additional technical, financial and commercial support from CBC and external advisors as needed. The external advisors will be required for the delivery phases of the project and will be selected for their skills and knowledge in (a) the telecoms sector and market, (b) technical knowledge of 5G solutions, (c) delivery and measurement of the outcome of telecoms infrastructure projects.

#### 5) Interdependencies

The primary interdependence in this project relates to the timely completion of the underlying required infrastructure, which is an in-build, large fibre optic infrastructure covering the town centre footprint. This infrastructure is due for completion by August 2023.

Effective links have been made and will be developed further between this project and a number of other Town Deal projects within Colchester's programme. This includes both the other two digital programmes (digital working hub, digital skills hub), a number of Town Centre projects and Transforming Youth Facilities.

#### 6) Risks and Mitigation Measures

Key risks at the current time are identified as:

**Technology**: The technology and proposed content are underwhelming and do not deliver the end user experience required to generate interest. <u>Mitigation</u> is to initiate an ambitious vision for what the project should deliver, assessed against technical and commercial criteria.

**Costs**: Supplier costs are greater than those estimated by the business case. <u>Mitigation</u> is close control over the scope of the deliverables and timely monitoring of their levels.

**Revenues**: There is less interest in the AR/VR experience, resulting in less footfall and lower ticket sales than those proposed by the financial scenarios. <u>Mitigation</u> will be careful thought to publicity and awareness-generating activities.

**Social**: Consumers do not appear ready to embrace AR/VR and 5G-enabled experiences. While we believe this risk is low, *mitigation* overlaps strongly with the steps taken under "Revenues".

**Economic**: The tourism economy due to Covid-19 does not recover meaning restrictions limit access to the AR/VR experience. <u>Mitigation</u> strategies include the development of other commercially and technically viable real-life use applications of the underlying infrastructure.

#### 53. Town Deal Board Chair name & signature

Name of the Town Deal Board: We are Colchester (Colchester Town Deal Board)

Chair's name and signature: Simon Blaxill

Date: 24/03/2022

#### 54. By signing, I agree that:

- 26. The business case, in a proportionate manner, is Green Book compliant.
- 27. The 5% early capital (CDEL) has been included in the Town Fund project costs across the programme.
- 28. This project and expenditure represent value for money, including the 5% early capital (CDEL) provided.
- 29. Project-level Equality Impact Assessments such as Public Sector Equalities Duty and/or Environmental Impact Assessments have been undertaken.
- 30. For final submission programme-level Public Sector Equality Duty assessment has been undertaken by the accountable body.

Name of the lead Local Authority and signature of the Chief Executive Officer or S151 Officer

Name of the lead Local Authority: Colchester Borough Council Job title: Section 151 Officer

Name and signature: Paul Cook

Date: 24/03/2022

#### Part 2: Town Investment Plan (TIP) conditions

Towns are **only** required to submit this with the **first batch** of Summary Document if any TIP conditions are listed in the Heads of Terms. All TIP conditions must be met **before funding can be released.** 

TIP conditions table: 5G / Connected Tourism

## 21. TIP improvement condition

Set out TIP improvement conditions as agreed in Heads of Terms

None set

#### 22. Evidence

Provide evidence of how conditions have been addressed

N/A

## 23. Name of the Town Deal Board Chair & signature

Name of the Town Deal Board: We are Colchester (Colchester Town Deal Board)

Chair's name and signature: Simon Blaxill

Date: 24/03/2022

## 24. Lead Local Authority's name & signature of the Chief Executive Officer or S151 Officer.

Name of the lead Local Authority: Colchester Borough Council

Job title: Section 151 Officer
Name and signature: Paul Cook

Date: 24/03/2022

## **Part 1: Project Summary Document**

Towns should complete this for each project.

#### **Summary Document table**

# 55. Project name: Colchester Walking and Cycling Links (Town Centre to Greenstead and University)

## 56. Heads of Terms project conditions

- Actions taken to address any conditions attached to the project in the Heads of Terms, where applicable.
- Where the condition was to provide a delivery plan please input in the section below (no.9) and/or attach to this document.

None.

## 57. Business case appraisal

Provide details of how the business case has been appraised including:

- business case type
- any internal or external assurances

The business case for Colchester Walking and Cycling Links (Town Centre to Greenstead and University) is 'standard track' as opposed to 'fast track', meaning that it is being submitted to a March 2022 deadline rather than an accelerated timetable. In turn, funding is expected to be drawn down in accordance with the financial profile provided in June 2021.

**Proportionality has been applied**, drawing on Towns Fund best practice guidance, together with a Project Owner/Lead assessment of general requirements along with a considered specific view of each of the 5 Cases making up the whole Business Case (Strategic, Economic, Financial, Commercial and Management Cases).

This concluded that a less detailed Business Case would be appropriate. Whilst there are synergies to be optimised with other projects (Heart of Greenstead, Town Centre, Transformed Youth Facilities), and clarifications to be obtained around funding for 'non-Town Deal' walking and cycling routes (Section 106, Essex County Council), this should be a straightforward 'bricks and mortar' project to deliver, particularly as the key cycle route LCWIP4 is already established, notwithstanding uncertainties around materials costs, and some political challenge.

However, for the purposes of comprehensive planning and assurance, the decision was taken to take a **more detailed approach**.

This project provides coherent walking and cycling infrastructure addressing current deficits. It physically links the town, Greenstead and the University together making travel by the greenest, healthiest option also the best most attractive, convenient and natural choice.

Doing nothing would involve leaving the current footway / cycleway as a discontinuous route with poor quality surfaces. Potential users may be put off from using the current route and look to find alternative longer and less safe alternative routes and are likely to continue to choose to travel by car for short journeys instead of cycling or walking.

Because of the extensive work required, it would not be possible to fund the scheme from e.g., S106 funds and government money is the only way forward to deliver the improvements required.

There are currently inconsistent links between the Town Centre, Greenstead and the University. Improving the accessibility and permeability of these key places is crucial to the town's development and renewal. Joining them up in a coherent way is vital to building the local skills base, integrating the town to the campus and adding value to the student experience.

This project provides a safe, attractive and fast cycling link between the Town Centre, Greenstead and the University.

There are several drivers for this project. The town has a prestigious and growing university, with a young, skilled population providing a source of economic potential (36% of Colchester residents have NVQ4+ qualifications, 33.5% in Essex; 4% have no qualifications, 8% in Essex). However, there are local transport challenges, especially between the most deprived areas and emerging employment centres, and this has been identified as a key weakness.

The project includes investment in high-quality walking and cycling infrastructure, including a new or upgraded 2.96kms route corridor, linking into other walking and cycling corridors and the improved facilities in the town centre such as additional cycle parking. This will ensure significantly easier, safer, faster and more attractive cycling routes serving these priority communities, doubling of local journeys by walking and cycling modes (and corresponding reduction in car movements), improvement in number of residents who increase/maintain their physical fitness, improved air quality, increase in local spend as people travel short distances sustainably and shop locally. Inequalities are tackled effectively improving wider social and economic outcomes, focusing on areas of deprivation, families, older people and those with poor mental health. Reduced car movements will lead to improved air quality, reduced traffic congestion and will form a key and visible step towards climate change mitigation.

Coupled with the wider investments in Greenstead, this project joins the suburb and the town centre in a coherent way; providing vital enabling infrastructure to help the residents of this neighbourhood participate socially and economically. Students at the University of Essex will be provided with an attractive and safe travel option, adding value to the student experience and supplementing the planned Rapid Transit System. The link will also form the first part of a route to the nearby planned garden community to the East of Colchester.

Engagement feedback from the community in support of this project includes:

"I would love to cycle more with the family, but the local roads are not safe for children on bikes. I wish we could learn from the Dutch model of having cycling paths on most roads which are physically separated from the road."

"I know of many more people who say they would prefer to cycle but are fearful of traffic driving too close or riding around a busy roundabout."

Colchester is an historic market town and the largest settlement within the borough of Colchester in the county of Essex, in south eastern England. Colchester occupies the site of what was Camulodunum, the first major Roman city in, and sometime capital of Roman Britain. Colchester lays claim to be Britain's oldest recorded town.

The borough houses a large university of approximately 8,000 students and is also home to a garrison with capacity for approximately 4,000 military personnel.

Colchester is a modern, growing and thriving town with a historic and highly constrained urban transport network, but, with significant growth happening and planned, it requires a sustainable transport network which can accommodate the growth, support the town centre economy and mitigate serious air quality issues in the town centre areas.

The town has already benefited from a range of cycling initiatives. Building on the strong foundation of the Colchester Cycle Demonstration Town, which saw an increase of 19% in cycle

numbers at monitored sites between 2007 and 2011, we have prioritised one significant Local Cycling and Walking route to instigate a further transformational step-change in active mode provision.

In Colchester, there is an extensive walking network with approximately 15,900 people (7,600 dwellings) within an 800m walking distance of the town centre and there is a cycle network serving the town centre from all directions, with a mixture of on and off-road routes. Historical barriers to cycling have been improved with new shared-use bridges across the river to the North and across Balkerne Hill to the West, with cycling allowed through subways under the main roads to the South and West. However, more needs to be done.

In recent months, the COVID-19 crisis has changed how and why people travel, introducing new habits and norms that would not have been the case just a couple of years ago. As we move forward beyond COVID-19, we need to ensure Colchester remains a destination of choice and can maintain its status as an employment, leisure and residential centre for the region. Against this backdrop, and the effects that COVID-19 has had on commuting patterns, it is essential to provide corridors for those people needing to access the town centre, particularly from the East and the University. Currently, there is no logical cycling route from the east side of the town and University into the town centre.

It should also be noted that LCWIP 4 passes through or adjoins two AQMA areas – one around the junction with Brook Street and secondly at East Street.

Colchester is one of the fastest growing towns in the country. Over the period 2001-2023, Colchester has allocated land for 19,000 new houses, and is on schedule to deliver this target. The adopted plan for Colchester also proposes the creation of 14,000 new jobs over the same period. The key challenge facing Colchester is accommodating housing and economic growth in the most sustainable way.

The town centre is the major employment area for Colchester, providing approximately 20,000 jobs. The centre of the town is already a major regional shopping area, but will also see substantial growth, with 2,000 new homes and increases in office and retail floorspace of 40,000m² and 67,000m² respectively. Maintaining reliable access across Colchester and throughout the town centre is essential for employment and other town centre opportunities, such as further education, retail and leisure.

Congestion levels in Colchester are negatively affecting the local economy, especially at key pinch points. These pinch points restrict traffic flows between west and east Colchester, through the town centre, and across the rest of the town, and lead to unreliable journey times, late deliveries and network gridlock. In addition to this, air quality is a significant problem in Colchester and the town centre has a declared Air Quality Management Area in a sector of the town that exceeds pollution limits because of transport emissions. The Essex Business Survey (2010) found that 35% of businesses are concerned about local traffic congestion, with the road / transport network being identified as a priority for investment.

Ideally, improvements are required before the next tranche of major development – the new garden community to the east of the town, hence the reason for the funding request now.

A range of internal and external assurances have been obtained, through a robust five step approach to business case appraisal.

1.Project Manager/Lead appraisal. The Business Case has been appraised by Project Managers/Leads from the Accountable Body (Colchester Borough Council) and delivery partner (Essex County Council). Throughout the process, Section 151 Officer has had 'on demand' access to the business case, so that changes and improvements could be made in an iterative manner.

**2.Independent check and challenge**. It has also been subject to **independent third party drafting and review**, including tailored comments and a **'flying review'** having regard for other Colchester Town Deal project business cases to ensure dependencies and synergies were identified.

<u>3.Political challenge</u>. The Business Case has in turn been reviewed and ratified by the Accountable Body's internal and political governance forums.

<u>4.Section 151 Officer approval.</u> The Business Case has, with the above check and challenge in mind, been reviewed and ratified by the Accountable Body's Section 151 Officer.

<u>5.Independent Board ratification.</u> The business case has been **ratified by the independent We Are Colchester Board**.

#### 58. MHCLG capital (CDEL) 5% payment

Not applicable.

# 59. Quantified benefit-cost ratio/value for money (e.g., Benefit Cost Ratio or Net Present Social Value)

A quantified benefit-cost ratio should be provided. If it has not been generated, a summary of evidence used by the S151 Officer to demonstrate value for money should be stated.

The Colchester Walking and Cycling Links (Town Centre to Greenstead and University) business case demonstrates **good value for money** with an adjusted **Benefit Cost Ratio of 2.26:1.** 

A range of options were considered in appraisal, with an analysis of Monetised Costs and Benefits, Congestion benefit, Infrastructure maintenance, Accident, Local air quality, Noise, Greenhouse gases, reduced risk of premature death, Absenteeism, Journey ambience, Indirect taxation, Government costs, Private contribution, Present Value Benefits and Present Value Costs indicating a High Benefit Cost Ratio (a BCR of 2.26 and a Net Present Value of £7.527m).

#### Results

Congestion benefit	905.132
Infrastructure maintenance	1.826
Accident	56.015
Local air quality	6.798
Noise	3.734
Greenhouse gases	13.477
Reduced risk of premature death	6,487.543
Absenteeism	810.311
Journey ambience	5,234.307
Indirect taxation	-29.100
Government costs	5,961.593
Present Value of Benefits (PVB)	13,488.219
Present Value of Costs (PVC)	5,961.593
Benefit to Cost Ratio (BCR)	2.26:1
Net Present Value (NPV = PVB-PVC)	7,526.626

#### Maximising social value

During the development of the project, the opinions of all interested parties and stakeholders will be considered for the proposed scheme. This ensures that proposed actions will have been

considered against the economic, social and environmental well-being of the residents or persons affected.

### 60. Deliverability

Will this project still be delivered within the Towns Fund timeframe? (Y/N)

Yes.

## 61. Delivery plan

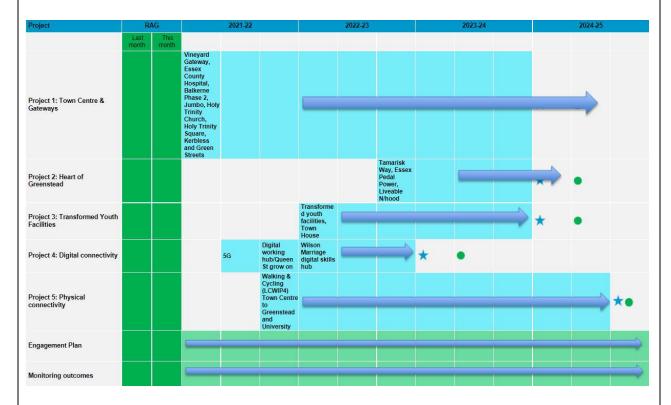
Including details of:

- timescales and key milestones
- partnerships
- interdependencies
- risks and mitigation measures (if not provided above).

## **Key dates**

Project Milestone	Indicative Date
Preliminary design - Phased	June 2021 to August 2024
Detailed design - Phased	January 2022 to February 2025
Tender - Phased	March 2022 to March 2025
Construction - Phased	May 2022 to December 2025
End construction	March 2026

A high-level overview of timescale and key milestones for Walking and Cycling, in the wider context of Colchester's Town Deal Programme of work, can be found below:



The capital element of this project will be delivered between May 2022 (FY 2022/23) and December 2025 (FY 2024/25), with revenue expenditure for design work in 2021/22.

The project will be delivered in accordance with Financial Profile information submitted.

Project	RDEL/ CDEL	20/21 (£)	21/22 (£)	22/23 (£)	23/24 (£)	24/25 (£)	25/26 (£)	Total (£)
1 TOJECE	ODLL	(~)	(~)	ZZIZO (Z)	20/27 (2)	(~)	(~)	(~)
	RDEL	0	144,168	£0	0	0	0	144,168
	CDEL	0	58,300	800,343	945,905	921,408	13,245	2,739,201
G: Walking & Cycling Links	Total	-	202,468	800,343	945,905	921,408	13,245	2,883,369

## **Partnerships**

The project is led by Essex County Council, supported by the Accountable Body, Colchester Borough Council. The project lead has identified and is actively engaging with a range of stakeholder groups and individuals.

#### **Delivery partners**

Partner	Nature of involvement
Colchester Borough Council	Through the Towns Fund and the 'We Are Colchester' Board, financial, operational, programme management and project direction
Essex County Council	Support for scheme
Essex Highways	Responsible for design, management and coordinating delivery of all highway and cycling schemes in Essex
Ringway Jacobs and partners	Responsible for constructing scheme

#### **Essex**

#### **Essex Climate Action Commission**

The Essex Climate Action Commission (ECAC) was set up to advise about tackling climate change. The commission will run for two years initially and make recommendations about how to improve the environment and the economy of Essex:-

- identify ways to mitigate the effects of climate change, improve air quality, reduce waste across Essex and increase the amount of green infrastructure and biodiversity in the county
- explore opportunities to attract investment in natural capital and low carbon growth.

The Commission has looked at six different subject areas in relation to climate change:-

- Adapting to an already changing climate
- Transport
- Built environment
- Land use and green infrastructure
- Energy and waste
- Community engagement.

Special Interest Groups were established for each area and groups meet on several occasions to collate and review evidence and develop recommendations for changes. The aim of this consultation is to understand the views of Essex residents on the recommendations put forward by the Commission.

Following a review of the Essex Future Energy Scenarios and Pathways to Net Zero work, the ECAC expressed a desire to follow a more ambitious timeline and potentially achieve Net Zero earlier than 2050.

## **Everyone's Essex**

Essex has developed a plan for levelling up the county from 2021 to 2025.

Essex will:-

- renew the Essex economy, because prosperity is the best pathway to a good life.
   Businesses will be supported as they seek to recover the ground lost by the pandemic and create the jobs that underpin wellbeing
- seek equality so that opportunity is more fairly distributed across Essex we want all residents to be able to maximise their potential
- be as ambitious for the people of Essex as the people of Essex are for themselves and their families.

Alongside these themes – Renewal, Equality, Ambition – that run through everything, the focus will be on four areas where outcomes really matter for the quality of life of residents. They are:-

- the economy
- the environment
- children and families
- promoting health, care and wellbeing for all the parts of the population who need support.

In focusing on these areas and by addressing today's challenges, work will begin to tackle tomorrow's.

#### **Essex Local Transport Plan**

The Essex Local Transport Plan (2001,) and the Essex Transport Strategy (2011), set out the original 15 year vision to improve travel in the county and underlined the importance of the transport network in achieving sustainable, long term economic growth and enriching the life of residents. It has been supplemented by delivery strategies for public transport, highways, cycling and public rights of way.

There are common themes across the policy documents, including the need to facilitate economic growth through new housing and jobs, and improve travel conditions to support businesses to expand and operate efficiently. The scheme aligns strongly with the economic growth objectives of SELEP, the emerging local plans for new homes and job creation and the importance of sustainable transport.

#### **Essex Transport Policy**

The Essex Transport Strategy seeks to promote sustainable travel, by providing the appropriate infrastructure and promoting the use of travel plans. It seeks to achieve the following five broad outcomes:-

- Provide connectivity for Essex communities and international gateways to support sustainable economic growth and regeneration
- Reduce carbon dioxide emissions and improve air quality through lifestyle changes, innovation and technology
- Improve safety on the transport network and enhance and promote a safe travelling environment.
- Secure and maintain all transport assets to an appropriate standard and ensure that the network is available for use

 Provide sustainable access and travel choice for Essex residents to help create sustainable communities.

## **Future of Essex Strategy**

Investment in improved sustainable transport access is compliant with the recently published 'Future of Essex' strategy. This states that an effective transport system is integral to peoples' daily lives; it underpins business and commerce; provides access to work, education and training, essential services and leisure activities; and enables people to make the most of opportunities, as they arise.

The strategy, developed collaboratively with partners throughout Essex, identifies the importance of connecting us to each other, and the world, if the county is to be developed sustainably and prosperity shared with everyone.

The provision of Local Cycling and Walking Infrastructure Plans (LCWIPs) is strongly aligned with the 'Future of Essex' priority of enhancing sustainable transport, thereby tackling congestion on our roads and providing transport options for those who cannot afford a car.

Investment in the transport network is aimed at ensuring the efficient and effective movement of people and goods to boost economic growth, create great places to live, work and visit, enable people to live independently, and improve the lives of people using the transport network throughout Essex.

Specifically, the provision of LCWIPs helps enable inclusive and sustainable economic growth within North Essex, identified as a major economic engine within the Essex Organisational Strategy and supports the following strategic priorities:

- Enables Essex to attract and grow large firms in high growth industries. The scheme supports trade, by better connecting key economic centres, especially along major transport corridors, and helping people to travel by public transport, bike and on foot.
- Helps secure sustainable development and protect the environment. The scheme ensures that growth can be sustainable and accommodated in a way that enhances Essex.
- Facilitates growing communities and new homes, the project enhances access to employment, higher education and training, and essential services including healthcare, retail and leisure facilities to enable participation in everyday life.

The proposal supports the delivery of the Essex Local Transport Plan vision for a transport system that supports sustainable economic growth and helps deliver the best quality of life for the residents of Essex by providing connectivity for Essex communities and gateways to support sustainable economic growth and regeneration.

#### **Greater Essex Growth and Infrastructure Framework (2016-2036)**

Growth in Greater Essex over recent decades has created a deficit in existing infrastructure. In particular, the growth in journeys by road and rail has not been matched by sufficient government investment to enhance the network. The framework has identified that the listed major transport projects need to secure at least £26.5 billion (regional) and £5.5 billion (cross-boundary) funding.

Capacity within Greater Essex will also be affected by housing and economic growth in neighbouring areas. In particular, the influence and reach of the London City Region, and the overheating Cambridge economy will impact in different ways on localities within Essex. The emergence of the new London Plan is expected to displace housing and employment from London along strategic growth corridors into Essex.

#### **ECC Organisational Strategy Commitments 2021-2025**

#### Strong, Inclusive and Sustainable Economy

- 1: Good jobs
- 2: Levelling up the economy
- 3: Infrastructure
- 4: Future growth and Investment
- 5: Green Growth

#### **High Quality Environment**

- 6: Net zero
- 7: Transport and built environment
- 8: Minimise waste
- 9: Levelling up the environment
- 10: Green communities

#### Health, wellbeing and independence for all ages

- 11: Levelling up health
- 12: Healthy lifestyles
- 13: Promoting independence
- 14: Place-based working
- 15: Carers

## A good place for children and families to grow

- 16: Education outcomes
- 17: Levelling up outcomes for families
- 18: Family resilience and stability
- 19: Safety
- 20: Outcomes for vulnerable children

#### **Essex Cycle Strategy (2016)**

In response to the legal requirement, and the requirements of the Essex Transport Strategy, the Essex Cycle Strategy was prepared with the aim of setting out a strategy for providing coherent cycle networks. The strategy set out the key elements of a long-term plan that will lead to a significant and sustained increase in cycling in Essex, establishing it in the public's mind as a 'normal' mode of travel, especially for short A-to-B trips, and as a major participation activity and sport for all ages. The strategy was produced in conjunction with Essex County Council, the 12 Essex Districts, the two Unitary Authorities (Southend-on-Sea and Thurrock) and other key stakeholders. It takes account of current UK policy, data on cycling levels within Essex and best practice from around the world.

#### Specifically, it commits to:-

- Establish a coherent, comprehensive and advantageous cycle network in every major urban area, utilising a combination of on-carriageway and off-carriageway cycle facilities;
- Ensure each Borough / District has an up-to-date cycling action plan (renewed every 5 years);
- Provide well placed and high-quality cycle parking at key public destinations such as town centres, leisure facilities and railway stations;
- Ensure that all new housing includes secure and easily accessible cycle storage and that new secure cycle storage is facilitated in existing housing developments;
- Ensure that cycling is prioritised over motorised transport in all new developments making it easier to carry out short trips by bicycle than by car. Cycle routes within commercial and residential developments will be more direct and convenient than car routes and will connect in to existing cycling infrastructure on leaving the site;
- Prioritise more frequent and good maintenance of our cycle network;

- Provide a clear and consistent standard of good quality, well placed cycle signage to an appropriate density, with provision of journey times as well as distances (to cater for all audiences) where possible;
- Continue to improve cycle safety at sites with actual and perceived safety problems:
- · Develop an improved mechanism for the reporting of safety issues.

#### **Cycling Action Plans**

As part of the county-wide Essex Cycling Strategy, Cycling Action Plans (CAPs) have been developed for individual Boroughs, Districts and cities of Essex, including one for the Borough of Colchester.



The document identifies opportunities to develop and promote cycling in Colchester through providing improvements to the infrastructure. Together with the wider promotion of cycling by Active Essex, Essex County Council (ECC) and Colchester Borough Council (CBC), the proposal is to establish cycling in the public's mind as a 'normal' mode of travel, especially for short A-to-B trips, and as a major participation activity and sport for all ages.

ECC's suite of Cycling Action Plans inform the future development of the Colchester LCWIPs by:-

- encouraging adults to cycle to work using the improved network
- encouraging pupils to cycle to school using the improved network
- providing a network plan for cycling which identifies preferred routes and core zones for further development;
- providing a prioritised programme of infrastructure improvements for future investment; and
- developing a report which sets out the underlying analysis carried out and provides a narrative which supports the identified improvements and network
- creating an innovative new approach to planning a walking and cycling network in Colchester to help manage future growth pressures and provide an alternative for shorter local journeys.

Two key commitments of the Essex Cycling Strategy are to:-

- establish a coherent, comprehensive and advantageous cycle network in every major urban area, utilising a combination of on-carriageway and off-carriageway cycle facilities; and
- ensure each Borough / District / City has an up-to-date Cycling Action Plan (which will be renewed every five years).

The CAPs identify any high quality and well-planned infrastructure, which will be vital in encouraging cycling and improving safety. It is ECC's policy to ensure that every urban area has a well-planned cycle network that:-

- · connects key destinations;
- supports a network of recreational routes; and
- · caters for all users and abilities.

Coherent cycle networks will ensure that:-

- physical barriers to cycling in Essex's urban areas are progressively broken down; and
- cycling becomes a prioritised mode of transport in the mind of Essex residents.

In addition, the priority aims for Active Essex (County Sports Partnership) and how cycling can help achieve these aims are shown below.

Active Essex priority aims	How cycling helps achieve these aims
Increase participation in sport and physical activity	Cycling is one of the most popular sports in Essex and can be enjoyed by people of all ages
Encourage healthy and active lifestyles	Cycling provides a means of active transport that can help to reduce the number of short car journeys
Develop sporting pathways	Alex Dowsett, cycling world record breaker, is from Essex and benefited from Active Essex Sporting Ambassador funding and support when he was a talented young cyclist
Encourage lifelong learning and skills development	Bikeability courses help children and adults to acquire physical skills and road safety awareness

The aims of the Action Plan are to:

- Identify how cycling levels can be increased in the Borough;
- Prioritise funding for new cycling schemes in Colchester;
- Create a usable, high-quality cycle network that connects residential areas with key employment locations, rail stations and town centres; and
- Create opportunities to increase recreational cycling in Colchester.

#### Colchester

#### Colchester Borough Council's Emerging Local Plan 2017-2033

The emerging Local Plan recognises that car currently dominates the way people travel, with the 2011 Census showing that the car represents 55% of all journeys to work in the Borough. The Local Plan will need to manage the continuing pressures of vehicle congestion and parking while developing practical solutions to minimise the need to travel and provide non-car based alternatives to movement around the Borough.

The new Local Plan will set out the built environment strategy for Colchester Borough, informing the future growth of the Borough up to 2033 and beyond.

The focus is to make efficient use of existing infrastructure and to ensure sustainable transport opportunities, especially cycling, are promoted in all new development. Colchester Borough

Council (CBC) have identified that growth in Colchester will require additional transport infrastructure and with relation to cycling this would mean promotion, as well as better integration across transport modes.

#### **Colchester Future Transport Strategy**

The Colchester Future Transport Strategy sets out a transport vision for Colchester and provides an overarching set of policy guidelines and objectives against which future projects will be assessed. These objectives put health and well-being at the heart of planning, with a focus on providing a safe and environmentally sustainable transport environment to support economic growth and connectivity across the Borough. Following a period of public engagement in summer 2021, the Strategy will be finalised in winter 2021 / 2022 with the aim of informing the design and delivery of schemes over the next 10-20 years.

## Local Plan - Supplementary Planning Document: Colchester Cycling Delivery Strategy 2012

In 2008, Colchester was designated as a Cycling Town. The project enabled CBC, working in partnership with Essex County Council (ECC), to improve the town's cycling network, increase the number of cycle parking spaces and deliver several training and promotional campaigns. CBC wishes to build on this work and the Supplementary Planning Document (SPD) sets out how it intends to do so.

The purpose of the SPD is to:-

- Support sustainable growth in line with the adopted Core Strategy
- Promote the importance of cycling facilities, training and promotional activities
- Ensure the provision of cycle facilities, training and promotion
- Inform developers what can be expected regarding contributions for cycling
- Protect and improve existing cycling facilities
- Attract investment from other sources.

The Cycling Delivery Strategy has already identified the following:-

- The requirement for developers to fund cycle enhancements within any development in Colchester, including the need for advanced stop lines at junctions (ASLs), cycle parking (in line with standards), providing continuous cycle routes which do not have gaps at junctions, signing of routes within development, providing cycle maps and marketing within the development
- The identification of major desirable destinations for cyclists including: Colchester town centre, Colchester rail station, the general hospital, Cuckoo Farm and North Colchester Business Park, Tollgate Business Park and Retail Park, University of Essex, secondary schools and leisure facilities
- The identification of 4 specific cycle zones within Colchester:-
  - North Zone: Highwoods and Ipswich Road
  - North West Zone: West Bergholt and Mile End
  - South and West Zone: Lexden, Boudicca and Garrison
  - East Zone: Wivenhoe Trail and Greenstead / Salary Brook.
- The need to provide new cycle connections between existing routes within the zones to complete the existing network
- Although the SPD focuses on the main routes in the urban area, it recognises that there is a need to link to routes where the destination is further than the urban boundary, for example the National Cycle Network which runs through the Borough

- The need to connect routes as part of development
- The need to create links between zones and within residential neighbourhoods.

Following the production of the 2012 Colchester Cycle Delivery Strategy, several initiatives have been implemented within Colchester, including LEP funding for several additional cycle routes, including:-

- A cycle route along Straight Road in Lexden, operating north / south to the west of the town
- A cycle connection between Straight Road and the A1124 via Heath Road, Beech Hill and an off-road section through Lexden Park
- Enhancements along the A132 to the north east to connect Colchester Business Park with Cowdray Avenue
- Enhancements to cycle routes at Westway / Colne Bank Avenue roundabout
- Cycle connections through Brinkley Grove Park.

## Interdependencies

There are identified interdependencies with other Town Deal projects – Town Centre/Gateways and Heart of Greenstead (housing led regeneration in Tamarisk Way, Liveable Neighbourhood and Essex Pedal Power).

It is simpler to optimise project dependencies than to operate in silos. Improving Walking and Cycling links between Town Centre, Greenstead and University provides an opportunity to encourage a modal shift from car journeys – with associated health and climate benefits.

## **Risks and Mitigations**

Delivery of this proposal will have a significant impact on people (both officers and members of the public), community organisations and partners involved. To maintain confidence in delivery, risk management will be conducted at both a programme and project level, with a detailed and up-to-date strategic risk register capturing all key risks, the RAG status, commentary and mitigating actions. The register will be a standing item at project and board meetings to ensure ownership and delivery remains on track. Alongside this, Essex Highways will manage their own internal RAID / RISK register for infrastructure delivery.

The scheme is based on an East-West walking and cycling corridor from Colchester High Street, down East Hill, through the allotments and the Moores and along the current path to Hythe Bridge. It then follows the road network along Greenstead Road to Greenstead Roundabout, along Elmstead Road and onto the University. The scheme will connect with the proposed route of the Rapid Transit System, linking into the new Tendring Colchester Borders Garden Community network and the proposed LCWIP 7 route. When other funding becomes available, further links from LCWIP 4 into the current walking and cycling network will be provided.

It should be noted that:-

- The intent is to deliver a scheme complying with the latest Government cycling regulations LTN 1/20.
- Funding for a West-East cycling corridor, based on LCWIP Routes 3 and 8, was approved through the DfT's Active Travel Fund (ATF) 2 programme. The ATF2 scheme incorporates improvements starting at the junction of Spring Lane, Church Lane with Lexden Road progressing along Lexden Road, Crouch Street, St John's Street, Vineyard Street and Priory Street and ending on East Hill.
- Funding for the western end of LCWIP 4 (High Street and East Hill) was requested through the DfT's Active Travel Fund 3 programme. For completeness, this business case will,

however, cover the complete length of the route, although funding is only requested for the section from East Hill to the University.

## Total project value and funding sources

Funding source	Amount (£m)	Status
Towns Fund	£2.950	Dependent on this bid
Active Travel Fund 3	£1.317	Bid submitted to DfT August 2021
ATF 3 – ECC Design	£0.116	ECC contribution - guaranteed
S106	£0.263	Guaranteed
Total project value	£4.646	

## 62. Town Deal Board Chair name & signature

Name of the Town Deal Board:

## We Are Colchester

Chair's name and signature:

## Simon Blaxill

Date:24/03/2022

## 63. By signing, I agree that:

- 31. The business case, in a proportionate manner, is Green Book compliant.
- 32. The 5% early capital (CDEL) has been included in the Town Fund project costs across the programme.
- 33. This project and expenditure represent value for money, including the 5% early capital (CDEL) provided.
- 34. Project-level Equality Impact Assessments such as Public Sector Equalities Duty and/or Environmental Impact Assessments have been undertaken.
- 35. For final submission programme-level Public Sector Equality Duty assessment has been undertaken by the accountable body.

## Name of the lead Local Authority and signature of the Chief Executive Officer or S151 Officer

Name of the lead Local Authority:

Job title: Section 151 Officer

Name and signature: Paul Cook

Date:24/03/2022

## Part 2: Town Investment Plan (TIP) conditions

Towns are **only** required to submit this with the **first batch** of Summary Document if any TIP conditions are listed in the Heads of Terms. All TIP conditions must be met **before funding can be released.** 

TIP conditions table
25. TIP improvement condition
Set out TIP improvement conditions as agreed in Heads of Terms
No conditions.
26. Evidence
Provide evidence of how conditions have been addressed
N/A
27. Name of the Town Deal Board Chair & signature
Name of the Town Deal Board:
We Are Colchester
Chair's name and signature:
Simon Blaxill
Date:
28. Lead Local Authority's name & signature of the Chief Executive Officer or S151 Officer.
Name of the lead Local Authority:
Colchester Borough Council
Job title: Section 151 Officer
Name and signature: Paul Cook
Date:

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## **Colchester Borough Council**

## **Equality Impact Assessment Form - An Analysis of the Effects on Equality**

Section 1: Initial Equality Impact Assessment

Name of policy to be assessed:

**Decision by Cabinet: Town Deal Business Cases and submission to Government (March 2022)** 

1. What is the main purpose of the decision?

To review and approve the work to produce Business Cases for the Town Deal projects ahead of submitting them to Government as the accountable body.

2. What main areas or activities does it cover?

Approval of Business Cases covering a wide range of projects including improving public realm, rejuvenating heritage assets, improving provision of young people, improving walking and cycling routes,

3. Are there changes to an existing policy being considered in this assessment? If so, what are they?

No.

4. Who are the main audience, users or customers who will be affected by the decision?

Residents and businesses in the town of Colchester.

5. What outcomes do you want to achieve from the decision?

To access funding from the Government's Towns' Fund to enable several projects to boost Colchester's economy.

6. Are other service areas or partner agencies involved in delivery? If so, please give details below.

Many services of the Council have been involved in the preparation of these Business Cases as have partner agencies including Essex County Council, Community360 and the Colchester and North East Essex Building Preservation Trust.

7. Are you aware of any relevant information, data, surveys or consultations<sup>1</sup> which help us to assess the likely or actual impact of the policy upon customers or staff? *If so, provide details and include a link to the document or source where available.* 

The Town Investment Plan summarises the detailed research and engagement conducted to agree the initial suite of Town Deal projects. Since then engagement work at a programme level and for individual projects has been conducted to inform the development of the Business Cases.

- 8. The 'general duty' states that we must have "due regard" to the need to:
- (a) eliminate unlawful discrimination, harassment and victimisation
- (b) advance equality of opportunity between people who share a 'protected characteristic2' and those who do not3
- (c) foster good relations between people who share a 'protected characteristic' and those who do not<sup>4</sup>

Not all policies help us to meet the 'general duty', but most do.

The policy helps us to 'eliminate unlawful discrimination, harassment and victimisation' in the following way(s):

n/a

<sup>&</sup>lt;sup>1</sup>Click on <u>Customer Insight</u> for more information. The Council's surveys and consultations include 'equality monitoring information' to help us identify any particular concerns or views expressed by any particular group or 'protected characteristic'. It can also help us to assess how representative of our customers the respondent group is. Local data on the 'protected characteristics' is available <u>on this page</u> of Sharepoint.

<sup>&</sup>lt;sup>2</sup> The Equality Act's 'protected characteristics' include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief and sex and sexual orientation. It also covers marriage and civil partnerships, but not for all aspects of the duty.

<sup>&</sup>lt;sup>3</sup> This involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a 'protected characteristic' that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant 'protected characteristic' that are different from the needs of persons who do not share it, and (c) encourage persons who share a relevant 'protected characteristic' to participate in public life or in any other activity in which participation by such persons is disproportionately low.

<sup>&</sup>lt;sup>4</sup> This involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.

The policy helps us to 'advance equality of opportunity...' in the following way(s):

• This decision contributes to part (b) of the duty in several ways. For example, by improving access to services for young people (project: Improving Youth Provision), and for helping to enable the provision of services for people with disabilities (project: Holy Trinity Church), for example.

The policy helps us to 'foster good relations...' in the following way(s):

- This programme helps foster improved relations in several ways including improved community facilities, improved public realm, the resulting economic boost and reduced anti-social behaviour.
- 9. The Council has an important role in improving residents' health under the Health and Social Care Act 2012. This relates to both its 'core functions' (such as housing, leisure, green spaces and environmental health) and to its 'enabling roles' (such as economic development, planning and engaging with communities)<sup>5</sup>. The Council recognises that its Public Sector Equality Duty and its role in improving health are interrelated and mutually supportive. This is especially true across the 'protected characteristics' of age and disability.

"Health inequalities are the unjust and avoidable differences in people's health across the population. They come from the unequal distribution of income, wealth and power and influence the wider determinants of health such as work, education, social support and housing. Currently, in England people living in the least deprived areas will live around 20 years longer in good health than those in the most deprived areas. Reducing health inequalities means giving everyone the same opportunities to lead a healthy life, no matter where they live or who they are."

Where applicable, explain how this policy helps us to improve health/reduce health inequalities for residents:

This decision will help to improve health inequalities through the Heart of Greenstead project.

<sup>&</sup>lt;sup>5</sup> The King's Fund: <u>The district council contribution to public health: a time of challenge and opportunity, 2015</u>

10. This section helps us to identify any disproportionate equality impacts. Please indicate in the table below whether the policy is likely to particularly benefit or disadvantage any of the 'protected characteristics'.

Remember to include reference to any relevant consultation, data or information.

## Individual EQIAs have been prepared for each project in the programme.

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
Age	Older people (60+)	No	N/A	No	N/A
	Younger people (17- 25) and children (0-16)	Yes	Improved service provision from ECC	No	N/A
Disability	Physical	Yes	Several of the projects involve improving accessibility to facilities or spaces.	Yes	Changes to the location of Disabled parking bays in some of the projects may affect people with these
	Sensory	No	N/A	Yes	characteristics
	Learning	No	N/A	No	N/A
	Mental health issues	Yes	It is likely services for people with mental ill-health will be provided at Community360's new community facility at Holy Trinity Church.	No	N/A
	Other – specify	No	N/A	No	N/A
Ethnicity <sup>6</sup>	White	No	N/A	No	N/A
	Black	No	N/A	No	N/A
	Chinese	No	N/A	No	N/A

\_

<sup>&</sup>lt;sup>6</sup> National Census 2011 categories are: Bangladeshi, Indian, Pakistani, Other Asian (Asian or Asian British), African, Caribbean, Other Black (Black or Black British), White and Black African, White and Asian, White and Black Caribbean (Mixed), British, Irish, Other White (White), Chinese, Other (Other Ethnic Group).

'Protected characteristic' group		Positive Impact	Explain how it could particularly benefit the group	Negative Impact	Explain how it could particularly disadvantage the group
	Mixed Ethnic Origin	No	N/A	No	N/A
	Gypsies/ Travellers	No	N/A	No	N/A
	Other – specify	No	N/A	No	N/A
Language	English not first language	No	N/A	Yes	People whose first language is not English may find it harder to access the engagement to inform the delivery of our projects
Pregnancy and Maternity	Women who are pregnant or have given birth in last 26 weeks	No	N/A	No	N/A
Religion or Belief	People with a religious belief (or none)	No	N/A	No	N/A
Sex	Men	No	N/A	No	N/A
	Women	No	N/A	No	N/A
Gender Reassignment <sup>7</sup>	Transgender/ Transsexual	No	N/A	No	N/A
Sexual Orientation	Bisexual, Heterosexual, Gay or Lesbian	No	N/A	No	N/A
Marriage and Civil Partnership	People who are married or in a civil partnership	No	N/A	No	N/A

11. If you have identified any negative impacts (above), how can they be minimised or removed?

<sup>&</sup>lt;sup>7</sup> The 'protected characteristic' of gender reassignment is defined by the Equality Act 2010 as "a person proposing to undergo, is undergoing or has undergone a process (or part of a process) for the purpose of reassigning the person's sex by changing physiological or other attributes of sex." This is a personal process that may involve medical interventions such as counselling, psychotherapy, hormone therapy or surgery, but does not have to.

Detailed EQIAs have been completed for each project.

The impact on people whose first language is not English is a potential one. We are mitigating this by adopting a wide range of methods for engagement, developing project specific engagement plans, and using the Council's resources to provide translations where needed.

The potential impact on people with disabilities will be mitigated through ensuring that where disabled parking bays need to be moved, appropriate alternative provision is provided and this will be checked through engagement.

12. Could the policy discriminate<sup>8</sup> against any 'protected characteristic', either directly or indirectly<sup>9</sup>? (Yes/No)

No

## **Summary and findings of Initial Equality Impact Assessment**

13. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
A. No negative impacts have been identified □	Sign off screening and finish.
B. Negative impacts have been identified but have been minimised or removed x□	Sign off screening and finish.
C. Negative impacts could not be minimised or removed □	Sign off screening and complete a full
	impact assessment – Section 2.
D. There is insufficient evidence to make a judgement □	Sign off screening and complete a full
, ,	impact assessment – Section 2.

<sup>&</sup>lt;sup>8</sup> The Council has a general duty to 'eliminate unlawful discrimination, harassment and victimisation'. Direct discrimination occurs when a person is treated less favourably than another in a comparable situation because of their 'protected characteristic' whether on grounds of age, disability, pregnancy and maternity, ethnicity; religion or belief; sex (gender), sexual orientation, or marriage and civil partnership. Indirect discrimination occurs when an apparently neutral provision or practice would nevertheless disadvantage people on the grounds of their 'protected characteristic'.

<sup>&</sup>lt;sup>9</sup> If you answer 'yes' to question 11 (above) you will need to complete the following section *and* go on to complete Section 2 in order to conduct a full Equality Impact Assessment.

The reality and job and or person completing and for
Matt Sterling
15. Date of completion:
25-1-22
16. Date for update or review of this screening <sup>10</sup> :

14 Name and job title of person completing this form:

If you have selected A or B (above), you have completed the assessment and can remove this paragraph and everything that appears below. In this case please:(a) send a copy to the relevant Assistant Director and the Equality and Safeguarding Officer; (b) arrange for it to be published on the Council's website <a href="here">here</a> (under the relevant service area heading); and (c) update the Corporate Spreadsheet by clicking <a href="here">here</a> and selecting and updating the first document. If you have selected C or D (above), you must complete Section Two (below).

. .

<sup>&</sup>lt;sup>10</sup> This is normally three years, but not always: You may know that the policy itself will be reviewed earlier in which case the EqIA should be reviewed at that time. Or, in the case of a five year strategy, you may want to have a review date of five years. In the case of a "one off" decision, such as closing a service, a review date may not be needed - in which case you should indicate 'N/A'. In any event, the review date should be brought forward if you receive information or feedback which raises new concerns, or if the public policy context changes. You can speak to the <u>Equality and Safeguarding Co-ordinator</u> for more advice.

## **Section 2: Full Equality Impact Assessment**

## Where there is a negative impact which has not been minimised or removed

17. If you have identified negative impact(s) on the 'protected characteristics' that have not been minimised or removed, is this considered to be 'a proportionate means of achieving a legitimate aim' 11? If yes, state how:

If a negative impact cannot be minimised or removed and cannot be objectively justified as being 'a proportionate means of achieving a legitimate aim', the policy should not be implemented as it could unlawfully discriminate.

## Where there is insufficient evidence to make a judgement

If you identified that there was insufficient evidence to make a judgement on whether there are any negative impacts on the 'protected characteristics', please complete the first column of the Action Plan below.

## **Engagement and Consultation Action Plan**

		Details of Planned Engagement	Date for Review	Summary of findings
Age	Older people (60+)			
	Younger people (17-25)			
	and children (0-16)			
Disability	Physical			

<sup>&</sup>lt;sup>11</sup> This phrase is taken from sections 15 and 19 of the Equality Act 2010. 'Positive action', benefitting one or more 'protected characteristic'(s), may result in a disproportionate negative impact upon another, but this may be justified as being 'a proportionate means of achieving a legitimate aim'. The need to balance a budget can constitute a "legitimate aim". Contact the Equality and Safeguarding Co-ordinator for more information or look at the Equality and Human Rights Commission webpage under "objective justification".

		Details of Planned Engagement	Date for Review	Summary of findings
	Sensory			
	Learning			
	Mental health issues			
	Other – <i>specify</i>			
Ethnicity	White			
	Black			
	Chinese			
	Mixed Ethnic Origin			
	Gypsies/ Travellers			
	Other – specify			
Language	English not first			
	language			
Pregnancy and	Women who are			
Maternity	pregnant or have			
	given birth in last 26			
	weeks			
Religion or	People with a			
Belief	religious belief (or			
	none)			
Sex	Men			
	Women			
Gender	Transgender/			
Reassignment	Transsexual			
Sexual	Bisexual,			
Orientation	Heterosexual,			
	Gay or Lesbian			
Marriage and	People who are			
Civil	married or in a civil			
Partnership	partnership			

If your answer to question 16 (above) is 'no', this policy could be unlawfully discriminatory against a 'protected characteristic'. You should not implement this policy. Otherwise, you may implement the policy, taking care to review its impact based on planned engagement. The Review should be carried out within 6 months from the date of this Full Impact Assessment, at which point a further Review may or may not be required depending on whether you have collected sufficient evidence.

## **Summary and findings of Full Equality Impact Assessment**

18. Please put a tick in the relevant box to confirm your findings, and what the next step is:

Findings	Action required
Likely negative impacts have been identified but are considered to be a proportionate	Sign off and finish.
means of achieving a legitimate aim. □	
Further planned engagement with equality target groups will take place in order to gain	Sign off and review within 6 months.
sufficient evidence to make a judgement on impact. □	
Planned engagement has taken place: No likely negative impacts have been identified.   □	Sign off and finish.
Planned engagement has taken place: Likely negative impacts have been identified but	Sign off and finish.
have been minimised or removed.   □	
The policy could be unlawfully discriminatory and will not be implemented. □	Finish without signing off.

- 19. Name and job title of person completing this form:
- 20. Date of completion:
- 21. Date for update or review of this screening:

If you have now signed off this full assessment, please (a) send a copy to the relevant Head of Service and the Equality and Safeguarding Officer (b) arrange for it to be published on the Council's website <a href="here">here</a> (under the relevant service area heading) and (c) update the Corporate Spreadsheet by clicking <a href="here">here</a> and selecting and updating the first document.

## Colchester Town Deal: Recommendations from the Scrutiny Panel meeting on 15 February 2022

RESOLVED that a timetable be brought to Scrutiny Panel as soon as possible, and at the Panel's meeting on 7 June 2022 at the latest, to set out a recommended timetable for future scrutiny of each Town Deal project by the Panel, with projects being brought to Scrutiny Panel grouped thematically.

## RECOMMENDED to CABINET that: -

- (a) Cabinet urge all Group Leaders to encourage their group members to watch the presentation on the Town Deal Business Cases, as given at this meeting
- (b) Cabinet gives attention and provides assurance to show that officers and Cabinet have carried out due diligence and sufficient work to ensure the viability of each business case, prior to their approval
- (c) Community buy-in be fostered as fully as possible, such as by encouraging volunteering by members of affected communities, where possible, to assist in the delivery of Town Deal projects.
- (d) Cabinet notes the view of Scrutiny Panel that the Town House should be seen as for use by all young people in the Borough, not just members of specific groups, clubs or societies, and that open access to youth services and adult learning opportunities be a commitment of the Council

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## Cabinet

Item **7(ii**)

9<sup>th</sup> March 2022

Report of Assistant Director, Communities Author

Claire Taylor **№** 282655

Title Cultural Strategy

Wards affected All Wards

## 1. Executive Summary

1.1 This is a covering report introducing a new Cultural Strategy for Colchester, attached as Appendix A. It was commissioned by the Council and its strategic arts partners from specialist consultant Counterculture, and has been developed in consultation with the public, the local cultural sector, related stakeholders, and Arts Council England (ACE). Tom Wilcox, Senior Partner at Counterculture will be attending Cabinet to present a summary of the Strategy and the work undertaken.

## 2. Recommended Decision

2.1 Cabinet is requested to endorse the Cultural Strategy for Colchester.

## 3. Reason for Recommended Decision

3.1 The cultural offer is an integral part of what makes the Borough of Colchester a great place to live, visit, work and study, and the wider sector is a key driver of the local economy. Through providing and enabling opportunities for residents to engage with culture and to come together be creative, the sector has a positive impact on health, wellbeing, and community cohesion across the Borough of Colchester. The new Strategy recognises all the above and will provide the context to support further development and investment.

## 4. Alternative Options

4.1 No alternative actions have been presented to Cabinet

Page break after Section 4.

## 5. Background Information

- 5.1 The past decade has seen ongoing major investment in the Borough's cultural infrastructure; most recently the £11.8m redevelopment of the Mercury Theatre. During the same period many diverse community led initiatives have demonstrated the depth of engagement and ambition at grassroots level.
- Associates in 2010/11. By 2019 objectives identified there had been achieved or were no longer relevant, and demand was growing from the Council's arts partners, the wider sector, and key funders such as Arts Council England (ACE) for a new Colchester Cultural Strategy; to build on the momentum and investments of the previous decade and create a context for future cooperation and innovation, to help grow participation and secure ongoing funding.
- 5.3 The project was identified by the Administration as a Strategic Plan priority and following an options appraisal and consultation with stakeholders, the decision made to commission a specialist consultant to deliver a new Strategy to 2030. The work was delayed by the pandemic but following an open tender process in March 2021 Counterculture were appointed to lead the work, reporting to a project team including Colchester's Arts Council England National Portfolio Organisations (NPOs): the Mercury Theatre, Firstsite, Colchester Arts Centre and Colchester Museums.
- 5.4 The brief adopted a broad definition of culture to include not only the arts and the creative sector, but also the links into heritage, the public realm, tourism and events.
- 5.5 The Strategy has been developed after a wide consultation with both the public and stakeholders, in the context of Council strategic planning and that of partners across the Borough, and external funders such as Arts Council England (ACE) and Essex County Council (ECC). Earlier drafts of the document were shared widely with key local stakeholder groups including Creative Colchester, the One Colchester Board and Our Colchester (the Business Improvement District) as well as ACE and ECC, and feedback incorporated into the final document attached here.
- 5.6 The Strategy aims to:
  - Recognise the progress and achievements delivered since the last strategy
  - Map the extent and diversity of local cultural activity and assets
  - Present the outcome and analysis of the extensive stakeholder and public consultation
  - Identify priorities in the context of that consultation, the wider challenges and opportunities impacting cultural delivery, and the objectives of major funders and stakeholders.
  - Recommend an action plan against those priorities. It was agreed this should include relevant projects already in train to provide the fullest picture possible to external agencies/funders and others.
  - Provide context and a resource for the sector to demonstrate to funders and others the scope, commitment and ambition for ongoing cultural development and delivery in Colchester.

5.7 It should be noted this Strategy does not seek to lay out solely what the Council commits to do, but what could be realistically achieved by a broad coalition of organisations and groups working together, intra and cross sector.

## 6. Equality, Diversity and Human Rights implications

6.1 The Cultural Strategy is an overarching document the aims of which include proactively supporting equality and diversity. Where required, specific Equality Impact Assessments will or do exist for recommended actions included within the Strategy, where they are to be delivered partially or solely by Colchester Borough Council.

## 7. Strategic Plan References

7.1 The report relates directly to Strategic Plan Priority: 'Agree and implement a new Cultural Strategy that supports our cultural assets' under the 'Celebrating Our Heritage and Culture' theme.

https://www.colchester.gov.uk/strategic-plan/2020-23/?id=&page=celebrating--our-heritage--and--culture

## 8. Consultation

- 8.1 The Strategy was initially developed by Counterculture through consultation with stakeholders and the public. During that process 45 stakeholders fed in via one-to-one interview and over 1000 members of the public responded to an online questionnaire. In addition, around 200 people attended an open consultation event at the Mercury Theatre in Sept 2021.
- 8.2 The results of the public consultation are included in the Appendices of the Cultural Strategy attached here.
- 8.3 Drafts of the Strategy were shared with key local stakeholders and funders such as Arts Council England and feedback incorporated where appropriate in the final document attached here.

## 9. Publicity Considerations

9.1 There are no direct publicity considerations associated with this covering report. However, the new Cultural Strategy will be hosted on the Council's website and publicised to maximise the reach and impact of the document.

## 10. Financial implications

10.1 Where applicable the financial implications of recommended actions within the Strategy will form part of the Council's budget setting process.

## 11. Health, Wellbeing and Community Safety Implications

11.1 The provision of cultural and creative opportunities has huge potential to positively impact on the health and wellbeing of residents and to support community cohesion. The Strategy highlights where this is already happening and provides a context for this to be developed further.

## 12. Health and Safety Implications

12.1 There are no direct health and safety implications associated with this report.

## 13. Risk Management Implications

13.1 There are no direct risk management implications associated with this report.

## 14. Environmental and Sustainability Implications

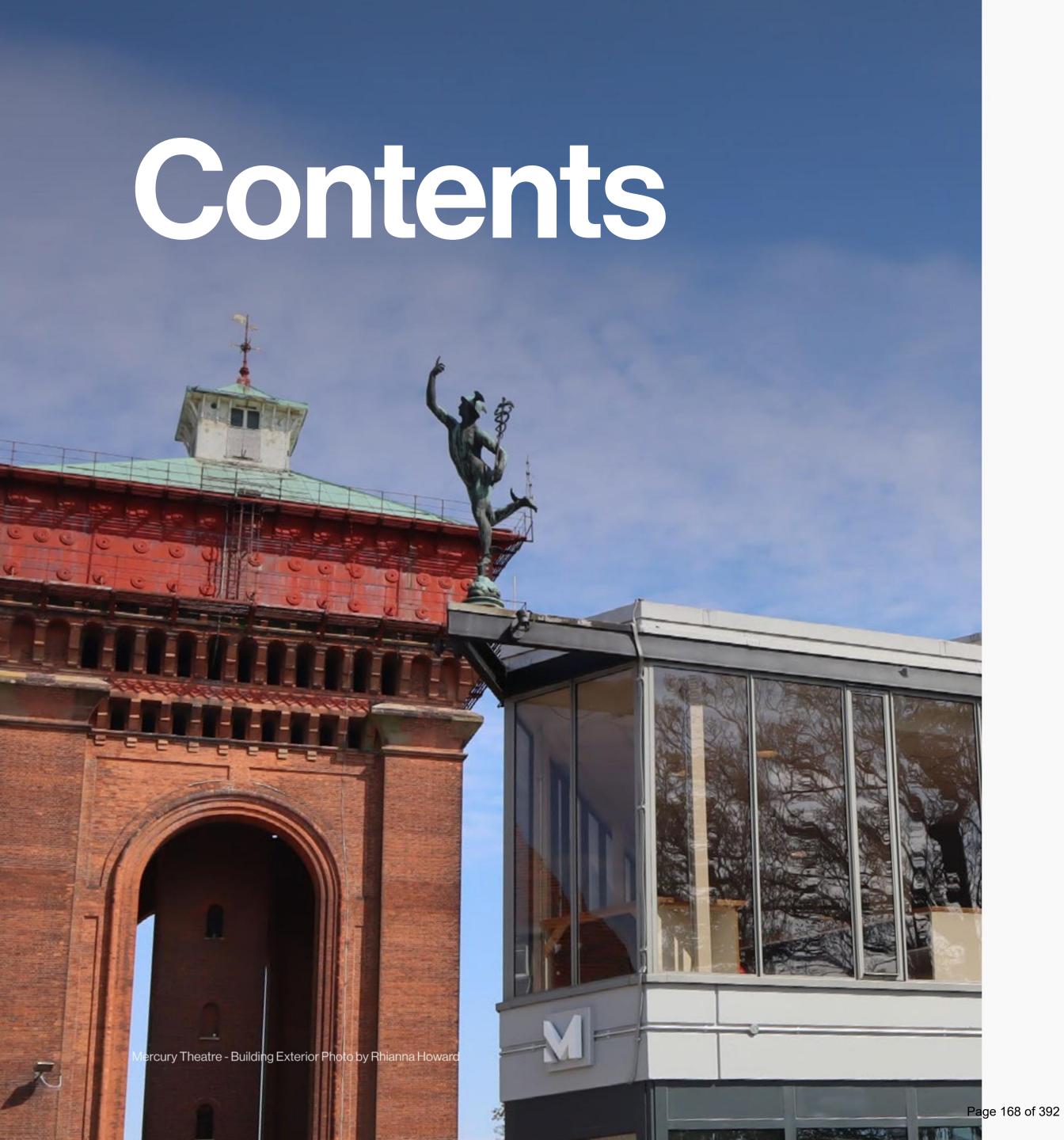
14.1 The Council's Climate Change Project Officer was consulted by Counterculture during the development of the Strategy. The document recognises the role of the cultural sector to contributing to environmental sustainability through delivery and programming.

## **Appendices**

**Appendix A: Colchester Cultural Strategy** 

# Colchester cultural strategy





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COLCHESTER CULTURAL STRATEGY

PAGE 2

# Southway Subway Mural Series Henry Collins and Joyce Pallet 1973 - Picture CBC

## Foreword

'By 2030, Britain's First City will be a bustling, creative place. Inclusive, accessible and affordable, its cultural life will offer something for everyone.'

Towns and cities have a way of forgetting their pasts. So eager for the future, they hurry their histories into museums and onto plaques. Everything becomes flattened and remodelled. Colchester is distinct in how its past lives alongside the present. Its ancient legacy – Roman infrastructure and Iron Age sites – are in lockstep with the dazzling contemporary cultural venues. By 2030, Britain's First City will be a bustling, creative place. Inclusive, accessible and affordable, its cultural life will offer something for everyone. Innovation will equal preservation. Residents and visitors will feel emboldened by the progress of this inimitable historic place.

My children live in an entirely new world to the one I grew up in. The lives of my parents were largely similar to their own parents. Change was always gradual, tentative. Furniture, like ideas, were handed down. My generation were concerned mostly with social issues, the fight for racial justice and sexual liberation. Music needed to be radical. Journalism, like novels, had to reflect the chaos and mischief of the times. This is the generation of the 1960s and the start of British counterculture. The young people of today have more to do.

They must adapt to a warming planet. Grapple with new technologies; digital currencies, a new internet and artificial intelligence. They will need to thwart these super billionaires and their unchecked power, and manage a political climate more divisive than I have ever known. So-called progressiveness has never seemed so lost.

**COLCHESTER CULTURAL STRATEGY** 

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And yet when it comes to culture, British culture, we are not divided at all. We are united in our admiration for the multiracial England football team, the artistry of Anish Kapoor, the literary brilliance of Zadie Smith. As a nation, we sit down together to watch Line of Duty over West Indian or Chinese food. In the 70s, we made sense of the world through the music of The Beatles and Bowie - boys from Liverpool and Bromley, suburbs and forgotten cities, whose songs spoke to all of us. Now, kids are reading Orwell again, his quotes and musings remodelled for the Instagram age. Christopher Hitchens, the late polemist, has found new form on YouTube, where his wounding and brilliant debates are consumed by the latest critical thinkers.

Diversity is what makes British culture great, and good ideas and dazzling art have always been a refuge in times of crisis. A dialogue between generations, culture binds our thoughts to a shared language. It gives form to aimless days. And it brings our anxieties and desires into sharp detail, allowing us to cope with them better. When worrying about the troubles ahead of us, we should take comfort in that we already have so much in common. Culture is the widening of experience, a bridge between people. Albert Camus said it was our gift to the future.

Towns, cities and nations are nothing without the art they produce. We must rage against the forces that seek to oppress creativity. Each generation has a story to tell, and it's up to our institutions to embolden new voices. It's only through singing, dancing and writing – exchanging ideas and building on old ones – that can we face a new future confidently.

## Hanif Kureishi CBE

Hanif is a celebrated film director, playwright, screenwriter and novelist. He contributed to the project of creating a new Cultural Strategy for Colchester in his capacity as an Associate of Counterculture.



COLCHESTER CULTURAL STRATEGY



# **Executive Summary**



Colchester stands at a moment of significant opportunity. Firstsite was recently named Art Fund Museum of the Year 2021; the Mercury Theatre has re-opened after a major capital investment; there is a renewed bid for City status and the Town Deal will deliver £18.2 of new inward investment. The contribution of culture to realising the full benefits of these opportunities to local communities – particularly as the Borough begins to emerge from the pandemic – is enormous. Bringing together these opportunities into a cohesive strategy that residents, local authorities and partners can sign up to and get behind is crucial to long-term success.

The people of Colchester have great pride in their cultural assets and creative industries. However, they also recognise that more could be done to celebrate the borough and its communities through culture. People told us that they would like to see more recognition of local history, and more outdoor activities which make use of important spaces such as Castle Park to host screenings, performances and events.

Many of the stakeholders consulted in the development of this strategy identified cross-cutting themes and priorities.

Collaboration, resource sharing, a clear cultural identity, greater use of the public realm, greater access to and representation within culture, and a shared vison for the Colchester area were the most common issues arising.

Its population has grown rapidly in recent years and its cultural offer and reputation have strengthened the perception of Colchester as a place where great art is made and presented for residents and visitors alike. It has much to sing about but will need to find a way of making its collective cultural voice work much harder to distinguish itself, capitalise on its strengths and build culture into its ambitions for 2030; making its many assets work more cohesively to create something that is greater than the sum of its parts. This will be particularly important as the town emerges from the COVID-19 pandemic.

This document sets out those opportunities in the form of a new and ambitious ten-year Cultural Strategy. A strategy that recognises the contribution of all dimensions of culture across the Borough: from beautiful green spaces to buildings and objects of exceptional historical importance; from established and well regarded museums, libraries and arts organisations to grassroots community and freelance activity; alongside Colchester's growing creative industries. All are part of Colchester's unique cultural ecology and all will play their part in realising the opportunities ahead for the Borough. The strategy is not starting from scratch, it builds on the solid foundations laid by the previous Creative Colchester strategy.

ary, 2021. Photo by Jay

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Commissioned by Colchester Borough Council, developed by Counterculture Partnership LLP and informed by extensive public and stakeholder feedback, this strategy provides a vision and working framework for the cultural life of the Borough until 2030, highlighting specific actions aligned with priorities of the Council, national funding bodies, and the people of Colchester. Its aim is to provide a clear roadmap that all stakeholders can get behind.

Four key themes have been identified as a result of the research and in-depth consultation as priority areas of activity for this Cultural Strategy:

- Building a stronger, more cohesive and collaborative cultural sector;
- Ensuring culture in Colchester is **relevant and accessible** to residents;
- Nurturing creative talent across Colchester;
- Supporting the **innovation**, **growth and resilience** of the sector.

Taken together, these provide a cohesive framework for delivering Colchester's Cultural Strategy for the rest of the decade that can be led and supported by the cultural sector itself in conjunction with the local authority, Arts Council England and other partners and stakeholders.

Professional development is central to this Cultural Strategy to 2030. The NPOs in Colchester already perform a vital role in providing leadership in the cultural sector and in supporting the wider creative industries by purchasing services and through collaborative working. Developments such as a new shared apprenticeship scheme across the venues in the Borough, investment in the cultural work force through training, and other opportunities for learning, will develop talent and continue to refresh and revitalise the local cultural sector.

Culture plays an important role in Colchester's economy, creating jobs, attracting external funding and investment, driving tourism and making the Borough a more attractive place for people to live and businesses to relocate to. Organisations across Colchester have recognised the huge potential for culture to contribute to improving residents' health and wellbeing, and to fostering community inclusion. Exciting cross sector partnerships are already forming around these objectives. The environment and the climate crisis are the defining issues of the time, and cultural organisations are among the leaders locally in seeking to reduce their environmental impact, and in raising awareness of these issues through their programming. The next decade offers opportunities to grow that positive impact of culture on the local economy, health and wellbeing and the environment.

A long-term aspiration is further recognition of Colchester's great cultural value; and the achievement of making its many assets work together cohesively to develop a thriving, sustainable and innovative cultural sector. Colchester will play a key role in any future regional bid for UK City of Culture.

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# Background

## Methodology and scope

This strategy was commissioned by Colchester Borough Council and a range of partners in 2021 and developed by Counterculture Partnership LLP, the UK's leading cultural consultancy with significant experience of working with clients to build ideas, strategies, partnerships and programmes at local, and national levels. The strategy grows out of the previous Creative Colchester strategy from 2010, which laid strong foundations which have helped culture in Colchester to thrive over the past decade. The focus of this strategy is on developing the cultural life of the Borough to 2030.

This strategy encompasses the entire Borough of Colchester: from Dedham in the north to Mersea in the south; from Wivenhoe in the east to Tiptree in the west; and all the towns, villages and rural communities in-between.

Research and consultation was conducted over a period of six months. By engaging with a diverse range of voices – individual creators, voluntary and national portfolio organisations, education, sports and leisure bodies, local businesses and the local authority – we sought to understand what makes the town and borough culturally distinct; where the challenges and opportunities lie; and what residents value in terms of culture. Through in-depth, in-person interviews with 45 key stakeholders, and consultation with around 1,000 residents through online feedback and a public event attended by over 200 people, the opinions, perceptions and ideas of the people of Colchester inform this strategy.

# Geography and demography

The Borough of Colchester includes many areas of stunning natural beauty from Mersea Island to the Colne Valley and the Dedham Vale AONB, as well as managed green spaces like Castle Park and Highwoods Country Park.

Colchester is one of the fastest growing local authority areas in the country. In mid-2020, Colchester's population was estimated to stand at 197,200, a growth of 1.2% on the previous year (compared to national population growth of 0.57%). As the population continues to grow it is important that the future cultural offer actively reflects the diversity of its audiences.

Its largest town and economic and cultural hub, Colchester, has a population of over 120,000. There are many surrounding small towns and villages of which the largest are Stanway, Tiptree, West Mersea and Wivenhoe. The countryside areas of the borough are mainly agricultural.



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The Borough is home to a diversity of communities and the population continues to grow with increased investment in housing and infrastructure:

- Over 70 languages are spoken in the Borough;
- 19% of residents are under 16 years old, with 17.3% being over 65;
- A growing population of around 197,000 (mid-2020), an increase of 1.2% on the previous year;
- A higher education student population in excess of 15,000 from more than 130 countries.

Alongside this growth, there are some areas where improvement is needed. Culture has a key role to play in supporting these communities and addressing inequalities:

- Almost 15% of children in Colchester are in low income families;
- Life expectancy is 8.6 years lower for men and 8.0 years lower for women in the most deprived areas of Colchester than in the least deprived areas;
- Colchester is ranked 5th most deprived area in Essex on the Index of Multiple Deprivation (IMD). Greenstead is identified as being in the top 10% of most deprived wards in the country.



Figure 1: Map of the Borough of Colchester. Source: ONS.

## **Definitions of culture**

This strategy is closely aligned with local and regional policy priorities and with current Arts Council England (ACE) investment principles of Ambition and Quality; Dynamism; Environmental Responsibility; Inclusivity and Relevance.

The scope and meaning of the term 'culture' vary from place to place, time to time, and between individuals and communities.

Arts Council England (ACE) provides the following definition:

"Culture' means many things to many people and is often used to refer to food, religion and other forms of heritage... we use it to mean all those areas of activity associated with the artforms and organisations in which Arts Council England invests: collections, combined arts, dance, libraries, literature, museums, music, theatre and the visual arts."

Arts Council England. (2020). Let's Create.





# opportunities forculture in Colchester



# An overview of Colchester's existing cultural and creative life

Colchester is a place of richness and manifold possibilities: the beauty of its natural surroundings; its rich history of industry, art and nursery rhymes; its wealth of heritage and contemporary culture; the diversity and quality of creative talent and entrepreneurship; and the ambition of its residents and the organisations which serve them.

Creativity and culture are in its DNA: from Constable to blur, the people of Colchester continue to innovate, establishing spaces for communities to gather and experience culture in all its forms. Its independent businesses, education institutions, sports facilities, green spaces, and the diversity of its communities all combine to create a place of compelling opportunity and purpose. Working together, the sector will develop an exciting cultural identity and shared sense of purpose which reflects and celebrates the diversity of the Borough and its residents.

Specifically, some of the most significant and established cultural and heritage assets currently within the Borough include:

- Creative Education University of Essex Department of Literature, Film and Theatre Studies and Colchester School of Art (Colchester Institute);
- Heritage sites including Colchester Castle, Roman Circus and the oldest town wall in the country, Layer Marney Tower, Chappel Viaduct, Holy Trinity Church, St Botolph's Priory, Jumbo water tower, Gosbecks Archaeological Park;
- Museums and art galleries including Firstsite, the Natural History Museum, the Munnings Art Museum in Dedham, Colchester Castle Museum, Hollytrees Museum, East Anglian Railway Museum, We Are The Minories, Art Exchange (University of Essex);
- Live music and events including those on offer from Colchester Arts Centre, Charter Hall, Castle Park, St Botolph's Church, Colchester Community Stadium, the Town Hall, Roman River Festival and independent venues across the Borough;

- **Theatre** including the Mercury Theatre, Headgate Theatre, Lakeside Theatre and Colchester Arts Centre;
- Environment and nature the beaches of Mersea, Castle Park, Highwoods, Dedham Vale AONB, Fingringhoe Wick and Abberton Reservoir Nature Discovery Parks;
- Signals Essex Media Centre;
- Major visitor attractions Colchester Zoo and Colchester Castle:
- **Libraries** seven libraries in the Borough, including Colchester (the second busiest in Essex);
- Cinema Curzon, Odeon, Firstsite;
- Artist studio space Queen Street Bus Depot development, Cuckoo Farm Studios, SPACE.

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Colchester is home to four well-established and nationally-recognised Arts Council National Portfolio Organisations (NPOs): Colchester and Ipswich Museums, Colchester Arts Centre, Firstsite and Mercury Theatre. It has the strongest arts infrastructure in Essex and compares favourably to most similarly-sized local authority areas nationally. There are also many thriving voluntary arts and community organisations in Colchester, creating a significant volume and diversity of grass roots cultural activity.

The cultural infrastructure is underpinned by high quality HE and FE partners, the University of Essex and the Colchester Institute.

The University of Essex offers innovative undergraduate and postgraduate courses informed by world-leading research ranging from curating, creative writing, drama and film studies through to computer games, artificial intelligence and robotics. It's one of the top universities in the UK for working with business to put research into action. The Colchester campus hosts a theatre and art gallery offering an annual programme of public talks and performances.

Colchester Institute offers FE and HE courses including Fine Art, Performing Arts, Film and TV Production, Interactive Media and Games and Digital Media Creative Enterprise.

Culture in the Borough plays a significant role in bringing diverse communities together, providing opportunities for people to find expression and connection through shared experiences. As the population grows, culture by its nature adapts and responds to the changing demographic, ensuring that the Borough and its services remain relevant to its communities and continue to provide opportunities which engage and invigorate.

Colchester Events (part of Colchester Borough Council's trading subsidiary Colchester Amphora Trading) plays a key role by bringing mass attendance cultural events such as concerts and festivals to Castle Park and other venues, entertaining residents, attracting visitors and supporting the town centre day and night-time economy.

The Borough of Colchester is rich with voluntary arts, heritage and community organisations covering an exceptionally wide range of areas of interest. These groups are run by committed volunteers and the activity they create make a major contribution to the cultural life of the area.

Colchester Borough has a very strong list of cultural assets with better provision of museums, galleries and performing arts venues than most similarly sized boroughs across the UK. Improvements to and better availability of some venues has been identified as an issue by promoters and voluntary groups. There are potential gaps around cultural facilities outside of the town centre which are picked up in the Cultural Mapping in a separate document.



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# © Karolina Kuras - Orlando Jopling

## Case study: Roman River Festival

"Colchester is changing massively.... There's huge potential for culture."

Orlando Jopling

Roman River Festival, an annual festival of music and performance was established in 2000. Orlando Jopling has been the Artistic Director there for 12 years. The festival initially started as a music day, followed by a concert. It has now grown to a series of concerts in the spring, a summer event and a Festival in the autumn. The programme encompasses jazz and world music and spoken word, and dance, but has classical music at its core. The festival attracts audiences from Colchester and across Essex, drawn by the world class music, performed in non-traditional spaces across the borough.

"Colchester has always had a thriving music scene compared to other towns. But with no concert hall in the town, it has been difficult to present professional musicians in a concert series. We have tried to make a feature of this and present work in interesting spaces, like a meeting hall behind a pub." **Orlando Jopling** 

The festival has plans to expand, with a Summer Opera Festival in development for 2022. Orlando sees collaboration and partnership working as being the key to creating more opportunities for emerging talent in Colchester to showcase their work. He admits that capacity has hindered these opportunities in the past, but is hopeful that this will change going forward. His ultimate dream is that Colchester has its own concert hall one day, adding to the existing world class venues for visual arts and performance in the borough.

"The festival is trying to break down barriers. At its core is classical music, we want to involve everyone in the community." **Orlando Jopling** 

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#### **Creative industries**

The creative industries are defined by UK Government as "those industries which have their origin in individual creativity, skill and talent and which have potential for wealth and job creation through the generation and exploitation of intellectual property."

Analysis of latest Office for National Statistics data (2019) reveals that around 4,000 people work in the Borough's creative industries. The largest subsector by headcount is Publishing, employing over 1000 people locally. This is closely followed by IT, Software and Computer Services with a workforce of over 900. Other subsectors of note include Advertising and Marketing (490 employees in 2019), Architecture (350), Film, TV, Video, Radio and Photography (315), Museums, Galleries and Libraries (275) and Music, Performing and Visual Arts (350).

Local Creative hubs include Cuckoo Farm Studios celebrating their 30th anniversary in 2022 and SPACE Colchester, the first out-of-London studios opened in 2017 by international workspace provider, SPACE. Located in Colchester Old Police Station, a listed building in the heart of the town's Cultural Quarter, it provides 12,000 ft2 of creative studios and co-working space, along with workshops, training programmes and showcasing facilities for the creative and digital industries. SPACE's Creative Practitioner Support Programme is run from the Colchester hub, offering opportunities for peer-to-peer networking and mentoring. The burgeoning Creative Quarter provides a physical locus for the creative industries in the town.

The creative industries have been further strengthened by support from the South East Economic Partnership (SELEP) which has funded a number of number of initiatives, including sector support and capital projects such as the Creative and Digital Grow Space in Queen Street. The creative industry is a key employment sector in the town and there is currently a shortage of larger spaces for businesses to grow into as they expand. The principal aims of the project are the development of workspace and economic growth, as well as an opportunity to continue to establish the Eastern part of the town centre as a focal point for creative industries.

The Creative Colchester partnership brings together creative businesses, arts leaders, FE/HE providers and Local Authority representatives, who work together on developing a strategic vision to grow Colchester's cultural and digital economy. It provides a forum for people in the creative, cultural and digital sectors in Colchester to promote jobs, opportunities and events in the area including an online searchable directory.

In addition, Colchester is recognised nationally as a hub for creativity: by SELEP as a Creative, Cultural and Digital Hub for North Essex, by the National Endowment for Science, Technology and the Arts (NESTA) as a creative cluster as well as being recognised in the government's Industrial Strategy Sector Deal for the Creative Industries.



## History, heritage and natural assets

Colchester was the first city and the original capital of Roman Britain. Rich in heritage, it is home to sites, buildings and objects of exceptional historical importance: from prehistory, through the Roman era for which the town is best known, the Middle Ages and Civil War to today. Nationally important historical events, including the Boudican revolt and Civil War Siege make Colchester's heritage both unique and compelling.

Colchester's history doesn't end at the town walls: with the suburbs shaped by vast Iron Age dyke systems and burial mounds; as well as major archaeological sites of interest that include the only Roman Circus found in Britain; and Gosbecks, an archaeological park that is home to the foundations of one of the largest Roman theatres and temple complexes found in the country.

Colchester Castle is among England's most important heritage sites and one of the most popular visitor attractions in the East of England. The largest Norman Keep in Europe and constructed on the foundations of the Temple of Claudius built when Colchester was the first Roman capital of Britain, the Castle Museum today reveals many fascinating layers of history to visitors. Archaeological collections of international quality covering 2,500 years of history are beautifully showcased, including of the most important Roman finds in Britain. 70% of the Castle's c.100,000 annual visitors are tourists and the Visitor Information Centre, based in Hollytrees Museum, arranges a wide variety of tours around the town. The Council continues to develop interpretation for the many points of historic interest, although coherency in accessing many of these sites poses a problem due to the way in which modern Colchester has grown around them.

The importance of the Visitor Information Centre – physically and online will continue to be vital to the town as a visitor attraction, contributing to its economy and profile. So too will be the continued engagement of local people in their heritage, from interventions such as lighting of the standing ruins, Roman remains exhibited in the streets and further investigation of the sites – academic, construction led archaeology and even community excavations.

Going forward digital platforms are also key to engaging local people in their heritage, and to raising the profile of Colchester and exploiting its rich history to attract visitors. Colchester Museums partnership with the historian Dan Snow's History Hit podcast and online TV channel is an example of how large audiences can be engaged in this way.

There are many other key heritage sites across the Borough, including: St Michael & All Angels Church, a celebrated 12th century apsidal church with magnificent colour medieval wall frescoes in Copford Green; the Tiptree Tea Room, Shop & Museum which shows the industrial history of this the renowned jam makers, Wilkin & Sons; and Layer Marney Tower, tallest Tudor Gatehouse in England.

Central to Colchester's history is its role as a garrison and military centre, and continuing today in its capacity as home of the Parachute Regiment. Other key historical themes include Colchester as a place for immigration, notably with Flemish protestants in the sixteenth century, a period in which large numbers of skilled craftspeople from lowland Europe made their way to Essex, seeking refuge from persecution and the opportunity to ply their creative trades. It has also been a place for radical thought, exemplified by the priest John Ball who was a leader in the Peasants' Revolt of 1381. This tradition of immigration continues today, with Nepalese, Syrian and Afghan families being welcomed to Colchester and supported through community and creative organisations such as Refugee Action Colchester and Firstsite.

Colchester is reputed to be home to some of the best known English nursery rhymes: 'Old King Cole' (a legendary ancient King of Britain), 'Humpty Dumpty' (thought by some to be the nickname of a Royalist sniper shot down from the church of St Mary-at-the-Walls during the Civil War siege of Colchester, and by others to be a cannon on top of the church), and 'Twinkle, Twinkle Little Star' (written by Jane Taylor who lived in the town's Dutch Quarter in the early C19th).

© CBC & Rodger Tamblyn - Colchester Castle

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## Case study: the Munnings Art Museum

The Munnings Art Museum is an independent museum based in the former home of the artist Sir Alfred Munnings (1878-1959). Sir Alfred was best known for his paintings of horses, but his work also depicts landscapes and scenes of rural life. As well as exhibiting a collection of his paintings and preparatory studies, the museum presents an annual programme of events for equestrian and plein air painters, publishes books and carries out art historical research.

Jenny Hand, Director, is keen to expand the museum's reach and raise the profile of Sir Alfred's work. Whilst it has been difficult to connect to organisations in the borough due to the museum's physical location in North Essex and its remit, Jenny sees greater partnership working as being key to strengthening tourism in the region, retaining local audiences, and to making the best use of limited resources.

"It would be good to co-ordinate and thrash out ideas...Try to find solutions – what do artists need, so organisations can best use their resources. Beginner and professional (artists), what are they working on, what do they want to produce?"

The museum is currently developing plans for the next six years, which include large scale exhibitions, widening accessibility to attract younger visitors and events that support mental health and well-being.



# Achievements and investments in the past decade

This Cultural Strategy marks the continuation of an ambitious journey which was well under way even prior to the Creative Colchester Strategy of ten years ago. In many cases made possible by the direct investment into Colchester by funders such as Arts Council England, Essex County Council and the Heritage Lottery Fund.

Achievements over the past decade include:

- The opening of the Firstsite £22.45m building in 2011 as a new centre for contemporary visual arts, designed by internationally acclaimed architect, Rafael Viñoly. Its growing national and international profile as testified by the recent award of the Art Fund Museum of the Year 2021. The organisation's success in recent years and exemplary work with communities offers a platform for further reputation building for Colchester in the decade ahead;
- Significant investment of £3.2 million from the Heritage Lottery Fund in 2011 to support the transformation of the exhibition space at Colchester Castle;
- The recent Mercury Rising development, with investment of £14.1 million funding has enabled the theatre to re-open with state-of-the-art facilities and a diverse programme of work. The theatre's continuing commitment to the

development of young people and the future workforce of the cultural sector through the Mercury Creatives programme means it is ideally placed to support the cultivation of new talent within the Borough;

- Refurbishment of Colchester Arts Centre and new technical equipment;
- The growth of the creative industries with an increasing number of creative and tech businesses choosing to set up in the Borough. Recent data from 2018 estimates around 4,000 people are employed locally in the creative industries in 753 businesses. Developments such as SPACE and Trinity Maker Space have all developed in recent years, showing how the town's buildings can be repurposed to drive creative industries in the town;
- Micro grants to arts and cultural events taking place outside the town centre in communities across the Borough;
- Lighting and interpretation of key sections of Colchester's Roman Walls Britain's longest and oldest Town Walls;
- Sky TV ad and supporting campaigns promoting Colchester as a heritage and cultural tourism destination to a mass audience across the south east of England.

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# Looking ahead: future opportunities and challenges for culture

Looking ahead, dealing with and recovering from the impact of Covid 19 will be an enormous challenge for local authorities at a time when budgets are already under pressure. The Borough is beginning to emerge from the immediate impact of the COVID-19 pandemic, with cultural venues re-opening, alongside the wider retail and leisure offer. Very real consequences of the pandemic within local communities become clearer and provide a spotlight on the inequalities that impact communities, all at a time when local authority budgets are stretched to capacity and at risk of further reduction.

Thanks to the Government's Cultural Recovery Fund, the borough has benefitted from over £2,750,000 to ensure the ongoing viability and sustainability of the sector and to improve the physical infrastructure of a number of the borough's cultural assets. Building a resilient sector, focussing on the wellbeing benefits of culture, and strengthening local cultural leadership so that the sector is less dependent on local government support and leadership is likely to be imperative.

Culture in the Borough has a huge contribution to make to wider health and wellbeing, bringing people together who have been socially isolated and providing accessible opportunities to engage in a variety of arts activities for people of all ages as part of wider recovery paths. This is a time of challenge but great opportunity where creative communities can and have come together throughout the pandemic, focussed on their strengths and realised their impact on the wider determinants of Health and Wellbeing. This is a platform to build a new future from. There is much good practice to build on already across Colchester and the borough's cultural leaders can continue to develop their own good practice in collaboration with colleagues across the UK and internationally.

The new Town Deal for Colchester presents significant opportunities for culture to play its part, particularly around the following initiatives:

- Transformed Youth Facilities improving both universal and targeted provision to support young people's engagement and aspiration. Artists and cultural organisations across the borough have an important role to play in offering high quality, stimulating and creative programmes for young people;
- **Digital connectivity** bringing 5G and its benefits to the Borough. Given Colchester's proximity to London, this presents significant opportunities for new creative businesses to base themselves in the town. Cultural organisations themselves can benefit from improved connectivity, building their digital offer on the back of recent lockdown innovations;

- Public realm developments in the front of the Mercury Theatre and St Nicholas Square. Engaging arts and cultural events and programmes can animate these improved public spaces, as will new public art commissions;
- **New Gateway locations** in Vineyard Street, creating more high quality affordable homes alongside wider commercial, cultural and social activities;
- Heart of Greenstead which offers arts and cultural organisations a fresh opportunity to engage at a deep local level with one of the most deprived wards in the country;
- Preserving and Improving Key historic buildings— through the long-term development of the 'Jumbo' water tower and the improvements to Trinity Church.

Other key developments include the Business Improvement District's programme of public realm improvements and the Victor Batte-Lay Foundation's long terms plans for The Minories.

## Case study: Firstsite Holiday Fun

Firstsite is a contemporary art gallery in Colchester and is the largest public gallery in the East Anglia region. Over the last ten years Firstsite has gained a strong, critical reputation, presenting ambitious work to be enjoyed by all in a fun and inclusive environment – culminating in the gallery being named the prestigious 'Art Fund Museum of the Year' in 2021.

Holiday Fun came about when Rachel Walton, Co-Founder of African Families in the UK (AFiUK) CIC highlighted the challenges some families were facing during the school holidays because their children could not access free school meals during these breaks. The team at Firstsite, led by Director, Sally Shaw, and Programme Manager for Learning and Education, Sue Hogan, designed Holiday Fun to offer support to families in Colchester, providing an inclusive and fun space where families can enjoy nutritious food and have fun and socialise together.

There are 40,000 children and young people living in Colchester. 25% are living in poverty. These children typically receive a free school meal during term-time and can go hungry during school holidays without this provision. The Programme is designed around the 5 ways to wellbeing to give each of these children the perfect day out and help prevent social isolation and nutritional deficit. Families can attend every part of the Holiday Fun programme for free. They can take part in creative activities, sports and movement sessions, and enjoy a fresh cooked meal – all at the art gallery.

Firstsite has been running the Holiday Fun programme since summer 2017 in every school holiday. Over this time, they have provided over 12,000 meals and supported over 1,200 families. In some cases, families return as much as 15–20 times during a summer break. This can mean providing in the region of 100 free meals for one family.

'We are actively working with Holiday Fun attendees to understand how the project can have the biggest impact and help more people to feel the benefits of being creative, enjoying art and having fun. Ultimately that is what Holiday Fun, and Firstsite, is about - bringing people together in a safe and comfortable environment where everyone can relax, be themselves and have a good time.'

Rachel Skillen, Head of Audience and Communications

Firstsite is now being recognised as an innovative model of integrated care in a community setting and the programme is being recognised nationally as model of excellence for how the gallery of the future can meaningfully engage local communities, and generating new insights into national and global issues such as food poverty and inequality.

oliday Fun 2021, F

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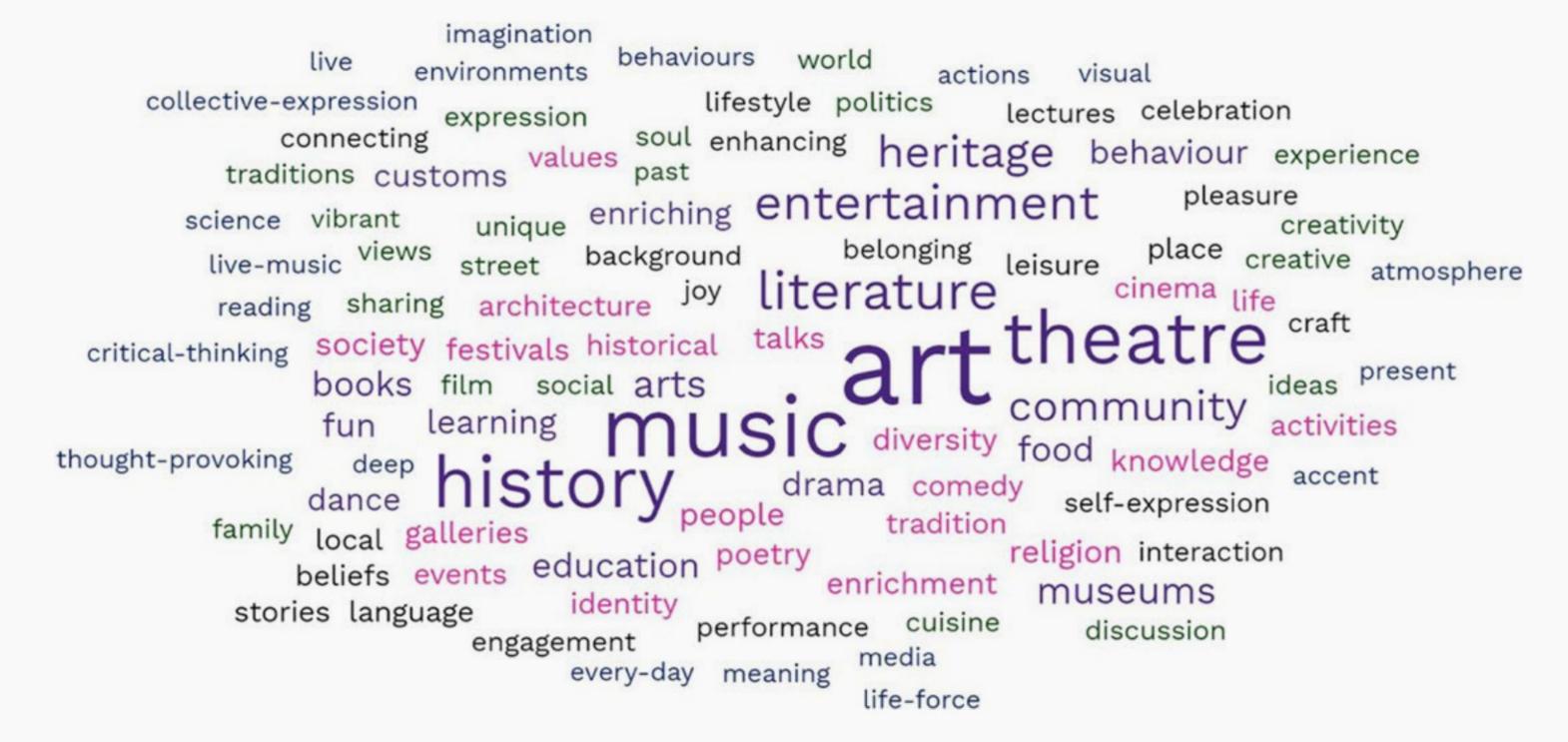
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## Feedback from stakeholders

People were consulted in a number of ways in-person and online. This included:

- One to one interviews: with 45 different individuals across culture, heritage, community, education and leadership;
- **Public survey:** circulated on social media, through e-newsletter lists, and via creative and community groups (including Refugee Action Colchester who assisted in translating questions for their members), over 1,000 people gave their views;
- **Public forum event:** free and open to all at the Mercury Theatre, attended by around 200 people.



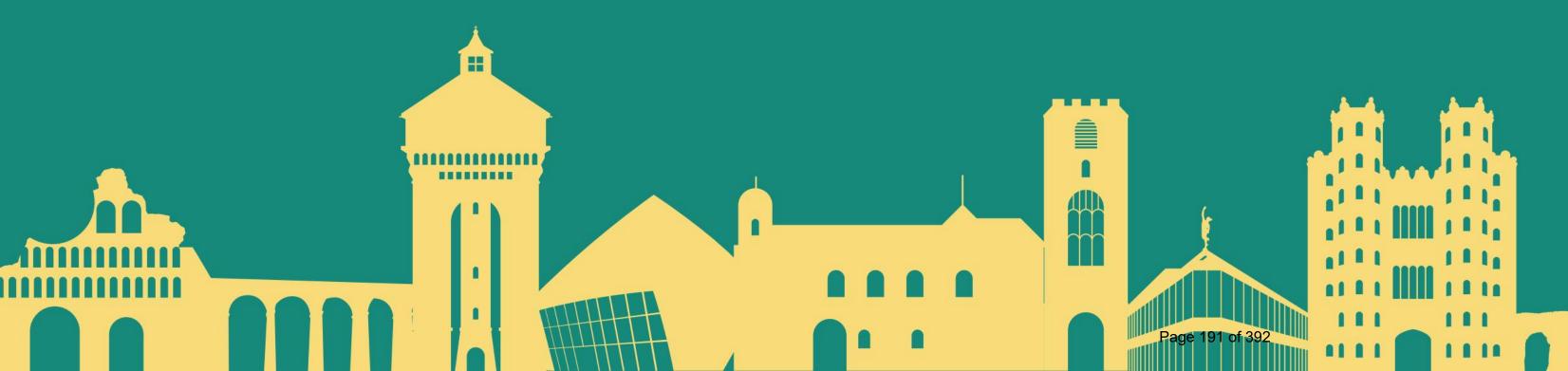


We asked the people of Colchester what *they* perceived 'culture' to be. Many spoke about the importance of diversity, community, food, expression, enrichment, fun, learning, entertainment, identity, society and behaviour as well as the more traditional forms of culture such as the arts and heritage. The image below is a 'word cloud' drawn from the responses. The larger the word in the image, the more frequently it was mentioned.

45% of residents consulted in the development of this strategy had heard about cultural events through social media and the internet, with 12% doing so through the mailing lists of cultural organisations. (More detail can be found in Appendix B). Much of the Borough is rural, access to art and culture is paramount and cultural organisations will need to carefully consider how they reach and engage with their audiences in a meaningful way.

As in any consultation of this type, there were a small number of requests for new cultural venues, ranging from a new military museum through to new spaces for music and rehearsal and a relocated visitor centre. While the prospect of new facilities for cultural activities is attractive, utilising or diversifying existing assets could achieve similar results; recognising that funding for new arts and heritage building projects is limited in the current economic environment.

# A new vision and priorities for culture in Colchester







The following four areas have been identified as a result of public and stakeholder feedback as priorities by the end of the decade. Each is considered further in the next section with relevant actions in Appendix A:

- Collaboration and Cultural Identity;
- Relevance and Access;
- Talent Development;
- Innovation, Growth and Resilience.

# Collaboration and cultural Identity

Colchester Borough is rich in cultural capital. With diverse grass roots organisations, community groups, independent artists and makers, four nationally recognised arts organisations, the University, the Garrison, its built and historic heritage, its natural resources and so much more, the area packs a punch. With so much to offer it can be challenging to determine where to put the emphasis, what makes the area unique and how organisations and communities can work together to help create a clear cultural identity for Colchester.

People in Colchester have a natural affinity with culture.

Those working in the sector have immense expertise, passion and commitment to their communities. The disruption of the COVID-19 pandemic has meant that organisations have adapted how they work, taken more risks, tried new things and engaged with their audiences in different ways. The challenge going forward will be to explore how cultural and community leaders can share their learning, reconnect and continue to build new ways of collaborating to increase their impact, relevance and sustainability.

Strengthened partnerships across arts organisations, education, tourism, sports, business and other key stakeholders will help to unlock possibilities and will strengthen and diversify the cultural offer. Particular opportunities to contribute towards achieving the full benefits of the Town Deal investment mean that strengthening the cultural partnerships and advocating for the place of culture in these exciting new developments is crucial.

New housing and the subsequent development of new communities also present opportunities to use culture and creative activity to include people and reinforce placemaking and a sense of local identity.

A particular priority, identified through consultation, is for closer collaboration between the borough's four NPOs and the wider cultural and voluntary sectors, business, education and local authority. This could deliver operating efficiencies for the organisations, a more coherent public offer, and help to leverage more national funding to the area. More joined-up working across the sector, with rotational representation at meetings, could also reduce doubling up and save resource.

Colchester Borough Council's VisitColchester website, developed over 20 years and covering the surrounding area as well as the town, is a ready-made platform for pulling together and promoting cultural events centrally alongside the wider tourism offer. Venues and event organisers can already upload their events for free, and data is shared with regional and national tourism agencies to enhance promotion. Raising awareness of and widening access to this functionality, plus further development of the Business Improvement District's InColchester website, dedicated to promoting Colchester town centre, will provide more opportunities to reach and grow the audiences for cultural events and activities. Both sites have incorporated the TXGB ticketing platform which allows events to be marketed across multiple websites.

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The Great Big Art Exhibition, Firstsite, 2021. Photo by Jayne Lloyd

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There are a number of successful partnership forums operating in Colchester that benefit the cultural sector, including One Colchester, We Are Colchester, Community 360, the BID, LCEP (Local Cultural Education Partnership) and Creative Colchester. These existing collaborations reflect the increased need for the cultural and creative sector to take ownership of its development and to drive change as shared endeavour rather than with a top-down approach. Making the arts, heritage, creative industries, public and private sectors work even more cohesively together to improve the cultural life in Colchester will be critical to the Borough's future success. There are useful models for highly effective partnership working across the country, including examples where additional external funding has been secured, that could provide useful insights for Colchester.

In addition, a new local supplier framework, similar to those used by the Council, could be established so that arts organisations in Colchester could more easily access local businesses and suppliers, whilst also speeding up their own procurement processes. Incentives could be created to recruit locally, or to encourage businesses to invest in local training and hiring. Freelancers, who are vital to the creative industry in Colchester, could also be championed and promoted via the framework.

There are currently many popular events and festivals in the Borough of Colchester but none that give the wide variety of organisations, local businesses and community groups an opportunity to fully collaborate. The size, location, cultural and natural assets of Colchester mean that it is well positioned to create a dynamic programme of site-specific cultural events, which engage the community, draw people to the Borough and helps create a sense of shared purpose, ambition, and recognition of Colchester's value in society.

The actions proposed for **Collaboration and Cultural Identity** include:

- Build on existing sectoral and cross sector partnership working and collaboration;
- Support a supplier framework championing local businesses and freelancers;
- Develop a programme of collaborative site specific events involving multiple partners.

**See Appendix 6 for further details** 

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#### Relevance and access

Colchester is diverse in its population, geography and cultural offer, which extends from spoken word, comedy, contemporary performance and exhibitions to high quality crafts and design.

Organisations continue to put audiences and communities at the heart of their work, as exemplified by Firstsite being awarded the Art Fund Museum of the Year 2021.

The majority of cultural hubs are in and around the town centre making it a vibrant place to visit, to live and to work.

The surrounding borough is beautiful, rural and coastal; a mix of picturesque villages, small close-knit communities, developing residential areas, and places of historical significance. As with many towns and rural communities in the UK, challenges exist in relation to public transport, access to infrastructure, and access to high quality local cultural experiences. Improving the balance between the town centre and rural parts of Colchester will be important.

A significant proportion of the heritage of the Colchester focuses around its Roman, medieval, migratory, and industrial past. Its heritage is important and exemplifies the vibrant history and human stories of the past. The annual Heritage Open Days event organised by the Council with the support of the Colchester Civic Society and the venues that open to the public, is hugely popular

part of the national scheme; not only with residents but with visitors coming from outside the area. A challenge for the future will be to ensure that Colchester continues to bring to life its historical and contemporary stories, to create resonance and connection with the people of Colchester today and to build the local heritage of the future.

While funding remains tight the Council recognises the importance to residents of cultural and creative grassroots organisations and events which support and develop local talent, reach diverse audiences and celebrate communities. The importance of and pride in the town's military history also came through strongly in the consultation and again is recognised by the Council. More creative and cultural use could be made of existing public space to encourage participation, increase access and promote wellbeing, including public art installations and animation in and outside of existing cultural venues and within new civic, commercial, and residential developments.

Addressing disparity of wealth and ensuring equitable access for diverse and disadvantaged communities to cultural engagement opportunities are key challenges for Colchester. Colchester Arts Centre hosts variety showcases for The Warm and Toasty Club, an intergenerational community group working in music, arts and

history with people over 60 and in supporting young emerging music artists. Headgate Theatre reaches the wider community with wellbeing sessions for all, and as a venue for performances by several local performance groups. Headgate Theatre also recently welcomed 4 refugee families from Kabul, sharing in their musical, artistic and cultural knowledge and experience. Other organisations such as Mercury Theatre, Firstsite and Colchester + Ipswich Museums also positively support communities including memory boxes for dementia patients, exhibitions with artworks selected by refugees and distribution of food parcels to make Colchester a place of sanctuary. Bringing new voices into the leadership and Boards of local arts organisations is crucial to ensuring that culture in Colchester is relevant and accessible, so working to diversify Board talent is a priority.

Working in partnership to develop new approaches to ticketing, attracting external funding and sponsorship, and finding new ways to collaborate and share resources will ensure that audiences remain central to the cultural offer of the Colchester area.



## Case study: Colchester Museums Development Foundation

Colchester Museums Development Foundation (CMDF) supports Colchester Museums to inspire and enrich our local community, through the preservation, exploration, and sharing of the town's heritage in its widest sense.

The Foundation launched as a charity in August 2021 and serves four key objectives: to enhance access, inclusion, community collaboration, and engagement with collections and research across Colchester Castle, the Natural History Museum, and Hollytrees Museum.

As Colchester Museums continues to grow and evolve, including the upcoming redevelopment of the Natural History Museum, CMDF will serve an important role as both a funder and a champion of causes that are significant to members of Colchester's community. The Foundation is driven by a dynamic team of trustees with deep roots in the local area, including access consultant Sophie Weaver, University of Essex course leader Philip Berners, Chairman of Black History Month Colchester Lawrence Walker, Vice Chairman of Friends of Ipswich Museums Denise Fiennes, and the current Portfolio Holder for Heritage in Colchester, Councillor Darius Laws.

"CMDF has gone from strength to strength in its first year. We are already seeing the positive impact of having a foundation that can amplify community voices, and act nimbly to support and prioritise projects that are important to local people.

As CMDF continues to grow, so will the capacity and resilience of our Museums Service. It's an exciting time for heritage in Colchester!" Sophie Weaver, Chair

# Case Study: Lawrence Walker, Chair, Black History Month Colchester

"Black History Month is an annual observance that celebrates and commemorates the history and the achievements of members of our Black communities." **Lawrence Walker** 

Since 2008, Black History Month Colchester has provided a voice for Black and Minority Ethnic communities annually, throughout the month of October. The project is supported by Colchester's BAME communities and community groups, cultural venues and other local businesses and events. Highlights from the 2021 programme included talks and presentations on issues that have impacted Black Asian and Minority Ethnic communities', such as, "Stop & Search" along with further education and career and personal development workshops. The programme also delivered performances digitally and in person, highlighting the fight for racial justice and promoting local artists, entertainers, poets and guest speakers. Along with events at venues, events also took place in youth clubs and schools across Essex.

Black History Month Colchester has had a wide range of partners over the years including the Colchester Borough Council, Colchester Arts Centre, Mercury Theatre, Firstsite and others.

"Local organizations can best support artists and small companies by creating easier access to facilities and programs that will help with personal development and better access to funding support." Lawrence Walker

Black History Month Colchester plan to make the programme a year-round event. Plans are in development, and will see partnerships with a range of organisations in the borough, including Hollytrees Museum, Firstsite and Colchester Community Hub, as the project builds up to the October celebrations.

BLACK HISTOR' COLCHESTER

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#### The actions proposed for Relevance and Access include:

- Collaborate on a shared diversity and inclusion training programme across cultural organisations;
- Help ensure cultural organisations are reflective of their communities;
- Make the most of the public realm and create opportunity for art and heritage outside of cultural venues and museums;
- Develop a Parks and Open Space Strategy maximising the opportunities for creative and cultural activities in these important spaces;
- Explore the recommendations of the 2020 Gosbecks Feasibility Study, including university collaboration, engaging local people in their heritage through Heritage Open Days, excavation open days and community excavation/investigation;
- Sustained focus on shared marketing and publicity resources for arts, heritage and tourism, enhancing the existing work of VisitColchester and others.

#### **See Appendix 6 for further details**

Firstsite 10th anniversary, 2021. Photograph by Jayne Lloyd



### Talent development

Colchester has a wealth of knowledge and expertise at its fingertips: independent artists, makers, teachers, academics, business and community leaders and more.

Like many areas of the UK, issues around crime, antisocial behaviour and lack of connection to place can play their part in stifling the development of new and emerging talent and the fulfilment of its creative and economic potential. For young people starting out it can be difficult to enter the workspace, and finding meaningful employment and longer-term careers in the area can prove challenging.

Artists, creatives, and professionals working in the arts in Colchester have demonstrated great resilience and adaptability during the Pandemic. From independent artists and creatives, and those working to support communities through culture, access to training, development and networking opportunities will be essential to strengthen and invigorate the sector.

Going forward, it will be important that Colchester utilises its many assets to support the professional development of the cultural workforce at all levels from emerging to mid and established career.

Post-COVID, many of us are rethinking our priorities and career choices. In the future, we will most likely continue to work well

past what used to be known as 'retirement age'. Life-long learning will be key to developing and supporting a thriving workforce which reflects our society, brings diverse thoughts and experiences and continues to ensure that the sector remains relevant, sustainable and innovative.

The size ('big enough and small enough') and cultural demographic of Colchester makes it an ideal test bed to model new ways of engaging with educators, employers and potential employees, working collaboratively across culture, education and business and creating new pathways of employment: from education to vocational learning, apprenticeships, peer mentoring, flexible models of working, accessible recruitment strategies and actively engaging with a diverse range of future employees. Stimulating volunteering opportunities and shared training across cultural organisations would further enhance local talent development and provide efficient ways of operating across the sector.

A working group of Creative Colchester should be established with a focus on building better provision, access and progression routes for people of all ages and backgrounds into creative training, education and employment. This should include representation from local schools, FE and HE providers, as well as private sector training, workspace providers and creative and cultural sector employers.

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#### Case study: Mercury Creatives

'It's been amazing to work with such a talented and committed group of creative businesses. Over the last two years being able to offer this programme has been a lifeline to many creative businesses. Projects like this are needed to help local creative businesses remain relevant, sustainable and dynamic.' Joseph Rawlings, Mercury Creatives Project Manager

The Mercury is one of the four Arts Council England's National Portfolio Organisations (NPO's) in Colchester, and one of the largest regional producing theatres in the East of England. The theatre reopened in 2021 following a two-year building project, which included the refurbishment of the public spaces, technical workshops and offices, along with the addition of a café/bar, rehearsal rooms and new community and business incubation spaces.

Mercury Creatives, is a free three-year business support and mentoring programme for creative businesses and arts freelancers working in the performing arts across Essex, East Sussex, Kent and Suffolk. It is funded through the European Regional Development Fund (ERDF) alongside revenue funding support from Colchester Borough Council and Arts Council England. Since February 2020 114 self-employed artists and small creative businesses have benefited from the programme aimed at developing business skills and creating opportunities in the sector. The programme has been the largest single investment in skills and business development for the creative industries in the Mercury's history (£300,000).

The support on offer has included 24 hours of mentoring from performing arts professionals and creative entrepreneurs; Diagnostic needs assessments, highlighting strengths and weakness and potential for growth; upskilling workshops, showcases and events; networking opportunities and support to develop bespoke business growth plans.

Over 18 months participants taking part in Mercury Creatives have:

- Received 2,045 hours of 1 to 1 mentoring;
- Established 60 new jobs or contracts;
- Created 61 new products or services;
- Generated over £1,010,118 in new investment from commercial and non-commercial sources.

Participants of the programme have credited Mercury Creatives in building their confidence and skills, enabling them to apply for funding, pitch to investors and create new work, services and income streams (overall beneficiaries on the programme saw a 13% increase in turnover).

At present the ERDF fund will not be renewed once the programme ends in September 2022. The Mercury hopes to secure funds from others sources in order to embed Mercury Creatives into their overall talent development programme and continue to support artists and creative businesses throughout Colchester and Essex.

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## Case Study: JShu

"Colchester is full of places to go and be creative." **JShu** 

Jordan Shults, who likes to be known as JShu, is a young photographer based in Colchester. He became interested in photography whilst at school and later studied it at A' Level. Living with autism, photography is the tool that he has chosen to help connect with others and share his unique view of the world.

JShu is drawn to photographing Colchester, and for the time being at least, it's important to him to stay local and remain rooted in the community. His work regularly features well known landmarks. He has also worked with and has been supported by many organisations across the borough. Jordan's mum Vanessa, who works closely with him, credits two individuals in particular for mentoring him, Anthony Roberts, Director, Colchester Arts Centre and Danny Hiles, and says that they have been instrumental in building his confidence as an artist. And whilst she agrees with JShu that Colchester is fantastic for Culture (free carer tickets are especially important), she sees a gap in provision for 18–25-year-olds, which JShu currently falls into.

"There's a gap in health and care after 18... Be prepared to knock on doors. Always be on the lookout for things." **Vanessa Shults** 

JShu and Vanessa are upbeat about the future, with plans to secure studio space, build his portfolio and launch a brand in the next year.

#### The actions proposed for Talent Development include:

- Establish an Apprenticeship scheme across cultural venues;
- Establish shared volunteer programme;
- Develop and deliver training and development programmes for early, mid and established career artists, creatives and arts professionals;
- Form a creative Colchester working group on learning and participation and workforce development.

#### See Appendix 6 for further details





## Innovation, growth and resilience

The appetite for cultural experimentation and creative entrepreneurship is strong in Colchester. The many established arts organisations in Colchester have been very successful in attracting funding and continue to develop long term funding relationships with local government, ACE, trusts and foundations. For individuals, small organisations and community groups getting a project off the ground can often be the most challenging aspect.

Seed funding can help to attract larger investment from other sources. A modest annual commitment of funding to provide small grants for arts and heritage organisations could have a large impact in leveraging additional funding and inward investment and unlocking creative and cultural opportunities and social and economic impacts. The Borough Council has previously provided successful one-off grant schemes, such as the Creative Events Fund, however, with increased pressure of local authority budgets there is a need for a new cross sector supported and financed funding model that can deliver such a scheme on a regular and sustainable basis.

The existing Our Colchester "Create" Fund - which contributes annual funding towards creative and innovative events and new project ideas that will have a positive impact in the BID area - could serve as a prototype for this, with additional funding designed to 'dovetail' with the "Create" Fund by targeting organisations and projects in the wider borough beyond the town centre. It is vital that such funds are made accessible to ethnically and culturally diverse groups.

Collaboration and partnership with larger institutions, sharing resources and joined-up marketing can all help to build the creative economy of the Borough and enrich its cultural offer.

Colchester is successful at attracting day trips and has the potential to develop further as a destination for overnight stays. Its built heritage, natural resources, artistic output and recent investment through the Town Deal and in local hotel businesses means that it is now ideally placed – through Visit Colchester and others - to build on this momentum. Creating a thriving evening economy, through late opening of businesses and arts venues, developing clear signage in the town centre, and developing closer links between culture and tourism, will enhance the Town and Borough's standing as a destination of choice. Headway is already being made by the BID's consultants, Six til Six, with the development of the Colchester Leisure Recovery Strategy (which aims to support the sector post-COVID 19).

As the Borough continues to develop and grow apace through the many new housing developments, leisure facilities and community spaces such as the Northern Gateway and Garden Community; significant opportunity arises to create spaces which respond to the needs of the community and contribute to a sense of place making. It will be important that the various local government departments and cultural organisations continue to work in collaboration with key stakeholders to align strategies and create a cohesive approach to the Borough's development.

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# Case study: Frazer Merrick, sound artist

"Collaboration is really important; you try things out. Experimenting, exploring different ways of working... Often there are lots of people doing similar things. You can get more done when working together. Sharing resources." Frazer Merrick

Frazer Merrick is as an artist, designer and composer who uses technology to create sound and music. Most of Frazer's work takes place in educational settings as part of his work at Signals, the Colchester based centre for creative digital learning. Signals primarily work in schools and with community groups, using computing and robotics creatively. Frazer regularly collaborates with artists and organisations in Colchester, and was recently the sound designer on Sirens a production at the Mercury Theatre. Frazer has also exhibited work at Firstsite and at other venues nationally. He is also a co-founder of CLIP, a new music CIC (community interest company), based in Essex.

At the start of his career Frazer had the opportunity to take part in YAK (Young Artist Kommunity) at Firstsite, which he describes as a seminal moment in his development as an artist. YAK gives gallery space and resources to young artists. He also cites the Games hub, a private scheme which at the time ran in partnership with University of Essex, supporting video game start-ups, as being another important opportunity.

Up until this point Frazer had thought of himself as a composer, but after graduating university he realised there wasn't enough of this work to sustain a full-time career. He needed to diversify. Moving to creating music and sound for video games was an unexpected but worthwhile route.

"Most of us doing the course had no connection to the university, but we got really meaningful support that gave us entry to the gaming industry." **Frazer Merrick** 

When asked what advice he would give emerging artists based in Colchester, he felt that collaboration was key, and that it was important that artists have a community that supports them. He suggested that organisations like Fringe Festival, YAK at Firstsite, and the business development schemes at the Mercury Theatre, as good examples of this.

At CLIP Frazer is developing the Photon Smasher, an instrument that turns light into music. He continues to lead workshops, exhibit, gig and compose in and around Essex. www.frazermerrick.com

Frazer Merrick

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#### The actions proposed for Growth and Resilience include:

- Build the capacity of the cultural sector in Colchester by exploring shared resources between organisations, including shared fundraising and press & marketing;
- Town wide evaluation and impact methodology all cultural organisations in the borough to use the same format;
- Create a funding pot of small grants for cultural events and events and activity or match funding, ensuring it is accessible to ethnically and culturally-diverse groups, as well as communities across the Borough of Colchester those outside of Colchester town centre;
- Deliver Queen Street Digital Working hub capital project;
- Deliver the £18.2 million of Town Deal projects to help grow Colchester's economy and improve the quality of life for all residents;
- Redevelop Colchester Natural History Museum.

#### See Appendix 6 for further details





#### **Further priorities**

Beyond the key areas of focus there are a number of considerations which are important to the success of the Borough Council's vision for the cultural sector; but which may fall outside of the purview of culture:

#### **Getting About**

The town is well connected to London and the East, however, transport in the town itself and public transport in, to and from rural areas remain key issues. Parking, late night public transport, extension of park and ride service hours (to include Sunday and evenings after 7pm) and a dedicated coach park are all important aspects to consider. Signage and clear, safe pedestrian routes from the railway station, all contribute to creating a sense of welcome and belonging. Lighting and the animation of public spaces, creating attractive pathways to and through the town are key.

#### **Environmental Sustainability and Public Health**

Culture has a vital role to play in connecting people to the natural environment and leading the way in addressing issues of climate change and environmental sustainability.

Landscapes, parks and nature have an important role to play in reducing carbon emissions and tackling climate change, as well as promoting public health and wellbeing. Parks, countryside and coastal areas are a key feature of the Borough, providing a wealth of opportunity to engage communities with issues around the environment and climate change through culture. By sensitively

animating these places of natural beauty, through site-specific events, open air concerts and activities the Borough can begin to build connection linking the arts, environment, sports, tourism, health and wellbeing.

The Natural History Museum in Colchester is housed in a deconsecrated medieval church (grade II listed) in the town centre. It focusses on the natural history of North East Essex, highlighting messages about wildlife habitats, biodiversity and climate change. The Colchester + Ipswich Museum Service (CIMS) is planning to refurbish and reinvigorate the museum. A new Natural Science Museum could retain the family feel and remit to inspire people and young families to learn more about their local wildlife. This could inspire a lifelong interest in nature that could help protect the environment for the future. It is anticipated that the refreshed museum could become a centre for signposting engagement with the outdoors across the Borough.

Colchester Borough Council has been committed to reducing its environmental impact since 2008, when it set a target to reduce emissions by 40% by 2020 – a target which has been achieved. The Council then declared a climate emergency in 2019, committing to achieving net zero emissions by 2030 and has published a Strategy and Climate Emergency Action Plan.

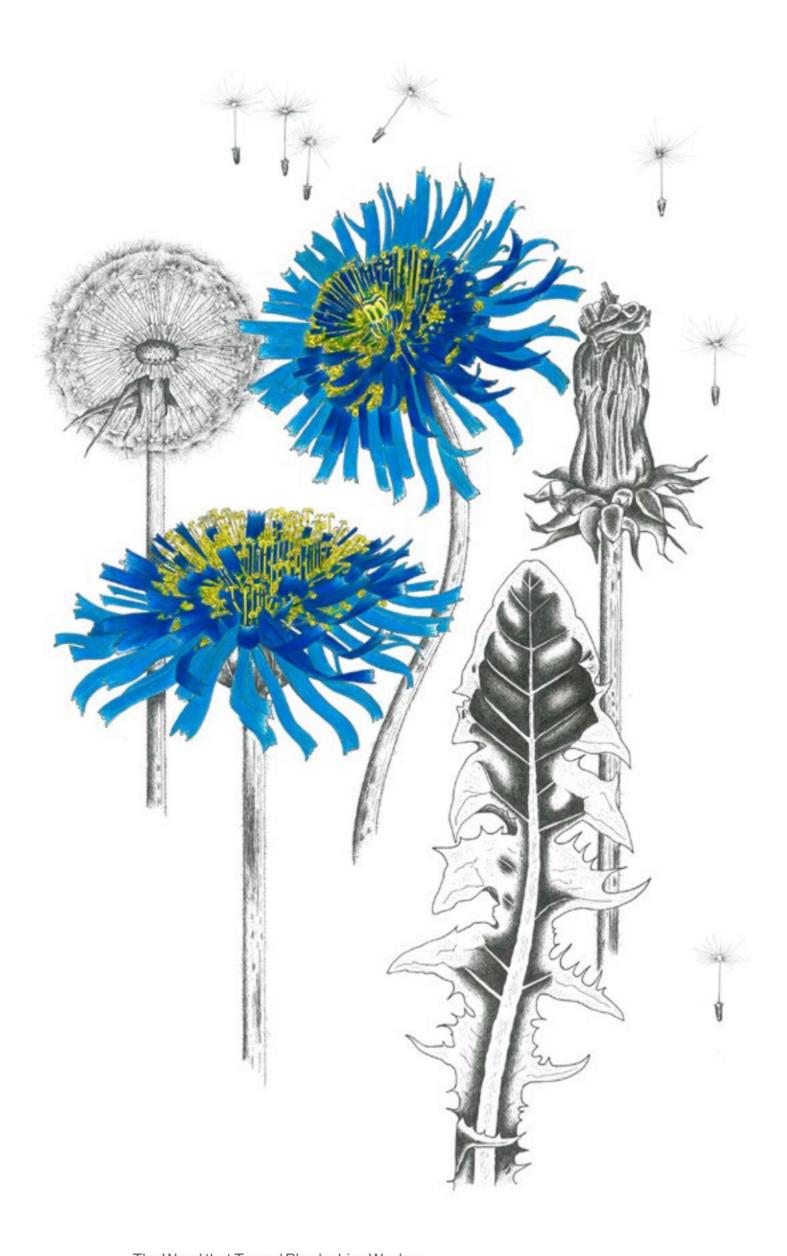
The Council also established an Environment and Sustainability Panel, where individuals or organisations could have their say on the Council's work to tackle the climate emergency.

There are many organisations in the Borough working in partnership with the Council to tackle environmental issues:

- Together We Grow, a not-for-profit enterprise that works with local groups including schools and refugee groups to learn about land, food, and nature;
- Woodland and Biodiversity Project, helping with tree planting;
- Colchester Orbital, a collaborative project between the community and the Council. The Colchester Orbital is a 14–15-mile circular walking and cycling route around the edge of the town, taking advantage of, and connecting some of its loveliest green spaces and off-road pathway networks.

The Council also works with the University of Essex to ensure that its work on tackling climate change and environmental issues is informed by expert research and with Town and Parish Councils to help them reduce their emissions and environmental impact.

Cultural organisations in the Borough are already putting environmental sustainability at the heart of their working practices. Mercury Theatre, for instance, is the most sustainable building in the town centre and has shown its commitment to supporting the ambitions of the ambitious international targets to limit global temperature rises to below 2C against pre-industrial levels. By working in partnership and making the best use of green and coastal spaces, Colchester's cultural sector can lead the way in creating a more sustainable future for residents and visitors alike.



# Case study: Colchester Arts Centre - Earth Riot

Earth Riot is the name given to the creative environmental strategy created by Colchester Arts Centre.

Colchester Arts Centre is a community focused performance venue based in a beautiful converted Victorian church in the town centre. It presents a dynamic and eclectic mix of live work throughout the year. It provides a platform for local bands as well as being established on the national circuit for touring acts. It is home to a lively folk club and bristling jazz club and has hosted many famous comedians and performers at the early stages of their career.

Earth Riot is a creative and radical response to what the venue perceives as the urgency of the climate change crisis.

It has adopted and implemented many important but familiar actions:

- Zero fossil fuels burned in the energy supply chain
- All electricity garnered form renewable sources
- All gas now sourced by bio methane suppliers

- No flights undertaken for business trips and travel
- No single use plastic throughout the building including all cleaning materials

Earth Riot develops the strategy by inviting artists, architects and creatives to respond to the crisis by embedding new ideas into the fabric and allowing them to imagine the world differently. It uses "Cathedral Thinking" – imagining the world in 100 years' time - to inform the actions of today.

Earth Riot has piloted a carbon offset project where the organisation invests in local environmental and socially focussed charities to offset the carbon it generates. Two local partnerships created for Earth Riot are Together We Grow and E Cargo Bikes.

Architects Inkpen Downie have introduced water saving toilets, using the grey water of hand washing to refill cisterns and flushing.

Artist Lisa Wesley has made friends with the plants and bugs that live in the adjacent graveyard and imagined how nature itself might evolve new species to protect itself. The luminous hedgehog, the rebellious two fingered Stink Horn mushroom and the Cheese and Onion moths are all imagined species that could inhabit a new world.

The Weed that Turned Blue by Lisa Wesley

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# Appendices



## A. Action plan

This action plan is the responsibility of leaders and organisations across Colchester. The local authority and Arts Council England will continue to be important stakeholders and funders of the cultural sector across Colchester but it will be equally important for the sector itself to take the lead in taking much of this strategy forward. Building that leadership capacity, supporting increased collaboration and finding new voices to diversify the sector will all be key foundations that underpin the successful delivery of this action plan.

Action	Outcome	Timescale	Resources required	Owner
Priorit	y theme: collaboration an	d cultur	al identity	y
Build on existing sectoral and cross sector partnership working and collaboration	<ul> <li>Investigate the Cultural Compact partnership model including in depth review of successful examples elsewhere (e.g.: Sheffield Culture Collective) and take forward if a fit for Colchester.</li> <li>Develop and support the Colchester LCEP</li> </ul>	Short-term	Fundraising from a range of partner organisations	NPO's, Creative Colchester, local authorities and the wider creative sector.
Support a supplier framework championing local businesses and freelancers	<ul> <li>Enable arts organisations to access businesses and suppliers locally.</li> <li>Speed up procurement processes.</li> <li>Encourage businesses to invest in local training and hiring.</li> <li>Champions and promotes local freelancers.</li> <li>Enhance cost efficiency for the creative sector.</li> </ul>	Medium- term	Staff time	NPOs

Action	Outcome	Timescale	Resources required	Owner
Develop a programme of collaborative site specific events involving multiple partners	<ul> <li>Create a sense of shared vision and ownership for Colchester over the long term.</li> <li>Has potential to link to Town Deal developments, building a sense of energy and 'buzz' within the borough</li> <li>Build collaboration between the sectors.</li> <li>Create a stronger offer which is more attractive to external funders and sponsors.</li> <li>Provide a nexus for communities.</li> <li>Contribute to the brand of Colchester as an exciting place to live in and to visit.</li> <li>Attract tourism, visitors and generates external income.</li> <li>Animate the public realm, creating a more vibrant town centre.</li> <li>Promote Colchester as a centre for live, accessible culture and creativity.</li> <li>Support the growth of local creative talent.</li> <li>Provide opportunity for new and emerging talent to showcase their work.</li> </ul>	Medium- term	Potential for ACE and other project grant funding	Creative Colchester, BID, Colchester Events (CBC), commercial sector, NPOs
F	Priority theme: Relevance	and ac	cess	
Continue and extend work to ensure Boards and staff of major cultural organisations in the Borough are diverse and representative of the community	<ul> <li>Help to ensure that cultural organisations are reflective of their communities.</li> <li>Ensure a range of voices are represented in programming and the production of culture.</li> <li>Ensure cultural programmes remain current and relevant to the communities they serve.</li> <li>Increase accessibility to culture for audience members and future workforce.</li> <li>Increase the diversity of thought, skill and background leading to more innovative culture.</li> <li>Align with Arts Council Investment Principles</li> </ul>	Ongoing	NPOs and major cultural organisations  Use ACE Investment Principles resources to support	All publicly funded organisations

Action	Outcome	Timescale	Resources required	Owner
Collaborate on a shared diversity and inclusion training programme across cultural organisations	<ul> <li>Ensure efficient use of scare training budgets.</li> <li>Provide opportunities for sharing good practice across the Borough.</li> <li>Encourage new ways of working together on shared diversity initiatives.</li> <li>Provide opportunity to share and develop high quality training programmes and resources, which could be extended beyond diversity and inclusion.</li> </ul>	Short-term	NPOs and major cultural organisations' existing budgets	NPOs and major cultural organisations
Make the most of the public realm and create opportunity for art and heritage outside of cultural venues and museums	<ul> <li>Animate the external space.</li> <li>Help to create a safer, healthier environment.</li> <li>Break down barriers to engagement.</li> <li>Create opportunities for innovation.</li> <li>Aligned with planned Town Deal public realm developments and existing projects including street art installations by the BID.</li> </ul>	Medium- term		Creative Colchester, BID, NPOs, CBC, commercial sector
Develop a Parks and Open Space Strategy maximising the opportunities for creative and cultural activities in these important spaces	<ul> <li>Better use of existing resources.</li> <li>Celebrate one of Colchester's strengths.</li> </ul>	Medium- term	Existing resources	CBC
Increase the focus on Colchester's military heritage within existing museums and cultural venues	<ul> <li>Recognise the importance of the garrison community and its history to Colchester.</li> <li>Build collaboration between the Garrison and others e.g. bolstering existing displays at Colchester Castle, or working with the collection at the Military Corrective Training Centre.</li> <li>Recognise military heritage through thoughtful theming of public spaces – playgrounds, street names and plaques.</li> </ul>	Medium- term	NLHF and /or other project grants, existing exhibitions budgets	Colchester and Ipswich Museums (CBC), Garrison

Action	Outcome	Timescale	Resources required	Owner
Explore the recommendations of the 2020 Gosbecks Feasibility Study, including university collaboration, engaging local people in their heritage through Heritage Open Days, excavation open days and community excavation/investigation	Greater public engagement with Colchester's heritage assets.	Medium- term	Grant funding; fundraising and sponsorship, existing resources	CBC, local heritage groups, HE/FE partners, funding partners, Section 106
Explore the potential for additional heritage 'interventions' outside of museums, such as the placement of a Roman mosaic under Lion Walk's pavement; finding more ways to work with developers and planning to bring important historical finds to life and interpret them, such as heritage related features in the built environment.	<ul> <li>Show Colchester's heritage to a wider audience.</li> <li>Create an opportunity to attract more residents and tourists to the borough's museums and heritage sites.</li> <li>Improve the public realm.</li> <li>Improve the built environment.</li> </ul>	Medium- term	Grant funding; fundraising and sponsorship, existing resources	CBC, landowners, heritage organisations, funding partners, developers
Continue the programme to enhance the interpretation of historic sites across the Borough working with and responding to communities and heritage groups	<ul> <li>Widen public understanding of Colchester's heritage assets.</li> <li>Improve of the public realm.</li> </ul>	Ongoing	Heritage Grant funding, Section 106	CBC, landowners, heritage organisations, funding partners
Sustained focus on shared marketing and publicity resources for arts, heritage and tourism, enhancing the existing work of VisitColchester and others	<ul> <li>Promote the brand of Colchester</li> <li>Create a shared vision for the Borough.</li> <li>Provide smaller organisations with the tools to promote their work.</li> <li>Ensure high standards of publicity.</li> <li>Increase opportunity for press/media exposure.</li> <li>Create a more sustainable approach to publicity and marketing.</li> <li>The BID's InColchester and the Council's VisitColchester website and other are suitable platforms for this.</li> </ul>	Short to medium- term		NPOs, Creative Colchester,  BID, VisitColchester  Marketing and publicity specialists (CBC)

Action	Outcome	Timescale	Resources required	Owner
Seek to improve the availability and accessibility of ancillary music industry infrastructure (e.g., record and equipment stores), studios (rehearsal, recording) and venues	<ul> <li>Support a burgeoning music sector which is vital to a robust cultural offer.</li> <li>Creates opportunities to engage with music.</li> <li>Build on Colchester's reputation as a centre for musical creativity.</li> <li>Consider widening access for the music sector to music facilities operated by education providers.</li> </ul>	Long-term	Consider rent incentives	Creative Colchester, commercial landlords, CBC
Walking & cycling corridor	<ul> <li>Provide a safe, attractive and fast cycling link between the Town Centre, Greenstead and the University.</li> <li>New secure cycle parking will be created in the Town centre.</li> <li>Around 1000 loan bikes will be available in Greenstead, to encourage local residents to use this active mode of transport.</li> <li>Make a positive impact on climate change</li> <li>Contribute to the health and well being of the community</li> </ul>	Medium- term		
Deliver 5G provision	<ul> <li>Give Colchester a competitive advantage, encouraging employers into the town and new businesses to be set up.</li> <li>Increase connectivity for residents</li> </ul>	Medium- term	Town Deal funding	We Are Colchester/CBC
Kerbless streets	Improve accessibility and public safety, from Head Street to Queen Street	Medium- term	Town Deal funding	We Are Colchester/CBC
Replace town centre pedestrian signage	<ul> <li>Improve accessibility and public safety</li> <li>Enhance public perception of the town</li> <li>Contribute to the economy by helping to create a safe, attractive and accessible environment</li> </ul>	Short-term	Existing funding	BID

Action	Outcome	Timescale	Resources required	Owner
	Priority theme: Talent de	velopm	ent	
Establish an Apprenticeship scheme across cultural venues	<ul> <li>Enable apprentices to rotate across different cultural venues, increasing the quality of their experience</li> <li>Increase diversity of the workforce.</li> <li>Provide more accessible pathways to employment.</li> <li>Support the next generation of cultural leaders.</li> <li>Strengthen cultural organisations through peer learning.</li> <li>Provide more cultural apprenticeships, mentoring, volunteering opportunities, residencies and shared training opportunities.</li> </ul>	Medium- term	Scope for partnership with HE/FE providers  Existing NPO resources	NPOs and heritage sites
Establish shared volunteer programme	<ul> <li>Enable volunteers to rotate across different cultural venues, including sports and leisure facilities.</li> <li>Scope for developing a Cultural Volunteering Manager.</li> <li>Provide opportunity to share and develop high quality resources and Codes of Standards across cultural organisations.</li> </ul>	Short to medium- term	Funding bids, existing NPO resources	Colchester 360, NPOs, CBC and cross sector organisations
Develop and deliver training programmes for early career artists and creatives.	<ul> <li>Strengthen the workforce.</li> <li>Create pathways to career advancement.</li> <li>Strengthen cultural organisations through peer learning.</li> </ul>	Medium- term	Funding bids, existing resources	NPOs and heritage sites
Develop and deliver a range of training programmes and development opportunities to strengthen the cultural workforce	<ul> <li>Develop partnerships to deliver workforce training and development opportunities to enhance the resilience and sustainability of the workforce</li> <li>Provide support for mid-career and established professionals</li> <li>Create a strong network of peer support</li> <li>Enhance opportunities for collaboration and knowledge exchange</li> </ul>	Medium term	External Funding and shared resources	Cultural organisations, FE and HE institutions

Action	Outcome	Timescale	Resources required	Owner
Creative Colchester working group on learning and participation	Build better provision, access and progression routes for people of all ages and backgrounds into creative training, education and employment.	Medium- term		Creative Colchester and LCEP working with schools, FE and HE providers, private sector training, workspace providers and creative and cultural sector employers
Transformed Youth Facilities Building on existing youth provision, with a significant investment in facilities for young people	<ul> <li>Provide ongoing, essential community-based services and support.</li> <li>Deliver targeted support to vulnerable young people, provide high quality facilities for young people to enjoy and build their involvement in culture, sports and community</li> <li>Strengthen young people's skills and aspirations.</li> <li>Including the refurbishment and upgrading of the facilities in The Townhouse Youth Centre in West Stockwell Street.</li> </ul>	Medium- term	Town Deal funding	We Are Colchester/CBC
Priority	theme: Innovation, Grov	vth and	Resilienc	е
Build the capacity of the cultural sector in Colchester by exploring shared resources between organisations, including shared fundraising and press & marketing	<ul> <li>Enhance capacity for voluntary and small professional organisations.</li> <li>Create savings and improve effectiveness for NPOs and other larger organisations.</li> </ul>	Medium- term	External funding and cost-sharing between organisations	All arts and heritage organisations
Seed Funding to support innovation and implementation of new business models	<ul> <li>Encourage an innovative approach to developing new income streams and ways of working</li> <li>Increase resilience and sustainability of cultural organisations and groups</li> </ul>	Medium term	CBC and external funding	CBC, all arts and heritage organisations

Action	Outcome	Timescale	Resources required	Owner
Build the capacity of the cultural sector in Colchester by investment in workforce development	Note: this point is further expanded in the Talent Development Section	Medium term	External Funding and shared resources	Cultural organisations, FE and HE institutions
Town wide evaluation and impact methodology: all cultural organisations in the borough to use the same format	<ul> <li>Efficiently aggregate data on the impact of culture in Colchester.</li> <li>Build a stronger case to external funders for supporting arts and heritage in the borough.</li> </ul>	Short-term		NPOs, Creative Colchester
Create a funding pot of small grants for cultural events and activity or match funding, ensuring it is accessible to ethnically and culturally-diverse groups, as well as communities across the Borough of Colchester those outside of Colchester town centre	<ul> <li>Support the growth of local cultural and creative industries.</li> <li>Support opportunities for place making in new and established communities</li> <li>Provide opportunities for community led groups to develop creative projects.</li> <li>Increase the diversity and relevance of cultural projects.</li> <li>Attract external funding to the Borough.</li> <li>Develop new and emerging talent.</li> <li>Relatively low cost and high benefit.</li> <li>Leverage culture and creativity as a tool for delivering wider social goods such as health, wellbeing and the environment.</li> </ul>	Short-term	Year 1 and 2 funding from CBC, replaced by other sources in the medium to longer-term	Creative Colchester and cross sector partners
Develop and promote a programme of mass participation events at key venues, including concerts, festivals and sporting events.	<ul> <li>Increase cultural opportunities for residents and visitors.</li> <li>Boost to local economy.</li> <li>Raise the profile and reputation of Colchester.</li> </ul>	Ongoing	Investment for commercial return	Colchester Events (CBC), BID, Colchester United, promoters and event organisers

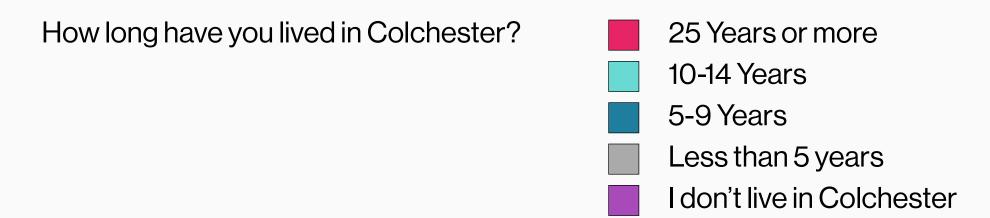
Action	Outcome	Timescale	Resources required	Owner
Continue to build the night- time economy	<ul> <li>Promote Colchester as an evening and overnight destination.</li> <li>Contribute to the local economy.</li> <li>Build a sustainable, holistic approach to development of the Borough.</li> <li>Create a safer environment.</li> <li>Build links to – and efficiencies with - the daytime economy.</li> </ul>	Long-term	Commercial development, Section 106	CBC, Essex County Council, BID
Deliver Queen Street Digital Working hub capital project	<ul> <li>Provide high quality, local workspace on the site of the old bus station on Queen Street.</li> <li>Nurture local talent and reduce unsustainable patterns of traffic (through reducing the need to commute out of Colchester).</li> <li>Create the conditions for thriving tech, digital and creative businesses.</li> </ul>	Medium- term	SELEP funding	We Are Colchester/CBC
Deliver Wilson Marriage Centre (Refurbishment and digital learning)	<ul> <li>Create a digital skills hub to support training, development, provide digital access and community activities.</li> <li>Provide adults across Colchester increased opportunities to re-skill and re-train so as to be better able to meet the needs of local employers.</li> </ul>	Medium- term	Town Deal funding	We Are Colchester/CBC
Redevelop Colchester Natural History Museum	<ul> <li>A modern, relevant and interactive museum exploring local Essex wildlife and habitats</li> <li>A hub for young families in particular to learn about the local natural world, and explore their own gardens, parks and surrounding countryside.</li> <li>Generate learning initiatives and healthy lifestyles for local people.</li> </ul>	Medium- term	NLHF funding and trusts and foundations	Colchester and Ipswich Museums (CBC)
Deliver Heart of Greenstead capital project	<ul> <li>Build 139 high-quality new houses (many of which will be affordable housing), a community hub and attractive public space,</li> <li>Combine with more effective and joined-up delivery of public services, including community and health, employment skills and enterprise infrastructure.</li> </ul>	Medium- term	Town Deal funding	We Are Colchester/CBC

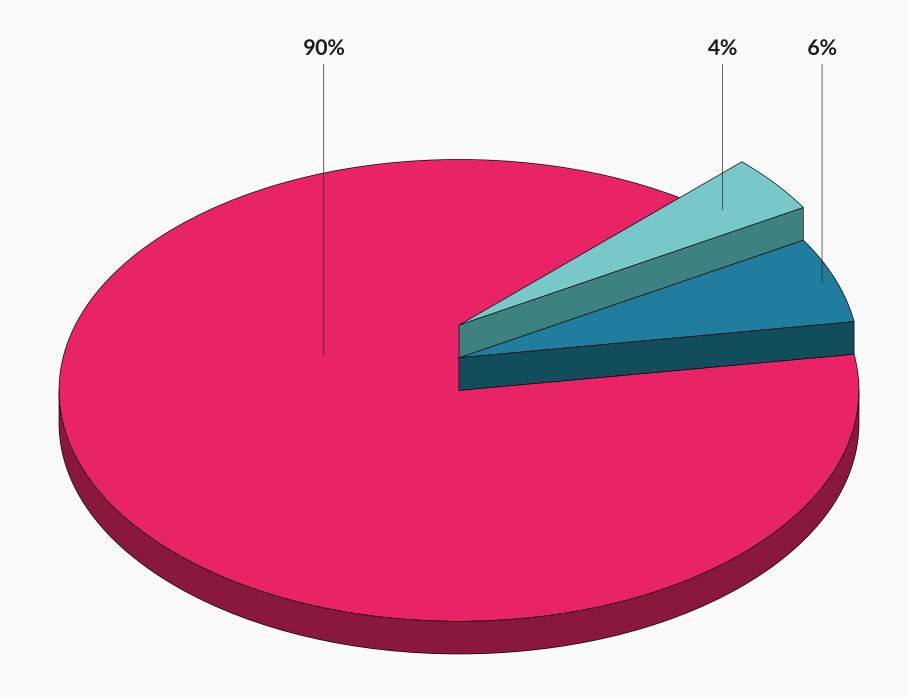
Action	Outcome	Timescale	Resources required	Owner
Deliver St Nicholas Square capital project	The new square in front of the old 'Jacks' building will be an attractive, welcoming space.	Medium- term	Town Deal funding	We Are Colchester/CBC
Deliver Jumbo capital project and develop feasibility study for future development	<ul> <li>Enable some urgent repairs to the 'Jumbo' water tower to help safeguard its condition.</li> <li>Fund further feasibility and design work, to help the Colchester and North Essex Buildings Preservation Trust, who own the building, finalise their resubmission to Heritage Lottery Fund to adapt the building into a tourist attraction and destination.</li> </ul>	Short-term	Town Deal funding	We Are Colchester/CBC
Deliver Balkerne Gate capital project	<ul> <li>Phase 1: area of public realm immediately in front of the Mercury Theatre improved.</li> <li>Phase 2: the public realm improved in a wider area including up to and around the 'Jumbo' water tower, and southwards along Balkerne Gardens as far as Church Street.</li> <li>Increase opportunities for use of the public realm</li> <li>Contribute to a safe and thriving day and night-time economy</li> </ul>	Short to medium- term	Town Deal funding	We Are Colchester/CBC
Deliver Holy Trinity and Trinity Square capital project	<ul> <li>The Grade 1 listed Holy Trinity Church, Colchester's oldest standing building will be brought back as a new community hub</li> <li>In addition, opportunities to create an attractive small public space on the north side of the church will be explored, complementing the public realm in this important part of the Town Centre.</li> </ul>	Medium- term	Town Deal funding	We Are Colchester/CBC
Deliver Vineyard Cultural Gateway & Essex County Hospital capital project	<ul> <li>Transform areas in the town centre to make them more attractive public spaces.</li> <li>Make public spaces more vibrant, attractive, sustainable and resilient.</li> <li>Help showcase Colchester's unique heritage.</li> </ul>	Medium- term	Town Deal funding	We Are Colchester/CBC

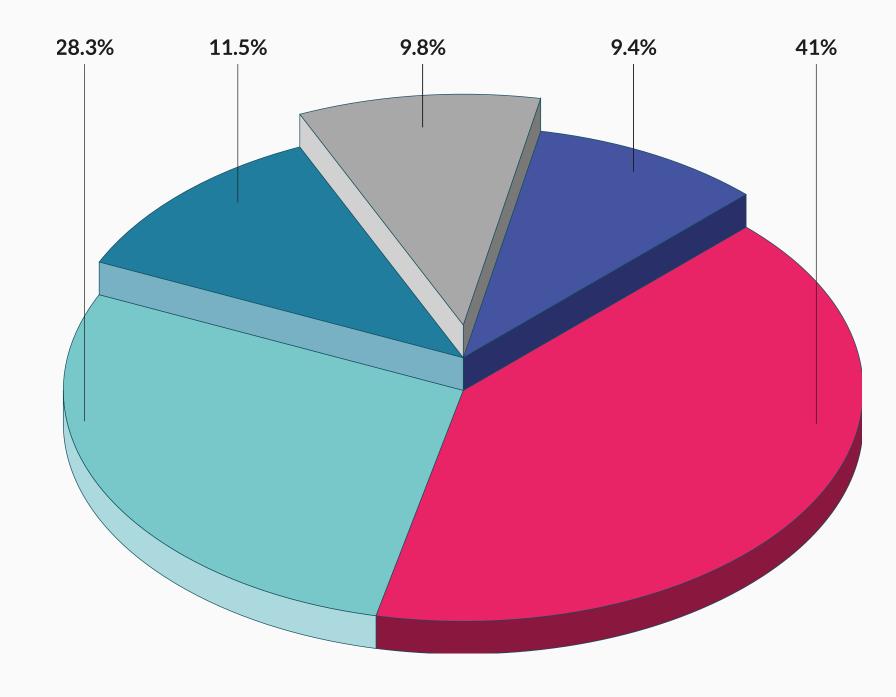
This strategy will be available in other formats on request including large print.

## **B. Overview of Public Survey Responses**

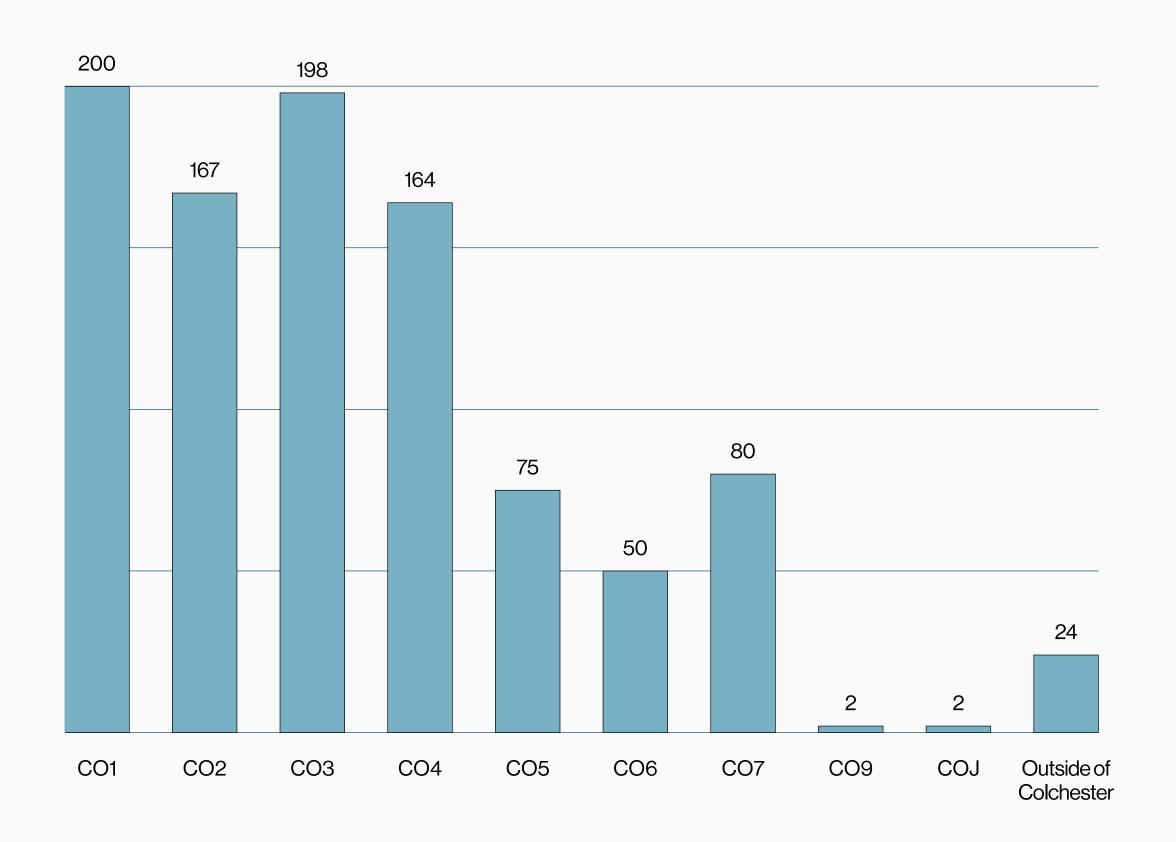


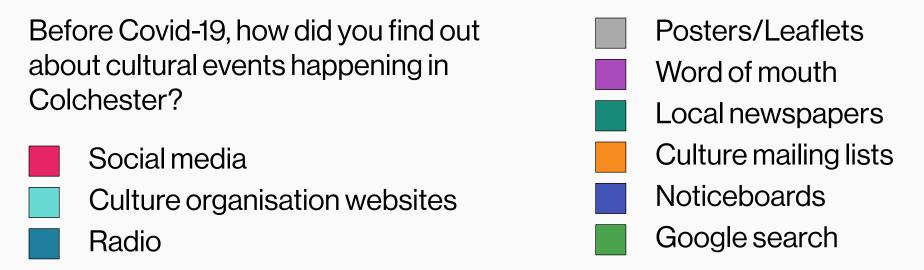


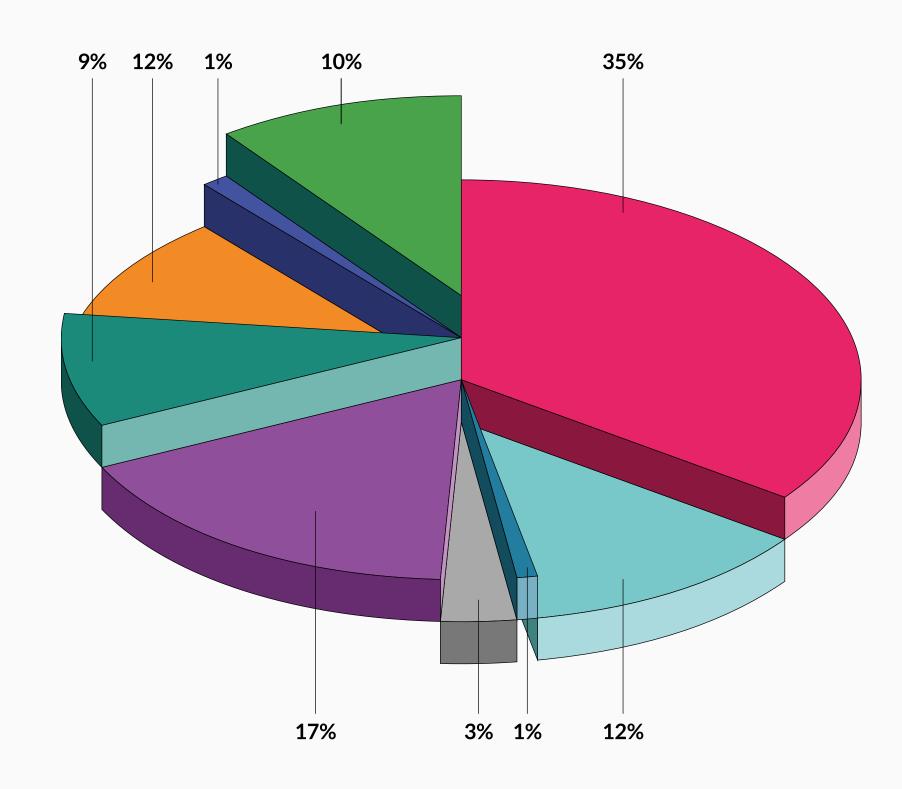




# Please tell us the first 3 letters of your postcode







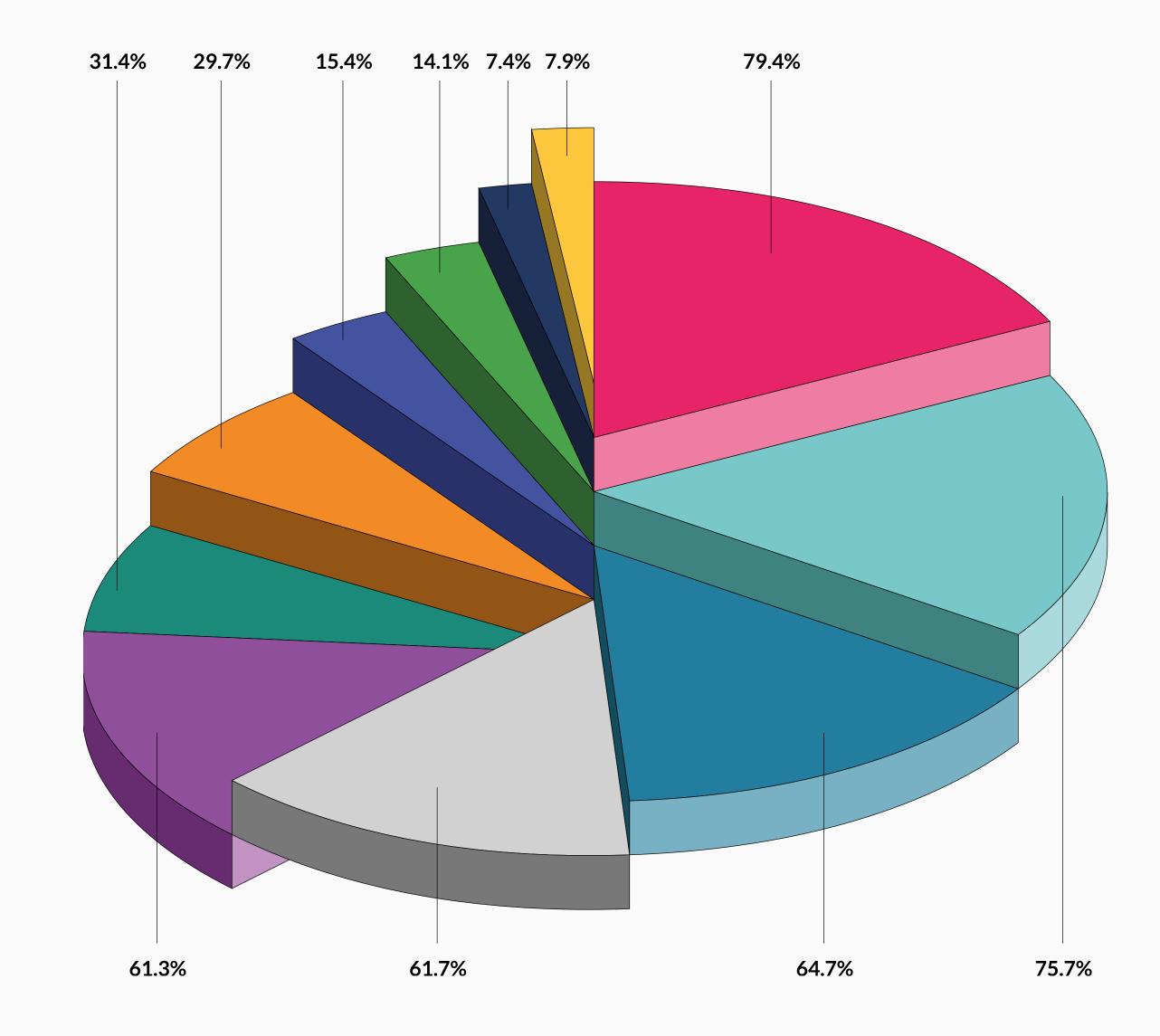
COLCHESTER CULTURAL STRATEGY PAGE 51

# Which specific Colchester-based venues or services have you visited or engaged with in the last 3 years?

- Firstsite
- Mercury Theatre
- Colchester Arts Centre
- Minories Galleries
- Colchester Castle
- Roman Circus Centre
- Headgate Theatre
- Munnings Art Museum
- Lakeside Theatre
- Art Exchange
- Other

## 'Other' responses included:

- Space
- Colchester Community Stadium
- Art Classes at Tindles
- Geedon Gallery
- Chappell Gallery
- Concerts at St Botolphs
- Lion Walk

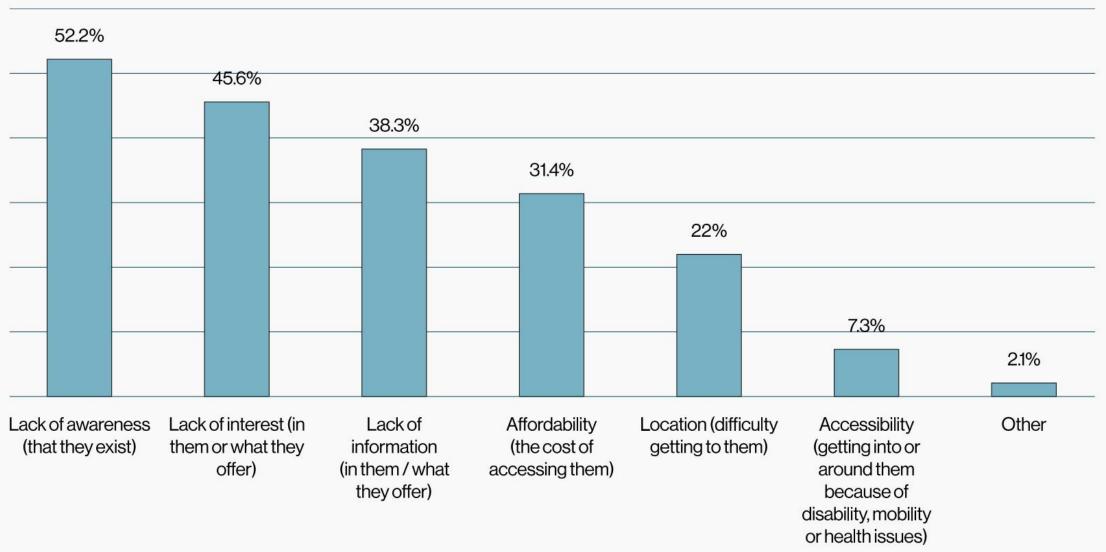


COLCHESTER CULTURAL STRATEGY PAGE 52

# What 3 words would you use to describe Colchester's current cultural offer (before lockdown)?



# Before COVID-19, what stopped you taking part in cultural activity in Colchester more often than you did?



## 'Other' responses included:

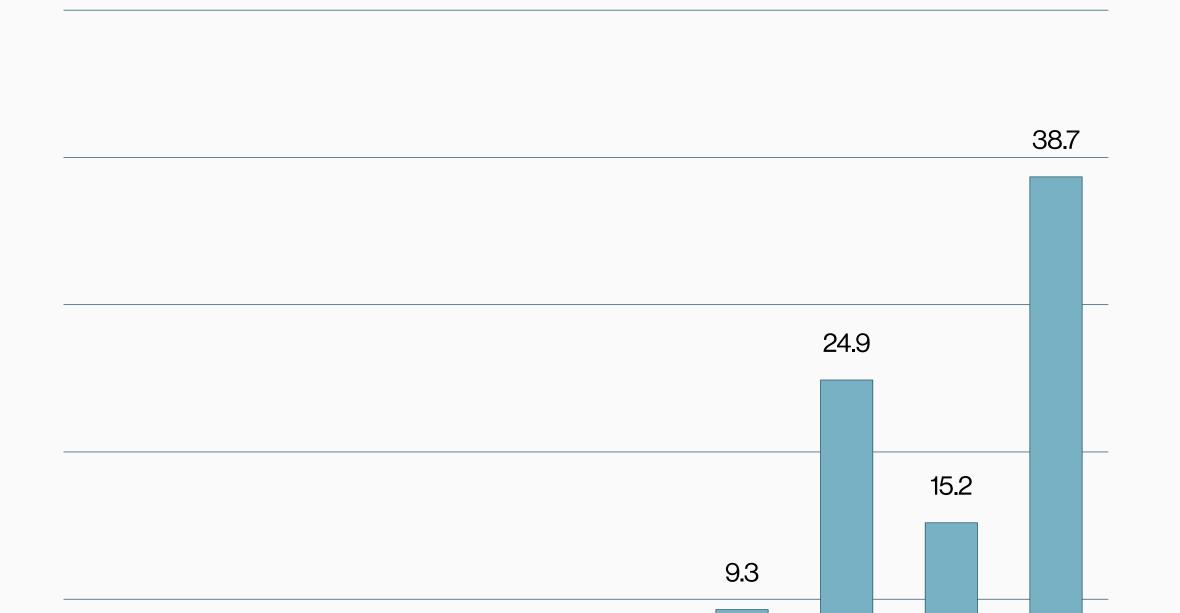
- Nobody to go with
- Lower quality of dance performances compared to nearby London where it is world class.
- Lack of anything with the ethos of Storyhouse in Chester
- Lack of free time

- 'I don't drive or often have access to a car for eg Roman River out of town centre events'
- Touring shows don't often come to Colchester
- 'I'd like to see more established bands and artists without having to go to London or lpswich'
- Childcare responsibilities

COLCHESTER CULTURAL STRATEGY PAGE 53

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# How important is creativity and culture to you, out of 10? Shown as %



5.3

6

3.3

5

8.0

0.2

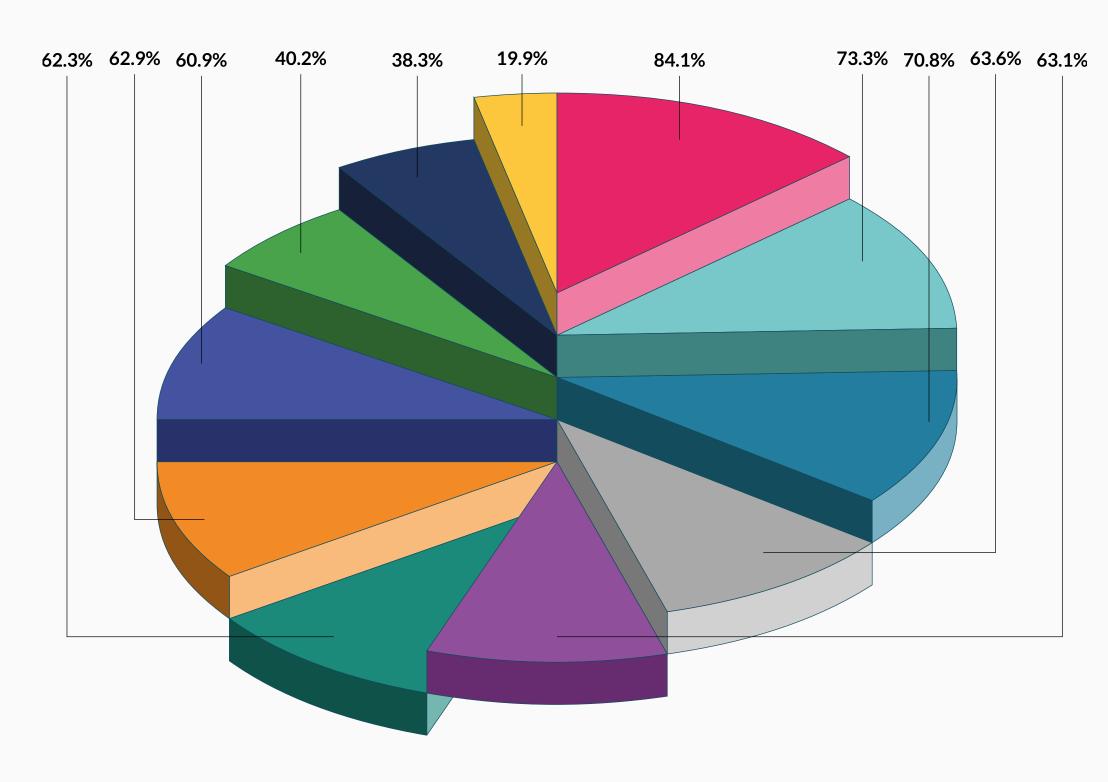
2

0.4

3

# Why is culture important to you?

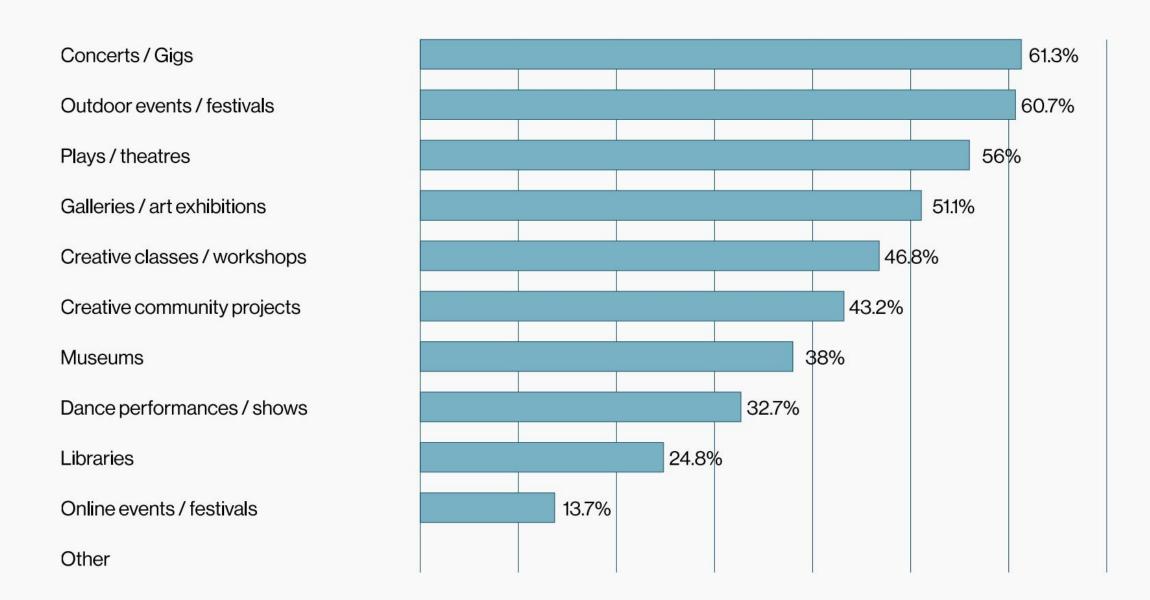




10

8

Which of the following activities would you like there to be more of in Colchester?



## 'Other' responses included:

- Better recognition of the local history
- Sporting tournaments on the big screen in Castle Park
- Street carnivals
- Free outdoor cinemas
- Street art

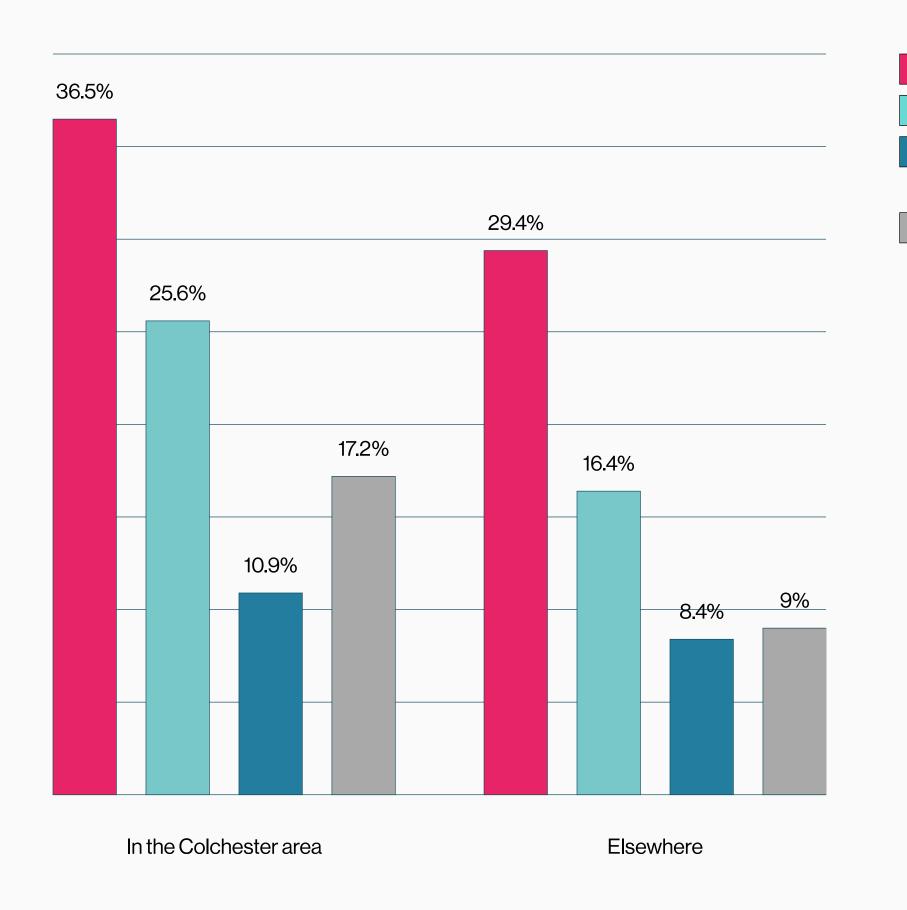
- Outdoor events
- West End touring performances
- Street performers musicians, entertainers, actors in historical dress
- Ice skating rink

What 3 words would you use to describe Colchester's current cultural offer (before lockdown)?

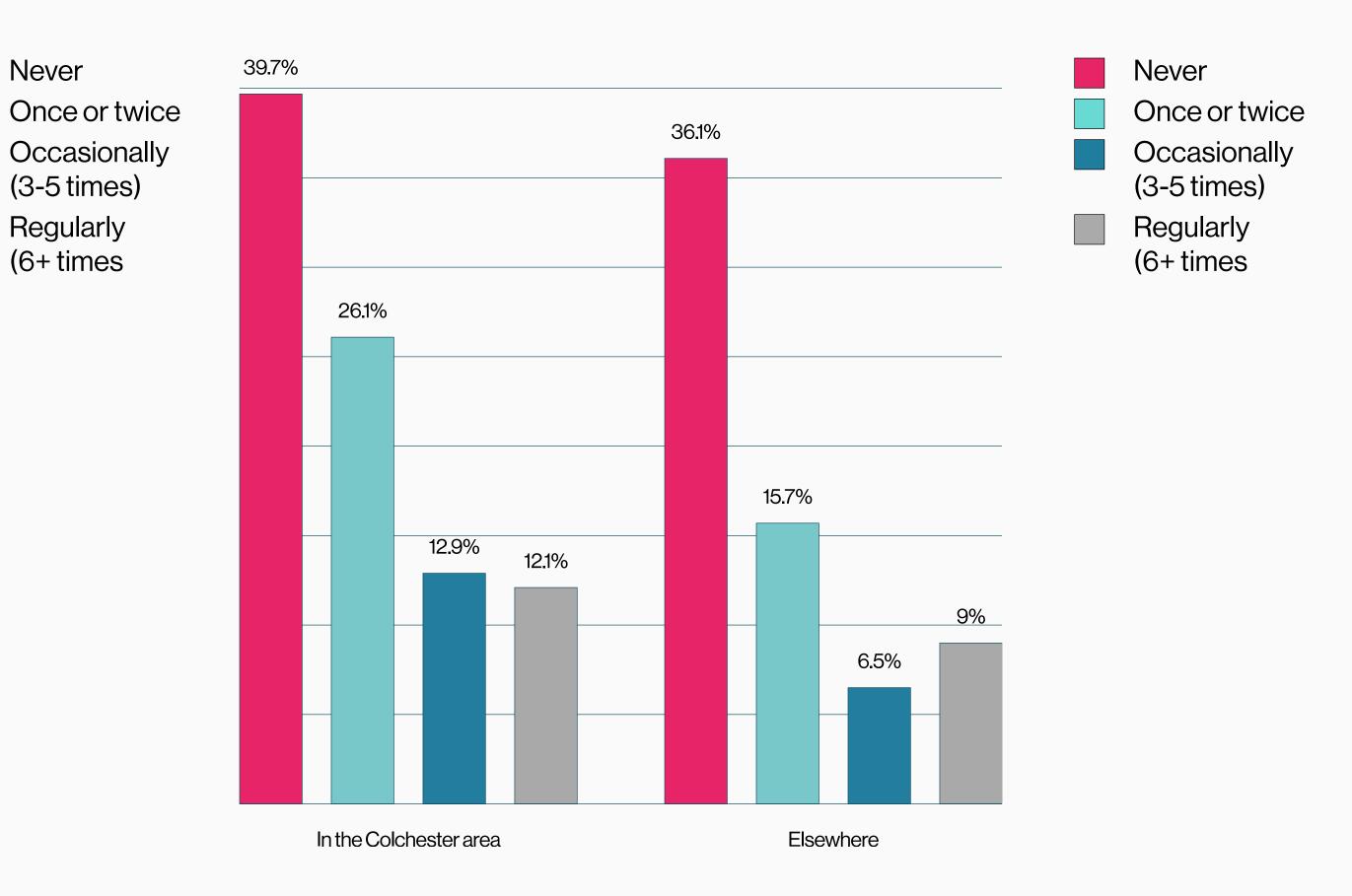


COLCHESTER CULTURAL STRATEGY PAGE 55

## Before Covid-19, how many times a year did you take part in a creative class or workshop?



## Before Covid-19, how many times a year did you take part in a creative community project?



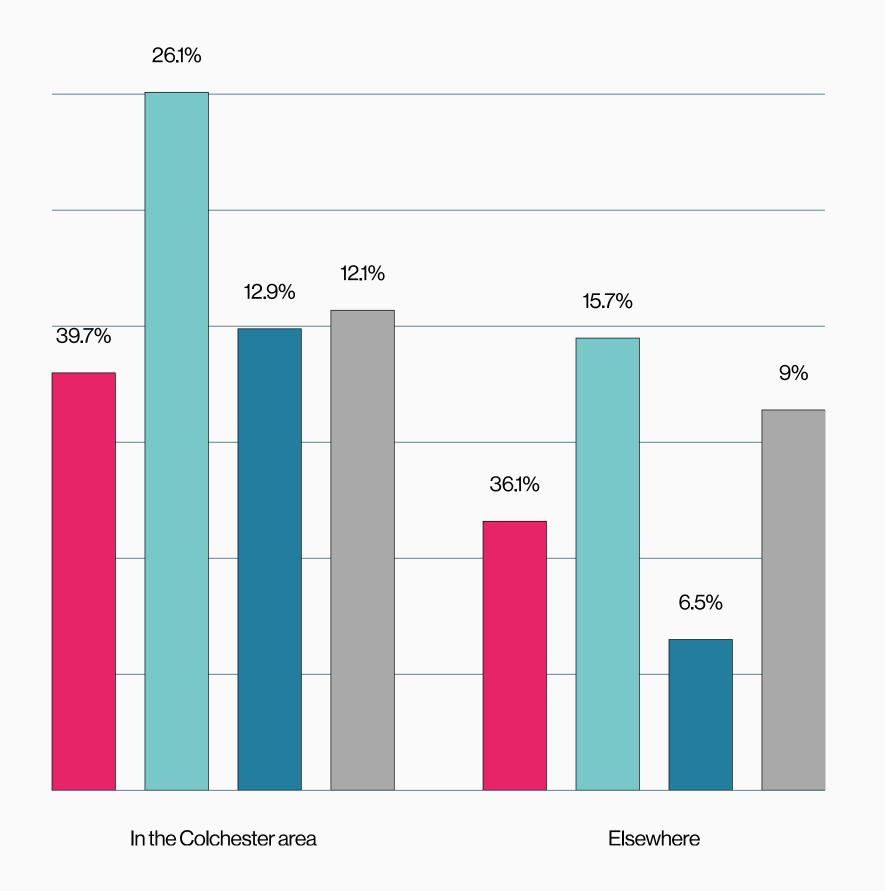
COLCHESTER CULTURAL STRATEGY PAGE 56

Never

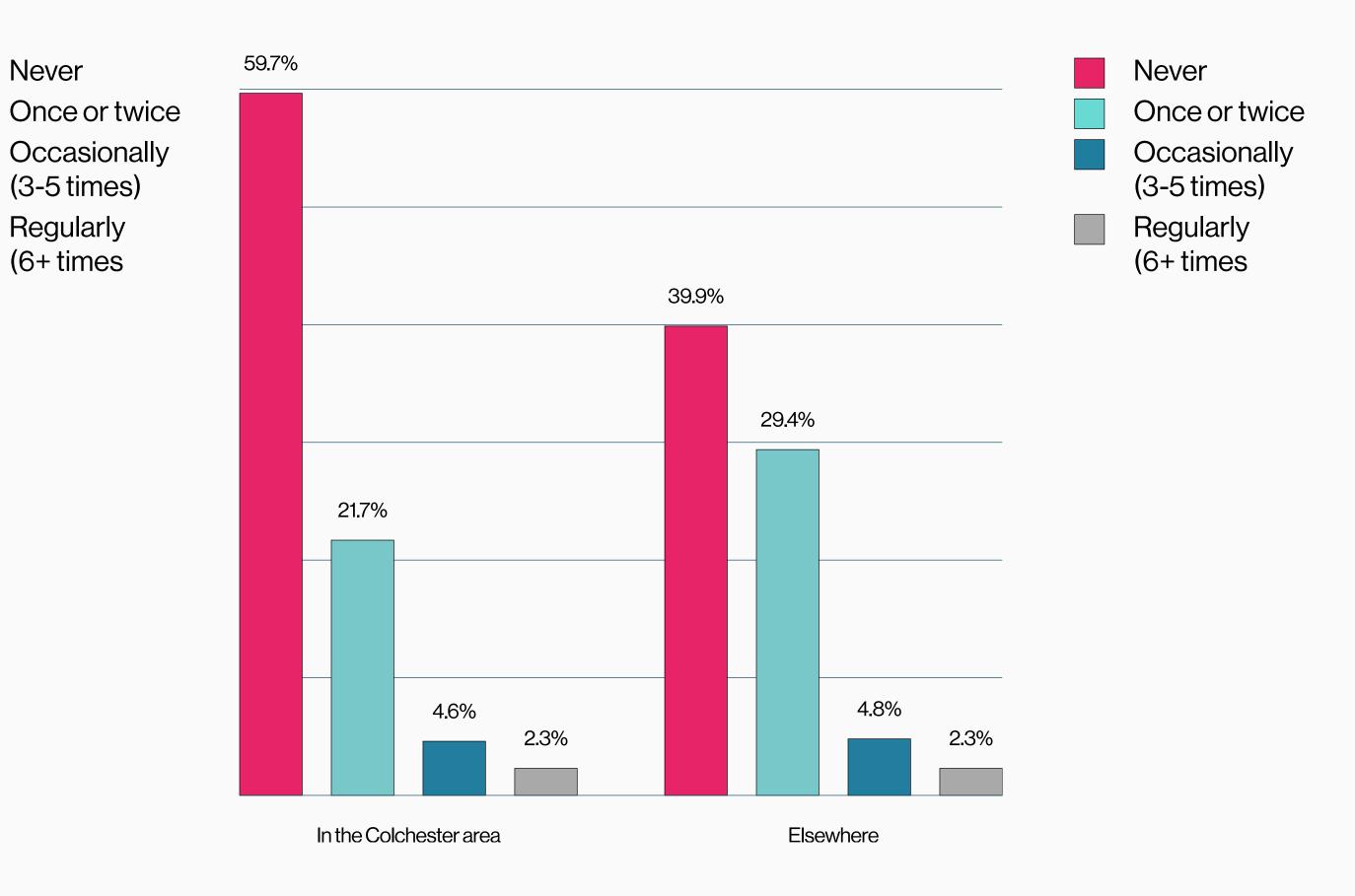
(3-5 times)

Regularly

## Before Covid-19, how many times a year did you attend a concert or gig?



# Before Covid-19, how many times a year did you attend a dance performance?



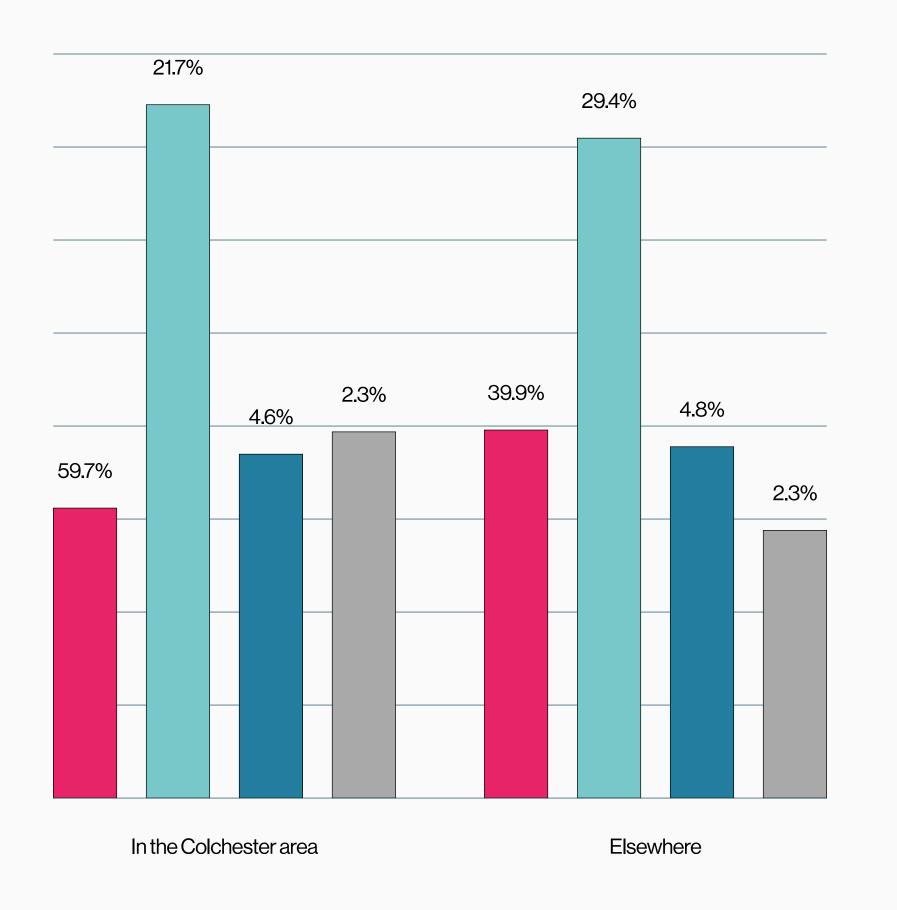
COLCHESTER CULTURAL STRATEGY PAGE 57

Never

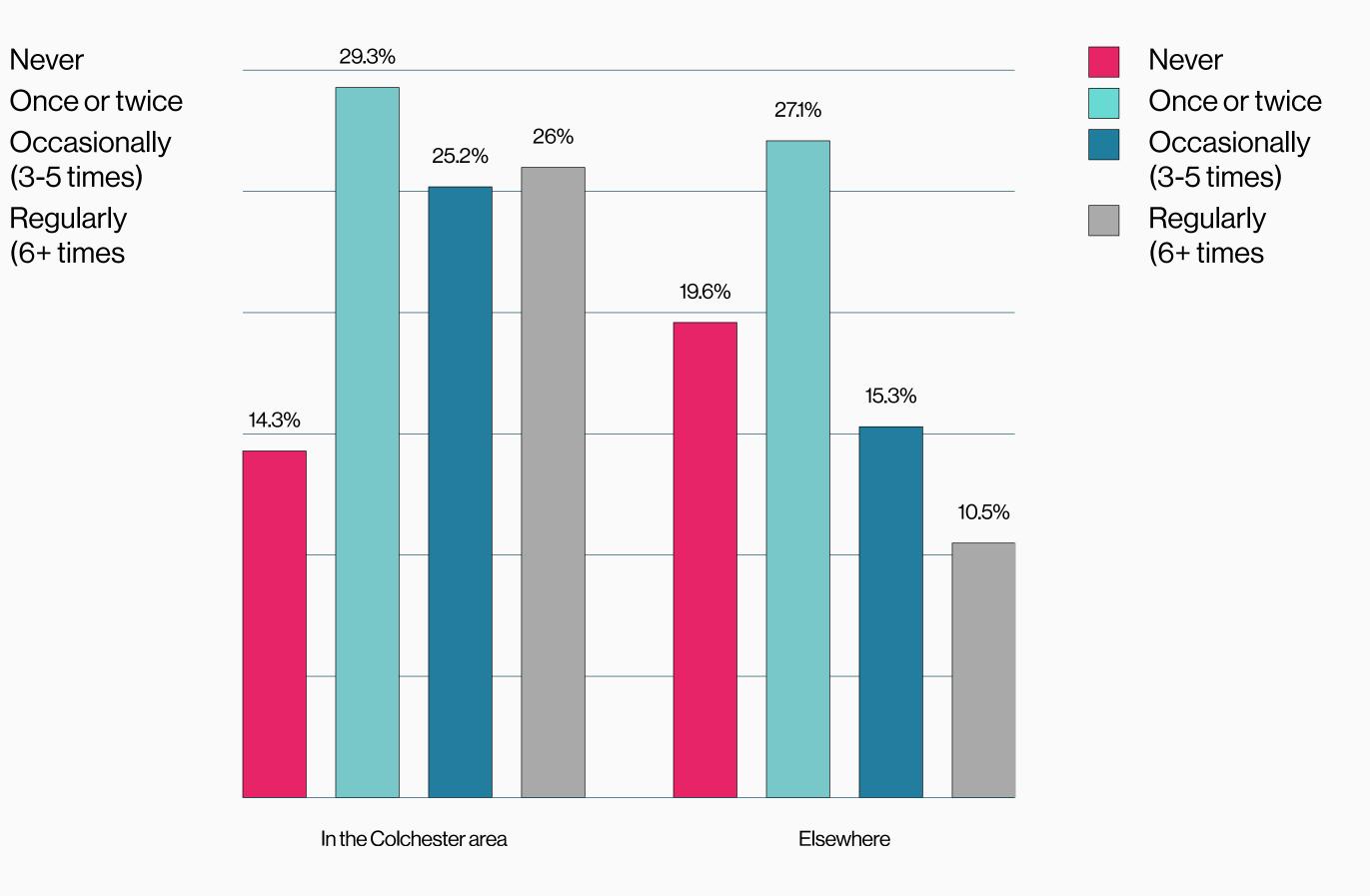
(3-5 times)

Regularly

## Before Covid-19, how many times a year did you attend a play, musical or other theatrical performance?



## Before Covid-19, how many times a year did you visit a cinema?

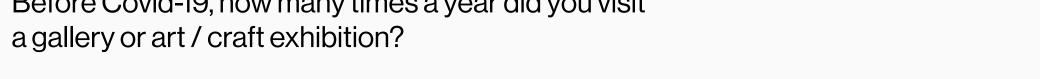


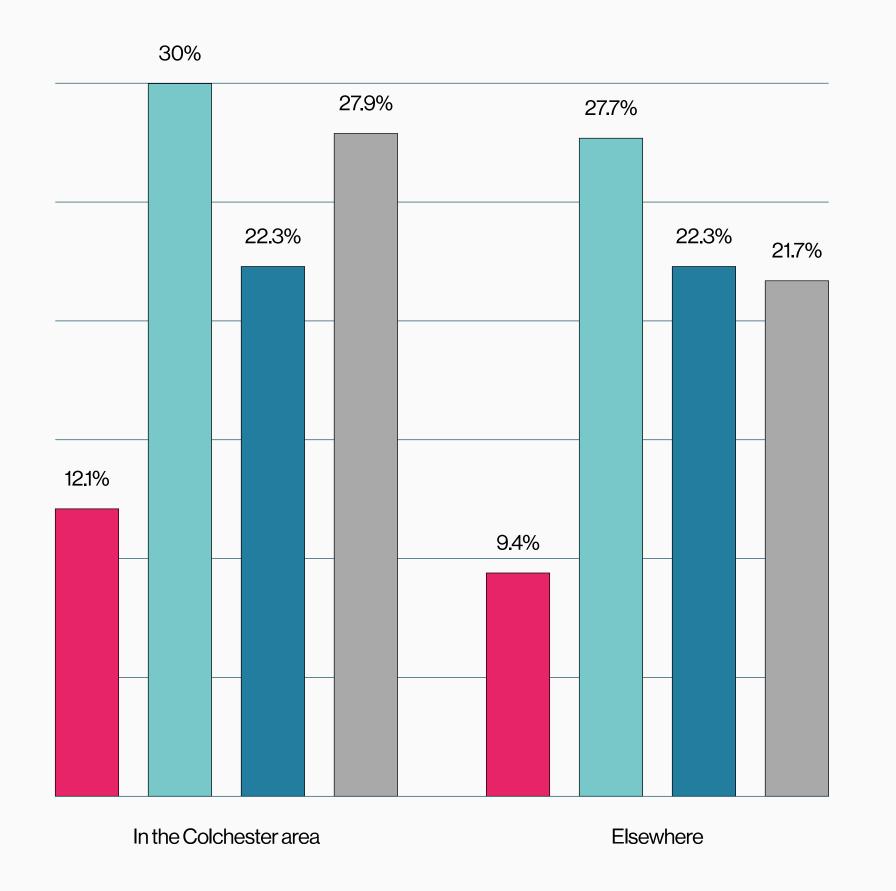
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(3-5 times)

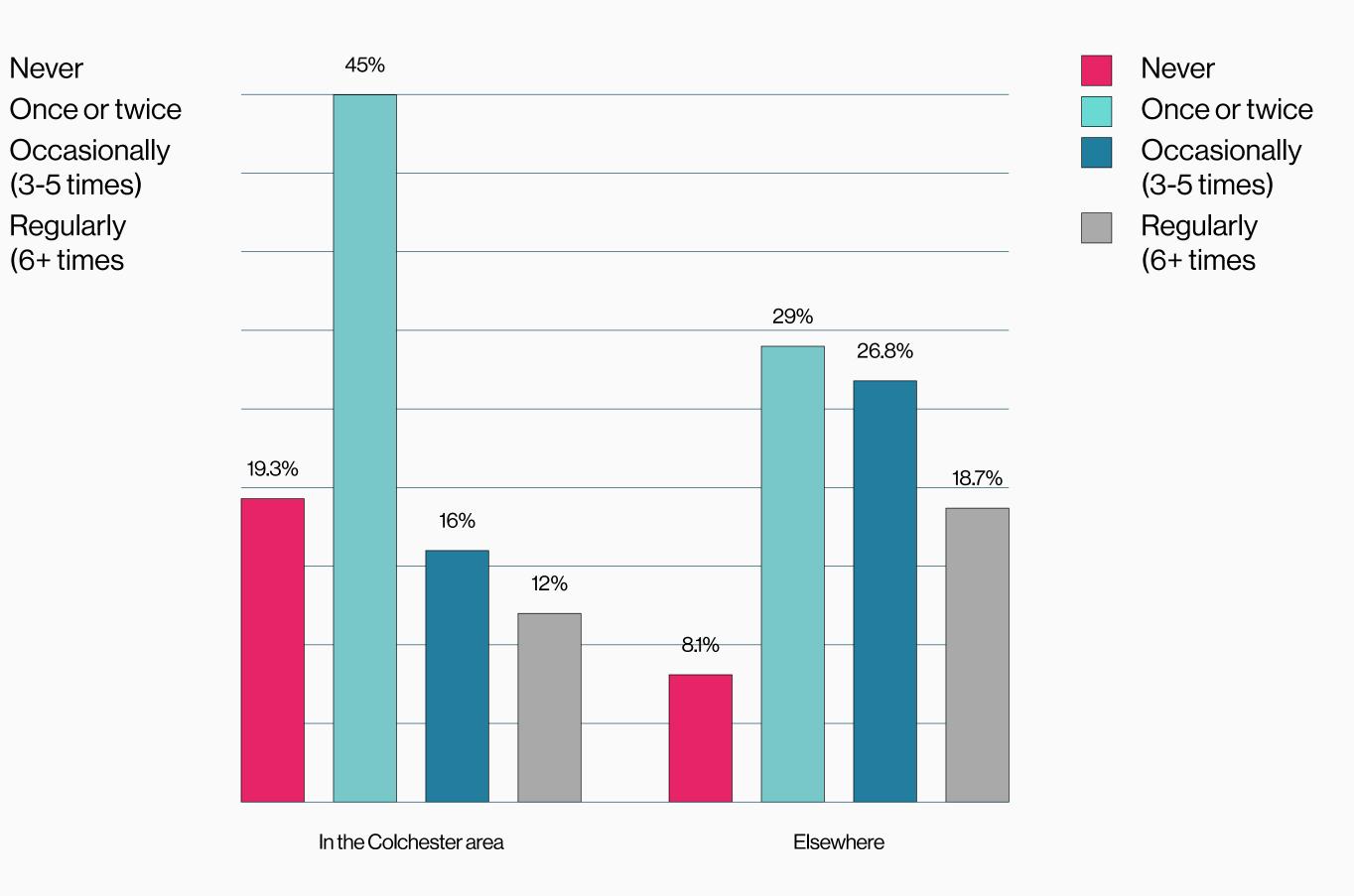
Regularly

# Before Covid-19, how many times a year did you visit





## Before Covid-19, how many times a year did you visit a library?

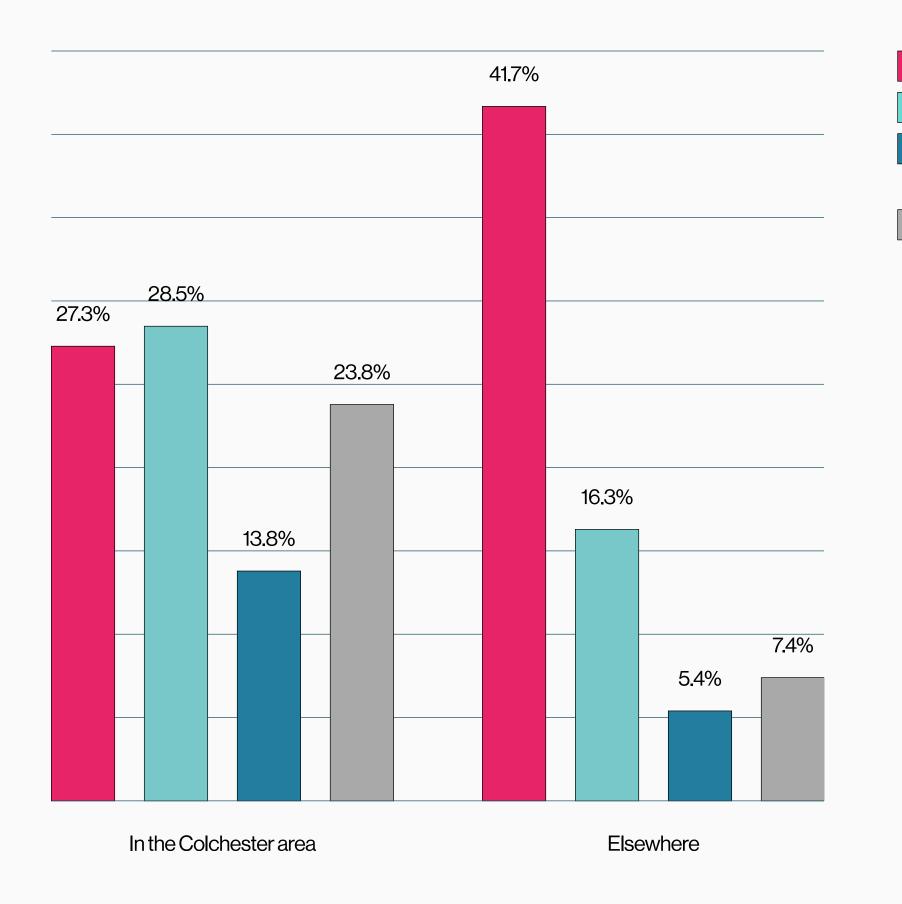


COLCHESTER CULTURAL STRATEGY PAGE 59

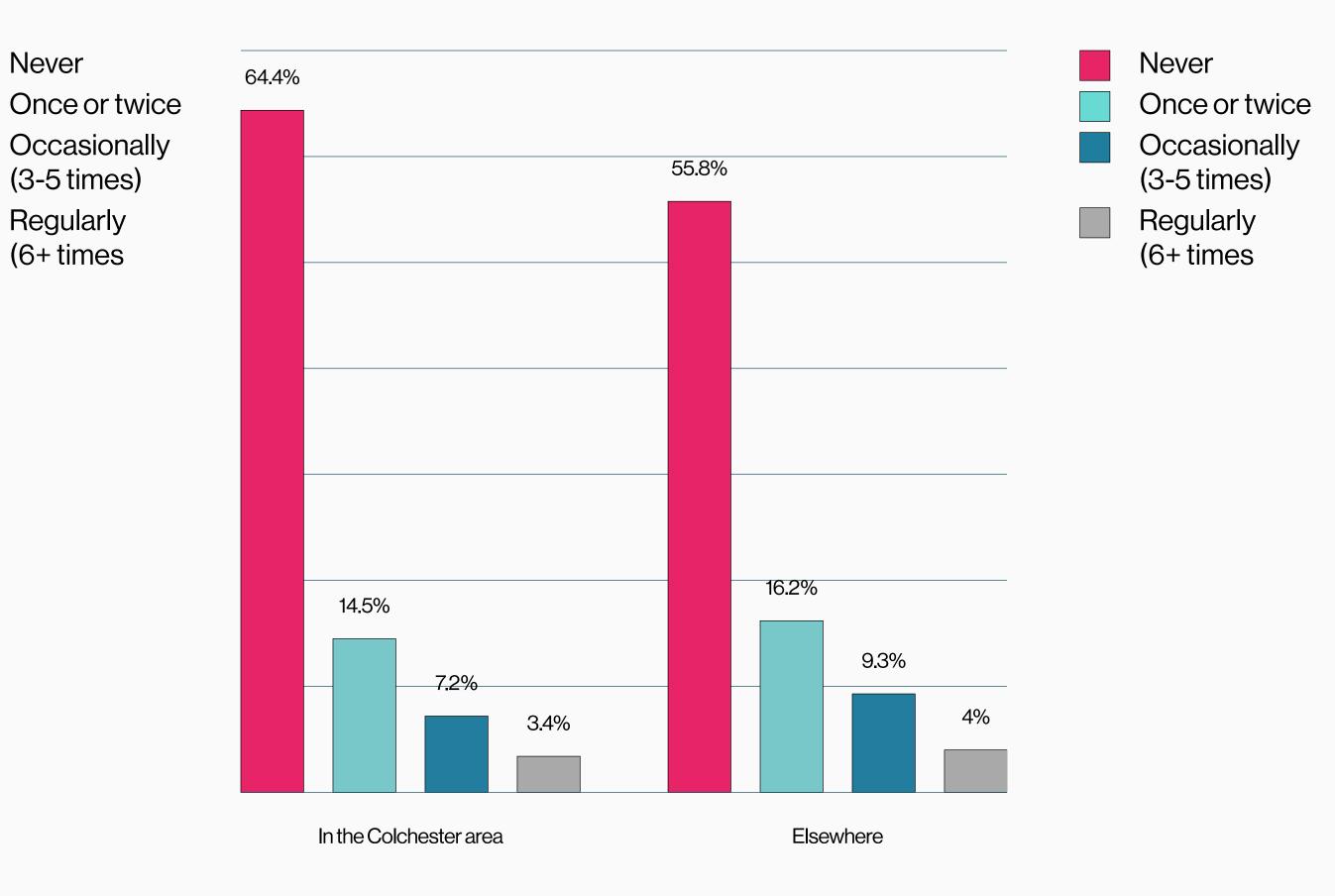
Never

Regularly

## Before Covid-19, how many times a year did you visit a museum?



## Before Covid-19, how many times a year did you attend an online event or festival?



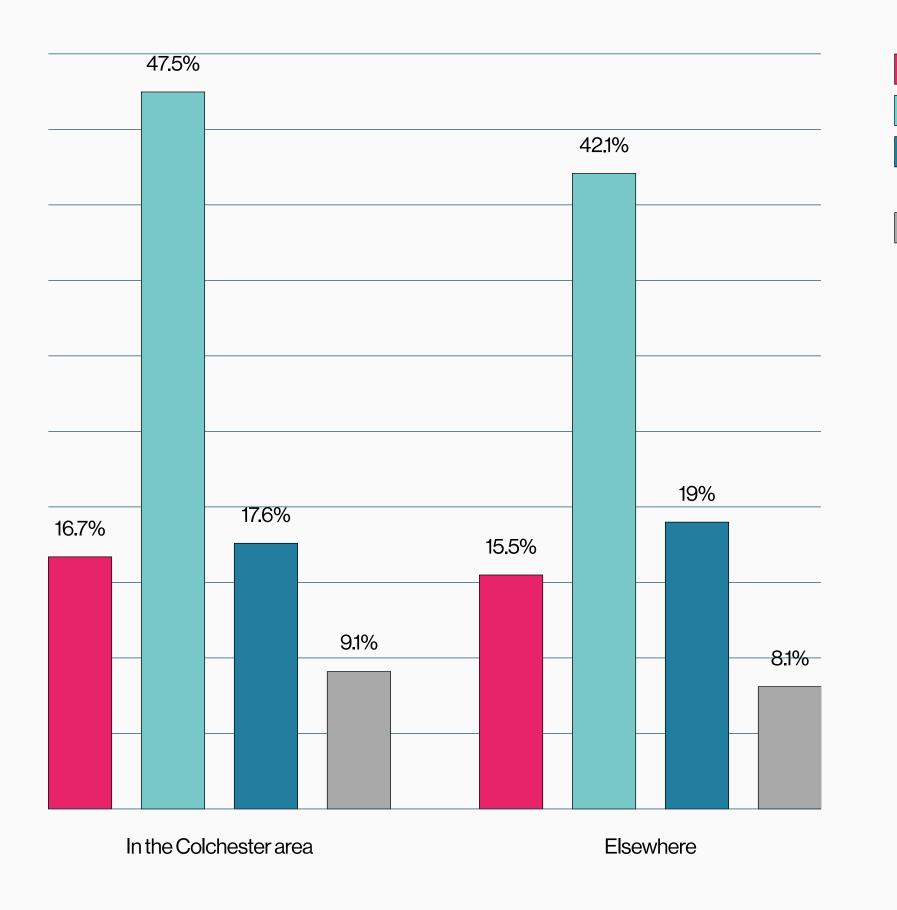
COLCHESTER CULTURAL STRATEGY PAGE 60

Never

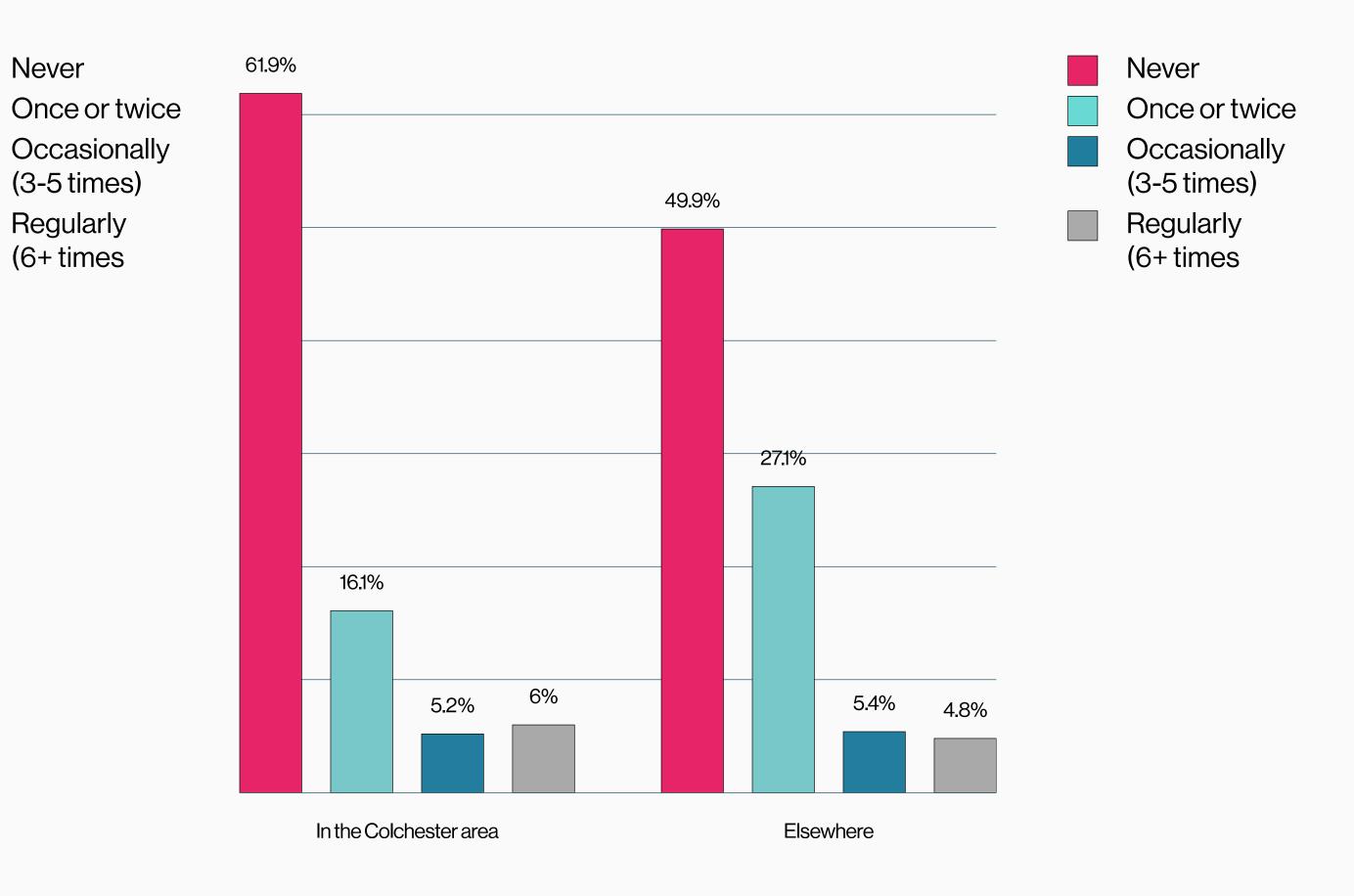
(3-5 times)

Regularly

## Before Covid-19, how many times a year did you attend an outdoor event or festival?



# Before Covid-19, how many times a year did you attend a sporting event?



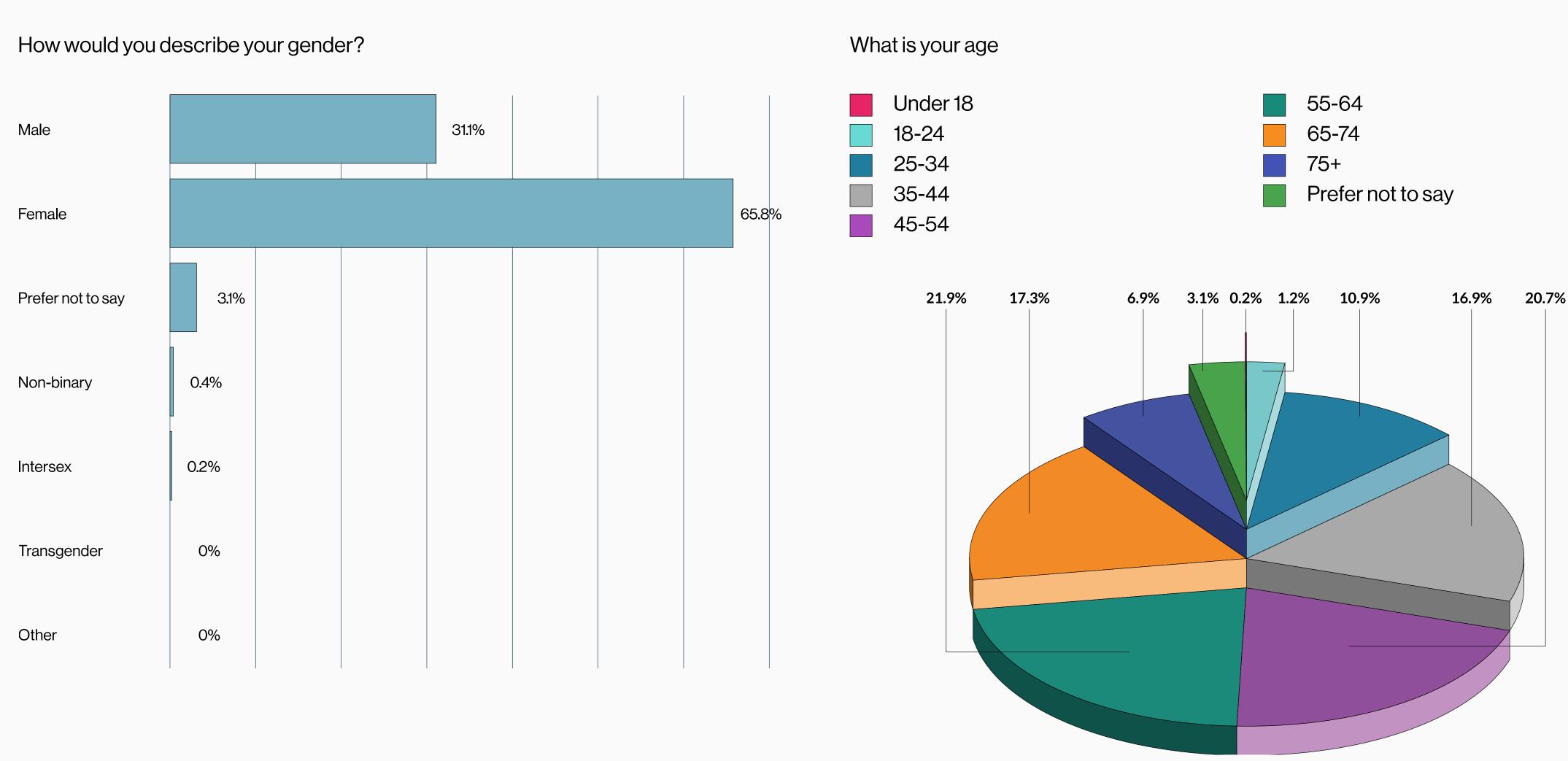
COLCHESTER CULTURAL STRATEGY PAGE 61

Never

(3-5 times)

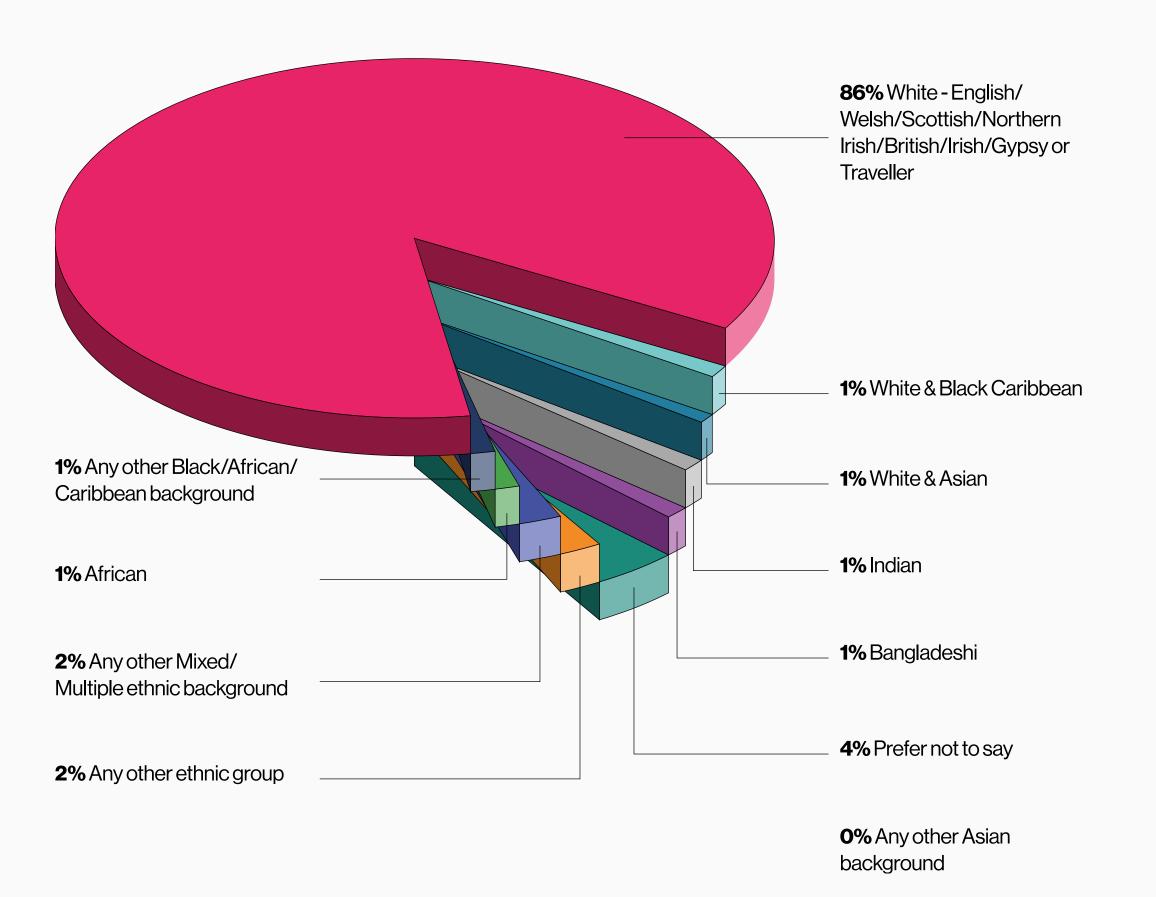
Regularly

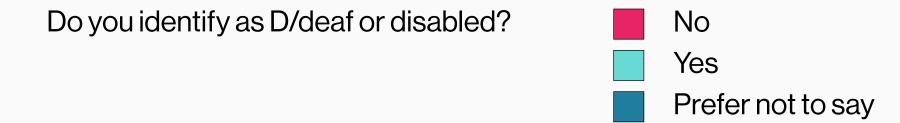
# C. Public Survey Demographics

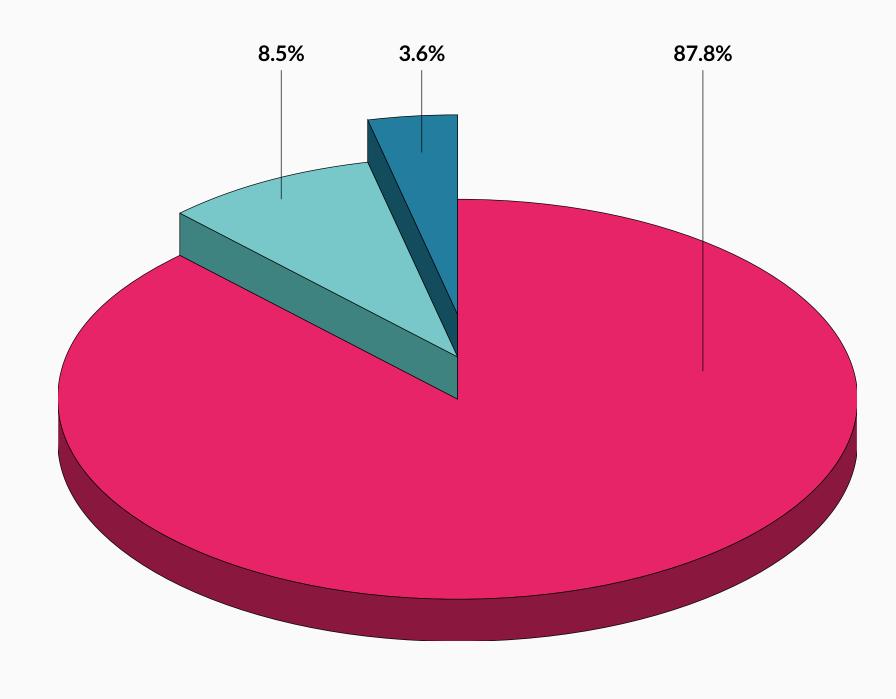


COLCHESTER CULTURAL STRATEGY PAGE 62

# Which option best describes your ethnic group?









#### Cabinet

Item

8(i)

9 March 2022

Report of Chief Operating Officer

Author Paul Cook

**☎** 505861 Darren Brown

**282891** 

Title Additional New Homes Bonus Allocations 2022/23

Wards affected

ΑII

## 1 Executive Summary

1.1 The report recommends allocation of £254k of New Homes Bonus and other spending priorities to deliver the Strategic Plan priorities in 2022/23.

#### 2 Recommended Decision

2.1 To approve the New Homes Bonus allocations set out in Appendix A.

#### 3 Reason for Recommended Decision

3.1 To utilise New Homes Bonus in full for 2022/23 and take forward the Council's Strategic Plan.

#### 4 Alternative Options

4.1 Not to allocate the unallocated £254k New Homes Bonus in 2022-23.

#### 5 Summary of Council Funding

- 5.1 The 2022/23 Budget approved by 23 February 2022 Full Council included a balance of £254k New Homes Bonus for future allocation as set out in Appendix A of this report.
- 5.2 Appendix A also identifies where existing budget commitments will be utilised to deliver the Council's key spending priorities in 2022/23.

#### 6 Risk Management Implications

- 6.1 Staff and support costs reflect current assumptions but will be subject to the progress of our transformation work.
- 6.2 Modelling has been undertaken with service managers to assess the potential range of impacts before adopting the assumptions described within the report.

6.3 The Council will spend within budget in 2021/22 so following Cabinet approval the projects may proceed immediately with expenditure in 2021/22 if required.

#### 7 Financial implications

7.1 As set out in the report.

#### 8 Environmental and Climate Change Implications

8.1 All proposals have been assessed for their likely environmental impact, reflecting the Council's commitment to be 'carbon neutral' by 2030. Environment and Climate Change is an essential cross-cutting theme in the Council's recovery planning and a core theme of the new Strategic Plan.

#### 9 Equality and Diversity Implications

9.1 Consideration has been given to equality and diversity issues in respect of the allocations. This has been done in line with agreed policies and procedures including production of Equality Impact Assessments where appropriate.

#### 10 Other Standard References

10.1 There are no direct Publicity, Human Rights, Community Safety or Health and Safety implications as a result of this report.

#### Appendix A: NHB 22/23 allocation

Strategic Plan Theme	Project	NHB £k	Existing Budget £k	Details	
Tackling the climate challenge	Woodland & Biodiversity project	102	34 <sup>1</sup>	To continue the Woodland and Biodiversity project for a fourth year.	
and leading	Lexden Park Lake	30		To support residents in maintaining water quality.	
sustainability	Recycling Containers	30		To enable residents to continue to easily separate materials for recycling.	
Creating safe, healthy, and active communities	CCTV Camera Deployment	40		To procure additional cameras and utilise the control room capacity in full.	
Delivering homes for people who	Planning Enforcement	22		Additional funding to maintain temporary staffing arrangements during 2022/23.	
need them	Planning Apprentice		10 <sup>2</sup>	Compensation for a revenue budget shortfall	
	Local Design Codes		140 <sup>3</sup>	Developing local design codes to build beautiful	
Growing a fair economy so everyone benefits	Masterplanning		100 <sup>4</sup>	Contribution to joint masterplanning in the town centre with ECC	
Celebrating our heritage and	Mosaics - feasibility	15		A feasibility study of mosaics in museum stores to explore the potential for further display.	
culture	Gosbecks Research Project	15		To undertake geophysical surveys and groundworks at Gosbecks Archaeological Park.	
		254	284		

### **Existing budget sources**

<sup>&</sup>lt;sup>1</sup> New funding built into the 2022/23 Revenue Budget <sup>2</sup> Funded through additional planning income <sup>3</sup>2022/23 Revenue Budget carry forward

<sup>&</sup>lt;sup>4</sup> 2022/23 feasibility funding

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#### Cabinet

Item

9 March 2022

Report of

Assistant Director for Place & Client Services

**Authors** 

Andrew Tyrrell (CBC)
Paul Smith (CCHL)

Title

Council Company Business Plans for 2022 - 2026

Wards affected

All Wards

#### 1. Executive Summary

- 1.1 In 2017 the Council created a wholly owned company, Colchester Commercial Holdings Ltd (CCHL). Under CCHL, three subsidiary companies have provided a diverse range of trading activities since April 2018.
  - Colchester Amphora Energy Ltd (CAEL),
  - Colchester Amphora Homes Ltd (CAHL) and
  - Colchester Amphora Trading Ltd (CATL).
- 1.2 The companies each have Business Plans, which are all presented to the Cabinet to agree annually, following their recommendation to Cabinet by the shareholder committee (Governance & Audit). This report subsequently includes the four Business Plans as Appendices.
- 1.3 The CCHL Business Plan sets out the overarching company activities in a manner that can be shared publicly, for openness and transparency. However, there are also three confidential Business Plans for the subsidiary companies. The reason for this is that, whilst their operation is consistent with the public Business Plan, each subsidiary company Business Plan adds a level of granular detail that is commercially sensitive and would be disadvantageous to share for the companies in their respective competitive markets.
- 1.4 This report also reminds the Cabinet of the governance arrangements that the Council has in place to monitor and review the activities of the companies. The report also provides a short summary of achievements in this, challenging, financial year.
- 1.5 It is a second year in which a global pandemic has drastically affected the Council and the Company activities and posed many challenges, with impacts on some forecasted timelines and finances. However, it is also a period in which there have been some significant achievements, such as the opening of the Northern Gateway Sports Park, which hosted the Women's Tour of Britain cycling event as CATL restored an outdoor (and indoor) events programme through this year. For CAHL, the first occupiers move in to start enjoying the first mixed-tenure housing scheme developed by a Council-owned company. Significant (multi-million) private investment was also secured as the companies completed delivery of both the "LFFN" Ultrafast Broadband network and digitalised a whole new CCTV system to provide critical infrastructure across the town (and borough).

#### 2. Recommended Decisions

- 2.1 To review the progress and achievement of the companies during 2021/22, noting the minutes of the Governance & Audit Committee on 18 January 2022; and
- 2.2 To agree the four Business Plans of the Council's companies for 2022-26.

#### 3. Reason for Recommended Decision

3.1 The Cabinet have received Business Plans that have been recommended to them by the Governance & Audit Committee, who in turn who hold the responsibility to act as the shareholder committee for Colchester Commercial (Holdings) Limited and the subsidiary companies. It is the Cabinet's role to subsequently agree these Business Plans annually, a decision that has been taken with the information set out in the report and appendices (both public and confidential) that provide satisfactory information regarding the companies' performance to date and, importantly, the forecasted continuation of their business over the coming years.

#### 4. Alternative Options

4.1 Not to agree the Business Plans; however, this would leave the companies entering a new financial year without an updated Business Plan since last year, in changing times where the global pandemic of Covid has affected all activities in different ways and would be inconsistent with the recommendations of the shareholder committee.

#### 5. Background Information

#### 5.1 Company Origins

- 5.1.1 The Localism Act 2011 enabled local authorities to undertake activities designed to make a profit, but only if delivered within a trading company structure. Using these powers, the Council established wholly owned companies that were incorporated under the Companies Act 2006 on 1 June 2017 and began operating from 1 April 2018.
- 5.1.2 The original Business Plans covered a three-year period from 2018-21 and reflected the Council's aim to create a commercial approach to activities that could deliver some services and products directly, whilst generating profits that would be reinvested in the Council to help continue to deliver non-profitmaking services with social value. This public sector ethos, at the heart of the companies, remains a core purpose that will be increasingly important as the borough, Council and companies all recover from the current global pandemic.
- 5.1.3 Three subsidiary companies, each with distinct areas of trading, were also formed:
  - Colchester Amphora Energy Ltd (CAEL)
  - Colchester Amphora Homes Ltd (CAHL)
  - Colchester Amphora Trading Ltd (CATL)

#### 5.2 Governance Structure

5.2.1 Good governance, accountability and transparency are essential to Council activities and a cornerstone to improving public services. In discharging this accountability, the Council is required to make proper arrangements for the governance of its companies. It was imperative that an appropriate governance structure was put in place to ensure the sound and robust management of the companies, alongside protection of the Council's financial and reputational investment in the Companies.

- 5.2.2 CCHL is a private company limited by shares, with the Council being the sole shareholder. The Council consequently retains Shareholder control over the direction of the companies, manages the risks and receives the resulting financial benefits. Profits made by the company are returned to the Council after tax via an annual dividend payment although there are other financial benefits to the Council too (e.g., see 5.4 below).
- 5.2.3 The Board of Directors of CCHL is made up of four Councillors from the main political parties and the Managing Director of CCHL. The Chair of the Board is appointed by the Directors and is a Councillor from the coalition in Administration of Colchester Borough Council. The CCHL Board is governed by the Management and Governance Agreements between CCHL and the Amphora Subsidiaries with Colchester Borough Council. The composition of the Board of Directors and the Management and Governance Agreements ensures the Council's direction is adopted by the holding company and its subsidiaries (whilst providing freedom to operate in a commercial marketplace). This has seen the companies driving forward delivery of several activities as outlined in past and current Business Plans.
- 5.2.4 Each subsidiary also has a Board with three Directors; each with legal duties through the common law directors' duties and the statement of general directors' duties which are set out in the Companies Act 2006. These are not exhaustive in terms of the duties that are required by a Director to an organisation. Board members are also subject to other legal duties, including many important legal obligations for making investments, disposing of property, health and safety requirements, employment laws, as examples.

#### 5.3 Management Agreement

- 5.3.1 A Management Agreement between the Council and CCHL sets out how the companies will provide a range of services to the Council. The companies are then managed and monitored in accordance with the target budgets and other KPI's agreed with the Council under the Management Agreement.
- 5.3.2 Within the Management Agreement there is a schedule of Council and Company representatives and related arrangements for governance. Representatives meet in regular liaison meetings, where the Council, as "Client", monitors the provision of services, financial and budgetary performance, non-financial performance, and other matters set out in the Management Agreement.
- 5.3.3 The Management Agreement also sets out audit requirements, with the companies subject to the same audit and inspection requirements as the Council. Copies of audited accounts must also be provided to the Council. Similar requirements also exist regarding complaints, enquiries and legal proceedings related to any services provided by the companies.
- 5.3.4 Budgets are set in accordance with the Council budget setting process, framework, and timeframe. Submissions are made and considered as part of the overall annual Council budget process. This includes a Management Fee for services that the Council receives from the companies. This fee is set out in the Management Agreement and agreed annually, as part of the Council budget process.

#### 5.4 Service Level Agreements (SLAs)

5.4.1 Alongside an annual dividend payment, the Council receives income from the companies rent for use of office space and other Council venues, as well as payments for services the companies receive from the Council. These services are outlined in a Service Level

Agreement (SLA). The current SLA runs from 1 April 2021 to 31 March 2024 to continue these arrangements.

- 5.4.2 The SLA forms another part of the intrinsic partnership between the Councils companies and the services provided by the Council. The SLAs govern the respective roles and responsibilities of each party in the provision of the paid services and provide service specification and standards. The following services are commissioned from the Council by CCHL:
  - ICT and telephony
  - Communications, marketing, and PR
  - Human Resources
  - Finance
  - Legal, audit, insurance, health and safety, procurement, security, and post
  - Room and Hall keepers' services (Governance)
  - Accommodation
  - Fleet
  - Customer Services.
- 5.4.3 Performance of each service, delivery standards and any quality assurance matters are monitored at quarterly review meetings between named individuals within Council service areas and CCHL.

#### 5.5 Achievements During 2021

- 5.5.1 The effects of both Covid and Brexit have continued to affect the activities of all the Council companies, just as they have affected Council service operations. Areas particularly affected have been the events team, and development services; where some of the issues on maintaining labour, supply chains and materials have been seen nationally and well-documented.
- 5.5.2 Despite this continuing situation, at the end of the third quarter of the financial year, the companies again remain on track to return the estimated financial returns for the year to the Council, in the form of the dividend. This income is used within the Council's own budget, redistributed to help continue to provide important public services. However, the key achievements, in a very challenging climate, go beyond this financial return. Some examples are set out below.
- 5.5.3 The Northern Gateway is the Council's flagship growth area and is important to meeting the needs of Colchester for the future. It is the largest scale urban growth area that the Council has ever undertaken and provides a mixed-use urban expansion of housing, employment, commercial use, health services and leisure; to create role-modelling, place-making, outcomes and elevate Colchester's destination status for the benefit of anyone who visits, works, or lives in the borough.
- 5.5.4 A key milestone, the opening of the £28.8m "Northern Gateway Sports Park", occurred in May 2021 as restrictions ceased. The formal "opening" event day at the start of the school holidays in July was then very well attended and enjoyed (safely) by many hundreds of people. Since then, the site has continued to establish itself and was a host venue for the 2021 Women's Tour of Britain, welcoming several Olympic and world champions with great feedback from competitors (and visitors) who will now be returning to the town from the "Grand Depart" which Colchester will be hosting on 6 June 2022 tied in with Jubilee weekend.

- 5.5.5 Another milestone achieved more recently was the signing of the agreements with Turnstone Estates that will result in the start of the agreed £64m "Northern Gateway Leisure Park". This commercial leisure, food and drink Park will commence construction before the end of the financial year, creating a destination attraction for Colchester that is also easily accessible from the A12 and by Park and Ride connections to the town centre and rail. This development will include a 12-screen Cineworld, a 90-bed Travelodge hotel, a Hollywood Bowl tenpin bowling alley, Puttstars indoor golf centre and a Jump Street climbing centre, as well as seven restaurants, two drive-thru restaurants, a high-quality landscaped piazza, and parking for 750 cars including rapid charge electric vehicle charging points.
- 5.5.6 In November 2021 CATL also completed "The Walk", a core walking and cycling route to provide sustainable travel through the northern gateway south side. This car-free key priority route, provide an attractive tree-lined link to the new facilities at the opened Sports Park and the forthcoming Leisure Park from existing communities in Myland and Highwoods. It was part of an infrastructure first approach taken ahead of the delivery of the St Marks Community Centre that has now commenced redevelopment, and the 350 new homes that will be built by CAHL; ensuring that from "day one" the infrastructure is already there to encourage better travel behaviours and more sustainable living.
- 5.5.7 Another part of this infrastructure first approach was the continued installation of the underground chambers and pipework for the Northern Gateway Heat Network. This infrastructure was required to go under The Walk and was consequently installed at the same time, ahead of the larger network, so that this part of the works could be delivered more effectively and efficiently. It is now in situ and ready for the development of the rest of the site later.
- 5.5.8 CAEL also completed the early feasibility on a potential Solar Farm and Microgrid at the Northern Gateway. This demonstrated what could be achieved here in future, with work now proceeding onto subsequent feasibility and viability work through 2022 with the aim of potentially developing a renewable electricity source in 2023. This was not part of the original Northern Gateway plans and could be an additional benefit that helps the Council meet its climate emergency response ambitions, whilst leading by example for others. This has some commercial sensitivities around it, and is very early in its development, so more details cannot be provided in this public report at this time.
- 5.5.9 Milestones were also reached, after delays previously, with the CAHL housing development that is also part of the wider "CNG South" planning application. This application unlocked progress on highway improvements and traffic decongestion that allowed it to be progressed through planning and consequently received a committee decision to grant planning consent for the whole commercial, health and residential mixed-use developments in July 2021. Following this, CAHL will now bring forwards 350 homes (including 30% affordable homes) and have continued to undertake more detailed work on the housing element. CAHL are currently tendering a contract for architectural services to prepare the final detailed housing scheme and progress onto commence development in 2023.
- 5.5.10 In addition to the important planning landmark for their largest site (at Mill Road), CAHL also saw their first homes finished at Creffield Villas, Creffield Road. The first housing development completed by the housing company was achieved in August, with several sales before the site was completed, and other then taking place quickly afterwards. The 8 homes at this site included 2 affordable homes that the Council has acquired, which would not usually be secured at a site below 10 units (via s106 planning gain). The 6 private market homes have been built to a very high standard, and the whole development

- was undertaken using local contractors (from Tiptree) to provide local employment opportunities during the more uncertain earlier periods of the global pandemic.
- 5.5.11 In 2021 CAHL also helped the Council deliver its first new affordable homes within its own HRA-funded "New Council Housing Programme" that will deliver 350 homes by 2024. The development at Hardings Close (Aldham) saw the first of the three "Phase 2 Garage Sites" finished in July, with 4 new homes now providing for families who were on the housing needs register. Another 20 homes being project managed by CAHL, alongside CBC and CBH, will complete over the next few months. CAHL have also helped progress on the "Phase 3 garage Sites" and this is resulting in the next planning application starting to be submitted following public engagement and design stages.
- 5.5.12 Meanwhile, The Local Full Fibre Network (LFFN), or "Ultrafast Broadband" project, has also reached completion of the project led by CATL. This network expanded from the Town Centre and spread the core "Metronet" cabling across urban areas of Colchester to aid economic recovery and growth in the borough, with the last section along the Northern Approach Road recently installed. The direct connection to Telehouse London, and the 16km of connections now available around Colchester, have led to further significant investment by private sector partners that is now taking the connection capacity into parts of the borough that would otherwise not be provided for by the usual market provision. This phased roll out has started but will continue in a planned approach over the next couple of years now that CATL has completed its core infrastructure project for the Council.
- 5.5.13 The complete upgrade of the Council's CCTV network was also aligned and managed by CATL, making efficiencies in deployment of a new digital network completed at the same time as the broadband works occurred. The new digital system has been completed for several months now, with great success, and the replacement of the entire town centre CCTV system with a new digital system has given better coverage and picture quality; resulting in an increased number of CCTV-assisted arrests and contributing to a safer Colchester experience.
- 5.5.13 Helpline is another service that CATL have maintained throughout the pandemic as a source of reassurance to some of our more vulnerable residents, some of whom underwent periods where family support was not as possible for them as pre-Covid times. Despite the previous loss of the Essex contract that was announced (before the year started), the Helpline customer numbers have remained consistent since then by CATL's increased partnerships with the CCG and St Helena Hospice. There also remains ongoing business development work to continue to provide the vital support service.
- 5.5.14 The Colchester Events Team within CATL has also bounced back well from the 2021 lockdowns ending in May. Events have quickly re-established a summer programme of 45 outdoor events and attracted 58,000 visitors between May and October in a safe and enjoyable manner. Events included the "Smoke & Fire Festival", and both Olly Murs and Scouting for Girls performed in Castle Park before the Oktoberfest returned. Reestablished the indoor events programme also saw great success, with sell-out shows of major comedians such as John Bishop, Jason Manford, Omid Djalili, Jimmy Carr and, Sarah Millican amongst a diverse programme of shows.
- 5.5.15 The Old Library restoration has also now been completed, including repairs to the wheelchair lift that had been out of action under the previous tenancy, with this part of the Town Hall brought back into beneficial use to hold its first events; meaning that the public can once again access the building and enjoy it.

5.5.16 A further achievement of the events team, though one that will not be seen until this summer, is that they have also secured summer concerts for 2022. The first of these was publicly announced with Simply Red. Other great additions to the line-up are going to be announced soon

#### <u>5.6 2022-26 Business Plans</u>

- 5.6.1 The companies' Business Plans must be delivered in full compliance with the governance requirements of the Council. The Business Plans require the agreement of the Cabinet following recommendations from the Governance & Audit Committee as the shareholder duties (see above).
- 5.6.2 The overarching Business Plan for CCHL (Colchester Commercial Holdings Ltd) reflects their holding company role in providing the strategic direction, financial performance monitoring and senior management capacity for the subsidiary companies. Although CCHL is a holding company, it does undertake some trading activities that are also set out in this overarching Business Plan.
- 5.6.3 As a Council-owned company, this Business Plan is shared openly and transparently as part of good governance that allows anyone to understand what the companies are designed to achieve, and the intentions over the Business Plan period(s). The subsidiary company Business Plans then add some finer details to those overarching aims, projects and workstreams; but are not shared publicly because they contain a level of detail that is sensitive information in so far as it would commercially disadvantage the intentions of the companies (e.g., with commercial competition in respective fields, in legal or financial negotiations, or during future contract tenders, etc).
- 5.6.4 The 2022-2026 CCHL Business Plan continues from the previous plans that had identified some growth objectives which (due to the global pandemic) have had to be realigned and as expected, ongoing recovery in the continuing Covid pandemic is reflected in the new Business Plan. Alongside delivery of the management agreement services for the Council). The Plan sets out aims to:
  - Continue to deliver against set targets
  - Return to the successful ongoing series of events that help raise Colchester's profile
  - Continue delivering the Colchester Northern Gateway
  - Assist with the Town Deal and other capital projects
  - Develop a second programme of sites for CAHL to continue building desirable homes
  - Carry on assisting with the 'New Council Affordable Housing Programme' for the Council
  - Complete the commenced Colchester Norther Gateway (CNG) Heat Network and explore new opportunities to develop more low carbon projects in Colchester
  - Continue to explore markets for other CCHL products and services
- 5.6.5 The CAEL (Colchester Amphora Energy Ltd) Business Plan builds on the energy section of the CCHL Business Plan and sets out the rationale for the company activities. This has initially been focussed on the Northern Gateway Heat Network; completing successful trials, secured funding, and started to be developed on site in anticipation of the forthcoming housing, health, and commercial developments. The future3 of this project is intrinsically linked with the timings of adjacent development, which uses the Heat Network. To be able to trade and supply heat the Council needs the energy company and the Plan reflects how this may progress into operational phases as part of our commitment to the low carbon agenda and leadership in the development of 'infrastructure-first' energy solutions.

- 5.6.6 The resulting Northern Gateway Heat Network, which secured £3.45m of Department of Business, Enterprise, and Industrial Strategy (BEIS) funding, will provide an innovative ultra-low carbon heat solution to residents, businesses, and other commercial users as part of the proposed growth planned in this part of the borough. The project will be the first of this scale in the UK and was 1 of only 9 pilot projects that gained grant funding nationally.
- 5.6.7 The 2022-26 CAEL Business Plan outlines future feasibility work associated with the potential Micro Grid project at the Northern Gateway and other potential activities. The CAEL Business Plan sets out intention to work closely with the Council, and other partners, to drive forward carbon reduction strategies to meet the wider climate change objectives of the Council.
- 5.6.8 The CAHL (Colchester Amphora Homes Ltd) Business Plan (22-26) builds on from the completion of the first housing site by the 'new' company and illustrates a continuation of the "Phase 1" developments by CAHL. It reflects the aims established in 2018: to respond to the need for more high-quality homes in the borough, including homes that are affordable for local people. This is now being achieved with developments that deliver cross subsidy mechanism with the target 30% affordable homes being provided alongside the sale of private market homes (and still creating a surplus to reinvest in other Council priorities). The mixed-tenure homes model also provide larger housing schemes that can optimise existing assets owned by the Council, through its house building company.
- 5.6.9 The CAHL Business Plan sets out how the company will try to develop several other sites, continuing from the successful Creffield Road scheme, and including two others that were agreed by Cabinet in October 2018 (St Runwald Street and Mill Road) that remain ongoing, as well as bringing forwards plans for newer 'Phase 2' sites to develop a longer-term pipeline of new homes (and other beneficial development). The 'Phase 1' sites will deliver approximately 400 new homes (30% of these being affordable homes that are being retained in Council ownership using the Housing Revenue Account).
- 5.6.10 Finally, the Business Plan for CATL (Colchester Amphora Trading Ltd) sets out how the company continues a range of commercial trading businesses and services to customers which generate income for the Council and raise the social and economic profile of Colchester as a place. CATL's offering has two main functions.
  - Direct commercial trading services, including Helpline, Monitoring and CCTV and Events.
  - Professional property and business services offered initially to the Council and then to external clients as the company grows. These services include estates management of the Council's assets and commercial development and regeneration project management.
- 5.6.11 The CATL Business Plan highlights the trading company services' ongoing recovery from the impacts of Covid. Areas such as Events, which were expanding very successfully prior to the pandemic, were drastically affected but have started to re-establish as shown above. In the Business Plan period, events activities will continue both within and outside of the Borough, and their future growth will also focus on increasing and improving the venues and introducing new event markets for the company.
- 5.6.12 For Helpline, there are also new markets to be explored as the business is trading effectively and potential arises to make better use of the enhanced digital technologies. This includes the LFFN "Ultrafast Broadband" expansions that continue. That network, owned by the Council, is also included in CATL's Business Plan which sets out how the deployment stages can be developed through the subsequent operational phases this project has now entered. The continuing private investment will expand the network even

further; becoming available to the whole of urban Colchester in the new Plan period and the annual incomes resulting to the Council (as owner of the network) will increase.

5.6.13 For Development Services, CATLs Plan covers more work for the Council where CATL act as project managers, with newer projects coming forwards now that the Sports Park, Mercury Theatre and "The Walk" all completed in 2021. Whilst core capital projects, such as other Northern Gateway sites will continue, work is also being picked up as 'commissions' for other Council departments, leading to plans to seek other public sector clients.

#### 6. Equality, Diversity and Human Rights implications

- 6.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:
  - eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.2 The recommendations will have no disproportionate impact on any protected group.

#### 7. Strategic Plan References

7.1 Governance is integral to the delivery of the Strategic Plan's priorities and direction for the Borough as set out in that Plan. The activities of the Council's companies contribute to most of the Strategic Plan priorities.

#### 8. Consultation

8.1 There is no specific consultation requirement generated in relation to this report. The Business Plans are considered by the Governance & Audit Committee in their role as shareholder, prior to them being put before Cabinet for approval, thus providing some cross-party internal consultation and a chance for the public to comment via both Council meetings.

#### 9. Publicity Considerations

9.1 There is no specific publicity consideration in relation to this report. Individual activities of the companies that require public consultation, engagement or marketing will undertake them at appropriate times and by various methods including stakeholder engagement workshops, planning application consultations, press releases and Council reports.

#### 10. Financial implications

- 10.1 In terms of overall governance, the companies operate as separate organisations with financial regulations agreed by relevant company boards. Where the companies are spending money on behalf of the Council, such as, capital budgets within the Capital Programme, then all approvals are required to be in line with normal Council procedures.
- 10.2 In terms of the financial assumptions and dividend targets, when the companies were set up the financial targets and estimated dividend for 2018/19, 2029/20 and 2020/21 were

broadly based on existing budget assumptions when services were operating within the Council and some year-on-year growth and expansion targets.

- 10.3 The 2018/19, 2019/20, 2020/21 and 2021/22 targets for dividend were set out in the previous CCHL business plans and council budgets assumed an increase in income until 2021 when Covid impacted. In both the first and second years of trading activities these dividend targets were met, with a £107,000 increase achieved. The third year, the dividend target was affected significantly by the unpredictable nature of Covid-19 on the world, however, a revised dividend which was agreed by the Council in mid-2020 was achieved for 2020/21 and the companies are on track to meet the target for 2021/22.
- 10.4 The new Business Plan for CCHL sets out how it is expecting to deliver (once again) increased dividends for the Council over the Business Plan(s) period, so that the Council can benefit from this in providing our services to the public. The first year will still be affected by the Covid-19 pandemic. For 2022-2026 the Business Plans set out a forecast as follows:

<u>Table 1 - Group Consolidated Forecast</u>

	2022/23	2023/24	2024/25	2025/26
Income	6,803,707	8,403,389	9,844,315	10,309,623
Expenditure	(6,462,199)	(7,046,553)	(7,594,400)	(7,938,776)
Profit before Tax	341,508	1,356,836	2,249,915	2,370,847
Tax	85,377	339,209	562,479	592,712
Net Profit available for Distribution	256,131	1,017,627	1,687,436	1,778,135

10.5 The 2022/23 Budget and Medium-Term Financial Forecast reported to 26 January 2022 Cabinet and recommended to February Budget Council assumes the dividend income set out in the table below. A proportionate element of housing dividends may be used to deliver the dividend assumptions.

	22/23 £k	23/24 £k	24/25 £k	25/26 £k
Amphora dividend assumptions	287	287	487	687

- 10.6 Whilst the Council pays a management fee to the companies, the companies then provide other return income to the Council (aside from the headline dividend). The companies pay rent for use of the Council office space that they occupy, they also pay for the services they receive from the Council under the SLAs, as well as paying for use of the Council's venues to deliver the commercial events programme.
- 10.7 Under a government consultation published November 2021, the Council will be required to make minimum revenue provision on advances to the companies outstanding in April 2023. More information is set out in the Resetting the Capital Programme report to 26 January 2022 Cabinet. If in force the consultation proposals would make the current system of Council advances to the companies financially unsustainable. The advances are under review pending resolution of the consultation.

10.8 Subject to the above, alternative funding strategies are to be considered. The existence of commercial companies allows the Council to access funding streams that are not available to the public sector, and for funding to be combined in projects where the Council and its companies form a partnership (each accessing their own grant or funding). This has been successfully combined in the past, and there remain other avenues that have not yet been used that could be explored in future pending the consultation outcomes.

#### 11. Health, Wellbeing and Community Safety Implications

11.1 Health and wellbeing is influenced by several factors, many of which fall under the responsibility of the Council. The Company activities span various aspects and assist the Council to do all it reasonably can to promote positive health benefits to our residents; whilst reducing, removing, or minimising any unintended consequences to health that may arise from services or decisions. Several the activities outlined in the main report, and the appended Business Plans demonstrate how health and wellbeing are being improved, such as the new Colchester Northern Gateway Sports Park, or the new CCTV system.

#### 12. Health and Safety Implications

12.1 The matters herein do not result in harm to the health and safety of the public. The work of the companies has individual health and safety requirements relevant to each activity. For example, construction is managed on site in accordance with several health and safety regulations.

#### 13. Risk Management Implications

- 13.1 CCHL has a risk register that is actively managed. Each of the subsidiary companies also have their own risk register. All the companies have a Business Continuity Plan.
- 13.2 The key risks associated with the companies concern the financial risk attached to the delivery of income targets (capital and revenue) and management of costs. This is actively managed through regular monitoring and reporting on the financial position and the governance arrangements detailed within the report.
- 13.3 One specific issue that has arisen recently, due to Government consultation, is a potential change in the consideration of Minimum Revenue Provision (MRP) and how this may be viewed going forwards (see section 10 above). External financial advice is being taken on this specialist matter subject to the conclusions of the current consultation.

#### 14. Environmental and Sustainability Implications

- 14.1 The Council has declared a Climate Emergency and has committed to being carbon neutral by 2030. Many of the company activities are helping deliver projects that will contribute towards the achievement of sustainable development as defined in the National Planning Policy Framework. Achieving sustainable development means that the meeting three overarching objectives, which are interdependent and need to be pursued in mutually supportive ways. These are economic, social, and environmental objectives.
- 14.2 This report and the Business Plans outline the activities of the companies. Projects such as the delivery of homes, jobs and sports and leisure provision, contribute towards sustainable communities. Projects such as the Heat Network, an innovative low-carbon energy network, make positive contributions to reducing the impact of growth. Thus, in

summary, activities undertaken by the Council through its companies has considered the Climate Emergency and the sustainable development objectives set out in the National Planning Policy Framework (NPPF).

#### 15. Appendices

#### **PUBLIC** Appendix

Appendix A: CCHL Business Plan 2022-26

#### **CONFIDENTIAL** Appendices

Appendix B: CAEL Business Plan 2022-26 Appendix C: CAHL Business Plan 2022-26 Appendix D: CATL Business Plan 2022-26

PLEASE NOTE that these 3 Business Plans contain commercially sensitive details and are not for publication; but the overarching activities within them are consistent with, and reflected within, the public Business Plan for CCHL.



## Colchester COMMERCIAL HOLDINGS

# Business Plan

April 2022 - March 2026



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### **EXECUTIVE SUMMARY**

Colchester Commercial (Holdings) Ltd (CCHL) is the holding company for its three Amphora subsidiaries:

Colchester Amphora Energy Limited
Colchester Amphora Homes Limited
Colchester Amphora Trading Limited

The three Amphora companies provide a wide range of services within the Borough of Colchester, covering property development; sustainable energy solutions, property consultancy and management; events, weddings, venue hire; Helpline, and CCTV. These high-quality commercial businesses maintain the strong public sector focus of Colchester Borough Council (CBC), CCHL's sole shareholder, with profit returned to the Council to support the delivery of services to the borough's residents.

The Council will be producing a Commercial strategy which will help build on existing strengths to generate more income, reduce costs and maximise the use of Council assets. This will include investment in projects that provide good financial returns and enhancing our traded services (both within Amphora and in the Council). It will also drive the identification of new opportunities to enhance delivery of our wider strategic outcomes through commercial projects that generate income and make more effective use of resources.

### **OUR OBJECTIVES**

#### Our objectives are to:

- Generate a group profit to maintain the viability of the business and create a trading surplus for distribution to Colchester Borough Council.
- Operate in a commercial and innovative manner, exploring options for development and expansion.
- Provide our clients with high-quality products and services.
- Market in the American American State of the American State of the American States of the A
- A Capitalise on our unique product and services range to increase the provision of sustainable energy.
- Build the brand of Colchester as a place for business, investment, sustainable living and leisure.

#### Supporting the Council's key priorities CCHL supports CBC's objectives in its Strategic Plan 2020-23 to:

- ▲ Tackle climate challenge and lead sustainability
- Create safe, healthy and active communities
- A Deliver homes for people who need them
- A Grow a fair economy so everyone benefits
- Celebrate our heritage and culture

### STRUCTURE AND GOVERNANCE

CCHL is a company limited by shares, wholly owned by Colchester Borough Council.

There are five board directors:

- Cllr Leigh Tate Board Chair
- Paul T Smith Board Director, and Managing Director
- Cllr Martin Goss Board Director
- Cllr Martin Leatherdale Board Director
- Cllr Martyn Warnes Board Director

The directors are responsible for making decisions, providing leadership and monitoring the performance of the company. They are responsible for obtaining appropriate legal, financial and tax advice to enable them to make informed decisions about the running of the company. In addition, directors are responsible for maintaining and regularly reviewing a robust risk management framework.

The Board meets on a quarterly basis and is bound by the Articles of Association and associated Code of Conduct.

The Articles of Association govern the decision making and by whom. The company is required to comply with all laws governing private limited companies, such as the Companies Act 2006 and the regulatory regime for local authority companies under the Local Government and Housing Act 1989.

The board of directors is responsible for significant decisions regarding business development and the day-to-day operation of the company. The Cabinet, on behalf of the Council, is required to approve any decisions that would affect the shareholder's rights, under the Group Governance Agreement between CBC and CCHL and the subsidiaries.

Any agreed net profits made will either be available for distribution to CBC as required, for the Council to invest in local services, or will be reinvested back into the companies to ensure every opportunity is sought for continued income generation.

At quarterly board meetings, held on such dates as the directors agree, each director has one vote. Agendas are prepared and distributed no less than five business days prior to the meetings.

This Business Plan will be delivered in full compliance with the governance requirements set out by the Group Governance Agreement between CBC and CCHL and its subsidiaries.

CCHL establishes and maintains an effective service and financial performance management reporting system, which will include effective reports to CCHL Board and CBC's Governance & Audit Committee (shareholder committee). CCHL is subject to any audit and inspection requirements of the Council.

#### CBC'S GOVERNANCE & AUDIT COMMITTEE

#### CCHL reports to CBC's Governance & Audit Committee to:

- Consider and review its activities and financial performance
- Receive, review and recommend to Cabinet the CCHL set of business plans and annual audit report
- Monitor, challenge and make recommendations to Cabinet, regarding CCHL and its subsidiaries' activities
- Make recommendations to Cabinet on how it should exercise functions flowing from its shareholder role
- Recommend constitution and appointment of additional CCHL board members to Cabinet

#### **POLICIES AND PROCEDURES**

CCHL uses a combination of CBC and CCHL policies and procedures and will review and refine these, over time, to ensure that they remain fit for purpose. CCHL is also subject to the Council's procurement policies.

#### DATA PROTECTION

CCHL complies with the relevant legislation and guidance concerning Data Protection, including adopting suitable policies and procedures to ensure data is adequately safeguarded.

#### FREEDOM OF INFORMATION

CCHL is subject to requests for the disclosure of information under the Freedom of Information Act 2000. As such, CCHL maintains a record management system that complies with the relevant guidance concerning the maintenance and management of records.

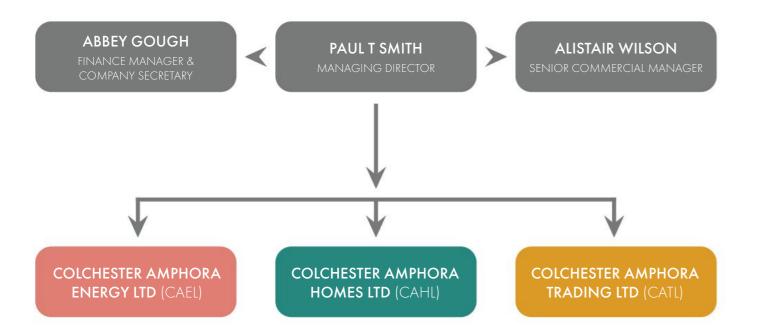
CCHL liaises with CBC, as appropriate, to ensure consistency in answering FOI requests and provide such information to CBC as may be required to answer requests it has received.



#### MANAGEMENT

The senior management of CCHL, as listed below, will produce an annual report on company performance to be taken to CBC's Governance & Audit Committee in June each year.

- Paul T Smith Managing Director
- Alistair Wilson Senior Commercial Manager
- Abbey Gough Finance Manager & Company Secretary



#### **RESOURCES**

There is a small support team for the senior management of CCHL, including a Personal Assistant, a Finance Assistant and a Marketing and Communications Manager – all three of whom support both the holding company and the activities of the three Amphora subsidiaries.

#### SERVICE LEVEL AGREEMENTS

CBC continues to provide support services to CCHL through Service Level Agreements (SLAs). Each SLA includes measurable performance indicators, break clauses and remedies for non-performance. There is an annual review process whereby SLAs are refined to more accurately reflect the support required by CCHL.

#### Support services cover:

- HR support, including recruitment and training and payroll
- Finance transactional finance functions and financial control activities
- ICT- provision of IT equipment and services, including helpdesk support
- Customer services phone answering service and telephone payment transactions
- Insurance provision (buildings, vehicles, employers and public liability)
- Legal support as and when required
- Communications and marketing support
- Provision of fleet services



## **OUR SERVICES**

# COLCHESTER COMMERCIAL (HOLDINGS) LTD (CCHL)

CCHL is the holding company for three separate Amphora subsidiaries, which provide a wide range of services within the Borough of Colchester:

- New and regeneration property development
- Sustainable energy solutions
- Commercial asset management and consultancy
- Events, including weddings, outdoor events and venue hire
- Helpline care service
- CCTV monitoring
- A local full fibre network
- Commercial support to CBC's Sports and Leisure services
- Commercial development project management



## OCOLCHESTER AMPHORA ENERGY LIMITED (CAEL)

Colchester Amphora Energy Limited (CAEL) promotes the use of local low-carbon sources of heat and power through a range of projects and initiatives, whilst also providing new sources of commercial income for CBC.

#### SUMMARY OF CAEL'S BUSINESS PLAN: 2022-26

CAEL's current focus is on delivering a heat network for Colchester Northern Gateway. In addition, it is exploring further local revenue generating opportunities in the energy sector, such as a Micro Grid at Colchester Northern Gateway (CNG). CAEL will continue to work with the Council to develop new, low-carbon projects and provide technical expertise on renewable energy.

## ACOLCHESTER AMPHORA HOMES LIMITED (CAHL)

Colchester Amphora Homes Ltd (CAHL) was established to grow levels of development income by open market sale across a range of sites, currently in the ownership of the Council, whilst exploring other opportunities to support income and services to CBC for redeveloping garage sites and other Housing Revenue Account (HRA) land and affordable housing properties.

CAHL is also responding to the need for more high-quality homes in the borough, which could be affordable for local people. This will provide a future income opportunity for the Council by optimising existing assets in its ownership and recycling any profits from development back to the local authority for reinvestment into core services.

#### SUMMARY OF CAHL'S BUSINESS PLAN: 2022-26

CAHL will focus on the following key areas of work within the life of this plan:

- Build over 350 new homes by 2024
- Generate a net profit available for dividend to recycle back to its shareholder, CBC
- Create 30% of affordable homes on all developments delivered by CAHL
- Explore the viability of existing and future potential residential development sites
- Consider private financing to further increase development opportunities including mixed use

## ACOLCHESTER AMPHORA TRADING LIMITED (CATL)

Colchester Amphora Trading Limited (CATL) is a diverse company with an eclectic mix of trading services, property consultancy, capital project development and delivery of key commercial services and functions for CBC, for which CATL receives a management fee.

CATL's primary objective is to grow levels of commercial income across a range of property management, and services which support the Council services throughout the borough. Its focus is to generate income and maintain high quality levels of service delivery within an ethos which reflects the public service nature of CBC.

#### SUMMARY OF CATL'S BUSINESS PLAN: 2022-26

CATL will focus on the following key areas of work within this plan period, specifically:

- Accelerate the recovery from Covid-19 and the economic and cultural impact that has affected all parts of CATL's business, especially in Events.
- Maximise the Council's existing asset base (Estates/Commercial projects) and managing other key services for CBC, such as CCTV (closed circuit television) and providing commercial support to Sport and Leisure (Management Fee funded services)
- Develop and grow the company's Helpline and Events services
- Develop and operate the Local Full Fibre Network (LFFN) across Colchester, making Colchester one of the best digitally connected boroughs in the UK
- Deliver a Development Management service for CBC and promoting this service to strategic partners, demonstrating the ability to deliver complex high value capital projects on time and on budget.
- Develop key capital projects such as infrastructure, including but not limited to, roads, open space, commercial space, development opportunities and feasibility studies for capital generation.



## ADDITIONAL BENEFITS TO THE COUNCIL

The major benefits for Colchester Borough Council in establishing its Amphora Group of commercial companies, goes beyond the financial distribution of profits, to include:

- Interest rate differential between CBC borrowing interest rate and the commercial rate to CCHI
- A Local Full Fibre Network commercialised income
- Employers pension cost savings against the local authority pension scheme
- CBC property leasing agreements
- Annual license income for each events venue
- VAT recoverable on construction projects
- Cost effective project management fees
- Expert and technical advice to CBC's climate change projects
- A dedicated asset management team that has generated £2m of capital receipts since 2017
- Showcasing innovation and partnership via national awards programmes

#### Business and economic benefits to Colchester

- All residential development includes 30% Affordable Housing
- An increase in car park income, generating from 158,000 visitors to CATL organised events
- A wider economic benefit to hospitality and retail from impact of large-scale events with substantial increase in visitor numbers frequenting the town's restaurants, pubs and hotels





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# FINANCIAL PROJECTIONS

# **Group Consolidated Forecast**

The table below provides a summary of CCHL's income and expenditure forecast for the next five years.



COLCHESTER COMMERCIAL HOLDINGS LTD BUSINESS PLAN















# Extract from the minutes of the Governance and Audit Committee meeting of 18 January 2022

# 297. Colchester Commercial Holdings Limited Business Plans

Andrew Tyrrell, Client and Business Manager, attended the meeting to introduce the report and assist the Committee with its enquiries. The Committee heard that Colchester Commercial Holding (CCHL)'s Business plan set out the overarching strategy for all the Council's wholly owned commercial companies (the Companies), and detailed the activities of the companies and how they aligned with Colchester Borough Council (the Council)'s strategic objectives, to ensure openness and transparency. Each subsidiary company also had its own Business Plan which were commercially sensitive, and which contained more detail and set out the Companies' plans for the coming four to five years. The report that had been presented to the Committee also set out the governance arrangements for the Companies, which were approaching the end of their fourth trading year, having been set up in April 2018. Although the last two years had been affected by the Coronavirus pandemic, signs of recovery were starting to be seen.

Paul Smith, Managing Director of Colchester Commercial Holdings Limited (CCHL), attended the meeting to deliver a presentation containing detailed information about the past performance and future plans of the Council's wholly owned commercial companies (the Companies), and assist the Committee with its enquiries. The Committee received information in relation to CCHL's prediction as to the dividend that would be available to be supplied to the Council this year, and it was considered that careful management of CCHL's finances had yielded a very positive return. The Committee were reminded that the achievements of CCHL were the result of joint working with the Council and the utilisation of Council funds, as CCHL carried out functions which could not be undertaken by a Local Authority under the Localism Act 2011 and the Local Government Act 1972. The Committee received updates on key projects and achievements from the period 2021-2022.

Colchester Northern Gateway Sports Park had opened in May 2021, had hosted the Women's Tour of Britain, and the whole sports complex had been very well received locally. Future events were planned for 2022.

With regard to Colchester Northern Gateway South, CCHL had been successful in negotiating and finalising the Turnstone Development, construction of which was due to commence before the end of the current financial year. The Walk, which was a boulevard which ran through the entire Northern Gateway development, had been completed in conjunction with heat network pipes and other ducting for future use. Work had commenced on the development of St Mark's Community Centre.

The Council's commercial companies had been very successful in managing the impact of the restrictions imposed as a result of the pandemic, and event that had been compliant with Covid restrictions had been held through the summer. The Committee were reminded that the events activities of CCHL did help to cross-subsidise the start-up of both the Council's Energy Company (CAEL) and Homes Company (CAHL), and should not be underestimated. As full a calendar of events as was permitted was planned for 2022.

The Helpline service had performed very well, and throughout the entire pandemic full operation of the service had been maintained. The Committee heard that the service did not simply monitor events, but actively assisted its customer base, and had been supported by staff and volunteers over the past year.

CCHL had continued to work on the provision of a Local Full Fibre Network (LFFN) to Colchester, which was of key importance to the continued economic growth and success in the borough, and the work would be completed in February 2022. The LFFN had also been used to increase the expanse of the Council's Close Circuit Television (CCTV) network, as well as its quality of image, which had been of great assistance to the Council's partners.

The Council's energy company, Colchester Amphora Energy Ltd (CAEL) had now completed all the boreholes necessary to support the operation of the Northern Gateway Heat Network, and consideration had been given to the feasibility of a potential solar farm and microgrid at the Northern Gateway to help deliver a more sustainable electricity supply to the development.

Colchester Amphora Homes (CAHL) had completed its first mixture of private and affordable housing, and the Committee heard that CAHL would always deliver 30% affordable housing on any of its developments, which was a very important aspect of what CAHL would be providing to the Borough. The Company was moving forwards with designs and feasibility for new pipeline sites coming forward.

With regard to the future activity of CCHL, the Committee heard that over the coming years, key priorities were to lead development of Section 106 funded community buildings at Stanway and North Colchester which had already commenced, together with the development of the new St Mark's Community Centre. Work would continue on the digital grow-on space scheme at the Queen Street Bus Depot, together with a continued focus on partnership working, and the delivery of the LFFN project.

The Committee was assured that the Asset Management Team had worked diligently through the pandemic to ensure that income from the Council's assets had been realised, and a strong income stream had been achieved with limited loss of rental income.

In line with signs that the pandemic may be coming to an end, CCHL hoped to deliver as full a programme of events and weddings as was possible in the coming

year, and the importance of the income that would be generated in supporting other elements of the Companies was again brough to the attention of the Committee.

It was intended that the excellent Helpline service would be maintained over the coming years, and the customer base expanded throughout Colchester and possibly beyond. The digital upgrade of the Helpline operating system would continue, facilitating the expansion of digital services to customers via the LFFN.

The Capital Projects Team would continue to lead delivery of key projects throughout the borough to include the Rowan House refurbishment works, the Northern Gateway, the Queen Street Bus Depot and the St Mark's Community Centre projects.

Of key importance to Colchester Amphora Energy Limited (CAEL), was engaging with a contractor for the installation and commission of the Energy Centre, which was hoped would come forward through the coming financial year. Work would also continue around examining the feasibility of a microgrid, and the continued provision of excellent advice to the Council around sustainable energy, to support the Council's Strategic Priorities in this regard.

Colchester Amphora Homes Limited (CAHL) would seek to progress its Housing Revenue Account (HRA) sites through its action as project manager of these, and it was hope that the Military Road site Phase 1 development would be complete in the Spring of 2022. Further work would be undertaken to identify the feasibility of pipeline sites for future development, and bringing these forward, and all available Homes England housing grants would be taken advantage of.

The Committee heard that CCHL had previously been requested to consider how it might expand the business in the future, and one of the key obstacles that was envisioned with regard to this was the potential change with regard to the Department of Levelling Up, Housing and Communities in the approach they may take towards local authorities borrowing money, and how they could potentially be requested to input a minimum revenue provision to limit local authorities exposing themselves to undue risks. The Council was submitting a response to a consultation in relation to this, which was due to close on 8 February 2022 as it was important to ensure that no imposition was made that would stifle the delivery of homes in the borough, together with other investments that the Council may wish to make such as in the heat network. This uncertainty had been borne in mind when considering the Business Plans, as well as potential changes in the market which may affect household income and mortgage ability.

Bearing in mind the success of CCHL over the previous financial year, and the balance which existed between the individual Companies, CCHL considered that in the financial year 2022/2023 net profit for distribution would be £256,131, however, in subsequent years the effects of completed housing being sold on would be seen and net profit available for distribution rose significantly to £1,017,627 in 2023/2024,

£1,687,436 in 2024/2025 and £1,778,135 in 2025/2026. These predictions had been made as the result of very careful consideration, and were considered to be as realistic as possible.

Councillor Willetts considered that the proposed Business Plan was somewhat light on detail concerning the projected activities towards the end of 2026, but he accepted that this was as the result of unknown factors which could significantly affect CCHL. Councillor Willetts did, however, consider that three issues which had been raised by the Committee in the past had not been adequately addressed by the proposed Business Plan. The first of these issues was the financial flexibility and balance sheet strength of CCHL, so that in addition to executing the projects of the Council, CCHL retained the ability to engage in other profitable activities. Secondly, was the guestion of tax implications on turnover, and the effect that the move towards contracts which contained more social benefit would inevitably have on profitability and therefore the tax liability. Additionally, no reference had been made to the tax payable on dividends that were paid out by CCHL, and Councillor Willetts considered that this was an area which should be carefully considered to ensure the most favourable tax conditions were created. The third issue not addressed by the Business Plan was the range of activities that CCHL might consider including, but which were currently not included. Councillor Willetts noted that the Localism Act 2011 permitted local authorities to undertake profit making activity if this was delivered as part of a company structure, and he enquired whether there were activities currently being carried out by the Council which could be taken on by CCHL to expand its portfolio of profit-making activities.

Paul Smith confirmed that at a previous meeting of this Committee the possibility of retaining dividends in CCHL had been discussed with the aim of growing the balance sheet. This has been discussed internally with the Council, but with the budget pressures that the Council was expected to experience over the coming years it was not considered that dividend retention would be a viable option, and the Council would need to receive the benefit of the trading activities of CCHL. Consideration was being given to the expansion of the operations and profitability of CCHL, however, the lack of clarity which was caused by the regulation review that was being undertaken by the Department of Levelling Up, Housing and Communities had meant that CCHL had not been in a position to present ideas to the Committee. With regard to the tax implications of CCHL, both the external auditors of CCHL and the Council were very keen to make sure that there was nothing in the trading and the internal movement of costs, dividends and paybacks where there could be any perception that there was an undervalue for the cost of transfer. The Committee heard that the requirement to pay corporation tax was the result of successful trading, although if there was any surplus income from activities that a local authority could carry out itself then this was exempt from corporation tax liability. The three individual Companies also benefited from group relief, with losses made by the Energy Company through its inception being offset, to ensure that group relief was maximised to minimise the corporation tax liability. With regard to the range of activities that were undertaken by CCHL, this was something that was the subject of

detailed discussion between CCHL and the Council, but progress in this area was also subject to delay caused by the uncertainty surrounding future recommendations from the Department of Levelling Up, Housing and Communities.

Councillor Willetts considered that the Business Plan should touch on some of the issues that he had raised as he believed that they were particularly pertinent to the acceptability of the Business Plan, and it was right that the Governance and Audit Committee, as the shareholder committee for CCHL should explore these issues. He questioned the way that the Business Plan addressed unresolved risks, in particular the minimum revenue protection requirements (MRP), which may have a very significant impact on the Business Plan. He noted that the Business Plans would need to be referred to Cabinet for approval before the final position in relation to MRP was known, but wondered whether it would be prudent to have a section in the Business Plan dealing with unresolved financial risks, and the potential impact that MRP could have in a variety of scenarios; in particular the impact that MRP could have on the Council and any loans which had been made. Councillor Willetts sought an opinion on the extent to which unresolved financial risks should be included and addressed within the proposed Business Plan for the next four years, particularly with regard to the energy and housing projects.

Paul Smith confirmed that a balance had to be stuck between the commercial sensitivity of the activities being undertaken, and the need to make information publicly avail\able as part of the CCHL Business Plan. He was happy for the Business Plan to be augmented in accordance with the suggestions that had been made, and confirmed that the possible impact of MRP had been considered in the as part of the predictions for the coming years, however, more transparency could be included around some of the assumptions which had been made in this regard. In response to an enquiry from Councillor Bentley, Paul Smith confirmed that the projected rise in the cost of living and materials had been considered when making net profit predictions, together with any time delays which may occur. It was noted that the expectation was that production levels would return to their pre-pandemic levels during the course of the year, and CCHL had utilised predictions that had been made by the Royal Institute of Chartered Surveyors to ensure that the predictions that had been made were not overly optimistic.

Councillor King noted that two or three years ago he was aware that concerns had been expressed as to whether the Council should have the Companies, and the interrelationship between them, however, he was aware of far fewer concerns being expressed now. He sought a view on whether the set up of the Company felt right in the opinion of Officers, and also how the success of the Companies could be measured on a commercial level given that they received business from the Council. The Committee were reminded that the Companies were set up to deliver services which the Council could not. The boreholes which were part of the heat network were owned by the Council, however, the additional benefit associated with the renewable heat insentive scheme could not be obtained by a public body and had to be retained by a private company, in this case CAEL. Additionally, the Companies

allowed the Council to profit from the sale of council housing projects in a way that a local authority on its own could not. With regard to the LFFN, the Council was able to facilitate funding from the Department for Culture, Media and Sport (DCMS) to put in the basis of this network, however, a private company was then required by DCMS to implement the network itself. Given this rationale behind the creation of the Companies, and their utility in these areas, the governance and structure of the Companies, there were a number of activities where CCHL was an inwardly looking organisation which was utilising public sector funding and was therefore bound by public sector regulations. Other activities carried out by CCHL, for example the events business, were very commercially successful and were generating good surpluses. Paul Smith considered that the governance arrangements which had been put in place when CCHL had been formed were still appropriate and relevant now, however, should CCHL become more commercial in the future, the governance arrangements may need to be reconsidered. With to the competitiveness of CCHL the services that the Companies provided were measured against a baseline which allowed for some comparisons to be made with the services provided by CCHL and the same services provided commercially. When winning the prestigious 'Entrepreneurial Council of the Year' award, the assessment panel had been intrigued by the fact that CCHL had been able to deliver a positive return immediately, which had not been seen before. CCHL was also able to retain the social benefit in its activity, which made making a straight comparison between CCHL and private companies very difficult to do. Key Performance Indicators (KPI)s had been agreed with the Council to ensure that performance which was important to it was met, and CCHL was judged on these KPIs and the dividend which was provided.

Councillor Willetts noted that the Companies were not Council departments, but commercial organisations in their own right, and he would welcome a degree of boldness in the Business Plan about the aims of the Companies, how they wished to help the Council and assist in the provision of Council services in the future, a sentiment which was supported by Councillor King.

Councillor Fox also supported the inclusion of positivity in the Business Plans and considered that in his opinion the current Plan could be considered to be quite short term in its outlook. He noted that he had been involved with the Companies since their inception and considered that the same projects had been worked on throughout the life of the companies. He would welcome more long term thinking and planning within the Business Plans allowing the Companies to demonstrate the flexibility that would make them continuously successful. He considered, by way of example, that lessons which had been learned from the Northern Gateway Project should now be applied to future projects, such as the Garden Community. He questioned whether CAHL would deliver 350 homes by 2024 or 2025, as this was not clear in the Plan, and it was confirmed that there was an obligation to complete the 350 properties by July 2025. Paul Smith explained that the pipeline of Council based assets that could be developed was being considered and CAHL was concerned with ensuring that the land which the Council wished to see develop was

being utilised, and it was hoped that future targets for CAHL would be identified. The Events Company was identified as being a wholly commercial company which was not funded by the Council, and which generated significant income. The Events Company had also provided services to two other local authorities which represented an expansion of the business activity. Other local authorities had indicated an interest in utilising the services provided by the Companies, as these were delivered within a local government framework and with a public sector ethos, and this represented a further opportunity for expansion, subject to any funding issues which may arise.

Councillor Fox noted current rising energy prices and the impact which this would have on household income, and wondered whether there were any risks to the Northern Gateway Heat Network and the proposed Microgrid as a result of these changes to the energy market. The Committee heard that it was anticipated that the National Grid would experience strain during the transition from fossil fuels to more sustainable sources of energy, however, the energy that would be generated by the Northern Gateway Heat Network would generate a profit for the Council while at the same time providing cheaper hot water to all residential properties in the Northern Gateway development and reducing the carbon footprint; one of the Council's strategic priorities. The Committee heard that the proposed Microgrid was a bank of solar panels which could be used to create battery storage of electricity which could be utilised not only by the Council but potentially by developers concerned about the inability of the national grid to provide the electricity consumption that was required locally. It was considered that the associated risk element to this scheme was quite low, and this would be reflected in any business plan which was put forward for approval by the Council.

Andrew Tyrrell highlighted to the Committee the social and environmental benefits which the Companies were able to bring to the Council, which was particularly evident through the future Microgrid. The Council had declared a climate emergency in 2019, and has adopted an agreed pathway to net zero carbon emissions by 2030 in association with the Carbon Trust. Although the Council had managed to significantly reduce its carbon footprint already, if only the projects currently under way were completed, the Council would still have a carbon footprint of 2,700 tonnes of carbon. The Microgrid which was being currently considered would have the effect of removing approximately one third of this carbon, which was a significant beneficial impact.

Councillor Oxford noted that the Business Plan mentioned the hiring out of Council meeting rooms, and expressed a concern that these commercial hirings may have the effect of limiting the use of the meeting rooms for Council business. Councillor Oxford considered that this issue did need to be addressed in the Business Plan, as if there was a booking clash and a Council meeting which needed to be scheduled had to be held at another venue, there was no guarantee that the alternative venue would be fully accessible. He also noted that the disabled access lift to the Old Library building had required replacing relatively soon after it had been installed and

considered that a cover was needed for this lift to protect it. Paul Smith assured Councillor Oxford that CCHL was cognisant of the requirement for Council meetings, and had, on a number of occasions cancelled private bookings of meeting rooms to accommodate Council meetings. He would consider this issue in the future to ensure that both the needs of CCHL and the Council could be met. Dan Gascoyne, Chief Operating Officer, considered that the balance between Council meetings and commercial letting of the Council's property, principally the Town Hall, was about right, and noted that there was a separate hire agreement between CCHL and the Council which dealt with the operation matters which had been the subject of Councillor Oxford's enquiry.

Councillor Willetts considered that there was considerable overlap and duplication between the activities of the Council and CCHL, and he wondered to what extent this could be rationalised to increase the profitability of CCHL. Paul Smith was not aware of any particular areas of overlap between the services provided by the Council and CCHL, however, the structure of CCHL was currently being considered to build in resilience to the operational activities over forthcoming months, when any areas of overlap would be considered.

Councillor Willetts did not consider that any of the issues that had been discussed by the Committee were of sufficient seriousness for the Committee to recommend that the proposed Business Plan not be presented to Cabinet for approval. Nevertheless, many of the questions that had been asked had been pertinent, and it was down to CCHL to consider whether the Business Plan would be improved if it were amended to take account of the issues that had been raised by the Committee. Councillor Willetts summarised the issues on which the Committee had considered that clarification in the Business Plan would be useful as being; the financial flexibility of the balance sheet, the tax implications, the additional activities which could be envisaged in the Business Plan to ensure that profit making activities were within CCHL, the unresolved financial risks and assumption with regards to the potential impact of MRP on the two major projects which required capital which were energy and housing, the impact of inflation on the Business Plan, the competitiveness and boldness of CCHL (particularly in the energy market), and the issue of potential overlaps and duplications. It was suggested that the Committee commend these suggestions to the Company to consider whether the Business Plan would be improved by giving further consideration to these issues.

Councillor Fox pointed out that there were inconsistencies in the paperwork which had been presented in relation to whether the 350 homes would be delivered by 2024 or 2025, and although a verbal clarification had been given at the meeting, he requested that the Company be clear on when it expects the homes to be delivered. Councillor King noted the impact that the Companies could make in supporting the objectives of the Council in terms of delivering social value and contributing to reducing the Council's use of carbon, and he considered that the Company could be encouraged to highlight this element of their work when considering the final Business Plan.

Councillor Willetts confirmed that the Committee had now raised eight issues for further consideration by the Company, and considered that it was now for CCHL to consider whether or not it wished to modify the Business Plan to take into account the issues which the Governance and Audit Committee, as Shareholder, had raised. Councillor Lissimore, Portfolio Holder for Resources, thanked the Committee for its work, and looked forward to considering the proposed Business Plans at the forthcoming meeting of Cabinet.

### RESOLVED that:-

- Colchester Commercial Holdings Limited be requested to consider amending the proposed Business Plans to take account of the following:
  - the financial flexibility of Colchester Commercial Holdings Limited's balance sheet
  - the tax implications associated with Colchester Commercial Holdings Limited's trading activity
  - the additional activities which could be envisaged in the Business Plan to ensure that profit making activities were within Colchester Commercial Holdings Limited
  - the unresolved financial risks and assumption with regards to the potential impact of Minimum Revenue Protection on the two major projects which required capital investment
  - the impact of inflation on the Business Plan
  - the competitiveness and boldness of Colchester Commercial Holdings Limited
  - the issue of potential overlaps and duplications between services delivered by Colchester Borough Council and Colchester Commercial Holdings Limited
- - clarity regarding the timeline for delivery of 350 new homes

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RECOMMENDED TO CABINET that the proposed Business Plans of Colchester Commercial Holdings Limited be agreed

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# Cabinet

9(i)

Item

9 March 2022

Report of Assistant Director of Corporate and Author Alistair Wilson

Improvement Alistair.wilson@colch

esteramphora.com

Title West End Sports Ground, Eudo Road

Wards All wards

affected

# **Executive Summary**

1.1 This report seeks decisions on the future operation of the West End Sports Ground at Eudo Road with a plan to retain and enhance it as a sports facility and seek to improve facilities on the site. It provides details of a process that has been commenced to market part of the site as a leasehold opportunity, which could secure external investment to improve sports facilities and provide a new income stream for the Council.

### 2. Recommended Decisions

- 2.1 To resolve that The West End Sports Ground including the Tennis Centre should remain as a sports facility for the Borough and be further developed as such to maintain and enhance facilities available.
- 2.2 To approve that the area of the site as shown in the plan at Appendix 1, excluding the rear grass courts, forward six hard courts, bowls greens and indoor bowls centre, should be leased, for a third-party operator to develop, and run as a sports facility with Colchester Borough Council (CBC) retaining the freehold and to delegate authority to the Portfolio Holder for Resources in consultation with the Assistant Director for Corporate and Improvement to take all steps necessary to agree and issue a lease.
- 2.3 To resolve that other sources of external funding and support should be sought to enhance the site including from the Lawn Tennis Association.

### 3. Reason for Recommended Decision

- 3.1 The site provides access for all to hard court tennis facilities, and it is important for wider health and wellbeing benefits for residents that it is retained as a sporting facility.
- 3.2 The LTA in its Tennis Supply Analysis recommended that Eudo Road Tennis Centre should operate a minimum of six floodlit tennis courts and has the potential to operate a sustainable and affordable model for community tennis, both via accessible pay and play and associated programmed/coached tennis activity. This insight continues to support CBCs previous statement in the 2015 PPS Colchester report stating that 'This site is integral to the development of a tennis development plan within the Borough'.
- 3.3 The Tennis Centre relies on financial support from Colchester Borough Council as it operates with a net loss each year. Whilst there have been previous initiatives to reduce costs, these may not have encouraged enough use of the site and the current model of operation is financially unsustainable.

### 4. Alternative Options

- 4.1 The site could be continued to be operated without any changes by Colchester Borough Council but this would not be financially sustainable for the reasons explained in this report.
- 4.2 There is sufficient land, see Appendix 1, to introduce additional or alternative sports to the site to increase usage and therefore revenue. This could be to complement tennis or alternate sporting use altogether and could be considered in a later phase of developing the site as a sports facility.

# 5. Background Information

- 5.1 The site is a mixed-use sports facility in the Shrub End Ward of Colchester. It hosts both indoor and outdoor bowls and hard and grass tennis courts. There is a small clubhouse providing changing facilities for club members and a car park for users.
- 5.2 It is currently allocated for use as open space in the local plan. The site has been considered for development for both housing and a health centre. The previous uncertainty over its future has hindered any significant investment of resources to improve tennis facilities and services at the site.
- 5.3 The tennis facilities now require investment to bring them up to date and to encourage greater usage. There are four hard tennis courts and three grass tennis courts that are unfit for use and this space would require significant investment to bring back into use should demand increase to such an extent to warrant this.
- 5.4 The Council has received interest from external parties who would be interested in investing in the site to enhance facilities if they could lease part of the site. Discussions have also been undertaken with the Lawn Tennis Association (LTA) and there is an opportunity to seek funding from the £30m DCMS / LTA Parks Tennis fund for the hard courts and to provide digital access to the courts. This funding opportunity can still be pursued in conjunction with third-party operators.
- 5.5 The strong interest in investing in the site from external parties demonstrates a recognition of its potential as a Tennis Centre assuming Cabinet resolves that the site should continue to be utilised fully as a sports facility.
  - The marketing to date has created three specific expressions of interest and two other general enquiries.
- 5.6 If part of the site is to be leased, the Council has a statutory obligation to achieve best value for the site. This would require the opportunity to lease and operate part of the site to be marketed for any sporting use, subject to necessary planning and statutory consultee approval. Marketing of the part of the site concerned (see Appendix 1) commenced on 14 February 2022 and will end on 14 March 2022. Once expressions of interest are received these will be evaluated and due diligence completed with respect to the preferred bidder.
- 5.7 If Cabinet approves the proposal in this report, delegated authority is also requested so that Portfolio Holder for Resources can complete all other steps necessary to issue a lease to the preferred bidder after appropriate due diligence checks.

# 6. Equality, Diversity and Human Rights implications

6.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.2 The recommendations will have no disproportionate impact on any protected group.

# 7. Strategic Plan References

7.1 This proposal supports the strategic priority in Creating safe, healthy and active communities

### 8. Consultation

8.1 Consultation has been undertaken ahead of marketing of the site given the complexity and extent of current users both formal and informal.

The consultees included:

- Lexden Hills Lawn Tennis Club
- All residents with annual memberships to use the hard courts
- All casual pay and play users
- Residents in Fitzgilbert Road, Eudo Road and Shrub End Road
- Ward Councillors
- Both the Lawn Tennis Association and Sport England
- NHS
- Garrison and University of Essex, as strategic sports partners
- 8.2 A summary of the consultation responses is shown at Appendix 2.

# 9. Publicity Considerations

9.1 Wider publicity has been undertaken ahead of marketing the site in line with consultation outlined above.

# 10. Financial implications

- 10.1 Dependant on expressions of interest and scope of proposals received there is an opportunity to reduce expenditure as operating costs would be the responsibility of third-party operator, and with reduced grass tennis courts there would be a reduction in CBC's grounds maintenance costs. There is potential to save circa £10k p.a.
- 10.2 The Eudo Road Tennis Centre relies on support from CBC as it operates with a significant financial loss each year. The operating costs are Circa £38,200 in 21/22 with forecast income from grass and hard courts forecast to be £15,500 in 2021/22 resulting in a net loss of £22,700 for the year.
- 10.3 There are four hard tennis courts and three grass tennis courts that are unfit for use and this space would require significant investment to bring back into use should demand increase to such an extent to warrant this. As stated previously there is an opportunity to seek funding from the £30m DCMS / LTA Parks Tennis fund for the hard courts and to

- provide digital access to the courts. This funding opportunity can still be pursued in conjunction with third-party operators on the site.
- 10.4 By seeking a third party for part of the site there is an opportunity for CBC to reduce the net costs for operating this site but also receive a sustainable rental income through a lease to a third-party operator.
- 10.5 Until expressions of interest have been received and lease terms negotiated it is not possible to assess the overall financial impact but given the cost avoidance and potential lease income the net position would be favourable to CBC.

# 11. Health, Wellbeing and Community Safety Implications

- 11.1 Health and wellbeing are influenced by several factors, many of which fall under the responsibility of the Council. However, the provision of sporting facilities does not have to be provided by the Council and securing additional facilities with third-party operators would still provide the opportunities for communities to improve their health and wellbeing.
- 11.2 We will also work with partner organisations including the LTA and any operator that leases part of the site to maximise the involvement for those on low incomes and remove barriers to participation across all facilities. Data shows two areas of Shrub End Ward fall within the top 1-3 most deprived LSOA's in Colchester, with Rayner Road being close to the Tennis Centre itself. This will further strengthen communities and help make them more resilient.

# 12. Health and Safety Implications

12.1 The matters herein do not have any health and safety implications, in fact by securing investment in improving and developing facilities for sport will enhance the health and safety for end users.

# 13. Risk Management Implications

13.1 There are no risks identified at this stage.

# 14. Environmental and Sustainability Implications

14.1 The Council has declared a Climate Emergency and has committed to being carbon neutral by 2030. The retention and development of sporting facilities on an economic sustainable basis will enable local residents to access facilities within walking and cycling distances and will support a wider health and wellbeing of residents encouraging more active lifestyles.

# Appendix 1:

# Plan to show Tennis Centre area of Sports Ground



6 no. Existing Hard Courts to be operated by CBC

Redundant Hard Courts not in use, space included in marketing

3 no. Existing Grass Courts, space included in marketing

Existing Car Park and Club House, space included in marketing

Bowls Greens not in scope

6 no. Existing Grass Courts, to be retained

Redundant Grass Courts not in use

Area of Tennis Centre that has been Marketed



# Appendix 2: Summary of Consultation Responses

A total of 19 email and 2 written responses were received following the consultation, the majority from neighbouring residents but also from interested parties across the Borough who were made aware of the marketing of the site through the wider publicity.

The comments submitted which will be reviewed alongside the expressions of interest can be summarised as:

- Pleased the site is being retained for Sport and Leisure use
- Would like to see community facilities such as outdoor gym, basketball, boule etc
- Would like to see the pavilion developed as a community hub / café
- Would like to see access to tennis courts improved, better booking system and coaching being made available and affordable
- Concern on impact to local residents in terms of levels of use, floodlights, noise and litter
- Would like to see padel introduced and practice wall

Specific questions seeking further information were received :

1. What are the annual user numbers? Particularly as tennis is not popular on schools curriculum and after school clubs provision.

Answer: There are 135 annual members, 300 casual users and circa 4,000 bookings per annum

2. What are the total running costs to maintain the whole site per year versus income?

Answer: As outlined in the paper, forecast income for 21/22 is £15,500 with cost forecast to be £38,200.

3. What are the net losses of the site per year and over time?

Answer: Net loss forecast in 21/22 of £22,700

4. For any investment there has to be a need and a strategy to grow users/players. What is that strategy? Is there a market for maintaining a tennis centre? What plans are there to develop links with schools to grow young players?

Answer: In seeking to develop part of the site to enhance facilities with a third-party operator the expected output is an increase in participants. In particular the LTA funding application seeks investment to both improve the hard courts but also improve access through digital booking systems which enables individuals to seek opponents which where implemented has increased usage.

The aims of the LTA investment is to achieve:

- Consistent venue signage with LTA, Council and operator brand. Linked to LTA Play platform for players residents to find and book a court (3 step process)
- SmartGate linked to ClubSpark online booking system with automated floodlight switch on. Ability to create booking 'rules' to suit needs of the site.
- ClubSpark Dashboard showing usage and income data

- Ability to generate income to provide a sustainable operation for tennis. Provide greater value and access via a 'season ticket' and 'play & play' price.
- Colchester Tennis Centre web presence, linked to online booking for courts and coaching
- Create a range of offers at the venue that drives interest and demand for tennis, including weekly Tennis for Free, Cardio Tennis, Tennix Express, LTA Youth

The LTA in its Tennis Supply Analysis recommended that Eudo Road Tennis Centre should operate a minimum of six floodlit tennis courts and has the potential to operate a sustainable and affordable model for community tennis, both via accessible pay & play and associated programmed/coached tennis activity.

5. The grass courts are only operational for approximately 4 months of the year given the weather and slippery surface. How much do they cost to maintain given maintenance is all year round? Are there other plans to maximise use of those grass courts all year round?

Answer: As a separate but linked matter there are discussions with Lexden Hills Lawn Tennis Club on the arrangements for the continual use of these courts. The costs are included in the overall financial figures outlined in this paper.

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# Cabinet

10(i)

9 March 2022

Report of Assistant Director of Environment Author

Rosa Tanfield

**538047** 

Title Business Case for Ground Maintenance Contract Delivery Model

Wards All wards

affected

# 1. Executive Summary

- 1.1 The Council's current grounds maintenance service contract with Idverde commenced in April 2016 and is due to expire in October 2023, unless a contract extension is agreed in accordance with its terms or alternative arrangements are agreed.
- 1.2 In 2021, the Association of Public Service Excellence (APSE) was commissioned to support the development of a balanced business case, to test and assess the option of an inhouse delivery model, for the Policy Panel to consider.
- 1.3 This report summarises the recommendations from Policy Panel, including a recommendation for Cabinet to agree to extend the current contract for the reasons set out in this report.

### 2. Recommended Decision

- 2.1 To delegate authority to the Assistant Director of Environment to extend the contract with the existing contractor for 3 years in accordance with the existing terms.
- 2.2 To agree to the recommendations made by the Policy Panel at its meeting on 12 January 2022 and referred to in section 3 of this report.

### 3. Reason for Recommended Decision

- 3.1 At its meeting of Policy Panel on 12 January 2022, the following recommendations were made: -
- a) The contract with the current contractor, Idverde, be extended on the same terms. There is provision within the current contract for an extension of 3 years (only) if the Council decides up to 72 months from the commencement date. The last date for extension notice is 1 April 2022;
- b) Officers should continue with plans for an in-house service meeting the objectives agreed, for commencement at the end of the contract extension agreed in 2.1 above;
- c) An annual update be provided to the Policy Panel on progress of plans towards bringing the grounds maintenance service in-house, with confidential sections to allow discussion of commercially sensitive matters, where necessary.
- 3.2 The current contract requires formal notification of an extension to be given, if this is agreed, this needs to be given by 1 April 2022 at the latest.

3.3 Whilst the Council has a clear ambition for an inhouse model, the decision to extend the current contract, does not preclude the option or ability for the Council to continue to develop the proposal during the extension period via a twin track approach which could provide an opportunity for the planning and strategy to take place ahead of a transition. Regular updates to the Policy Panel will ensure good and robust progress is made.

# 4. Alternative Options

### In-house model

4.1 The business case sets out several significant barriers to overcome that make the transition to an in-house model unachievable by the end of the current contract period. These barriers include the cost to deliver a like for like service, capacity at the Shrub End depot, lack of a community-based approach, lack of innovation to develop a 21<sup>st</sup> century service, and capacity and resource for a successful transition and delivery of the service. Given the operational and financial risk associated with delivering an inhouse model at the end of the current term, this option is not considered viable at this time.

# To retender

4.2 It is predicted that the rise in material prices and longer supply times resulting from both Brexit and the Covid-19 pandemic could see tender prices increase significantly during the potential retender period, giving rise to operational and financial risks to the Council during the medium term financial forecast period. This option is not therefore, considered viable at this time.

### 5. Background Information

5.1 As set out in the 12 January 2022 Policy Panel report, which is attached as an Appendix to this report.

# 6. Risk Management Implications

6.1 The extended contract will be managed using the same terms, and robust contract management will remain in place.

# 7. Financial implications

7.1 A key objective of the transition to a new model was to deliver annual savings of at least £100,000 per annum against the current contracted value. The extension to the contact will implement contractual inflationary increases which means this saving cannot be achieved, however there will be overall greater certainty and reduced risk to the Medium Term Financial Forecast when compared to the alternative options set out in the report.

# 8. Strategic Plan References

8.1 This project work is directly aligned to the Council's strategic priorities of *Tackling the climate challenge and leading sustainability* (in particular, conserving and enhancing biodiversity), and all priorities in *Creating safe, health and active communities*.

# 9. Environmental and Sustainability Implications

9.1 Officers will continue to work with the contractor to ensure that the objectives developed by Policy Panel in its ambitions for an inhouse model will be met as closely as possible during the extension, this includes the work developed through the Colchester Greening Policy.

# 10. Equality, Diversity and Human Rights implications

10.1 This report sets out to seek approval of the extension of the current contract, with no significant changes to the delivery of grounds maintenance and to that extent it does not impact on the promotion of equality and overcome discrimination in relation to gender, gender reassignment, disability, sexual orientation, religion or belief, age, and race/ethnicity.

### 11. Consultation

11.1 Consultation has been undertaken as part of the review into grounds maintenance options. No further consultation on the recommendation has been undertaken.

### 12. Publicity Considerations

12.1 As the recommendation sets out no overall change to the current contract, it is not proposed to undertake any publicity.

# 13. Health, Wellbeing and Community Safety Implications

13.1 As the recommendation sets out no overall change to the current contract, there are no implications on health, wellbeing and community safety.

# 14. Health and Safety Implications

14.1 As the recommendation sets out no overall change to the current contract, there are no implications on health and safety.

Appendix – report to Policy Panel 12 January 2022



# **Policy Panel**

12 January 2022

Report of Assistant Director Environment Author Rosa Tanfield

**2** 03300 538047

Item

Title Business case for an in-house grounds maintenance delivery model

Wards All wards

affected

# 1. Executive Summary

- 1.1 At its meeting on 13<sup>th</sup> January 2021, Policy Panel agreed to participate in the review of future options for delivery of grounds maintenance services across the borough and make recommendations to Cabinet.
- 1.2 At Cabinet on 10<sup>th</sup> March 2021, Policy Panel gave the recommendation at this prebusiness case stage, of a new in-house operating model to deliver grounds maintenance, and for a detailed business case to be brought back to Policy Panel for review before final recommendations go to Cabinet for a formal decision on the operating model to be delivered at the end of the current Grounds Maintenance contract.
- 1.3 The Council's current grounds maintenance contractor is Idverde who commenced in April 2016 and the contract is due to expire in October 2023. The contract is worth approximately £10.4 million over the seven years and seven months.
- 1.4 The Council commissioned an external consultant to support the development of a balanced business case that tested and assessed several aspects of the proposal, including the objectives set and agreed by Policy Panel and Cabinet.
- 1.5 The business case sets out several significant barriers to overcome that make the transition to an inhouse model unachievable by the end of the current contract period. These barriers include the cost to deliver a like for like service, capacity at the Shrub End depot, lack of a community-based approach, lack of innovation to develop a 21<sup>st</sup> century service, and capacity and resource for a successful transition and delivery of the service.
- 1.6 It is assumed that the Council still wishes to pursue an inhouse delivery model for grounds maintenance. Should a decision be to extend the current contract, this does not preclude the option or ability for the Council to continue to pursue the option and it could provide a significant opportunity for planning and strategy to take place ahead of a transition
- 1.7 Should the decision be to extend the current contract, it would be on the current terms and conditions of the contract. There could be a risk of a fall in service performance. However, this will be robustly managed, as has been experienced in recent months. Officers also see an opportunity to work more closely with Idverde during this contract period and will look to explore such options as co-located workspaces to improve contractor relationships and more community-based projects, as alluded to above.

### 2. Recommended Decision

- 2.1 To recommend to Cabinet to extend the contract with the current contractor Idverde on the same terms. There is provision within the current contract for an extension of 3 years (only) if the Council decides up to 72 months from the commencement date. The last date for extension notice is 1st April 2022.
- 2.2 To recommend to Cabinet that officers should continue with plans for an inhouse service meeting the objectives agreed, for commencement at the end of the contract extension agreed in 2.1 above, if agreed.

# 3. Action Required

3.1 Review the business case and this covering report.

### 4. Alternative Options

### Inhouse model

4.1 The detailed business case set out in Appendix A sets out clearly the analysis of an inhouse model. It states that an inhouse model could be achievable but at some significant risk and it would not fully achieve the objectives set. There are several significant barriers to overcome, and these are set out in section 5.42. It may not be possible to overcome these barriers in the timeframe of the current contract and therefore it not considered a viable option at this time.

### To retender

- 4.2 In order to achieve the aims and objectives set out in the report, the current specification would need updating. This process would need to commence in April 2022 to cover the complexity of this large contract, including the Transfer of Undertakings (Protection of Employment) regulations (TUPE), applicable to approximately 50 staff members, and mobilisation process.
- 4.3 The business case explores the possibility of retendering the contract and sets out that tender prices are predicted to go up by 21% over the next five years, while they will increase faster than input costs due to increased demand and loss of competition (*source: Royal institute for Chartered Surveyors, October newsletter 2021*). In the immediate term, sharply rising materials prices and longer supply times resulting from both Brexit and the Covid-19 pandemic show that tender prices will rise by nearly 4% between quarter 2 2021 and quarter 2 2022.
- 4.4 Given the operational and financial risks associated with retendering, this option is therefore not considered viable at this time.

### 5. Background Information

5.1 The grounds maintenance service is one of the Council's major externalised service areas. The current contractor is Idverde who commenced in April 2016 and the contract is due to expire in October 2023. The contract is worth approximately £10.4 million over the seven years and seven months. The annual value of the contract for 2021/22 is £1.7 million.

# The Policy Panel review of options (November 2020 to March 2021)

5.2 At its meeting on 13th January 2021, Policy Panel agreed to participate in a review of future options for the delivery of grounds maintenance services across the borough and to make recommendations to Cabinet. In undertaking this request Leadership Board asked that the Policy Panel consider the following aims:

# Community asset based

Creating an environment and the conditions to support community led action

### <u>Demonstrates exemplary management of the environment</u>

Sustainability, biodiversity, and ecology at the heart

### Ensure budget control

Robust and demonstrable savings, with cost certainty that considers the future (£100,000 per year saving assumed in midterm financial forecast)

### Transformative

Match the Council's ambition in how the service can be delivered going forward; providing a service fit for the 21st Century

- 5.3 Leadership Board tasked the panel to include within its scope, works currently undertaken by the Neighbourhood Services team, including Castle Park, Countryside, tree maintenance, river, lake, and coastal maintenance, in addition to the work currently undertaken under contract by Idverde. The review would also consider future implications and opportunities on service delivery, such as legislative changes, significant changes to assets and public sector reform.
- Officers engaged the Solutions Team at the Association for Public Service Excellence (APSE) to assist the Council in initially undertaking a review of the options available. Drawing on many years' experience of assisting local government to establish and implement excellence in public services, the Solutions Team have facilitated the process and guided Council officers through the review.
- 5.5 During the process of review, stakeholder consultation sessions and analysis of the objectives was undertaken. The Policy Panel agreed the following more detailed description of the objectives setting out a clearer interpretation of the requirements the Council wished to achieve with a new or revised operating model in the future for grounds maintenance:

### Community Asset Based

Creating an environment and the conditions to support community led action:

- Increasing pride for the Borough
- Enabling community projects, community gardens, community composting
- Enabling/delivering good standards of communication and engagement
- Enabling a greater understanding of biodiversity with residents and stakeholders
- Co-producing standards and quality control (e.g., Quality Assurance Agents)
- Developing local/resident responsibility for local areas
- Linking with Parishes / community and establishing asset transfers

• Harnessing and developing local skills, through training opportunities (social value)

# **Exemplary Management of the Environment**

Sustainability, biodiversity, and ecology at the heart

- Increasing wilderness
- Creating a diverse environment
- Reducing carbon footprint (EV equipment and fleet)
- Continue the phased chemical reduction/weed control
- Rewilding becomes the default position
- Biodiversity is relevant to the local areas
- Enabling/delivering good standards communication, engagement, education, and behaviour change
- Future generations are key to supporting and unlocking the future of a greener Borough
- Responding to the climate emergency
- Managing in a sustainable manner

# **Budget control**

Robust and demonstrable savings, with cost certainty that considers the future

- S106 is optimised
- Ensuring value for money and robust performance management
- Additional revenue opportunities are unlocked and harnessed (e.g., taking on work through management companies)
- Social value is harnessed (e.g., apprentices, sponsorship of community projects)
- Participatory budgeting, coproduction, co-ownership, incentivisation
- Professional service is delivered
- Clean and attractive to promote the Borough and attract inward investment
- Improved quality of pitch maintenance

# Transformative

Match the Council's ambition in how the service can be delivered going forward; providing a service fit for the 21<sup>st</sup> Century

- Public parks establish and work towards what do people want
- Transparency on performance and standards being achieved
- Respond to growth in the Borough
- · Learn from innovative work in other Boroughs
- Co-production of policy with communities
- Co-ownership of the delivery model
- Easier reporting and monitoring
- Consistent service delivery
- Greater integration between services
- Greater flexibility to the changing environment
- 5.6 In establishing more detailed objectives, reviewing, and assessing the feedback from the stakeholders, and assessing different operating models the Policy Panel determined their preferred pre-business case preference to be an in-house delivery model with focus on:
  - Greater community engagement and involvement Not only in-service delivery but also in policy especially as "Place" is becoming increasingly important to residents.
  - Improvements to the quality of service delivered. Sporting body stakeholders wanted to see improvements to quality of pitches.
  - Clearer reporting and transparency so that service quality can be easily measured and assessed by residents.

- Ability to be flexible in what work is undertaken to keep up with the changing nature of grounds maintenance and the climate emergency.
- Synergy with the 4 objectives.
- Developing an understanding of what is meant by Biodiversity and the value of green (and blue) space.
- Smaller contracted works for specialist undertakings that would hopefully support the local economy.
- 5.7 Policy Panel made a recommendation to Cabinet on 10 March 2021:
  - To support the recommendation of the Policy Panel, at this pre-business case stage, of a new in-house operating model to deliver grounds maintenance as described in this report, subject to the outcome of the Policy Panel meeting on 3<sup>rd</sup> March 2021.
  - For a detailed business case to be brought back to Policy Panel for review before final recommendations go to Cabinet for a formal decision on the operating model to be delivered at the end of the current Grounds Maintenance contract.
- 5.8 The business case is set out in Appendix A and the following sets out a summary.

### **In-house Grounds Maintenance Business Case**

- 5.9 The Council commissioned APSE Solutions again to undertake work to develop a business case to test the theory of a Colchester in-house grounds maintenance service. Officers and the consultant have worked with colleagues across the Council to develop the business case, including finance, legal and HR. A balanced business case methodology has been used which is designed to test, as opposed to simply support, a preferred course of action. To this end the business case assesses viability according to five headings:
  - **strategic case**, the proposed activity must be consistent with achieving the strategic objectives of the authority.
  - **operational case**, there must be an understanding of the resources needed to provide the service and how these will be obtained.
  - **financial case**, the contract price available from the market must be at least sufficient to cover the net cost of provision.
  - **commercial case**, the proposed activity must, if it involves external trading, be commercially viable meaning that there must be a product that customers will choose to buy.
  - legal case, the activity must be lawful.
- 5.10 In developing the business case, several assumptions have been made:
  - The business case models a like for like transfer of the service. It is then proposed that 18 months after the transfer, the Council will re-evaluate the operations to ensure that it is effective and efficient as possible.
  - Approximately 50 staff will transfer to the Council.
  - Additional roles will be created to support a 'good' standard of service and ensure compliance (this includes at least four Apprentices, a Health, Safety and Training Coordinator, Fleet Assistant Manager, Business Improvement Officer and two Operatives)
  - The service will be delivered from Shrub End depot and seven satellite sites already owned by the Council and currently used by the contractor.
  - At least 29 vehicles will be required, in addition to a large number of specialist equipment and machinery

5.11 The following provides a summary of the conclusions:

# Strategic Case

- 5.12 The report reviews the strength of an in-house delivery model against the following headings:
  - Performance and governance
  - · Cost efficiency, flexibility and added value
  - Service integration and synergy with other in-house service
  - Employment considerations
  - Quality of services
  - Sustainability
  - Local economy
- 5.13 In summary, by bringing in the operations within the Council's services, there will be benefits to stronger links to local policy and deliverability against the Council's strategic aims and objectives, greater flexibility and responsiveness, greater integration into services delivered across the Council, greater opportunity to up-skill and multi-skill the workforce, greater opportunity to create pride and the ability to support the local economy.
- 5.14 A core consideration is that of the transfer of staff delivering the existing contract and Council officers. During the setup of the new in-house service, approximately 50 employees will need support from Human Resources and cooperation with the relevant Trade Union. This is explored further under the heading Operational and Financial Case.
- 5.15 An assessment of the deliverability against the objectives set by Leadership and Policy Panel is discussed further in paragraph 5.41

### Operational Case and Financial Case

- 5.16 The operational case and financial case is considered together due the intrinsic link between them.
- 5.17 The business case focuses on three main areas:
  - 1. Staffing requirements
  - 2. Fleet, plant and machinery
  - 3. Depot and accommodation

### Staffing requirements

- 5.18 The business case sets out how the proposed workforce, could be incorporated into the existing Neighbourhood Services team. Main points considered:
  - The workshops undertaken for the initial phase of the project identified a range of issues with the current quality of service delivered by the contractor together with a lack of pride in the service. A key reason was the lack of resilience and multi trained staff delivering the service, which were well under the levels promised. The new proposal recommends extra staff to those that will transfer to the Council.
  - Due to the increase in workforce and that of increased high-risk work delivered by the Council, the proposal allows for additional business improvement (administration) support and health, safety, and training coordination support.
  - As the service would potentially launch in October, and as workload theoretically reduces over winter, any potential recruitment can take place over the winter period ahead of the grass cutting, spring season.

- Street cleaning works, such as toilet cleaning, litter picking, and litter bin emptying would transfer to the Street Care & Safety team, with additional resource.
- As a continued commitment to developing its own workforce, the proposal includes four apprentice roles, who would rotate across all areas of the service.
- 5.19 A core consideration and assumption is that TUPE would apply at the transfer of the contract and staff would transfer on their existing terms and conditions. It is noted that the current Idverde staff work 40-hour contracts. If Idverde staff continued to work a 40 hours per week post transfer this is equivalent to an extra 3.5 FTE when compared to a 37-hour working week.
- 5.20 TUPE does present some risk for continued and sustained delivery of the service at the point of transfer, and this is related specifically to those staff who transfer, who may not wish to. This risk is reduced somewhat, due to the transfer taking place at an operationally 'quieter' period.
- 5.21 The business case sets out that there are similarities in salary levels between public and private sectors, and so there should be very little difference between providers. The major factor in a reduction of service would be if fewer staff were employed in delivering the contract.
- 5.22 Another core consideration is that of seasonal work and the business case suggests that the Council should consider some form of seasonal annualised hours. This cannot be defined until the Council is clear on the existing terms and conditions of staff transferring to the Council, as to whether this is already in operation.

### Fleet, plant, and machinery

- 5.23 To fulfil the operational work of a grounds maintenance service, a wide range of fleet, plant and machinery would need to be procured. The Council in 2020 approved a 10 year forward Fleet Transition Plan. The ambition is that by 2030 the Council will have transitioned to a fully electrified fleet. During this ten-year programme diesel vehicles will be replaced where viable with electric vehicles (EV), but other options may be considered such as hybrid alternatives.
- 5.24 Wherever possible, electric vehicle (EV) or battery alternatives have been costed. For some vehicles there is currently no suitable EV version available, such as tractors and ride-on mowers, although the technology around EV is evolving rapidly and there will be far greater vehicle types available in the coming years.
- 5.25 An allowance for a Small Plant Fitter has been made to enable maintenance to be carried out on some of the plant and machinery.

### Depot and accommodation

- 5.26 The Council's main operational depot is located at Shrub End. It is currently working at full capacity with parking space at a premium both for fleet and staff.
- 5.27 Additionally, for the grounds maintenance work, secure storage space at the depot (in its current state) is not available for the small plant. In terms of welfare of staff moving to Shrub End as their new base, the facilities currently available struggle to meet the demands of the current workforce. Daily there are currently over 100 staff moving through the site, most of this number is early in the morning and then at the end of shift in the

- afternoon. Approximately half this number can come and go though at tipping and break times.
- 5.28 With regard to the maintenance of the small plant there is no available workshop space to set up a dedicated small plant workshop for the ride-on mowers and power tool servicing etc.
- 5.29 There are several buildings on sites across the Borough that will remove demand for storage at Shrub End Depot. These are:
  - Castle Park two large buildings for plant storage and yard area for parking. There are also storage bays for soil and green waste. Welfare room for park-based staff.
  - Cemetery garage/barn for storing mowers and grave digging equipment.
  - Old Heath brick building for storing pedestrian mowers.
  - Shrub End Sports Ground large garage suitable for storing plant.
  - West End double garage suitable for storage mowers and plant.
  - Mile End garage suitable for storing mowers and plant.
  - Castle Park Sports Ground double garage suitable for storage mowers and plant.
- 5.30 However, even with the use of the satellite sites, it is unfeasible to base the grounds maintenance service within the depot Shrub End from a capacity point. Additionally, it is unlikely that the depot could be reconfigured to incorporate an extra 50 members of staff plus 25 vehicles and associated plant, equipment and storage. The business case recommends that urgent consideration is given to looking at options for an alternative location from which to base the grounds maintenance service.
- 5.31 Consideration also needs to be given to the waste generated by the in-house model. This will potentially see an increase in green waste production up, in the region of 540 to 720 tonnes per year. The Council has an existing Waste Transfer Station (WTS) licence in order to manage waste from the Shrub End depot. The Council will need to apply for a Permit Variation in order to manage the increase of green waste, and again, the location and storage of this material will have to be carefully considered. As set out above, Shrub End Depot is at capacity.

### Financial impact

- 5.32 The business case sets out that it is predicted that tender prices for contracts such as Colchester Grounds Maintenance could increase in the region of 21% over the next five years. Such an increase to the current contract price would mean an increase to around £2.1 million. This is at a time when Council budgets are already under strain. However, bringing the service back in-house would give the Council an opportunity to redesign the service to deliver savings and improvements first.
- 5.33 The financial impact of the proposal is set out in Section 7.

# Commercial Case

- 5.34 The business case sets out that the emphasis at contract handover would need to be on improving (or at least, maintaining) the service in line with the specification rather than seeking out extra work. However, it is recommended that commerciality of the service can be considered in the longer term and the document sets out several options for consideration.
- 5.35 Nevertheless, the business case sets out potential work and assess the commercial potential for areas such as:

- Maintenance of open spaces
- Grass cutting
- Tree and hedge maintenance
- Weed spraying / control
- Landscape works
- Shrub bed maintenance
- Forestry works
- Pitch maintenance and marking out
- Landscape Design and consultancy
- 5.36 The business case recommends a more detailed analysis of potential work available and to ascertain what is available through other public bodies, such as schools or private businesses. The Council already has a strong track record of commercial trading in a range of activities that will be beneficial in developing this potential business. Helpfully, the current Neighbourhoods Service structure already incorporate a Business Development Officer, who can undertake this work. It is further recommended that a ring-fenced trading or profit and loss account is set up.
- 5.37 The business case sets out that the commercial case is viable and should be progressed to fully exploit potential opportunities.

### Legal Case

- 5.38 The business case sets out that, for the avoidance of any uncertainty, nothing in the report should be construed as legal advice. The author is not a lawyer and all references to varying interpretations of the legal framework relate to positions taken by APSE member authorities and not to the legal advice they or APSE may or may not have received.
- 5.39 In terms of bringing the grounds maintenance service back in-house there is no legal bar to doing so and there is precedent from many Councils that have done so before.
- 5.40 The business case sets out the powers available to the Council to undertake and charge for any work, i.e., be commercial.

### Deliverability against the strategic objectives

5.41 In considering the deliverability against the objectives set by Leadership Board:

**Community asset based** – whilst this can be achieved well through an inhouse model, the business case is weak in this area in terms of deliverability and suggests that this can only be delivered well after the transfer of the service.

**Demonstrates exemplary management of the environment** – whilst some of these ambitions are being met, it can be more strongly met with a greater community asset-based approach. The business case also sets out the financial implications in terms of increased costs associated with scaling 'greening' approaches across operations.

**Ensure budget control** – whilst greater control and flexibility can be achieved with budget control by delivering an inhouse model, the budget proposals demonstrate significant investment for the Council at a time when Council budgets are under significant strain. In addition, the business case cannot demonstrate a saving of £100,000 per year as

proposed, although this may be achieved in future years when the service is reviewed. This is described further in Section 7.

**Transformative** – the business case is weak in this area and does not demonstrate significant ambition or innovation recommending a 'like for like' transfer of the service to mitigate risk and sustain acceptable performance.

### Conclusion

- 5.42 In summary the case sets out that an inhouse model could be achievable but at some significant risk and it would not fully achieve the objectives set. There are several significant barriers to overcome, and these are set out below. It may not be possible to overcome these barriers in the timeframe of the current contract and therefore it is recommended that a contract extension is put in place.
  - Cost to deliver a like for like service the service is proposed to be more costly, does
    not provide the proposed savings and requires significant capital investment. Whilst a
    contract extension will implement inflationary adjustments, overall there will be greater
    certainty in terms of risk to the Mid-Term Financial Forecast.
    - a. **Fleet** (diesel v EV) direction needs to be given on whether to work within the Fleet Transition Programme, as significant investment will be required for infrastructure, which is not currently costed and could be prohibitive.
  - 2. **Capacity at Shrub End** space and capacity to accommodate additional staff, provide appropriate welfare, security for fleet as well as managing additional waste is not possible. An extension will provide the opportunity to explore more options and enable planning.
  - 3. **Community** the current business case does not propose a strong case for meeting a community-based objective. An extension will provide the opportunity for the current team to explore the possibilities of a community-based approach, perhaps undertaking pilot schemes and greater engagement.
  - 4. **Innovation** the current business case does not propose a strong proposition for innovation and a service fit for the 21st century. The extension period will enable officers to explore this more and create plans for a more innovative approach at transition, rather than 18 months after transition.
  - 5. Capacity and resource for successful transition and delivery the current timeline proposes to bring inhouse a significant business operation at a time when Government changes require significant change to other high-profile areas of the service, notably the Waste & Recycling Service. This will create substantial pressure on workloads, and reduce capacity on existing staff to support successful transition of the service (see Section 6). An extension will provide the opportunity to develop more detailed plans and a considered approach to the transition, at a time where officers can be more dedicated to the delivery.
- 5.43 It is assumed the Council still wishes to pursue an inhouse delivery model for grounds maintenance. Should a decision be to extend the current contract, this does not preclude the option or ability for the Council to continue to pursue the option and it will provide a significant opportunity for planning and strategy to take place ahead of a transition. In taking this approach, Officers see an opportunity to work more closely with Idverde during this contract period and will look to explore such options as co-located workspaces to

improve contractor relationships and more community-based projects, as alluded to above.

### 6. Risk Management Implications

### Performance and Service Standards

- 6.1 Should the recommendation to extend the current contract be agreed, open dialogue will remain with the current contractor throughout the process to ensure effective working relationships and maintenance of standards using the existing terms of the contract.
- 6.2 Should a decision be made for an inhouse model or retender be agreed, consideration should be given to the fact that standard of service may drop at point of transfer, due to the uplift and changes impacting staff that will ultimately impact on morale and performance. In addition, significant transfer of information and data will need to be made in order that programmes of work can be initiated. However, with robust systems and processes in place, plus regular reviews, this can be managed carefully to mitigate risks.

### **Environment Bill Implications**

6.3 At the time of the potential transition or retender (October 2023), changes proposed in the Environment Bill are likely to be commencing at the same time. The timetable for the consistency in collections for Household Waste is set out below. Consideration should also be given to the setting up of the Extended Producer Responsibility (EPR) scheme from 2023 and the Deposit Return Scheme (DRS) from 2024 at the earliest. Each of these schemes will impact on resource and capacity across the Neighbourhood Services team:

2023/24	Business waste changes implemented (i.e., increase material collected and separation) – impact for Colchester  Weekly separate food collections – no change for Colchester
	Separate garden waste collection - no change for Colchester
October 2023	Dry recyclable separate waste streams - no change for Colchester
No later than end 2024/25	Business recyclable plastic films – impact for Colchester
No later than end 2026/27	Plastic film collections – impact for Colchester

### 7. Financial implications

- 7.1 A key objective of the transition to a new model was to deliver annual savings of at least £100,000 per annum against the current contracted value. This is set out in the Mid-Term Financial Forecast.
- 7.2 Transfer of Undertakings (Protection of Employment) regulations (TUPE) will apply, and any review needs to pick up who would be liable for any redundancy costs. There may also be pension issues which would need to be reviewed as these issues could have an impact on potential future savings. Other costs may be difficult to predict but could include buying staff out of contractual cars, pension, pay protection or redundancy costs.

Capital costs

- 7.3 Capital costs have not been allowed for improvements or upgrades to Shrub End depot, nor for the purchase of buildings or structures to support this proposal. No costs have been allowed for EV infrastructure upgrades either.
- 7.4 Capital costs have been allowed for the purchase of fleet. As per previously agreed policy, when exploring the acquisition of fleet, options around purchase and lease will be explored to determine best value. At this stage, an assumption has been made the Council will procure, based on the latest approach to fleet acquisition.
- 7.5 In terms of fleet, it is expected the Council will continue to work within the Fleet Transition Plan, however, due to the timescale for delivery, two options have been explored that provide the cost impact for a mainly electric fleet and a diesel fleet:

	2022/23 (000s)	2023/24 (000s)	2024/25 (000s)	2025/26 (000s)
Option 1 - Electric/Battery with Fossil fuel vehicles where currently no Electric version		1807		
Option 2 – Fossil fuel		1394		

### Revenue one-off costs

7.6 There are numerous one-off costs mainly associated with the set up and transfer of the service. This includes asset management software, tools and equipment, mobile phones, PPE, project management, improvements to satellite sites and public communications.

	2022/23	2023/24	2024/25	2025/26
	(000s)	(000s)	(000s)	(000s)
Revenue one-off costs	24	399	15	

### Revenue impact

- 7.7 Revenue costs account for all ongoing operational costs associated with the service. Again, there are two options available and are dependent on the selection of the fleet. This is an estimate, and it is expected, as set out in the report that 18 months after the launch of the service, a review can be undertaken to re-evaluate the operation and costs associated with it.
- 7.8 Staffing costs have allowed for salaries all at mid-point and all other costs have assumed current pricing, plus 4% inflation increases in following years.

	2022/23 (000s)	2023/24 (000s)**	2024/25 (000s)	2025/26 (000s)
Staffing*		927	1853	1853
Operational costs (excluding fleet)		97	228	237
Efficiency savings and or additional income				-100
Option 1 - Electric/Battery with Fossil fuel vehicles where currently no Electric version		398	438	439
Total Option 1		1422	2519	2429

Option 2 – Fossil fuel	328	385	387
Total Option 2	1352	2466	2377

<sup>\*</sup> Staffing costs include NI, pension costs and includes assumptions on TUPE staff based on 40 hours per week. It does not include GM87 increases. Staffing costs are based on current grading. \*\* The contract will commence from period 7 (October), mid-year and so the costs do not show for the full year.

- 7.9 It is expected that in 2025/26 a re-evaluation of the service will be undertaken and will aim to provide savings of £100,000 per year as set out in the objectives through efficiency savings and or additional income.
- 7.10 Transfer of Undertakings (Protection of Employment) regulations (TUPE) will apply, and any review needs to pick up who would be liable for any redundancy costs. There may also be pension issues which would need to be reviewed as these issues could have an impact on potential future savings. Other costs may be difficult to predict but could include buying staff out of contractual cars, pension, pay protection or redundancy costs.
- 7.11 The current cost of delivering the grounds maintenance contract through Idverde is £1.7m for 2021/22. This compares to between £2.3m and £2.5m in the options and estimates set out above.

Income

7.8 No assumptions have been made on additional income streams at this stage.

# 8. Strategic Plan References

8.1 This project work is directly aligned to the Council's strategic priorities of *Tackling the climate challenge and leading sustainability* (in particular, conserving and enhancing biodiversity), and all priorities in *Creating safe*, *health and active communities*.

#### 9. Environmental and Sustainability Implications

9.1 The review has set out a clear focus on the objectives, which has included that of Exemplary Management of the Environment, and this has remained a clear outcome of the review and in the recommendation set out. The detail of implications on environment and sustainability can be further explored as the business case is progressed.

# 11. Equality, Diversity and Human Rights implications

11.1 This report sets out to seek approval of a recommendation for a future operating model for grounds maintenance. It does not propose or set out to make any service changes until such time as an assessment on the successful delivery of the service, in at least 18 months after the transition and to that extent it does not impact on the promotion of equality and overcome discrimination in relation to gender, gender reassignment, disability, sexual orientation, religion or belief, age, and race/ethnicity.

#### 12. Consultation

12.1 Preliminary discussions with the Community Enabling team has taken place to explore how the objectives within the community asset-based approach can be delivered. These will be built into any plans with recommended options.

- 12.2 Stakeholders involved in this process will continue to be engaged and updated on progress of the business case and decisions.
- 12.3 The Council will work within the TUPE regulations and ensure staff are informed, updated and consulted throughout the process, including consultation with Unions and Trade Representatives.

# 13. Publicity Considerations

13.1 Dependent on the outcome of the decision, a comprehensive communication campaign will be developed to ensure that the public are properly informed of the proposals and any potential change that they expect.

# 14. Health, Wellbeing and Community Safety Implications

14.1 The proposed business case supports a community-based approach. Staff at all levels will be engaged in this objective through training and awareness, and encouraged to create greater linkages with communities, and support and promotes actives lives and volunteering opportunities.

#### 15. Health and Safety Implications

- 15.1 The proposed business case acknowledges the increase in work and high risk activities. To that end, costs have been included for a Health and Safety Coordination Officer and the revenue costs have included for training, induction and other safety measures, processes and assessments to ensure that the teams are working safely.
- 15.2 During any change, managers and officers will work closely with the Corporate Health & Safety Officer and will report into the Neighbourhood Services Health, Safety and Wellbeing Working Group, within which there is representatives of management and frontline staff. Managers and officers will also continue to consult and work with Unions and Trade Representatives.

# **Appendices**

Appendix A – Business Case



# **Grounds Maintenance Business Case**

Final Report for Colchester Borough Council

This report has been prepared by John Marsh in January 2022

Version 1.0











APSE (Association for Public Service Excellence) is a not for profit local government body working with over 300 councils throughout the UK. Promoting excellence in public services, APSE is the foremost specialist in local authority front line services, hosting a network for front line service providers in areas such as waste and refuse collection, parks and environmental services, leisure, school meals, cleaning, housing and building maintenance.

APSE provides services specifically designed for local authorities, such as benchmarking, consultancy, seminars, research, briefings and training. Through its consultancy arm APSE delivers expert assistance to councils with the overt aim of driving service improvement and value for money through service review and redesign. APSE delivers in excess of 100 projects a year and clients benefit from the consultancy's not for profit ethical approach to consultancy services.







# Colchester BC Grounds Maintenance Business Case

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# 1. Introduction

- 1.1 Colchester Borough Council is a borough council in the county of Essex named after the main town of Colchester. The borough covers an area of 333.2 square kilometres (just over 125 square miles) and stretches from Dedham Vale on the Suffolk border in the north to Mersea Island on the Colne Estuary in the south. It is the oldest recorded town in Britain.
- 1.2 The borough comprises 17 individual wards with in total 51 Councillors. There is a population of just under 195,000 (mid 2019 estimate) making it the second largest borough/district Council in England.
- 1.3 The grounds maintenance service is currently outsourced and provided by Idverde Limited. The contract, which is for 7 years and 7 months, commenced in April 2016 with an end date of October 2023. There is the option to extend the contract for three years (but not for a shorter timescale). This must be communicated within 72 months of the start of the contract so by April 2022 at the latest.
- 1.4 The total value of the contract is over £10.4 million with the value for 2021/2022 at £1.7 million making it one of the largest externalised contracts that the Council has.
- 1.5 It is anticipated that the project will identify further savings of £100k and this is built into the budget going forward but as yet these have not been identified.
- 1.6 The Colchester Leadership Panel requested that the Policy Panel participate in the review of future options for delivery of the grounds maintenance services across the borough and make recommendations to Cabinet at its meeting on 10th March 2021.
- 1.7 The Council appointed APSE (Association for Public Service Excellence) to support the review into the currently outsourced grounds maintenance service with a view to determining the right delivery option for the future.
- 1.8 The Council, as with most others throughout the UK, is facing financial pressures, but is still ambitious in how it wants to deliver services going forward. In October 2020, it launched a Strategic Plan 2020-23. The plan sets out how the Council will address the key challenges facing the borough through five strategic priority themes:
  - Tackling the climate challenge and leading sustainability
  - Creating safe, healthy, and active communities

- Delivering homes for people who need them
- Growing a fair economy so everyone benefits
- Celebrating our heritage and culture
- 1.9 On 19th July 2019, Colchester Borough Council declared a climate and biodiversity emergency setting out ambitious plans to put biodiversity and sustainability at the heart of the council's agenda. This included a new target and action plan to reduce glyphosate-based weed control, a policy of Greening Colchester and to put sustainability, biodiversity and carbon reduction at the heart of the council's agenda going forward. APSE's review has been conducted mindful of this emerging agenda.
- 1.10 In considering the future delivery of the grounds maintenance service, four strategic objectives for the review were agreed:
  - **Community asset based**; Community involvement. Creating an environment and the conditions to support community led action.
  - **Exemplary management of the Environment**; Demonstrating exemplary management of the environment with sustainability, biodiversity and ecology at the heart.
  - **Ensure budget control**; Robust and demonstrable savings, with cost certainty that considers the future, including a £100,000 saving per annum.
  - **Transformation**: Matching the Council's ambition in how the service can be delivered going forward to provide services fit for the 21<sup>st</sup> Century.

# 2. The initial review

- 2.1 The initial review focused on the works carried out under the current contract by Idverde but also included works currently undertaken by the Neighbourhood Services team. This included Castle Park, Countryside, tree maintenance, river, lake and coastal maintenance. It also considered future implications and opportunities on service delivery, such as legislative changes, significant changes to assets, public sector reform and environmental ambitions.
- 2.2 A current state assessment report was produced to establish a baseline for the current service. This was supplemented by benchmarking data from APSE which were presented to the Policy Panel at a workshop on 20th January 2021.
- 2.3 To support the Policy Panel further in reaching their decision, a number of workshops were held, not only with the Policy Panel but also with stakeholders and

partners. This was supplemented with a questionnaire to all Councillors on the Policy Panel and the Environment and Sustainability Panel, plus 32 partners and stakeholders. These focused, not only on the current service, but also what is important and what service they wanted to see in the future.

- 2.4 As part of the review, members of the Policy Panel asked for best practice examples from other local authorities. Fourteen case studies from other local authorities across the UK were identified and these gave examples of good practice against the four strategic objectives. These were listed under the most appropriate objective although they did naturally cross over between objectives.
- 2.5 The decision from Policy Panel workshop on 9th February 2021 meeting was a consensus to bring the grounds maintenance service in-house and for the review team to bring back recommendations of what any in-house option would look like. Any option would follow the four strategic aims set out on pages 1 and 2.
- 2.6 The Policy Panel confirmed this at its meeting on 3rd March 2021 where it recommended to take forward a report to Cabinet on 10th March with the recommendation at this pre-business case stage, of a new in-house operating model to deliver grounds maintenance as described in the report. However, at this stage other options will remain on the table as it may be that the in-house is not viable. This could include going back out to tender or extending the current tender arrangements.
- 2.7 This was approved by Cabinet at its meeting on 10th March 2021. It was requested that a more detailed business case to be brought back to Policy Panel for review before final recommendations go to Cabinet for a formal decision on the operating model to be delivered at the end of the current Grounds Maintenance contract.
- 2.8 APSE was asked to support the second phase of the project with the creation of a business case for the preferred option of establishing an in-house service. This support would develop a balanced business case methodology designed to test, as opposed to simply support, a preferred course of action. To this end the business case assesses viability according to five headings;
  - **strategic case**, the proposed activity must be consistent with achieving the strategic objectives of the authority.
  - **operational case**, there must be an understanding of the resources needed to provide the service and how these will be obtained.
  - **financial case**, the contract price available from the market must be at least sufficient to cover the net cost of provision.

- **commercial case**, the proposed activity must, if it involves external trading, be commercially viable meaning that there must be a product that customers will choose to buy.
- **legal case**, the activity must be lawful.
- 2.9 These interrelated elements are discussed further in the body of the report.
- 2.10 The aim of the business case is to ensure that the assessment fully considers all elements of deliverability and not just the ones that tend to support its implementation. A good example of this would be where taking a service in-house may be a strong fit with strategic requirements around control, agility and commercial potential but may raise issues in terms of financial viability and operational delivery. A genuinely compelling business case should deliver against the requirements of each element.

# 3. Strategic Case

#### **Performance and Governance**

- 3.1 Colchester Borough Council has had longstanding cross political support for inhouse provision of direct services. The initial report identified that there was strong political support in bringing grounds maintenance services back in-house.
- 3.2 The Council's strategic plan (https://www.colchester.gov.uk/strategic-plan/2020-23) sets out how the Council will address the key challenges facing the borough through five strategic priority themes. The plan outlines 15 priorities, taking into account the impact of the Covid-19 pandemic, and sets out the key goals by which success will be measured moving forward, together with a clear set of commitments that will be delivered in the first year of the plan. A number of the goals for 2020 to 2023 are related directly with the delivery of grounds maintenance services such as "Work alongside communities to maintain clean, green neighbourhoods and urban spaces that we all look after and enjoy".
- 3.3 A particular benefit can be achieved through bringing decision-making and service delivery closer together, enabling a stronger link to local policy. This closer link will be critical with policies such as "Rewilding" projects and phasing out use of glyphosate in chemical weed control.
- 3.4 It was recognised that the future in-house service could provide a link between residents and visitors to the objectives. In-house delivery of grounds maintenance services is seen as an opportunity to strengthen this link.

# Cost efficiency, flexibility and added value

- 3.5 The increased flexibility and responsiveness through providing the service in-house outside of a strict contractual environment will be vital post Covid and also in implementing the innovative Greening Colchester Policy.
- 3.6 The response to the pandemic in Spring 2020 identified a number of issues regarding flexibility of contractor staff, where if the service was being delivered inhouse, staff could be redirected in other roles to meet the emergency.
- 3.7 There are a number of overlaps where currently both Idverde and the Council's teams are engaged, such as litter picking, bin emptying and community engagement. Delivering in-house will remove this duplication and will lead to improvements in areas such as call handling resident enquiries.

# Service integration and synergy with other in-house services

- 3.8 The return of grounds maintenance services in-house is an opportunity to create synergy between grounds and other in-house services such as the Street Care team. This could lead in the future to the development of an integrated Street Care team delivering a wider range of services.
- 3.9 This is also particularly important in employee terms with a joined-up in-house service offering the opportunity for new skills for the existing workforce and the multi-skilling of transferred employees.
- 3.10 There is also the opportunity for greater community engagement outside a strict contractual regime. This would be delivered through the Council's existing Corporate Community Enabling team and Neighbourhood Services existing Community Education and Engagement Officers. This will fit with the aim of increasing pride in Colchester.

# **Employment considerations**

3.11 The Council recognises that through its current in-house services the importance of providing an established, experienced and well-motivated workforce with strong local knowledge and a growing skills base. This ethos dovetails with the bringing in-house of grounds maintenance. grounds maintenance. It is important for the local economy to sustain, up-skill and build upon this workforce; and one way of doing this being to bring grounds maintenance back inhouse.

- 3.12 A core consideration related to the transfer of staff to the in-house service is the harmonisation and dis-harmonisation of those staff. During the set-up of the new in-house service approximately 50 employees will be transferred under TUPE legislation. The process of TUPE will need support from Human Resources and cooperation with relevant Trade Unions. It needs to be highlighted that some staff may not transfer back to the Council and it could be possible that a 'full team' may not arrive and commence on the day of transfer. A further consideration is that Idverde staff are allowed to use company vehicles to travel to and from work, which is currently not something that the Council allows.
- 3.13 The current rates of pay for grounds maintenance and gardening staff are level between the public and private sector. The Government has put into place a pay freeze for 2021/22 for the public sector. However, the most recent data shows that private sector wages are rising by approximately 4% and the consequences of this will need to be factored into any transfer.
- 3.14 As with many other industries, the horticultural sector has an aging workforce. Bringing the contract back in-house will offer the opportunity for succession planning to be included. Through working with the current services and their ambitions to develop and grow its own workforce it will be possible to employ apprentices to begin to address this, as well as giving well trained jobs to local young people.

# **Quality of services**

- 3.15 The workshops undertaken for the initial phase of the project identified a range of issues with the current quality of service delivered by the contractor together with a lack of pride in the service. This was especially apparent with local sports clubs with complaints about a deterioration in pitch quality.
- 3.16 Bringing the service back in-house will give a sharper focus to quality. The existing Parks, Contracts and Volunteering specialists have good relationships across partners and these links can be built on to improve quality through greater control of service delivery.

# **Sustainability**

3.17 Exemplary management of the environment is one of the four strategic objectives. This coupled with the fact that grounds maintenance operations will see fundamental change in the coming years to cope with climate change obligation is

going to have a major impact on service delivery. By bringing back in-house it should make it far easier to make changes.

# **Local economy**

3.18 As part of the new model, the opportunity for smaller local contractors to undertake specialist works should be investigated as appropriate as this would support the local economy. This does need to be balanced against the extra contract management time and resources this will involve.

# 4. Operational and Financial Case

- 4.1 The operational and financial cases are considered together because of the intrinsic link between them. To determine the full operational case, it is necessary to accurately identify the grounds maintenance work that is needed to be carried out. Following this the financial cost can be established. The financial cost will be split between capital and revenue.
- 4.2 The business case assumes and assesses a like-for-like movement of the contract to in-house delivery for the first 18 months, applying the same specification, during which time it will enable the Council to understand the operational delivery in more detail. The current data and specification contained within the contract does provide a good comparison at this stage. The risk in this approach is that there could be some differences in measured areas which may increase or decrease costs; it also limits any transformational or innovative approach to service delivery at an early stage. However, the business case also identifies some areas of opportunity.
- 4.3 The contract covers the whole of the green space within the borough including Parks, Sports Grounds and the Cemetery and Crematorium.
- 4.4 The annual value of the contract for 2021/22 is just over £1.7 million. Currently any savings attributed to the contract, are based more on a reduction in service than on the contractor delivering greater efficiencies. Idverde are also paid an extra £90k for work on the Assisted Garden scheme from Colchester Borough Homes which is outside of the above £1.7 million.
- 4.5 Looking forward, tender prices are predicted to go up by 21% over the next five years, while they will increase faster than input costs due to increased demand and loss of competition (source: Royal institute for Chartered Surveyors, October newsletter 2021). In the immediate term, sharply rising materials prices and longer

supply times resulting from both Brexit and the Covid-19 pandemic show that tender prices will rise by nearly 4% between quarter 2 2021 and quarter 2 2022. This needs to be factored in when comparing the costs in this business case.

- 4.6 The scope and extent of the Contract covers the following activities
  - grass maintenance,
  - shrub, planted areas, and border maintenance,
  - hedge maintenance,
  - minor tree maintenance, (e.g., lifting lower branches to help with grass cutting)
  - maintenance of hard surfaces.
  - ponds and ditches,
  - planting works,
  - sports pitch maintenance including re-seeding and turf maintenance,
  - fencing on a temporary basis,
  - litter clearance and site maintenance,
  - work related to interment,
  - site security, unlocking and locking of gates at various sits at different times
  - assisted garden scheme. This is a scheme undertaking grass cutting in Colchester Borough Homes (CBH) residents gardens. It is usually five to six cuts a year depending on growth and two hedge cuts. Currently, at October 2021, Idverde are carrying out an eighth cut. This is paid through the Assisted Garden scheme budget and is not part of the monthly payment to Idverde. There were 222 properties on the scheme at February 2021.
- 4.7 The initial report into the current service identified that the operations within the contract can be split into four main activity types. This was based on the measurements specified when the contract was let.
  - Grass cutting (amenity, prestige, grasslands) 37%
  - Shrub and Hedge maintenance 22%
  - Sports pitches maintenance and activity 16%

- Non-horticultural (litter picking, locking/unlocking Parks, maintain hard surfaces)
   24%
- 4.8 Based on the above, approximately a quarter of the contract is non-horticultural activity, which potentially could be carried out by the other services (e.g., 9.6% is litter picking that could be carried out by the Council's Street Care and Safety team).
- 4.9 The work detailed within the contract is a mixture of outcome and output specifications. For example, some of the grass cutting operations specify a frequency of cuts, whilst others are based on grass not exceeding a maximum height with the number of cuts determined by growth and weather conditions.
- 4.10 There have been a number of changes since the original contract was let in 2016 which have been updated within the Asset management system. The increases being attributed to new land being taken on by the Council through new developments and adopted through the Section 106 process. The current breakdown of operations is set out in the table on the following page.

Total Value	£1,778,786.85	100.0%		
Grass Cutting	£672,291.58	37.8%	Amenity	£530,040.97
			Prestige	£94,840.11
			Wildflower/	(25.252.70
			Grasslands	£25,352.70
			Miscellaneous	£22,057.80
Shrub/Rose Bed				
maintenance	£359,644.68	20.2%		
	2333,044.00	20.270		
Hedge · .	640.254.64	2.00/		
maintenance	£49,351.64	2.8%		
Maintain Hard			Type A and Type	
surfaces	£54,409.54	3.1%	C	£39,877.12
Litter clearance	£170,824.51	9.6%		
Site security	£41,487.92	2.3%		
-				
Pitch				
maintenance	£409,615.03	23.0%		

			Football	£85,414.12
			Rugby	£127,943.83
			Tennis (incl. hard court)	£33,479.52
			Cricket	£32,985.75
			County Cricket	£83,459.48
			Bowling Greens	£32,027.96
			Miscellaneous	
			sports	£14,304.37
Other				
maintenance	£21,113.95	1.2%		

- 4.11 When applied to the contract specification it increases the overall cost by just under 4% to £1.778 million. The table above does not include the new Northern Gateway Sports ground.
- 4.12 Looking at the 4% increase in more detail, the individual increases by activity include:
  - Grass cutting 6.4%
  - Border maintenance 9.58%
  - Hedge maintenance 16.35%
- 4.13 The area of hard surface maintenance has increased by 1.14%. However, the cessation in glyphosate use will have a significant increase in maintenance costs. These are shown later within this section.
- 4.14 Currently, the grounds maintenance service, maintains three sports areas:
  - Shrub End / West End; (6 x Council football pitches and 4 x Colchester United football pitches).
  - Lexden King George; (6 x football pitches).
  - Mile End; (6 x football pitches).
- 4.15 When Northern Gateway is fully operational there will be a further seven rugby pitches.
- 4.16 The above table assumes that there have been no other changes to pitch maintenance and that West Mersea litter picking that has been transferred already

to the Street Care and Safety team. The almost £410,000 cost of maintaining and managing sports pitches is offset by income of approximately £50,000.

# **Grass Cutting**

- 4.17 The largest section of the contract relates to grass cutting, so any change in specification (e.g., frequency of grass cutting) would have a major effect. The increase in the area of grass cutting is primarily due to taking on new open space from developers. The number of grass cuts specified in Colchester is slightly below average when benchmarked nationally. Despite this, it is considered that the number specified is sufficient to achieve a good standard of maintenance and it is not recommended to change the annual number of cuts.
- 4.18 In terms of grass cutting activity, as mentioned above, there has been a number of changes since 2016 when the contract was let. The table below gives the square metres cut split by amenity, prestige and wilding. The costs per square metre are based on the Idverde schedule of rates.

	Average cost/ sq. mtr.			
Amenity	2,766,956	3,002,283	235,327	£0.18
Prestige	156,828	155,203	-1,625	£0.61
Wildflower/Grassland	198,569	223,109	24,540	£0.09

- 4.19 Since 2016, the amount of wildflower grassland has increased from 5.1% of all grass cutting to 5.9%, although it remains very small in relation to the amount of amenity grass cut. The policy changes set out in the Greening Colchester paper to increase the area of grassland set aside to wildflower areas is likely to affect this further. However, this increase in land given over to "wilding" is more than offset by the extra 235,000 square metres of extra amenity grass that have been added in the last 5 years.
- 4.20 As can be seen from the table, the average cost of cutting per square metre of wild areas to amenity areas is half; a saving of £0.09 per square metre, based on the Idverde schedule of rates figures. To give this context, if 10% of Amenity Grass types A and E were transferred to a wildflower grassland cut and lift, it would result in a £20,477 saving in grass cutting activity. This is based on a transfer of 255,000 square meters from an amenity grass cutting regime. There will be an extra cost involved

in the purchase of additional cut and clear machinery which has been allowed for in the fleet and plant costings.

#### **Contract costs**

- 4.21 There are some costs identified within the asset management system that are already known to need attention. Where these are identified, the budgets have been allocated to cover other works within the contract.
- 4.22 There are other areas where further interrogation would be beneficial. For example, there is £41,000 allocated for locking and unlocking Parks. It is recommended that this is investigated to determine whether this activity could be ceased or transferred to another function within the Council.

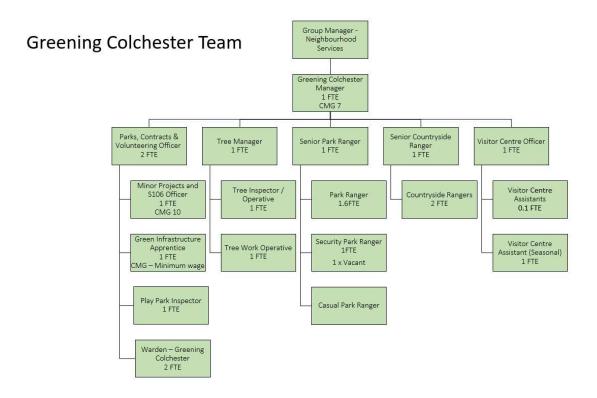
# **Asset Register**

- 4.23 The assets are all recorded on the Mayrise Grounds module system. This is kept up to date and whenever a new area is taken on it is input onto the Mayrise system. A variation document is provided to Idverde detailing the works that need to be undertaken.
- 4.24 The suppliers of the Mayrise module, Yotta Systems have an updated version called Alloy. A demonstration has given with a view to transferring to the new system. Yotta are currently continuing to support Mayrise although they are pushing clients to transition over to Alloy.
- 4.25 The cost of the updating to the Alloy system is a "one-off" £15,000 payment with ongoing licence costs. Currently, Colchester have two licences although more will be needed for front line teams if the operations are taken in-house. A total of 30 licences has been included in the budget forecast.
- 4.26 It is recommended that further investigation into the suitability of transitioning over to Alloy or looking at other system is undertaken.
- 4.27 Further information on Asset Management systems is shown in Appendix 1

# **Staffing requirements**

4.28 The current structure for Greening Operations is shown below. This will need to be amended and expanded to incorporate the transfer of the Grounds maintenance

contract, which will also include other additional roles within Neighbourhood Services.

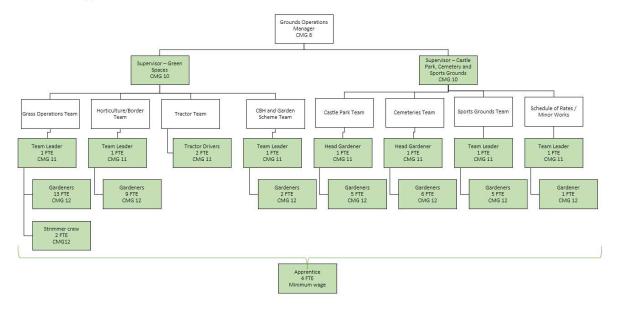


4.29 The table below describes this in detail by operation, together with a proposed number recommended to fulfil the requirements of the current specification.

	Idverde Summer proposal	ldverde July 21	Idverde October 21	Proposal
Management	1	1	1	1
Admin/Business Support	1	1	1	1
Fitter	1	1	1	1
Apprentice	4	0	0	4
Sub Total	7	3	3	7
Frontline				
Supervisors	2	1	1	2
Mowing Teams	10	11	14	12
Horticultural Teams (Borders and Hedges)	6	8	8	10
Tractors	2	1	2	2
Strimming and spraying back up				
teams	0	2	1	2
SoR Teams	3	0	0	2
Housing Grass Team	2	0	0	0
CBH and AGS	0	3	3	3
Castle Park	6	5	4	6
Cemetery Team	7	7	6	7
Sports Team	6	5	4	6
Cleansing (incl. Castle Park)	3	2	2	0

# 4.30 The proposal is shown in structure form below

# **Greening Colchester Team**



# 4.31 The main points from the table

- The proposed numbers are based on 37 hours per week (or 1924 hours per annum).
- Current Idverde numbers are below those specified in the 2016 method statement both in front line numbers and apprentices. This means there is limited scope to cover work for both holidays and sickness.
- There are insufficient numbers of multi-trained Idverde staff to transfer between teams. To overcome this post transfer, it is recommended that a comprehensive training programme is introduced. The apprentices will need to be rotated across all areas of the operation.
- Current Idverde staff work 39 hours. If Idverde staff continued to work a 39 hours per week post transfer this is equivalent to an extra 3 FTE when compared to a 37hour working week. This reduces the actual difference between Idverde summer working and the proposal to 1.5 FTE.
- The increase in FTE numbers in the proposal strengthens, in particular, the border maintenance and grass cutting teams. This is based on the fact
  - that Idverde performance has been poor over recent months leading to rectification notices being issued.
  - on-site supervision (for example in Castle Park) has been lacking.
  - o Time taken for hedge cutting is increasing
- In terms of recruitment, as the contract commences in October and workload theoretically reduces over winter, any potential recruitment can take place over the winter period to be ready for the start of the grass cutting season.
- The Contract manager would report directly to the Greening Operations Manager
- The 2 supervisors are to give increased on-site supervision and extra support where needed to ensure that the specification and maintenance standards are being

- achieved. It is recommended that these roles are split between general green spaces operations and sports pitch/Castle Park/Cemetery operations.
- The two supervisors would be supported by 9 team leaders/head gardeners
- The four apprentices would rotate across the teams as part of a structured training programme.
- The horticulture/border teams will be split into 5 mobile teams. Currently, Idverde have 3 border teams and 1 hedge team. These teams would also undertake hedge cutting works to add extra capacity for busy periods. Additionally, the Schedule of Rates/Minor Works team would act as an additional back-up for busy periods.
- The proposal allows for a "follow up" team to carry out strimming/residual spraying work to cover for the cessation in glyphosate usage. They would predominately carry out this work in the grass cutting season.
- Park, would transfer to the Street Care and Safety team. This also assumes that the West Mersea litter picking remains with the Street Care and Safety team. The Street Care and Safety team already carries out litter picking on Mersea Island which was part of the grounds maintenance contract. It is recommended that an extra team is established within the Street Care and Safety team to cover this work (two FTE staff plus vehicle). This has been allowed for in the costings.
- 4.32 In addition to the above, three other posts are recommended to build resilience and ensure compliance. These are:
  - A Deputy Fleet and Depot Manager role to support the increased numbers of fleet and equipment across the Neighbourhood Service now needed to be managed.
     This role will report into the Fleet and Depot Manager, to provide resilient and potential succession planning, whilst also managing the Small Plant Fitter.
  - A Senior Business Improvement Officer joins the team, along with a Health, Safety and Training Coordinator, to recognise the increase in record and data management, as well as an increase in staff health and, safety and training requirements and checks for a high-risk area of the Council.

#### **Staffing Costing**

4.33 In terms of this staffing requirement, the following costing is based on the April 2021 Colchester Managed Grades (CMG) salary rates. The table below identifies the roles, numbers and suggested grades. These would need to be confirmed by job evaluation once job descriptions have been developed.

	Niversia	CNAC	CCD	Bottom of	Top of	Mid point
	Number	CMG	SCP	grade	grade	of grade
Contract Manager	1	8	29 – 33	£32,961.89	£38,496.61	£35,640.89
Business Support		10	26 – 30	£23,874.58	£30,459.55	£26,472.38
Officer	1	10		,	,	,

<b>Grounds Supervisors</b>	2	10	23 -27	£23,874.58	£30,459.55	£26,472.38
Head						
Gardeners/Team			10 24	(20.952.60	(24 527 24	(22.666.10
Leaders/Tractor			18 – 24	£20,853.60	£24,527.24	£22,666.18
driver	9	11				
Gardeners (includes			11 10	(10 220 26	(20.052.60	(10.640.45
small plant fitter)	42	12	11 – 18	£18,328.26	£20,853.60	£19,649.45
Apprentices	4	National Minimum Wage				

- 4.34 The full staffing budget build spreadsheet is shown in Appendix 2. This identifies the full staffing costs with Employer National Insurance and Superannuation costs and contributions added. This also includes staff related to the management of the existing contract.
- 4.35 The direct staffing costs associated with the delivery of the contract in-house would range from £1.718 million to £1.990 million dependent on whether at bottom or top of the grade. When other related existing staff costs are included these increase from £1.952 million to £2.267 million.
- 4.36 It is assumed that TUPE will apply at the transfer of the contract and staff will transfer on their existing terms and conditions. It has not been possible to obtain current rates of pay for Idverde. However, we are aware that the grounds staff are 39 hour per week contracts which is above the Colchester Council working week and the Contract Manager and Supervisor posts are 40 hours per week.
- 4.37 Further research into private sector salary for grounds and gardening roles identified the following figures. The current national average for General Gardeners is £20,536 which is only slightly less than the proposed rates. The average for Head Gardeners is £26,000 per annum. The Contract Manager role is being advertised at £37k plus company car.
- 4.38 As the new proposal recommends extra staff to those that will transfer through TUPE, consideration will be necessary to co-ordinate any potential recruitment requirements at contract commencement.

# Fleet, Plant and Machinery

- 4.39 To fulfil the contract a wide range of vehicles and plant will need to be procured. This section will identify a non-exhaustive list of potential vehicles and plant required to undertake the current work required. This has been split into four sections;
  - traditional road vehicles,
  - specialist grass cutting mowers/tractors and parks vehicles,
  - specialist plant and equipment required for pitch maintenance,

- hand power tools
- 4.40 The Council in 2020 approved a 10 year forward Fleet Transition Plan. The ambition is that by 2030 the Council will have transitioned to a fully electrified fleet. During this ten-year programme diesel vehicles will be replaced where viable with electric vehicles (EV), but other options may be considered such as hybrid alternatives.
- 4.41 Wherever possible, Electric Vehicle (EV) or battery alternatives have been costed. For some vehicles there is currently no suitable EV version available, such as Tractors and Ride-mowers, although the technology around EV is evolving rapidly and there will be far greater vehicle types to be available in the coming years. For example, a number of manufacturers are promising 4 x 4 options by 2023 or 2024.
- 4.42 The following do not include for any spare vehicles or the need for any extra vehicles in street cleansing as a result of litter picking and litter bin emptying.

Fleet vehicles

4.43 In terms of fleet infrastructure, it is proposed that 19 road vehicles will be needed at a cost of £485,000 for Diesel or £829,000 for EV. The table overleaf gives detail on the types.

	Number	Cost per vehicle - Diesel	Cost per vehicle - EV	Total cost Diesel	Total cost EV
Small vans -Renault Kangoo type	6	£13,500	£19,500	£81,000	£117,000
Ford Ranger/Land Rover/4x4 type	2	£20,500	*	£41,000	£41,000
Single cab caged tipper/Flat bed **	8	£33,000	£61,000	£264,000	£488,000
Crew cab caged tipper/Flat bed	Flat 3 £33,000		£61,000	£99,000	£183,000
	19			£485,000.00	£829,000.00
Notes			l		
* No current EV alternative					
** Price will vary based on speci	fication (tai	l lifts, crew ca	bs etc)		

Appendix 3 identifies the teams where the vehicles are proposed to be used.

# Tractors/Ride-on mowers/Specialist Mowers and Parks Utility Vehicles

- 4.44 In addition to the fleet above, a further wide range of specialist vehicles and plant is necessary to fulfil the specification. Appendix 4 details a potential list of these vehicles and plant. This is based on local knowledge and the operations undertaken. It may be that differing configurations of plant is required, for example the various configurations of ride-on or triple mowers, but it is intended to give an estimate of the potential.
- 4.45 To obtain the most competitive prices it is recommended that a full procurement exercise is undertaken with a range of suppliers to get a competitive overall price.

# **Overall total cost for Fleet, Plant and Machinery**

4.46 The table below gives an overall total cost for fleet and plant of £1,103 million, rising to £1,447 million if EV versions are purchased. This table also gives the recommended replacement timetable.

				Annual C	ost
	Petrol/Diesel	with Electric options if available	Replacement timescale (years)	Petrol/ Diesel	EV if available
19 Fleet Vehicles	£485,000.00	£829,000.00	7	£69,285.71	£118,428.57
Tractors	£100,000.00	£100,000.00	12	£8,333.33	£8,333.33
Tractor associated kit	£55,000.00	£55,000.00	10	£5,500.00	£5,500.00
Ride-on mowers	£210,000.00	£210,000.00	5	£42,000.00	£42,000.00
Specialist Mowers	£40,500.00	£40,500.00	5	£8,100.00	£8,100.00
Utility vehicles	£52,000.00	£52,000.00	10	£5,200.00	£5,200.00
4 Trailers	£14,000.00	£14,000.00	15	£933.33	£933.33
Specialist sports maintenance	£91,500.00	£91,500.00	10	£9,150.00	£9,150.00
Battery powered tools - from revenue budget	£55,025.00	£55,025.00	4	£13,756.25	£13,756.25
Total	£1,103,025.00	£1,447,025.00		£162,258.63	£211,401.49

4.47 Currently, the Council has a 7-year replacement policy for vehicles. Applying this across the total costs to give an annual costs gives pro rata annual costs of £162,258 and £211,401. As some plant will require shorter replacement time this is a figure for illustrative purposes only. Additionally, it may be possible to procure some of the more specialist equipment on a second hand or used basis, or to hire in equipment that is used for only short specific periods per annum. The table below gives some examples of hire costs.

Purchase v Hire			

	Purchase	Hire		
		Per day	Extra Day	Week
Deep Spike Verti-drain Aerator	£15,000.00	£400.00	£275.00	£950.00
Pedestrian scarifier	£3,500.00	£150.00	£100.00	£295.00
Flail collector	£15,500.00	£180.00	£140.00	£500.00

# **Depot and Accommodation requirements**

- 4.48 The Council's main operational depot is located at Shrub End from where the Waste and Street Cleansing services operate. It is also Neighbourhoods Services main office base. There is also a public recycling centre based at the depot.
- 4.49 The view from managers at the Depot are that it is currently working at full capacity with parking space at a premium both for fleet and staffing. There are also no other suitable nearby sites where vehicles could be relocated. There are also currently, no EVEV charging points or other related infrastructure.
- 4.50 From discussions, in terms of parking, there is no capacity to accommodate the vehicles and plant needed to undertake the grounds maintenance contract. Additionally, secure storage space at the depot (in its current state) is not available for the small plant. In terms of welfare of staff moving to Shrub End as their new base, the facilities currently available struggle to meet the demands of the current workforce. Daily there are over 100 staff moving through the site, the majority of this number is early in the morning and then at the end of shift in the afternoon. Approximately half this number can come and go through at tipping and break times.
- 4.51 With regard to the maintenance of the small plant there is no available workshop space to set up a dedicated small plant workshop for the ride-on mowers and power tool servicing nor overnight storage.
- 4.52 There are a number of buildings on sites across the Borough that will remove demand for storage at Shrub End Depot. These are:
  - Castle Park Two large buildings for plant storage and yard area for parking.
     There are also storage bays for soil and green waste. Welfare room for park-based staff.
  - Cemetery Garage/Barn for storing mowers and grave digging equipment.
  - Old Heath Brick building for storing pedestrian mowers.
  - Shrub End Sports Ground -- Large garage suitable for storing plant.
  - West End Double garage suitable for storage of fine turf equipment only.
  - Mile End Garage suitable for storing of fine turf equipment only

- Castle Park Sports Ground -- Double garage suitable for storage of fine turf equipment only.
- 4.53 An initial estimate to improve security and lighting at these sites and install alarms is £39,000. There are no EV charging points at any of these sites.
- 4.54 This will reduce some of the demand on Shrub End, but still leaves a need to find suitable accommodation for approximately 40 staff and 25 vehicles together with suitable secure storage for plant, equipment, chemicals and other sundries.
- 4.55 There is a Waste Transfer Station (WTS) licenced and operating at Shrub End that is permitted to accept biodegradable waste. Currently this waste is run directly to Birch (the Council's garden and green waste provider), as the Council does not have the facility or resource to transfer waste from Shrub End to Birch at this current time. Idverde are currently storing green waste at the Cemetery but it is not clear whether they have a licence to do so. This will need to be investigated to determine licence needs at the Council's satellite facilities and parks.
- 4.56 The hours of operation of the WTS are currently Monday to Saturday which should not be an issue, but there may be occasions when they are working on Sunday.
- 4.57 According to the response given to the APSE Benchmarking model, 540 tonnes of green waste was produced through the ground's maintenance contract in 2019/20. For information, the average green waste tonnage for Councils from the benchmarking is 720 tonnes. It is expected that is the Council applies more rewilding and wildflower areas, that green waste will increase, as a cut and clear method will need to be applied.
- 4.58 To increase the annual tonnage the Council will have to apply for a Permit Variation through the Environment Agency.
- 4.59 Even with the use of the satellite sites, it is unfeasible to base the grounds maintenance service within the Shrub End depot from a capacity point. Additionally, it is unlikely that the depot could be reconfigured to incorporate the numbers of staff, storage, fleet and plant.
- 4.60 It is therefore recommended that urgent consideration is given to looking at options for an alternative location to base the grounds maintenance service.
- 4.61 Additionally, consideration needs to be given as to how over 500 tonnes of green waste will be disposed. To redesign operations within the current waste transfer station will require some reconfiguration and plant investment.

# **Overall Financial Costing**

- 4.62 The staffing and other requirements identified have been broken down into the following expenditure categories.
  - Capital such as fleet purchase and depot purchase or improvement.
  - One-Off revenue, such as project management costs and systems development.
  - Ongoing Revenue, such as staffing, fleet maintenance and running costs etc. This also includes for the repayment of fleet purchases.

These are detailed in Appendices

5a – Capital costs – Fleet requirements

5b - Revenue - "one-off" costs

5c – Revenue – ongoing costs

4.63 The table below summarises the staffing and other expenditure spending as built up in the creation of the business case.

Capital against Revenue Spending			
Note: Salary figures are based on Mid point of			
Grade			
On-going Revenue			Source detail
Staffing (transferred and new)			
New structure	£1,853,287		Appendix 2
Existing related staff	£206,732		Appendix 2
Fleet ongoing revenue (Diesel)	£320,908		Appendix 5b
Fleet ongoing revenue (EV)	£360,202		Appendix 5b
Other on-going revenue	£259,528		Appendix 5b
Annual revenue expenditure (Diesel)	£2,640,455		
Annual revenue expenditure (EV)	£2,679,749		
One-off revenue expenditure	£337,651		Appendix 5c
Total revenue expenditure (Diesel)	£2,978,106		
Total revenue expenditure (EV))	£3,017,400		
		Capital by	
	Total	year	
Capital - Fleet (EV)	£1,519,000	£196,712	Appendix 5a
Capital – Depot	£0	£0	
	£1,519,000	£196,712	
Capital - Fleet (Diesel)	£1,175,000	£147,569	Appendix 5a
Capital – Depot	£0	£0	
	£1,175,000	£147,569	

4.64 The following table is a summary of the current contract value:

Current costs 2020/21	
Overall Contract value 20/21. Not agreed as yet for 21/22	£1,752,523
Other costs	
AGS and grass cutting £90k. This is extra to general contract	£90,000
Playground manage GM £9.5k	£9,500
Grave preparation - £34k 20/21	£34,000
Grave lifting & turfing - £4k 20/21	£4,000
Rose planting - £20k 20/21	£20,000
Additional SoR work (Flailing) High Woods CP - £2400k	£2,400
Cut and Clear work (outside contractor) - £2k	£2,000
	£1,914,423

- 4.65 It is clear from the tables above that the overall costs of bringing the service inhouse will exceed the current cost. This means that the ambition to reduce costs of the contract by £100,000 annually would not be achieved.
- 4.66 The option of a three-year extension to October 2026 will give the Council time to review how they can tackle these cost issues. Looking at the wider economy, tender prices are predicted to go up by 21% over the next five years. These issues will face contractors as well as in-house providers. There is anecdotal evidence that this is impacting on the number of bidders for future tenders. A 21% increase to the current contract price would mean an increase to around £2.1 million. This is at a time when Council budgets are already under strain.

#### **Other Operational considerations**

# Seasonal Working

- 4.67 An additional consideration is whether some form of seasonal working through annualised hours will be needed. Currently, seasonal working patterns are not used by Idverde and historically, were never used when the service was in-house. They are however, widely used by many other Councils across the UK.
- 4.68 As the contract will transfer in October, which would be traditionally around the time when reduced winter working hours would commence it is not recommended that it is introduced at the start of the in-house operation. It would also be extremely difficult to start as TUPE will apply meaning staff transfer on existing terms and conditions.
- 4.69 The theory behind seasonal annualised hours is that traditionally the main tasks identified for the ground's maintenance service were related to the growing season, the traditional 'summer' months. It has always been considered highly important to

- stay on top of grass growth during this period as it can quickly overtake the available supply of resources and become extremely difficult to recover.
- 4.70 In the early 1990's, Compulsory Competitive Tendering (CCT) legislation forced councils to compete with the private sector for the first time. As purely commercial operations they worked longer hours in the summer to maximise profits when the work was there. During the winter months they would usually lay staff off depending on demand. Local authorities were forced to change working practices to compete and the majority reverted to seasonal hours as a result, increasing the summer working hours and balancing off with a corresponding reduction in the working week in winter. There are a number of variations that can be applied depending on how many 'summer' months are required. There is also an option to employ seasonal staff or use agency personnel for summer months but they are not always easy to recruit depending on unemployment levels and usually need training, transport, tools and equipment as well as PPE, making it a more expensive option in most instances.
- 4.71 Simplistically as an example, a 52-week year of 37 hours per week totals 1,924 hours per annum (there are slightly more as there is at least one more day over the 52 weeks but ignoring that for now). If an extra hour per weekday was worked in summer (say 41-hour week x 32 weeks) that would be 1,344 hours in total, leaving 580 hours to be divided over the remaining 20 weeks of winter, equivalent of a 29-hour week.
- 4.72 CCT tended to result in non-essential work being pushed into the winter months and only undertaken if there was anything left in the budget. Once that legislation was repealed, some councils reverted back to a standard working week all year round in order to have sufficient resources to carry out those tasks. It has become a bit of a dividing issue in the industry since, but still comes back to being able to accurately assess demand over both periods.
- 4.73 A summary of how other Council's operate seasonal hours and in what format is shown in Appendix 6.
  - Hand and Arm Vibration Syndrome (HAVS)
- 4.74 A further consideration if the service is brought in-house will be the need to manage the workforce in terms of exposure to HAVS. On transfer, Idverde will need to identify if any of their employees are currently displaying any symptoms and also whether any are on restricted duties. This will protect the Council against any future potential compensation claims.

4.75 There are a wide range of integrated systems that are available to manage HAVS in terms of allowed plant operating hours and plant vibration levels.

# **Chemical Weed Control**

- 4.76 At the beginning of October 2020, the Council agreed as part of its Corporate Strategic Plan 2020 to 2023 to phase out the use of Glyphosate based products in 2020/21. This policy specified that this would not just be replacing one chemical (for example primarily glyphosate) with another, but how can they be managed differently. Additionally, one of the main aims of the policy changes is to encourage greater biodiversity in green spaces, so any manual weed control will still negate this.
- 4.77 This could be leaving the grass long around trees and obstacles instead of spraying them, changing grass cutting frequency to once a year or leaving fence lines to grow and cut them once a year). This will affect any future specification of works that are undertaken and impact on future operational requirements.
- 4.78 This policy came into force from April 2021 with the use of glyphosate-based weedkillers in all general maintenance of parks, open spaces and hedgerows ending from 1st April. An exception was made for the treatment of some invasive species such as Japanese knotweed and giant hogweed. Based on discussions with local managers, it may be that other chemical alternatives are still being used.
- 4.79 A number of other councils across the UK are also introducing similar policies. Whilst there is increasing public support to reduce the use of chemical control, any introduction needs to be publicised and well communicated to residents.
- 4.80 Brighton City Council is in the middle of three-year programme to end use of chemicals by 2022 in all the city's parks, open spaces, pavements, verges and housing land. Whilst the public broadly support its use in parks and open spaces the Council has received considerable negative publicity (on national TV and radio and the daily national newspapers) for ceasing use on pavements and other hard surfaces.
- 4.81 If chemical control is not used, the only effective methods for pavements and other hard surfaces would be for teams to "grub out" weeds manually or increase mechanical pavement sweepers. This would fall mainly onto the street cleansing service. To give some extent of the scale of the issue there are over 420,000 square metres of hard surfaces to maintain through the contract. A further two-person team with a vehicle to undertake extra strimming etc is being put into place from April 2022. Whilst it is still not been finally agreed, this team will be funded by Colchester Borough Homes.

- 4.82 It is relatively simple to calculate the current costs for hard surface maintenance against alternatives. The costs for border maintenance and clearing around obstacles are more difficult as the use of chemicals is built into the rates.
- 4.83 It is recommended that discussions are put in place to refine the policy to establish if any-areas are acceptable (Town centre, or residential footpaths) to continue with chemical control.

#### Previous Chemical Control regime

- 4.84 The APSE benchmarking identified that in terms of use of chemicals for weed control, Colchester were slightly above average in their use. Therefore, the decision to cease chemical use in most locations and sites across the borough will have a major effect going forward.
- 4.85 The benchmarking also identified that with regard to manual weed control, the maintenance specification is also well above average in the specified number of visits required. However, without accurate survey detail it is difficult to ascertain whether Idverde are actually achieving this based on the numbers employed on the contract. This view is confirmed by Officers carrying out monitoring.

# **Weed Control Options**

- 4.86 It is recommended that all possible alternatives are explored to find the best possible solution and method of weed control. Additionally, it will be essential to have the support of residents as to where and when they are willing to accept and embrace weeds. Rather than a blanket approach it will be necessary to have a more bespoke approach. In some places residents will accept rewilding of green areas and embrace weeds. In others it will be necessary to agree places where residents decide locally how to approach weeds."
- 4.87 Appendix 7 summarises in detail the chemical alternatives to glyphosate and compares costs. Currently on cost basis none of them are currently practical, environmentally friendly enough or economically viable enough to provide an ideal solution for the tight budgets of local authorities.
- 4.88 The table below gives a comparison per hectare

Cost per Hectare

Round Up (Glyphosate)

Round Up (Glyphosate) with Residual weedkiller	
added (Chikara)	£204
Plant based Pelargonic Acid (Katoun Gold)	£675
Acetic Acid (New Way herbicide & moss killer)	£1,600

4.89 Glyphosate currently has approval for use in the UK for another two and a half years, at which point it will be reviewed again.

# 5. Commercial Case

5.1 Seeking extra commercial income is primarily concerned with how commercialisation fits with the strategic priorities of the council. Bringing in additional funding at a time when budgets are under extreme pressure is always likely to be welcome but it is necessary to think beyond this if the strategic case is to be properly made.

A key question to be explored is

How prepared the council is to take the financial, reputational and possibly even legal risks associated with operating in commercial markets?

- 5.2 A further key question for Colchester in exploring additional work is that the emphasis at contract handover will need to be on improving (or at worst, maintaining) the service in line with the specification rather than seeking out extra work. However, it is recommended as something to consider in the longer term and the following paragraphs outline some of the options.
- 5.3 Commercial activity means the selling of services to customers external to the Council in circumstances where they have a free choice as to whether and from whom, to purchase. In most cases it is likely that there will be alternative providers available and that therefore commercial activity will be subject to competition.

# **Potential work opportunities**

- Maintenance of open spaces
- Grass cutting
- Tree and hedge maintenance
- Weed spraying / control
- Landscape works

- Shrub bed maintenance
- Forestry works
- Pitch maintenance and marking out
- Landscape Design and consultancy
- 5.4 Whilst commercial activity inevitably involves competition, it is expected that this will be mostly against national rather than local firms. This means that for work won by the Grounds maintenance team, more of the expenditure on the project concerned will be retained within the Colchester economy. Staff numbers will increase as the business grows, whilst the additional income will ensure that reduced funding does not adversely impact on the wider Grounds maintenance. Moreover, it is envisaged that the service will make use of smaller local firms in its supply chain as sub-contractors, where required. The overall impact can be expected to be highly positive for the economic and social well-being of the Colchester area.
- 5.5 Many Councils in England and Wales have made use of a similarly restricted power under s93 Local Government Act 2003 to generate savings through the sharing of overhead and other costs between charged for and non-charged for service elements. The ability to aggregate cost at the level of 'type of activity' allows a surplus to be generated on a charged for element whilst still breaking even overall.
- 5.6 Local authorities are unlikely to be able to compete effectively on cost in most markets because of comparatively high wages, pensions and ethical working practices. They are therefore most likely to succeed in markets where quality factors such as reliability, trustworthiness and performance are valued above lowest cost. Of course, this also means that they must ensure that the commercial offers they make are capable of meeting these quality criteria which means resourcing them adequately and paying close attention to customer requirements.
- 5.7 A comparative inability to compete on cost is one reason why councils should look to markets with lower levels of competitive rivalry but there are other, more positive factors that work in their favour where there are high barriers to entry. These include:
  - Ability to satisfy exacting regulatory standards
  - Access to finance where capital set up costs are high

- Ability to handle onerous administrative requirements, e.g., compliance with the EU procurement regime for public sector contracts (BREXIT has impacted on this one)
- Experience of operating in sensitive service areas, such as where confidentiality or data security are important
- 5.8 A quick assessment for commercial potential by reference to the nature of the grounds markets in which Colchester would be expected to compete follows in the table below:

Service	Customers	Competitors	Nature of competition	Commercial appraisal
Grounds maintenance	Schools  Housing associations  Private housing developments  NHS  Anglian water  Industrial and business estates	Local contractors  Larger national contractors	Barriers to entry are low and competitive rivalry is likely to be high. In general grounds maintenance is a relatively low margin business. There are segments, or niches where skill and quality of work are more important than price – the maintenance of formal gardens for example but these are a small and diminishing segment.  Reliability and ability to deliver large volume contracts likely to be key selling points.	There are segments of the market where quality and skill are significant. Outside of these a council offer would struggle to compete on price with local contractors or high-volume national contractors.  As a standalone offer grounds maintenance is unlikely to generate significant additional income but could be packaged into an estate management offer covering different elements on a menu basis.
Arboriculture Tree surveys Tree surgery	All land holders with trees	Micro consultancy firms do the bulk of inspection work  Local contractors	Survey is niche activity requiring qualifications and skills. Barriers to entry are therefore high making it profitable for low volume micro businesses.	Council could offer end to end service adding value to tree surgery and creating a compelling market offer.

	carry out tree surgery	Tree surgery has lower barriers to entry and less profit.	
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- 5.9 The most successful businesses are those that, rather than focussing on their current products and competitors, develop a deep understanding of their customers. Ideally this approach would marry currently unmet, or even latent, customer demand with products or services that are unique to the provider.
- 5.10 Commercialisation is by definition concerned with the generation of income over and above what would otherwise be available to the Council. This means that trading activity must recover more income than it costs to deliver. Clarity over the actual cost of the activity is essential if a compelling financial case is to be made. In addition, it is necessary to understand what price can be charged and crucially, the volume of business that can reasonably be expected to be won over a given time period.
- 5.11 Costs can be categorised as either variable or fixed. Variable costs are those that are incurred on a per job basis, such as materials, which, therefore, vary with the volume of work. Fixed costs are those that will be incurred regardless of the volume of work, such as permanent staff and capital equipment. Overall income must be sufficient to cover the total cost, i.e., including all the fixed cost, before a profit can be made. This is why the projected volume of business is a crucial element in establishing commercial viability and why uncertainty over demand is the main risk facing any business.
- 5.12 Fixed cost and therefore, demand risk, can be minimised by providing staff and plant on a variable cost basis, e.g., through temporary staffing arrangements and spot hire. This reduces risk associated with a failure to win enough business to cover fixed cost but tends to push up unit costs and undermine competitiveness.
- 5.13 Successful businesses achieve a balance between fixed and variable cost that is able to operate at market prices without carrying an excessive level of demand risk. In a local authority the most likely mechanism for making staff costs variable is the use of overtime. Clearly, this increases unit cost and may lead to uncompetitive prices and/or reduced margin.
- 5.14 In industries that are affected by seasonal weather, demand for labour is inconsistent across the year. This is the case for horticultural and grounds, meaning that an employment model that operates on a fixed number of hours per week throughout

the year will inevitably lead to periods of either under or excess capacity, and potentially both. The problem of excess capacity can be managed by staffing 'to the trough' but this approach is likely to drive up costs during periods of peak demand. This is because all options for temporarily increasing capacity, i.e., overtime, temporary staff or contracting out, result in increased unit costs.

- 5.15 The peak period of demand for the externally traded service is likely to coincide with the peak period of demand for internal work across the areas considered in this report. This will exacerbate the difficulties of resourcing from existing staffing resources and further undermine overall efficiency. The possible exception to this could be arboriculture where there is a year-round demand. This raises the possibility that savings in staff resources arising from the adoption of say seasonalised working for grounds staff could be reallocated to resource the arboriculture offer.
- 5.16 The adoption of an employment model that optimises available hours would be of benefit to the internal operation as well as to the traded service. There are different ways of doing this but the aim of each is to vary the working week with the time of year to reduce hours at times of lowest demand and increase them at times when it is higher. The impact of doing this would be:
  - To reduce the unit cost of the internal service by reducing reliance on overtime and agency staff
  - To increase capacity at peak times and avoid or reduce the need for external contractors
  - To increase the capacity that is available to deliver external work
  - To maximise the competitiveness of the traded offer
  - To increase job security for the workforce

#### **Profit and Loss**

- 5.17 Competitiveness in business is in large part a function of cost control. Although the grounds maintenance business is not as cost sensitive as some, it is nonetheless vital that operational managers have visibility over both cost and income if they are to operate on a commercial basis. The simplest way to do this is to operate the commercial activity on the basis of a ring-fenced trading, or profit and loss, account.
- 5.18 Arboriculture work is capable of generating high margins in relation to tree inspections. Whether it can also deliver significant financial benefit will depend on volume of business but provided this is sufficient to justify at least one full time

equivalent post it can lead to enough tree work to make the overall tree business commercially viable. A rough example, based on a recent case can be set out as follows.

Charge recoverable for inspection of 100 trees = £1400 or £14 per tree

Time required to inspect 100 trees = 2.5 days. This indicates a capacity per FTE inspector of 200 per week or 9,000 per annum, based on 45 weeks per annum working time. At £14 per tree this is a potential income of £126,000

Approximate cost of one tree inspector = £60,000 per annum.

Gross profit per annum = £66,000

- 5.19 The follow up work associated with the report in the example suggests that for every 100 trees inspected 50 required some work. This particular work was carried out at a charge of £9000 or £180 per tree. The cost of carrying out the work, which took a total of 250 hours, using four operatives, can be estimated at around £5000 (based on £20 an hour).
- 5.20 The yearly capacity for a team of 4, based on 25 trees a week is 1125 which, at £180 a tree, would yield an income of a little over £200,000 at a cost of approximately £140,000. This adds a further £60,000 of income over cost to the overall tree business. This has potential to increase should the inspection side of the business generate tree surgery work at the same ratio as in the example, i.e., 50% of trees inspected to require a team of 8 at a cost of £280,000 generating a gross income of £400,000 and a net of £120,000.
- 5.21 Whilst these calculations are extremely rough, they do illustrate that an arboriculture business can be profitable provided that a sufficient volume of work is undertaken to cover the fixed cost. The minimum resources needed to establish the offer are a team of one tree inspector and four tree surgeons. The approximate cost of such a team is £200,000. £100,000 of this can come from seasonalising the hours of the ground's maintenance workforce.
- 5.22 A further question relates to the need for dedicated support for business development as this will limit the ability to expand on the current level and range of trading activity. A Business Development Officer is already in place within Neighbourhood Services with responsibility for driving commercial opportunities forward. This Officer can drive the growing of the customer base, preparation of bids and maintaining an overview of the trading account.
- 5.23 The use of hired plant and equipment helps to contain the risk of not winning enough work to cover the capital cost of purchase.

5.24 Any decision to invest in plant would require a full consideration of the risks associated with it and take into account all costs, including those of maintenance, which can require specialist skills that may not be available within the authority. This is however, a good example of how the council's preferential access to capital could, if fully utilised, generate a long-term competitive advantage.

#### Recommendation

- 5.25 As highlighted above, the initial focus will be on the transition of the service and ensuring there is no deterioration in service delivery. However, given the need to achieve a £100,000 saving all options to bring in additional income need to be explored.
- 5.26 It is recommended that an analysis of potential work available is undertaken to ascertain what is available both through other public bodies, such as schools, or private businesses. The example above, highlighted arboriculture work is an area of opportunity. With issues, such as Ash dieback affecting up to 95% of the UK's Ash tree population, this is a growing area of work.

## 6. Legal Case

- 6.1 For the avoidance of any uncertainty, nothing in this report should be construed as legal advice. The author is not a lawyer and all references to varying interpretations of the legal framework relate to positions taken by APSE member authorities and not to the legal advice they or APSE may or may not have received.
- 6.2 In terms of bringing the grounds maintenance service back in-house there is no legal bar to doing so and there is precedent from many Councils that have done so before. The following paragraphs identify the powers available to the Colchester to undertake and charge for any work.
- 6.3 Local authority powers arise from statute and it is always necessary to identify legal authority to undertake any activity. Moreover, if a Council wishes to charge for any activity, it is also necessary to identify a power to do that.
- 6.4 Many of the activity's Councils undertake are the subject of specific pieces of legislation. Some of this legislation sets out the basis on which charges can be levied.
- 6.5 Since 2011 Councils have been able to rely on the general power of competence (GPC) provided under the Localism Act 2011. This wide-ranging power authorises local authorities to ...do anything that individuals generally may do; (section 1, LA 2011) even if:
  - It is unlike anything else the authority may do

- It is unlike anything that other public bodies may do
- It is carried out in any way whatever, including:
  - o anywhere in the UK or elsewhere;
  - o for a commercial purpose or otherwise for a charge, or without charge
  - o for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area.
- 6.6 The Secretary of State has extensive powers to amend legislation in connection with the GPC, including restrictions on its application, but to date they have not been exercised.
- 6.7 The GPC can be used in conjunction with specific powers, thus obviating the need to differentiate between elements of the service in order to determine which are carried out under the specific powers and which under the GPC.
- 6.8 Where a service is to be provided 'for a commercial purpose', relying on the GPC, it must be provided through a company, otherwise it can be provided on a charged for basis directly by the council. It is therefore necessary to determine whether the service is to be offered for a 'commercial purpose' or can be provided on a charged for basis.
- 6.9 Charging in this context is subject to conditions set out in s93 of the Local Government Act 2003. The power is not intended to provide a new income stream. Its aim is to allow local authorities to recover the costs of providing services or improvements to services that they might not otherwise have been able to justify providing or been in a position to provide.
- 6.10 Local authorities are under a general duty to secure that, from one financial year to the next, the income from charges for services does not exceed the costs of provision (section 93(3), LGA 2003). This approach allows a local authority flexibility to balance their accounts over a period of time and recognises the practical difficulties for a local authority in estimating the charges for a discretionary service at the outset.
- 6.11 A local authority must offset any surplus or deficit in income as a result of any over or under recovery of charges when setting future charges for the discretionary service. This ensures that over time the income generated by the discretionary service equates to the cost of providing the service.
- 6.12 A local authority can set the level of charge for each discretionary service as long as the income from charges for each kind of service does not exceed the costs of its

provision (section 93(5), LGA 2003). This provision allows a local authority to link similar or related services together giving greater flexibility in terms of its accounting practices. However, a local authority does not have to recover the full costs of providing the service if there are policy reasons for limiting the charges in relation to a particular user of the service.

- 6.13 The charging power is likely to be an adequate basis for the provision of a service where the surplus generating elements, such as undertaking and ancillary sales are off-set by the loss-making aspects of the service. The ability to aggregate cost at the 'kind of service' level allows the inclusion of all service elements and the use of full cost in the calculation ensures that all staffing and equipment costs can be included not just the marginal costs of the charged for service elements
- 6.14 The term 'for a commercial purpose' is generally understood to mean 'for profit' and can reasonably be understood to apply to a situation where a local authority engages in market competition with the primary intention of generating additional funds through trading surpluses. When the 2003 Act was introduced the government was clear in correspondence with APSE that the rationale for requiring trading for a commercial purpose to be channelled through a company was to avoid the creation of an unfair tax advantage. Local Authorities are exempt from corporation tax and in a competitive environment this could be seen as a trading advantage over private companies.
- 6.15 Notwithstanding that the specific powers discussed above may well be adequate authority in themselves the question of whether a service should (or must) be provided through a company hinges on the purpose of the venture. It is clear that Colchester is not solely, or even primarily, focused on income generating potential and given the helpful accountancy framework, the charging power would seem to be an adequate basis on which to proceed.
- 6.16 However, it is likely that a legal challenge would focus on the actual commercial impact of the new service as evidence of its commercial purpose and it cannot be assumed that the courts would not be sympathetic to such an approach. Subject to there being no pressing commercial reason not to, it might therefore be prudent to deliver the service through a company in order to minimise the potential and likelihood of success of any legal challenge from private companies.
- 6.17 The company can be limited by shares or guarantee and be wholly or partly owned by the council. It cannot be a non-company incorporated organisation such as a Limited Liability Partnership. As discussed elsewhere in this report, a company meeting the Teckal criteria must keep its income from external sources to below 20% of its turnover. It would also have to be wholly owned and controlled by the

council, which would rule out the possibility of a joint venture with a private company. For these reasons it would be preferable to channel the 'commercial services' through the company whilst continuing to carry out work for the council directly and therefore avoid the trading restrictions applicable to Teckal companies.

#### 7. Conclusion

- 7.1 With regard to preparing this business case, the starting point is that Councils are not required to tender a service compulsorily. The decision-making process to inform any change should be rigorous to ensure an improved quality of service and explore all potential options for delivering the service.
- 7.2 This review supports the above aims and uses a balanced business case methodology which is designed to test, as opposed to simply support, a preferred course of action. To this end the business case assesses viability according to five headings:
  - strategic case, the proposed activity must be consistent with achieving the strategic objectives of the authority.
  - operational case, there must be an understanding of the resources needed to provide the service and how these will be obtained.
  - financial case, the contract price available from the market must be at least sufficient to cover the net cost of provision.
  - commercial case, the proposed activity must, if it involves external trading, be commercially viable meaning that there must be a product that customers will choose to buy.
  - legal case, the activity must be lawful.

#### Strategic case

7.3 To summarise, through bringing in the operations back within the Council's services, there will be benefits to stronger links to local policy and deliverability against the Council's strategic aims and objectives, greater flexibility and responsiveness, greater integration into services delivered across the Council, greater opportunity to up-skill and multi-skill the workforce, greater opportunity to create pride and the ability to support the local economy.

#### **Operational and financial case**

- 7.4 The operational and financial cases have been considered together due to intrinsic link between them. A key part of operational case is developing a detailed understanding of the resources needed to provide a fit for purpose service. Without this an assessment of the financial cost cannot be developed.
- 7.5 The business case has been based on a "like-for-like" movement of the contract to in-house delivery for the first 18 months, to enable the Council to understand the operational delivery in greater detail. Notwithstanding this, the business case does identify a number of areas of opportunity and shortfall.
- 7.6 The business case recommends a new operational structure with additional posts to fulfil the requirements of the contract and make it fit for purpose. The workshops undertaken for the initial phase of the project identified a range of issues with the current quality of service delivered by the contractor together with a lack of pride in the service. A key reason was the lack of resilience and multi trained staff delivering the service, which were well under the levels promised.

#### Staffing

- 7.7 As the new proposal recommends extra staff to those that will transfer through TUPE, consideration will be necessary to co-ordinate any potential recruitment requirements at contract commencement.
- 7.8 Given that staffing will be a major part of the financial cost in undertaking this contract and the similarities in salary levels between public and private sectors, there should be very little difference between providers especially if the service specification remains on a like for like basis. The major factor in a reduction of service will be if less staff are employed in delivering the contract. Therefore, whilst staffing issues should not be a reason not to bring the work in-house the indications are that costs will increase and are contrary to the ambition to reduce costs by £100,000 per annum.

#### Fleet, plant and machinery

- 7.9 To fulfil the operational work, a wide range of fleet, plant and machinery will need to be procured. There is no provision within the contract to use the contractor's fleet and plant and even if this was an option, it is not recommended.
- 7.10 The Council in 2020 approved a 10 year forward Fleet Transition Plan. The ambition is that by 2030 the Council will have transitioned to a fully electrified fleet. During this ten-year programme diesel vehicles will be replaced where viable with electric vehicles (EV), but other options may be considered such as hybrid alternatives.

- 7.11 Wherever possible, electric vehicle (EV) or battery alternatives have been costed. For some vehicles there is currently no suitable EV version available, such as Tractors and Ride-mowers, although the technology around EV is evolving rapidly and there will be far greater vehicle types to be available in the coming years. The purchase costs and estimated maintenance and running costs have also been identified. A contingency allowance of 10% has allowed for to take account of any additional fleet and plant that becomes apparent at a later date.
- 7.12 Assuming that all fleet and plant is available and sufficient budget is available then this should not be a barrier to bringing the service in-house given that any external contractor would face the same cost pressures. However, if there continues to be a commitment to bring in an EV fleet as part of the transition it is likely that significant investment will be required not only in the fleet procurement, but in the installation of the infrastructure required to power it. This installation of infrastructure has not been costed.

#### **Depot and accommodation**

- 7.13 The other major operational factor that the business case reviewed related to depot and accommodation. The Council's main operational depot is located at Shrub End and is currently working at full capacity with parking space at a premium both for fleet and staff.
- 7.14 There are several buildings on sites across the Borough where some site-based staff could operate from that will remove demand for both accommodation and storage at Shrub End Depot. However, even with the use of the satellite sites, it is unfeasible, at present, to base the remainder off the grounds maintenance service within the Shrub End depot from a capacity point. Additionally, it is unlikely that the depot could be reconfigured to incorporate an extra 50 members of staff plus 25 vehicles and associated plant, equipment and storage. It is therefore recommended that urgent consideration is given to looking at options for an alternative location to base the grounds maintenance service.
- 7.15 The constraints and cost associated with either a new depot location or a reconfigured Shrub End depot is the major blockage to bringing the service back inhouse particularly given the timescales associated.

#### **Cost of contract**

7.16 Additionally, going forward, tender prices are predicted to go up by 21% over the next five years. These issues will face contractors as well as in-house providers and are likely to impact on the number of bidders for future tenders. A 21% increase to

- the current contract price would mean an increase to around £2.1 million. This is at a time when Council budgets are already under strain.
- 7.17 The Council does have the option to extend the contract by three years to October 2026, which would give the Council extra time to explore how they may want to deliver the service differently in future. Potentially, this means that the ambition to reduce costs is going to be difficult to achieve in the short term.
- 7.18 However, as mentioned the extra three years gives the Council the opportunity to innovate and redesign the service to deliver savings and improvements. Additionally, it gives the opportunity to explore the options for increased community involvement and define what can actually be achieved in this area.

#### **Commercial case**

- 7.19 The business case sets out the powers that are available to the Council to undertake and charge for any work, i.e., be commercial. The seeking of extra commercial income is primarily concerned with how commercialisation fits with the strategic priorities of the Council. Bringing in additional funding at a time when budgets are under extreme pressure is always likely to be welcome, but it is necessary to think about the potential risks beyond this if the strategic case is to be properly made. The Council already has a strong track record of commercial trading in a range of activities that will be beneficial in developing this potential business.
- 7.20 This business case recommends that a more detailed analysis of potential work available and ascertain what is available through other public bodies, such as schools or private businesses. The current Neighbourhoods Service structure already incorporate a Business Development Officer, who can undertake this work. It is further recommended that a ring-fenced trading or profit and loss account is set up.
- 7.21 Therefore, the commercial case is strongly viable, and should be progressed to fully exploit potential opportunities.

#### **Legal Case**

- 7.22 The business case sets out that, for the avoidance of any uncertainty, nothing in the report should be construed as legal advice. The author is not a lawyer and all references to varying interpretations of the legal framework relate to positions taken by APSE member authorities and not to the legal advice they or APSE may or may not have received.
- 7.23 As stated earlier, Councils are not required to tender a service compulsorily or to retender when a contract termination has taken place. However, the process to make any change should be rigorous in ensuring an improved quality of service, sufficient

management structure, capacity, and skill within the existing and proposed workforce to deliver the service, and the exploration of all potential options for delivering the service.

7.24 Therefore, in terms of bringing the grounds maintenance service back in-house there is no legal bar to doing so and there is precedent from many Councils that have done so before.

#### Summary

7.25 Overall, whilst the strategic, commercial, legal cases are met, the operational and financial costs are a bar, particularly the constraints on the depot facilities that make it currently impossible for the service to be delivered effectively in-house. These issues are made worse by the issues in the wider economy where labour and material costs are increasing. This makes the ambition to reduce costs by £100,000 annually impossible to achieve. The option to extend the contract for three years will allow the Council time to investigate how to overcome this and other operational considerations.

## Appendix 1– Asset management tools

In terms of IT systems for managing grounds assets and operational activity, "Alloy" and "Confirm" are the two main providers of such software for environmental services including grounds maintenance. Both have been around for quite a long time in their different configurations. "Mayrise" the predecessor of "Alloy" was previously predominantly marketed for its street works capabilities and is used by a number of Highway authorities.

The Pitney Bowes "Confirm" system for job reporting, ordering and monitoring in other areas. "Confirm" is widely used by many local authorities across the UK. For information Pitney Bowes are in the process of changing ownership.

For further information, recent answers to APSE Network Queries (where councils are asked to respond to questions set by fellow member authorities on topics where they believe others may have similar issues), have shown that Aberdeenshire Council use "Confirm" extensively, while Glasgow City Council were preparing to implement the "Alloy" system last year.

APSE is also aware from other research that "Confirm" is also used by Salford City, Hull City, Moray, Nottingham City, Redbridge and Bromley amongst other councils. "Alloy" or "Mayrise" is also used by Bournemouth, Christchurch & Poole, Doncaster, Flintshire, Oldham, Sandwell and West Lancashire Councils.

# Appendix 2 – Staffing budget build spreadsheet

Position Description	FTE- Establishment	Grade CMG	Mid point of grade	Total at mid point of grade
Contract Manager	1	8	£51,354.00	£51,354.00
Senior Business Support Officer	1	10	£37,800.00	£37,800.00
Grounds Supervisors	2	10	£37,800.00	£75,600.00
Head Gardeners/Team Leaders/Tractor driver	9	11	£32,175.00	£289,575.00
Gardeners (includes small plant fitter)	42	12	£27,715.00	£1,164,030.00
Apprentices	4	Apprentice	£15,975.00	£63,900.00
Extra Strimming Team as result of policy change	2	12	£27,715.00	£55,430.00
Extra Cleansing Team to cover Toilets and litter Castle Park (Operatives)	2	12	£25,536.00	£51,072.00
Health, Safety & Training Coordinator	1	11	£29,661.00	£29,661.00
Assistant Fleet Manager	1	10	£34,865.00	£34,865.00
Sub Total	65			£1,853,287.00

## Appendix 3 - Breakdown of Fleet vehicle between teams

#### Border team - 5

3 single cab caged tippers; 2 crew cab caged tippers

#### Mowing team - 5

2 single cab caged tippers; 1 crew cab caged tippers; 2 small vans (such as Renault Kangoo). These will cover "open space" mower, "prestige" mower, "back up" mowers and obstacle and fence strimming.

#### Sports team – 2

1 single cab caged tipper (with double-axle for driving on grassed areas) and 1 small van to be used when travelling between sites for marking out.

#### Schedule of Rates team - 1

Single cab caged tipper.

#### Colchester Borough Homes/Assisted Garden Scheme - 1

Single cab caged tipper, for the undertake landscaping works in the winter, and take away green waste etc.

#### Castle Park - 1

Small van to transport and move equipment between sites.

#### Cemetery/Float - 1

Small van to move staff, equipment or waste across sites etc

#### **Supervisors/Management - 2**

4x4 vehicle (Ford Ranger or similar) for driving off road as required. Would be used by other teams if necessary

#### Fitter - 1

Closed transit or small van for transporting tools etc

## Appendix 4 – Specialist Vehicles and Plant list

#### **Tractors**

It is proposed that the following specification of 2 tractors will be required.

1 off - 55HP 4WD bi-Directional Drive Tractor

This is a specialist tractor which can operate as a standard tractor or in forward control. To be specified with removeable front end loader bucket and forks. Cost £45,000

1 off - 70HP 4WD Tractor and 7 Unit Gang mower

Used for large open spaces with high frequency mowing regimes. Can also be fitted with 8" sports cutter heads for high specification sports ground mowing. Cost £55,000

#### Total Cost £100,000

Additionally, it is recommended that the following tractor associated equipment is procured at total cost of £55,000

1 off - 3.5m Tractor Powered Articulator Rotary Mower

A multi-unit rotary mower designed to follow undulating contours, ideal for grass cutting of nature reserves and similar areas. £12,500.00

1 off - 6ft Slitter/Roller/Rake for Large Tractor

The standard implement for sports field slitting - it can be fitted with a ballast roller and several types of slitter and spiker drum. £9,500.00

1 off – Side arm flail for hedges (80cm)

This is a high reach flail and is ideal for hedges, ditches, embankments and roadsides. £6000

1 off - 2.3m Front Mounted Rotary Mower

Used by the bi-directional tractor for the mowing of parks, open spaces and pitches. £11,500.00

1 off - Tractor Mounted Heavy Duty 1.5m Mower Collector

Used for long grass cutting collection on large open rough areas. £15,500.00

#### **Total Tractor cost - £155,000**

#### **Mowers**

It is recommended that 8 Ride-on mowers and 6 other specialist mowers will be required.

#### **Ride-on mowers**

There are currently 8 Ride-on mowers in operation across the borough. These are 6 that are routed across the borough, a 5-cylinder mower for specific open space cutting and a rotary triple mower based at Castle Park that also mows Town Centre areas.

There are a wide range of configurations and combinations of cutting modules available on the market. To give an indication on cost the following combination has been used to give a range of cutting methods

- 3 off Out front Rotary mowers (example Shibaura) @£20k each Total £60k
- 2 off Out front flail mowers (example Ransomes) @£30k each Total £60k
- 2 off Cylinder Triple mowers (example Toro LT3340)- @£30k each Total £60k
- 1 off 5 Cylinder mower (example Ransomes Commander 3520 or Hayter T424) -£30k

#### **Total Ride-on mower cost £210,000**

#### **Specialist mowers**

- 1 off 24-inch Rotary Box Mower For high profile cut and collect mowing in Castle Park. The rear roller gives a striped finish. £3,000.00
- 4 off 24-inch Cylinder Mower with Cassette System

  Benchmark machine for fine turf mowing/maintenance. Would be ideal in

  Castle Park, Old Heath, West End/Shrub End and Mile End settings. The

  interchangeable cassette system allows one power unit to mow, scarify, verticut, roll, etc. Total cost £22,000.00
- 1 off Compact ride-on mower with collector box Compact battery powered mower with collection box. Narrow width is ideal for cemetery operations. £9,000.00
- 1 off Stand-On Rotary Mower
  Highly manoeuvrable machine, ideal for areas with restricted access such as cemeteries and housing sites. £6,500.00

#### Total specialist mower cost £40,500

#### Parks utility vehicles and trailers

2 off - Electric John Deere 4WD ATV Highly versatile machine for movement of materials and heavy equipment in areas such as Castle Park and Sports grounds. It can also be fitted with implements to the front such as a snow blade, power brush, winch, etc. to give greater functional ability. Total cost - £33,000.00

#### 2 off - Light Duty 2WD ATV

Highly versatile machine for general logistics and movement of materials around Parks and Cemetery sites. Total cost £19,000.00

It may be possible to use the ATVs on road, which would increase their usage across various sites. This requirement should be specified at procurement stage.

# 2 off - 14ft X 6ft "Beavertail" Goods Trailer For the transportation around the Borough of triple and ride-on rotary mowers. £10,000.00

#### 2 off - 9ft X 5ft Single Axle

For the transportation of smaller ride-on Goods Trailer and pedestrian machinery (for example, prestige mowers) £4,000.00

#### Total Cost £66,000

#### Specialist equipment for sports pitch maintenance, spraying and Cemeteries

The following is a list of equipment that will be for the specialist sports pitch maintenance, cemetery operations etc that are specified within the contract.

- 1 off 2m Deep Spike Aerator/Verti-drain
  A specialist piece of equipment for aerating sports pitches. £15,000.00
- 1 off Pedestrian Scarifier/Overseeder
  Used for the scarification of sports/fine turf and overseeding of smaller areas.
  £3,500.00
- 1 off Pedestrian Top Dresser 250kg Capacity
  Used for top dressing operations on smaller areas of sports/fine turf. £6,750.00
- 1 off Pedestrian Vertical Action Spiker / Aerator
  A pedestrian machine used for spiking/hollow coring areas of fine turf.
  £5,750.00
- 1 off Ride-on Cricket Roller For consolidating cricket wickets. £6,500.00
- 5 off Line Markers

For marking out pitches at Shrub End/West End, Lexden King George, Mile End and Northern Gateway sports grounds. Cost £3,000

1 off - Tractor Mounted Stone Burier with Overseeder
Used for levelling and overseeding of sports pitches and large open spaces.
£5,500.00

- 1 off Tractor Trailed Top Dresser (2000kg)
  Used for top dressing sports fields. £14,000.00
- 1 off 500kg Fertiliser Spreader
  Used for spreading granular fertilizer on sports fields and large open spaces.
  £2,800.00
- 1 off Walkover Sprayer For chemical application on fine turf areas. £1,250.00
- 1 off Water Bowser with Pump and Lance For irrigation of new tree planting, hanging baskets, planters and seasonal bedding. £3,250.00
- 1 off Compact 1.5 tonne capacity Dumper truck
  For use in Cemetery moving soil to and from grave sides. £2,000
- 1 off Mini Excavator up to 2t

  The most common method of grave excavation. £19,500.00
- Grave Shoring 3 Panels & 1 Pump Horizontal aluminium panels with hydraulic jacks for shoring graves. £2,700.00

#### Total cost £91,500

#### **Battery operated hand tools**

There is a wide range of options available on the market at present. An analysis of requirements based on existing battery prices and compatible equipment gives an estimated total cost of £58,065. This is based on the following range of battery equipment

- 2 fine turf/prestige pedestrian mowers.
- 10 mowers for residential and small area mowing.
- 29 strimmer's/brush cutters.
- 12 hedge trimmers.
- 28 blowers (back pack and hand).

# Appendix 5a – Budget build spreadsheet – Capital costs (fleet and plant)

Description	2023/24	2023/24	2024/25	2025/26	2026/27	
	Pre work	Oct-Mar	Full Year	Full Year	Full Year	
CAPITAL - Based on mix of Electric/Battery	with Fossil fuel vel	hicles where curr	ently no Elec	ctric version		
6 Small vans - Renault Kangoo type	£117,000	£ -	£	- £	- £	-
2 Ford Ranger/Land Rover	£41,000	£ -	£	- £	- £	-
11 Caged Tipper/Flat beds	£671,000	£ -	£	- £	- £	-
2 Tractors (70hp and 55 hp)	£100,000	£ -	£	- £	- £	-
Tractor associated kit	£55,000	£ -	£	- £	- £	-
Ride-on mowers x 6	£210,000	£ -	£	- £	- £	-
Specialist mowers	£40,500	£ -	£	- £	- £	-
Utility vehicles	£52,000	£ -	£	- £	- £	-
Specialist sports maintenance	£91,500	£ -	£	- £	- £	-
Extra vehicle for Cleansing to cover Litter Bin						
emptying and Toilet cleaning at Castle Park	£61,000	£ -	£	- £	- £	-
Livery and additional costs	£287,800	£ -	£	- £	- £	-
Contingency	0	£80,000	£	~	- £	-
Sub total based on mixed Fossil/EV	£ 1,726,800	£ 80,000	£ -	£ -	£	-
CAPITAL - Based on Diesel/Petrol fleet and	<mark>l</mark> Plant					
6 Small vans - Renault Kangoo type	£81,000	£ -	£	- £	- £	-
2 Ford Ranger/Land Rover	£41,000	£ -	£	- £	- £	-
11 Caged Tipper/Flat beds	£363,000	£ -	£	- £	- £	-
2 Tractors (45hp and 55 hp)	£100,000	£ -	£	- £	- £	-
Tractor associated kit	£55,000	£ -	£	- £	- £	-
Ride-on mowers x 6	£210,000	£ -	£	- £	- £	-
Specialist mowers	£40,500	£ -	£	- £	- £	-
Utility vehicles	£52,000	£ -	£	- £	- £	-
Specialist sports maintenance	£91,500	£ -	£	- £	- £	-
Extra vehicle for Cleansing to cover Litter Bin						
emptying and Toilet cleaning at Castle Park	£61,000	£ -	£	- £	- £	_
Livery and additional costs	£219,000	£ -	£	- £	- £	-
-						
Contingency	0	£ 80,000	£	- £	- £	-
Sub total based on diesel/petrol	£ 1,314,000	£ 80,000	£ -	£ -	£	_

# Appendix 5b – Budget build spreadsheet – Revenue -

## ongoing

Description	2023/24		202	3/24	20	24/25	20	25/26	20	26/27
	Pre wor	k	Oct	-Mar	Fu	II Year	Fι	ıll Year	Fı	ıll Year
REVENUE - ONGOING										
Staffing to be costed seperately			£	926,644		£1,853,287	-	£1,853,287	-	£1,853,28
Fleet and equipment							H		+	
Battery power tools, strimmers, hedgecutters,										
blowers etc					£	10,000	£	15,000	£	15,000
Other equipment, e.g. tower scaffold, chain										
saws)	£		£	-	£	4,000	£	4,080	£	4,162
Fleet insuance	£		£	6,293	£	12,586	£	12,838	£	15,405
Telematics	£		£	2,088	£	4,260	£	4,345	£	4,432
Plant hire	£		£	-	£	9,000	£	9,180	£	9,364
Depot running costs / satelite sites			£	500	£	1,000	£	1,020	£	1,040
Systems developement and support										
Asset management software	£		£	13,000	£	26,000	£	26,520	£	27,050
IT other equipment	£		£	1.800	_	1.800	-			
Microsoft licence	-		£	3,240		6,480	_			
Operations			-						H	
Phone/mobile phone	£		£		£	2.500	£	2.500	£	2,500
Contractor payments	£			5,000		10,000			_	
PPE/uniform	£			5,000	£	17,500				
HAVS monitoring	£		£	11,000		22,000				
Chemicals, seed, fertilisers etc	£	17,500		11,000	£	35.000				
Hand Tools/Consumables/Bags	£	17,500	1		£	12.000	-		-	
	~		£	4.000		£8,000		£8,160	-	£8,32
Insurance for damage claims				.,	-	16,000				
Public liability for staff	£	-	£	8,000	_		-		-	
Staff Training	£	-		14,000 10.000		14,280 10,200				
Ongoing increased payrole costs On going Community engagement	£	-	£	10,000	£	5,000	_		_	
, , ,	£	17,500	£	70.024	C	227 COC	-	220 000	C	244 504
	£	17,300	£	78,921	£	227,606	£	236,808	£	244,594
Diesel										
Vehicle and Plant maintenance (Fuel)			£	22,250		£44,500	£	45,390	£	46,298
Vehicle running costs (Fuel)			£	21,388		£42,775	£	43,631	£	44,503
CCTV										
Road Tax			£	3,843		£7,685	£	7,839	£	7,995
MRP	£	99,370	£	99,370		£198,740		£198,740		£198,740
nterest	£	13,604	£	13,604		£27,208		£27,208		£27,208
	£	112,974	£	160,454	£	320,908	£	322,807	£	324,744
EV Vehicle and Plant maintenance (Electric)			£	17,150		£34,300	£	34,986	£	35,686
Vehicle running costs (Electric)			£	12,038		£24,075		24,557		25,048
CCTV										
Road Tax			£	3,843		£7,685	£	7,839	£	7,995
MRP	£	131,256	£	131,256		£262,511		£262,511		£262,511
nterest	£	18,068 <b>149,324</b>	£	18,068 <b>182,354</b>	£	£36,136 <b>364,707</b>	£	£36,136 <b>366,029</b>	£	£36,136 <b>367,376</b>
Contingency (20%)	_		_							
Diesel	£	22,595	_	32,091		64,182	_	64,561		64,949
	£	153,069	Ł	271,466	Ł	612,695	t	624,176	t	634,288
EV	£	29,865	£	36,471		72,941		73,206		73,475
	£	196,688	Ł	1,224,389	t.	2,518,541	t.	2,529,329	Ł.	<b>2</b> ,538,733

# Appendix 5c – Budget build spreadsheet – Revenue – one-off

Description		2022/23	2023/24	2023/24	2024/25	2025/26
·	JM Total	Pre work	Pre work	Oct-Mar	Full Year	Full Year
REVENUE - one off						
Systems developement and support						
Asset management software	£15,000		£15,000			
Asset management software	£26,000		£26,000			
IT other equipment	£3,600		£3,600			
Operational Equipment						
Battery power tools, strimmers, hedgecutters,						
blowers etc	£55,025		£55,025			
Trailers	£14,000		£14,000			
Other equipment, e.g. tower scaffold, chain						
saws)	£4,000		£4,000			
Phone/mobile phone	£15,200		£15,200			
Hand Tools/Consumables/Bags	£12,000		£12,000			
PPE	£17,500		£17,500			
Project Management						
Project Manager	£47,402	£23,701	£ 23,701	£ 24,175	£ 12,088	
HR Support	£43,000		£43,000	£ -		
Procurement support	£15,000		£15,000			
APSE Consultancy support	£15,000		£15,000			
			•			
Satelite Depots improvements	£39,000		£39,000			
Comms and engagement						
Comms	£10,000		£ 5,000	£ 5,000		
		£ 23,701	£ 303,026	£ 29,175	£ 12,088	£ -
Contingency						
		£4,740		,		
		£ 28,441	£ 363,631	£ 35,010	£ 14,505	£ -

## Appendix 6 - Seasonal working

A number of councils responded to an APSE Network Query in February 2020 asking whether they were still operating seasonal hours and in what format. For information, the following detail was given: -

**Bath & North East Somerset Council** – Grounds Maintenance teams have worked seasonal hours, 42 in the summer and 28 winter, for the past 25 years. The 28 in the winter meant that staff amassed many winter days (+ holidays and sickness) and we didn't get any restorative tasks undertaken during winter (the grounds teams just seem to do dynamic work – i.e., grass cutting leaves and some shrub pruning) and the parks are steadily declining. We have reduced our general grounds maintenance (grass mowing/hedges) by around 16% and removed the intensive floral elements more so and are therefore balancing out our work inputs across the year. Therefore, we have just agreed to revert staff hours back to a standard 37hrs per week all year round.

**Blackpool Council** – Operate annualised hours, Monday to Thursday 7am to 4pm / Friday – 7am to 3.30pm – Summer Hours, April to end of September. Monday to Thursday 8am to 3pm / Friday – 7am to 2.30pm – Winter Hours, October to end of March (Summer = 42 hours / Winter = 32 hours).

**Derby City Council** – Grounds have a number of teams working Annualised Hours which are arranged around the Service needs. All accrued time during the summer is taken during winter months between December and March. We have at present the Grounds teams working 40 hrs during summer and 37 in winter and teams working on housing land will be working 39 hours and 37 in winter with part of the accrued time being set to be taken Christmas week. Our team working on private gardens and schools work 49 hours during the summer and 37 in winter.

**East Dunbartonshire Council** - Currently have Grounds Maintenance teams working 39.25 hours from the start of April until the end of November. This equates to an 8-hour day Monday to Thursday, 7.25 hours on Friday. From the start of December until the end of March, they work a 32-hour weeks, 6.5 hours Monday to Thursday, 6 hours on Friday. This averages at 37 hours per week over the course of the year. This work pattern also includes the teams working one weekend in four, with the following Monday & Tuesday off as compensatory rest days.

**Mid & East Antrim Council** - Used to operate annualised hrs but have recently moved to 37hrs per week all year as winter maintenance work has increased year on year over the last few years. This provides a more balanced work force provision throughout the year and in particular helps with winter/spring works as more hours are available.

**Newcastle City Council** – Grounds staff work 07.30 hrs to 16.00 hrs Mon to Friday for 32 weeks of the year usually early March to mid-October = 40hrs per week. They then

work a 4-day week 07.30 hrs to 16.00 hrs for 20 weeks of the year from mid-October to early March = 32 hrs per week.

**North Warwickshire Borough Council** - Grounds team currently work April to September (42 hours per week) and October to March (4-day week @ 32 hours per week).

**Royal Borough of Greenwich** – Grounds Maintenance staff work 39 hrs per week (4 x 8hr days & 1 x 7hr day) from around the 4th week in February until the 2nd week in October (33 weeks). The other 19 weeks they work a 31hr week (3 x 8hr days & 1 x 7hr day). Occasionally these dates are adjusted to accommodate the fact that the year isn't exactly 52 weeks.

**Sheffield City Council** - Currently work 43 hours per week during the summer and 28 hours per week in winter (which equates to 37 hours per week average year-round).

**South Lanarkshire Council** – Grounds Maintenance Operatives work Mon – Thurs 8.00am – 4.30pm (30 mins lunch) / Fri 8.00am – 1.00pm (no lunch) all year round, 37 hours per week. Currently in discussion to implement 42 hours for 32 weeks in summer then 29 hours for 20 weeks in winter. Would look at a 4-day week in winter rather than 5 short days, with exemptions for Burial staff who could not go to a 4-day week in winter and operatives who are on reduced hours through flexible retirement. If this is agreed will look at the potential for Street Cleansing in the future.

**St Helens MBC** - Staff work 42 hours from 1st April for 26 weeks and then we work 37-hour week for the second half of the year. They work one hour extra per day and this is banked so they can take them as flexi holidays during the winter months.

**Tameside MBC** - Grounds Maintenance teams work annualised hours based on 30 weeks at 41.5 hours and 22 weeks at 28.5 hours.

Finally, and local to Colchester

**Tendring District Council** - Staff engaged on Open Space maintenance currently work 42 hours April-September and 32 hrs October-March. They have worked this for the last 10-15 years and whilst not covering every eventuality it works very well.

## Appendix 7 - Chemical Weed Control summary

Here is a summary, along with costs per hectare, of the various alternatives to glyphosate. There are points regarding the use of glyphosate itself and how, if there isn't a viable alternative, how its use can be mitigated to address some of the concerns regarding its application.

#### **New Way Herbicide and Moss Killer**

The active ingredient is Acetic Acid (vinegar) and it has a dual use as an herbicide and moss killer, the latter of which shows very good results. As an herbicide it is rather less effective and perennial weeds will often need a second treatment to ensure that they die. It is also expensive – a 5L pack costs around £32.00 and covers an area of 200m2. This equates to a cost per hectare of £1,600. While it is quite a safe product for users and members of the public etc, it is harmful to bees. With the main ingredient being vinegar, the residual smell is also an issue for residents. Following complaints from the public Bristol City Council had to stop using.

#### **Katoun Gold**

This product is probably the most viable and cost-effective alternative to glyphosate. The active ingredient is Pelargonic Acid which is a naturally-occurring plant acid so, technically speaking, it is an organic product. In spite of this, there are more safety controls and usage restrictions placed on it as it is not currently considered as safe in a general sense as glyphosate is (a common- myth is that an organic product will always be safer to use than an inorganic or synthetic one – not necessarily the case).

However, used correctly it is both an effective herbicide and moss killer and is approved for use in most amenity situations, as well as in conjunction with Chikara. As yet it is not approved for use as a blanket spray on hard surfaces but can be spot sprayed where weeds grow out of cracks etc.

The cost has come down a little since its launch around 3 years ago – it is applied at a rate of 22.5L per hectare and comes in a 5L container. Each of these is priced at £150.00, meaning a cost per hectare of £675.00.

#### **Trustee Amenity 450 Glyphosate**

If Colchester do not wish to use glyphosate again, but find there is little alternative there are a couple of things to limit its use and introduce some control measures. Firstly, by introducing a residual herbicide such as Chikara they could reduce the amount applied to the point where only one application per season would be needed.

Also, by using pressure regulators and monitoring the nozzles used by operational staff it is easy to not only reduce water rates but also to tightly regulate the amounts applied and avoid overdosing.

In cost terms the above product comes in a 5-litre tub which is priced at around £30.00. It has a standard application rate of 4 litres per hectare which gives a cost per hectare of £24.00.

Chikara comes in a 150g tub and has an application rate of 150g per hectare. Each tub costs around £180.00 therefore the cost per hectare for this product alone is £180.00 and the cost per hectare when used in conjunction with Trustee Amenity is £204.00.

To summarise the cost per hectare

- New Way Herbicide and Moss Killer £1600
- Katoun Gold £675
- Trustee Amenity 450 £24
- Trustee Amenity with Chikara £204

#### Other Control methods

There are a range of thermal technologies including steam, hot foam and infra-red solutions to control growth. A number of Councils are using these methods. For example, Lewes District Council is using a foam-based application. The results are good but they are finding that weeds require several applications to control them and that weeds with waxy coatings are more difficult to control. However, they are trialling various application methods to determine optimum effectiveness.

Whilst these do not involve chemicals, they do require specialist equipment and use greater amounts of energy (through heating water to steam or foam). As a result, although effective they are expensive.



## Cabinet

11(i)

9 March 2022

Report of Assistant Director - Corporate and Author

Author Gary Reid

**Improvement Services** 

**©** 07874984922

Title Corporate Key Performance Indicator Targets for 2022-2023

Wards affected

All

#### 1. Executive Summary

1.1 This report proposes the Corporate Key Performance Indicator (KPI) Targets for 2022-2023.

#### 2. Recommended Decision

2.1 To set Corporate KPI Targets for 2022-2023 as proposed in the report.

#### 3. Reason for Recommended Decision

3.1 To ensure there is a robust corporate performance monitoring framework.

#### 4. Alternative Options

4.1 To consider alternative KPI Targets than those proposed.

#### 5. Background Information

- 5.1 The report on KPI's features a graphical presentation of year-to-date performance and previous year performance against target.
- 5.2 The overall position for April December 2021 can be found at Appendix A.
- 5.3 It is proposed that a number of KPI targets remain unchanged. It is also proposed that a number of KPI targets are changed from their current target to make them more appropriate and stretch performance:

KPI	Description	Current Target	Proposed Target	Supporting Narrative
K1B1(a)	Time to process housing benefit new claims and changes.	5 days	No Change	The processing team work hard to maintain excellent days to process stats, it is however recognised that room should be given to extend
K1B1(b)	Time to process Local Council Tax Support (LCTS) new claims and changes.	6 days	No Change	processing times should resources require or if efficiencies can be made.
K1H1	Additional homes provided.	920 homes	No Change	The proposed target is set in the adopted Local Plan. Delivery has been lowering in the last 2 years due to Covid and a number of large sites completing. New sites have recently been approved and commenced on site and are expected to generate an uplift in delivery of new homes.
K1H2	Affordable homes delivered (gross).	380 homes Delivered over three years (2020-2023)	No Change	We propose to keep the current 3-year target which was previously agreed. Current delivery is not on target but several large sites which are expected to deliver 30% affordable housing have recently commenced.
K1H3	Monitoring the number of households in temporary accommodation per 1,000 households	New KPI replacing current Homelessness KPI	Less than 2.9 households per 1,000 (0.0029%)	This a new indicator which shows the number of households in all temporary accommodation per 1,000 households in the Borough. This number fluctuates due to the demand for the service and work done to prevent and relieve homelessness which in turn may avoid or increase the need for use of temporary accommodation.
K1H4	Rent Collected	98%	No Change	We propose to keep the current target for 2022-2023; current performance is just outside of target. We anticipate improvement in the final quarter of the year, as in previous years, meeting this year's target will be challenging. Keeping the target at the current level will be a stretch and a challenge, current cost of living increases are likely to affect our ability to collect rent at previous levels. The target is

K1H5	Average time to re-let council homes	25 days	28 days	subject to agreement by CBC and CBH via the Medium-Term Delivery Plan, to be approved at the Principal Liaison Meeting in February 2022, CBH Board, PFH for Housing and reviewed by Scrutiny Panel on 15 March 2022.  Current performance is not achieving target and we continue to experience erratic supplies of core materials for repairs and reduced human resources through sickness and general labour shortages which is impacting performance. The target is subject to agreement by CBC and CBH via the Medium-Term Delivery Plan, to be approved at the Principal Liaison Meeting in February 2022, CBH Board, PFH for Housing and reviewed by Scrutiny Panel on 15 March 2022.
K1P1(a)	Processing of Major planning applications	85%	No Change	Whilst the team have achieved high levels of performance across the board it is not proposed to change the
K1P1(b)	Processing of Minor planning applications	91%	No Change	targets for 2022-2023. The number of planning applications received in the past year has increased by about
K1P1(c)	Processing of Other planning applications	91%	No Change	26% so maintaining the same performance levels will be a challenge.
K1R1	Council Tax Collected	96.5%	97.5%	It is proposed that the target is increased to pre-covid level based on an assumption that the impacts of covid will continue to reduce. Council Tax collection has remained strong during 2021 22 despite concerns over the impact of furlough ending, however consideration must be given to the potential worsening of covid cases and economic impact during the winter months.
K1R2	Business Rates (NNDR) collected	90%	95%	It is proposed that the target is increased but should remain below the pre-covid level. Several businesses are still experiencing financial difficulties, and the reduction in relief available to business will impact on some businesses ability to pay. The discretionary covid relief has been delayed and is unlikely to be implemented until 22/23, this should however help to improve collection.
K1R3	Sickness rate in working days	7 days	No Change	The proposal is to keep the current target of 7 days. Sickness absence has increased this year in operational areas and in services where staff are unable to work from home due to COVID. It would be a retrograde step to increase the target above 7 days but as the pandemic continues and

				COVID cases fluctuate we do not believe a target below 7 days is achievable. A new Sickness Policy which will improve the way long and short-term sickness is managed will be launched in January 2022 and this should improve our performance against target.
K1W1	Residual household waste per household	346kg	No Change	It is proposed that the existing target is retained in order that it encourages ambition in the team for a target that has not been achieved in the past couple of years, due to the significant impact that the pandemic and other factors that have had on the service. Measuring performance against this consistent target will help the Service understand the impact of changes on performance.
K1W2	Household waste reused, recycled and composted	53%	55%	To continue to meet the Council's objectives and support the changes proposed by Government through the Environment Bill, it is proposed that the current target of 53% be increased to 55%. Performance has been difficult to achieve as an impact of the pandemic on services, but it is hoped that current measures and management will see good improvements being made on this performance.
K1W3	Percentage of collections made	99.94%	No Change	It is proposed that the existing target is retained in order that it encourages ambition in the team for a target that has not been achieved in the past couple of years, due to the significant impact that the pandemic and other factors that have had on the service. Measuring performance against this consistent target will help the Service understand the impact of changes on performance.

- 5.4 **CBH KPI Targets.** The following KPI Targets will be determined and agreed by Portfolio Holder for Housing and Communities and detailed in the Colchester Borough Homes new Medium Term Delivery Plan, to be approved at the Principal Liaison Meeting in February 2022, CBH Board, PFH for Housing and reviewed by Scrutiny Panel on 15 March 2022.
  - KI H3 Monitoring the number of households in temporary accommodation per 1,000 households
  - KI H4 Rent Collected
  - KI H5 Average time to re-let council homes

#### 6. Equality, Diversity and Human Rights implications

6.1 Where required, specific Equality Impact Assessments have been conducted for policies and activities rather than for individual performance indicators.

#### 7. Strategic Plan References

7.1 Having a robust corporate performance monitoring framework with appropriate KPI's will contribute to the effective delivery of the Strategic Plan.

#### 8. Consultation

8.1 There are not any direct implications with regard to consultation.

#### 9. Publicity Considerations

9.1 The performance report contains measures for our key performance. Many of these are used to monitor the performance of our services, and as such these may be of public interest. The performance report and related information is published on the Performance section of the Council's website.

#### 10. Financial implications

10.1 The annual budget setting report considered separately by Cabinet will ensure there are appropriate resources to deliver the KPI targets for 2022-2023.

#### 11. Health, Wellbeing and Community Safety Implications

11.1 Some of the proposed KPI's will ensure effective performance monitoring of key areas which have a positive impact on Health, Wellbeing and Community Safety.

#### 12. Health and Safety Implications

12.1 This report has no direct implications with regard to Health and Safety.

#### 13. Risk Management Implications

13.1 There are no specific risk management implications associated with this decision.

#### 14. Environmental and Sustainability Implications

14.1 The KPI targets proposed for recycling and residual waste are examples of indicators of performance at tackling Environment and Sustainability issues. However, as work progresses in responding to the Climate Emergency Declaration, Cabinet may wish to consider if any additional corporate KPI's in this area are required.

#### **Appendices**

A. KPI Report covering April - December 2021.

#### **Background Papers**

Not applicable.

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Appendix A

# Corporate

**Key Performance Indicators** 

**Covering April - December 2021** 

also

**Proposed Targets for 2022-2023** 

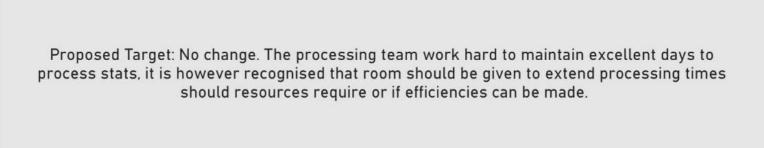
- K1B1 Housing Benefit →
  - K1B1 LCTS →
- K1H1 Additional Homes ->
- K1H2 Affordable Homes 🛶
  - K1H3 Homelessness ->
  - K1H4 Rent Collected ->
    - K1H5 Re-lets →
- K1P1 Planning Apps (Majors) →
- K1P1 Planning Apps (Minors) →
- K1P1 Planning Apps (Others) →
  - K1R1 Council Tax →
    - K1R2 NNDR →
    - K1R3 Sickness ->
  - K1W1 Residual Waste ->
  - K1W2 Recycled Waste →
- K1W3 % of Scheduled Collections Made ->



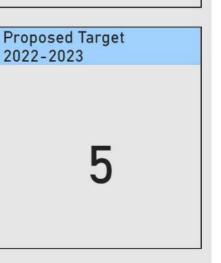


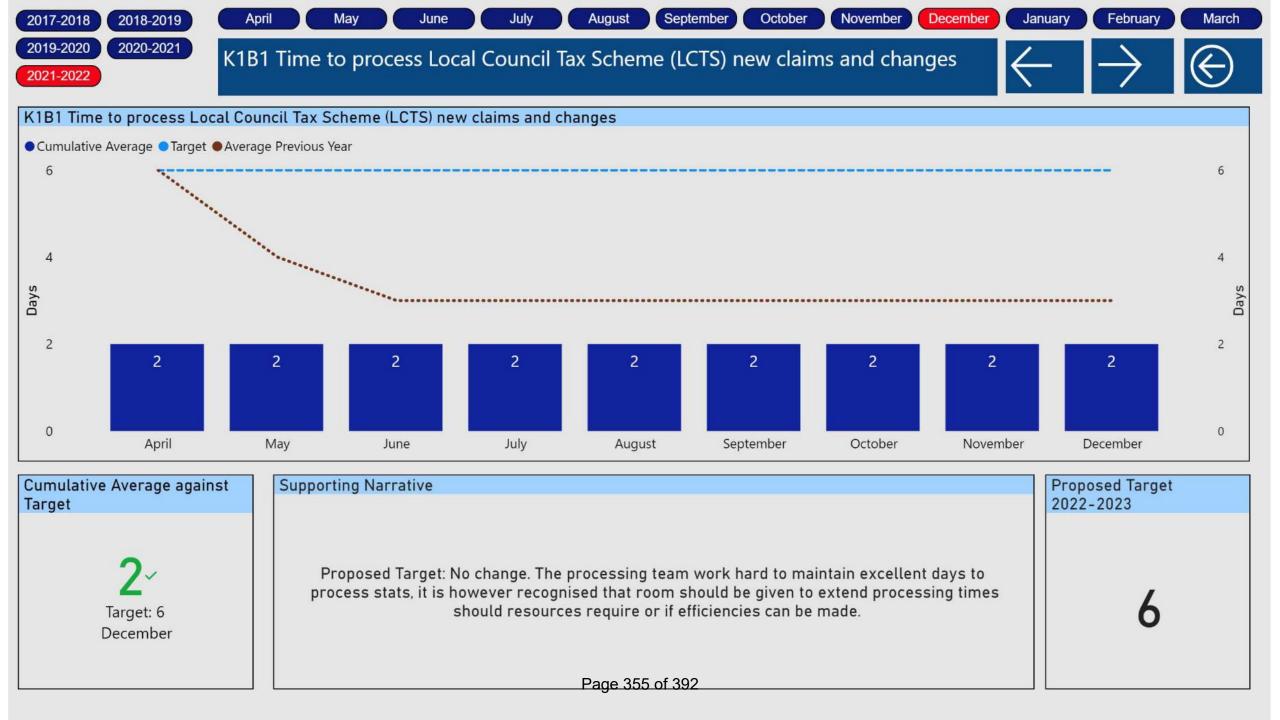


Supporting Narrative



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2015-2016 2016-2017

2019-2020

2017-2018

June

September

December

March

2018-2019

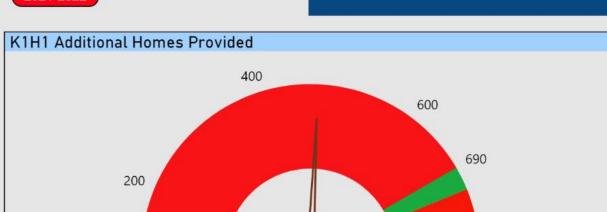
2020-2021

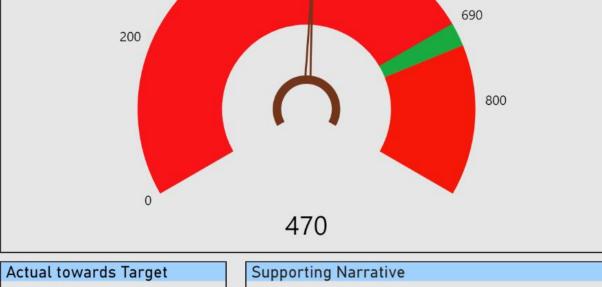
K1H1 Additional Homes Provided











470!
IndicativeTarget: 690
December

The proposed target is set in the adopted Local Plan. Delivery has been lower in the last 2 years due to Covid and a number of large sites completing. New sites have recently been approved and commenced on site and are expected to generate an uplift in delivery of new homes.

920

Proposed Target 202-2023

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2015-2016 2016-2017

2017-2018

June

September

December

March

2018-2019

2019-2020

2020-2021

2022-2023

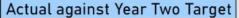
K1H2 Affordable Homes Delivered over Three Years











158!
Indicative Target: 224
December

#### Supporting Narrative

Affordable housing delivery is slightly behind at the half way stage of the strategic target of 380 homes in the period of 2020-2023. Global health pandemic caused uncertainty in the market and with a short supply of materials resulted in onsite delivery being delayed. 25 Affordable Homes were delivered in Q2 of 2021/22 which was an increase of 9 homes from the previous quarter. Delivery is expected to continue to grow over the remaining quarters as more larger sites commence which will deliver a percentage of affordable housing.

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Proposed Target 2020-2023

380

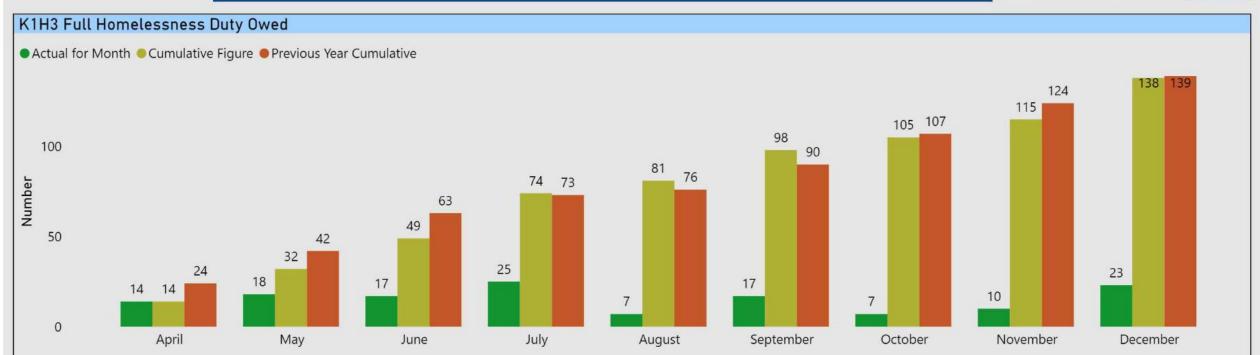
2020-2021 2021-2022 April May June July August September October November December January February Marc

## K1H3 Homelessness Duty Owed - number of full duty acceptances









Number of full duty acceptances

Number of preventions

Number where Relief Duty provided

### Proposed Target 2022-2023

New KPI replacing current Homelessness KPI: Monitoring the number of households in temporary accommodation per 1,000 households. Proposed Target: Less than 2.9 households per 1,000 (0.0029%). This a new indicator which shows the number of households in all temporary accommodation per 1,000 households in the Borough. This number fluctuates due to the demand for the service and work done to prevent and relieve homelessness which in turn may avoid or increase the need for use of temporary accommodation.

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2020-2021 2021-2022 April

April

June

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September

October November

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January

February

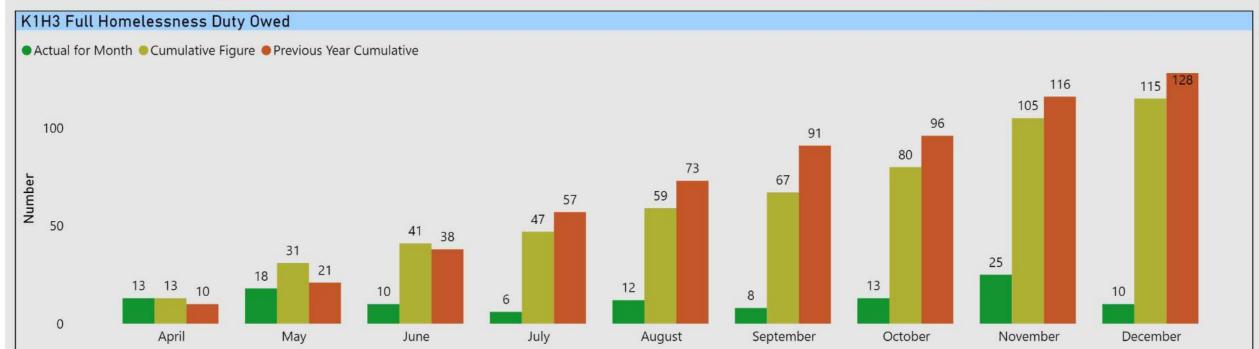
March

## K1H3 Homelessness Duty Owed - number of preventions









Number of full duty acceptances

Number of preventions

Number where Relief Duty provided

### Proposed Target 2022-2023

New KPI replacing current Homelessness KPI: Monitoring the number of households in temporary accommodation per 1,000 households. Proposed Target: Less than 2.9 households per 1,000 (0.0029%). This a new indicator which shows the number of households in all temporary accommodation per 1,000 households in the Borough. This number fluctuates due to the demand for the service and work done to prevent and relieve homelessness which in turn may avoid or increase the need for use of temporary accommodation.

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2020-2021 2021-2022

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August

September

October

November

December

January

February

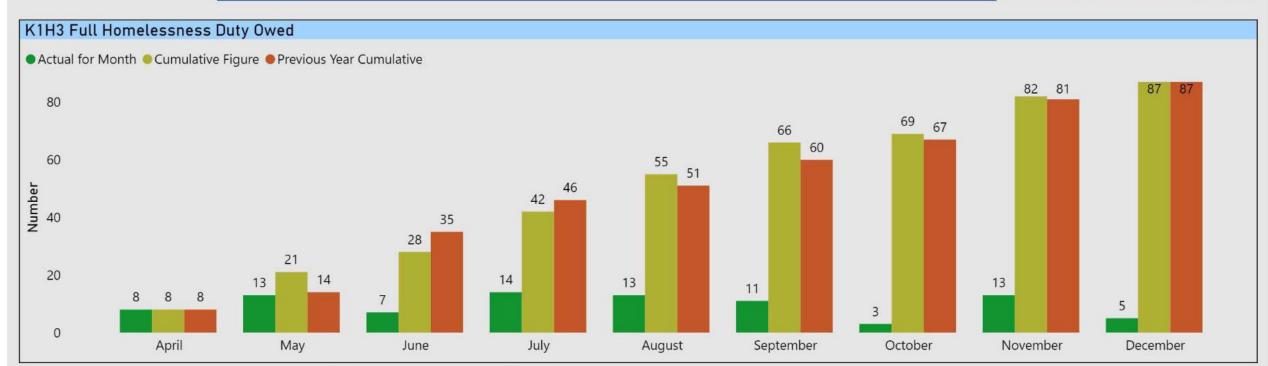
March

K1H3 Homelessness Duty Owed - number where Relief Duty provided









Number of full duty acceptances

Number of preventions

Number where Relief Duty provided

Proposed Target 2022-2023

New KPI replacing current Homelessness KPI: Monitoring the number of households in temporary accommodation per 1,000 households. Proposed Target: Less than 2.9 households per 1,000 (0.0029%). This a new indicator which shows the number of households in all temporary accommodation per 1,000 households in the Borough. This number fluctuates due to the demand for the service and work done to prevent and relieve homelessness which in turn may avoid or increase the need for use of temporary accommodation.

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2017-2018 2018-2019

October

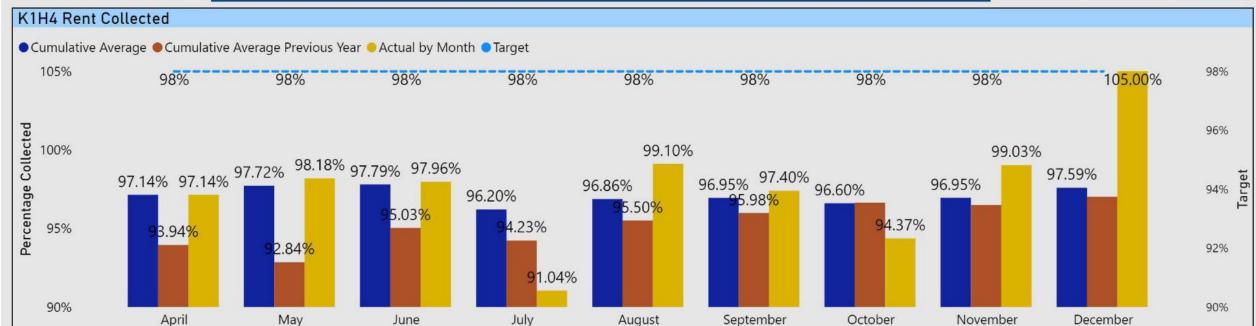
2019-2020 2021-2022 2020-2021

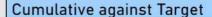
### K1H4 Rent Collected











97.59%<sup>1</sup>

Target: 98% December

#### Supporting Narrative

We propose to keep the current target for 2022/23; current performance is not achieving target and whilst we anticipate improvement in the final two quarters of the year, as in previous years, meeting this year's target will be challenging. Keeping the target at the current level will be a stretch and a challenge due to the increase in the number of tenants receiving benefit through Universal Credit where delays in payments impact on arrears, in addition cost of living increases are likely to affect our ability to collect rent at previous levels. The target is subject to agreement by CBC and CBH via the Medium Term Delivery Plan, to be approved at the Principal Liaison Meeting in February 2022, CBH Board, PFH for Housing and ratified by Scrutiny Panel on 15 March 2022.

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#### **Proposed Target** 2022-2023

98%

2017-2018

2018-2019

September

October

2019-2020

2020-2021

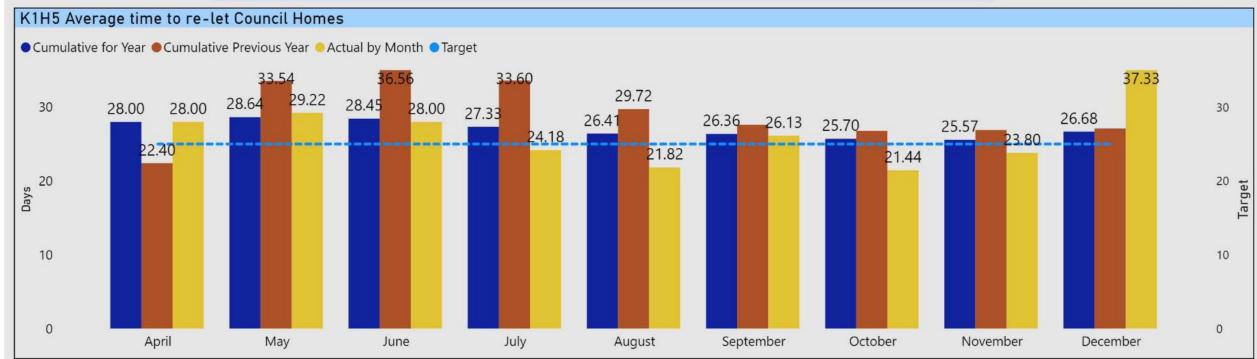
2021-2022

# K1H5 Average time to re-let Council Homes









#### Cumulative against Target

26.68

Target: 25 December

#### Supporting Narrative

We propose to keep the current target for 2022/23; current performance is not achieving target and we continue to experience erratic supplies of core materials for repairs and reduced human resources through sickness and general labour shortages which is impacting performance. The latest HouseMark benchmarking data indicates an increase in the National average void re let times of 80% to 48.21 days, through the CBH in-house labour team the aim is to retain the current target of 25 days (subject to impact of the pandemic). The target is subject to agreement by CBC and CBH via the Medium Term Delivery Plan, to be approved at the Principal Liaison Meeting in February 2022, CBH Board, PFH for Housing and ratified by Scrutiny Panel on 15 March 2022.

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**Proposed Target** 2022-2023

25



Supporting Narrative

September

October November

**February** 

March

2021-2022

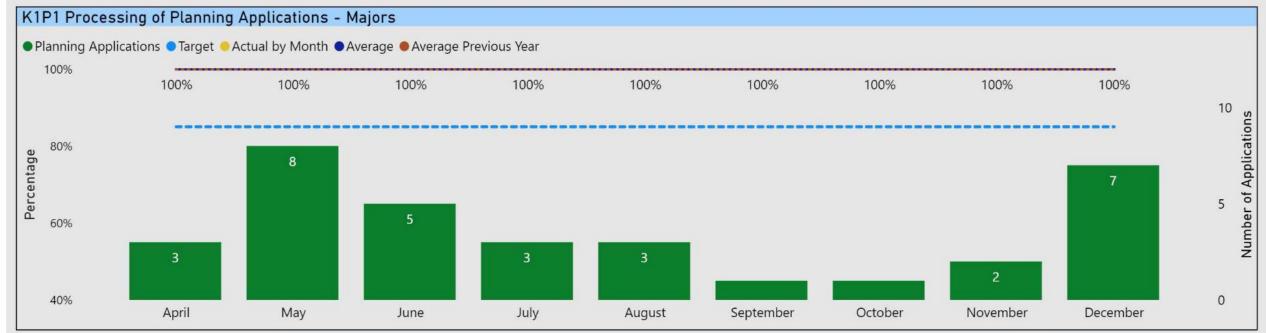
2020-2021

# **K1P1** Processing of Major Planning Applications

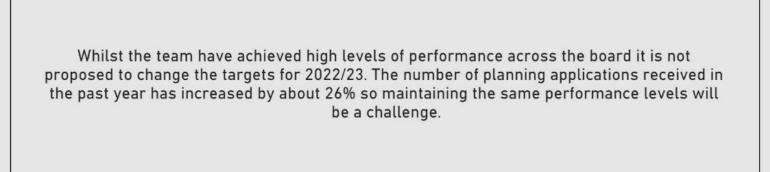




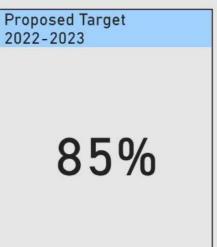








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April

Supporting Narrative

July

August

September

October

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January

February

March

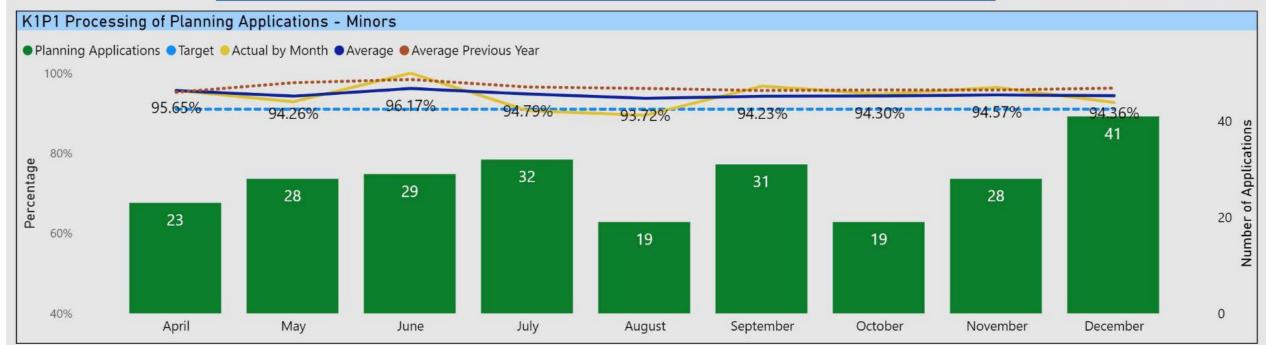
2021-2022

K1P1 Processing of Minors Planning Applications

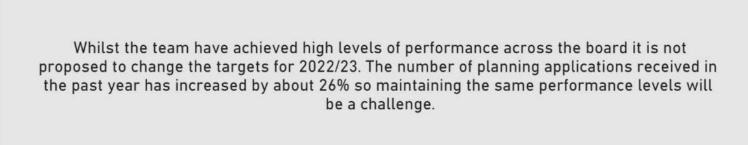




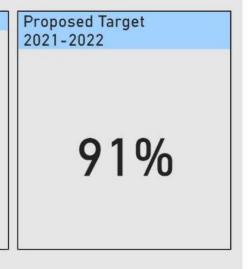








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2017-2018 2018-2019

April

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Supporting Narrative

July

laust

September October

Novem

Decem

cember

January

February

March

2019-2020

2020-2021

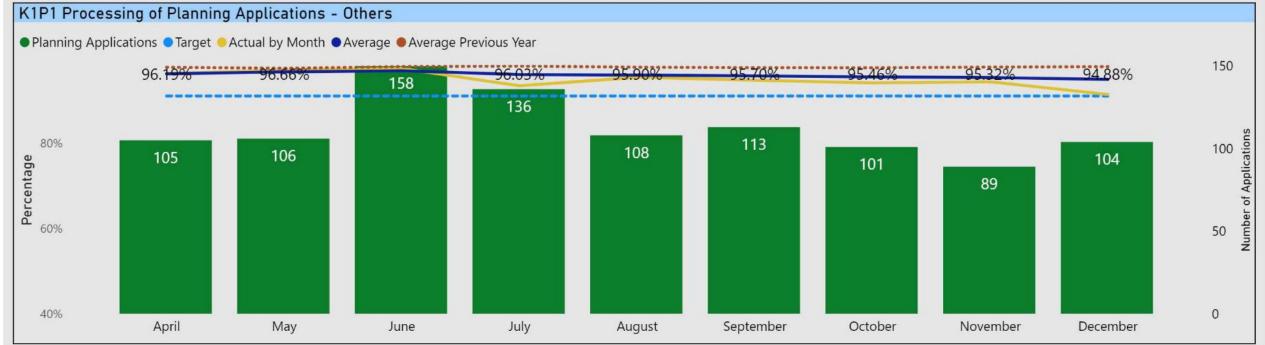
2021-2022

# K1P1 Processing of Other Planning Applications

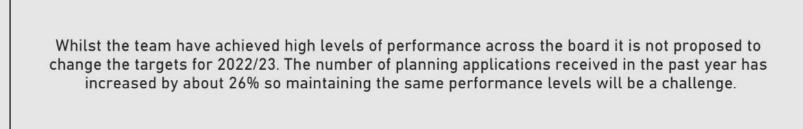












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April

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July

September

October

November

Decemb

January

February

March

2021-2022

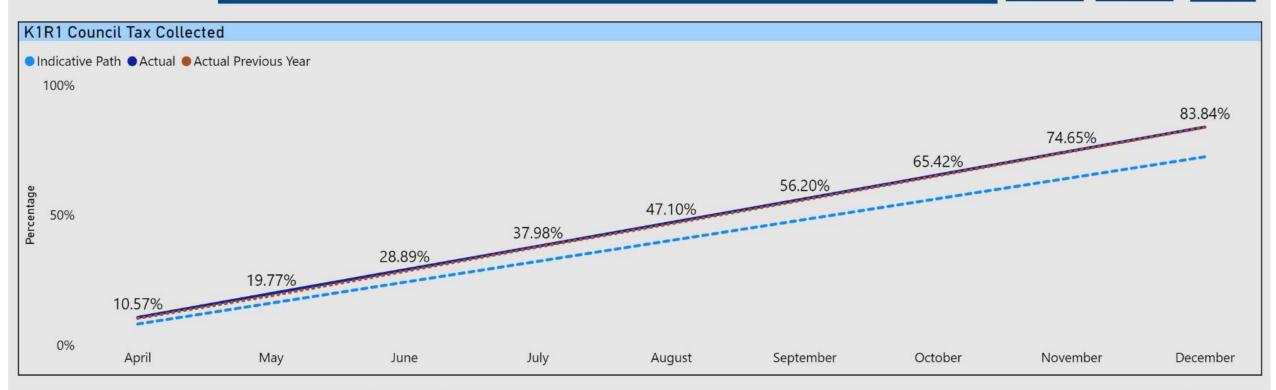
V11

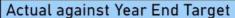
K1R1 Council Tax Collected











83.84%

Indicative Path: 72.38% December

#### Supporting Narrative

It is proposed that the target current target of 96.5% is increased to pre-covid level based on an assumption that the impacts of covid will continue to reduce. Council Tax collection has remained strong during 2021 22 despite concerns over the impact of furlough ending, however consideration must be given to the potential worsening of covid cases and economic impact during the winter months.

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Proposed Target 2022-2023

97.50%



April

July

aust

September

October

November

Decemb

January

February

March

2021-2022

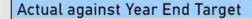
K1R2 Business Rates (NNDR) Collected











76.30%
Indicative Path: 67.50%
December

#### Supporting Narrative

It is proposed that the current target of 90% is increased but should remain below the pre-covid level. A number of businesses are still experiencing financial difficulties, and the reduction in relief available to business will impact on some businesses ability to pay. The discretionary covid relief has been delayed and is unlikely to be implemented until 22/23, this should however help to improve collection.

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Proposed Target 2022-2023

95%







Supporting Narrative

# The proposal is to keep the current target of 7 days. Sickness absence has increased this year in operational areas and in services where staff are unable to work from home due to COVID. It would be a retrograde step to increase the target above 7 days but as the pandemic continues and COVID cases fluctuate we do not believe a target below 7 days is achievable. A new Sickness Policy which will improve the way long and short-term sickness is managed will be launched in January 2022 and this should improve our performance against target. Page 368 of 392

Proposed Target

2022-2023



October

September

November

February

March

2021-2022

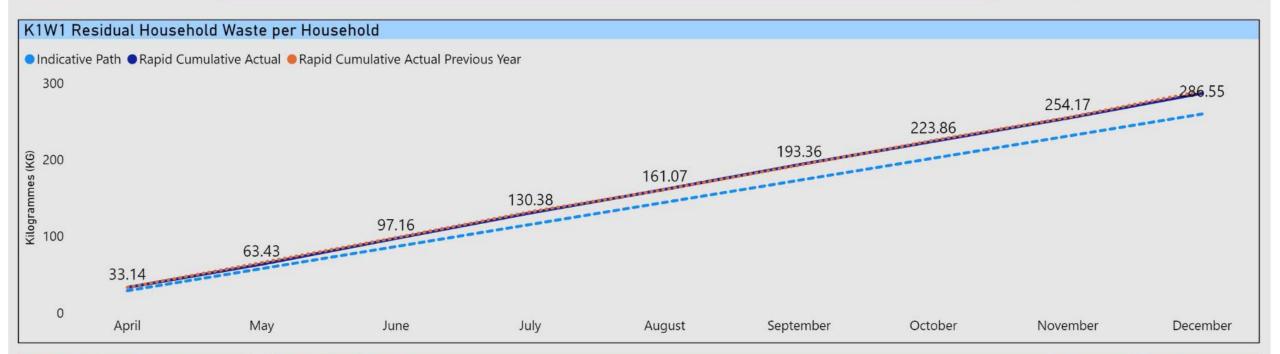
2020-2021

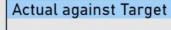
K1W1 Residual Waste (Rapid)











286.55

Indicative Path to date: 259.50

December

#### Supporting Narrative

It is proposed that the existing target is retained in order that it encourages ambition in the team for a target that has not been achieved in the past couple of years, due to the significant impact that the pandemic and other factors that have had on the service. Measuring performance against this consistent target will help the Service understand the impact of changes on performance.

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Proposed Target 2022-2023

346



2020-2021

April

Jun

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September

October

November

ecember

January

February

March

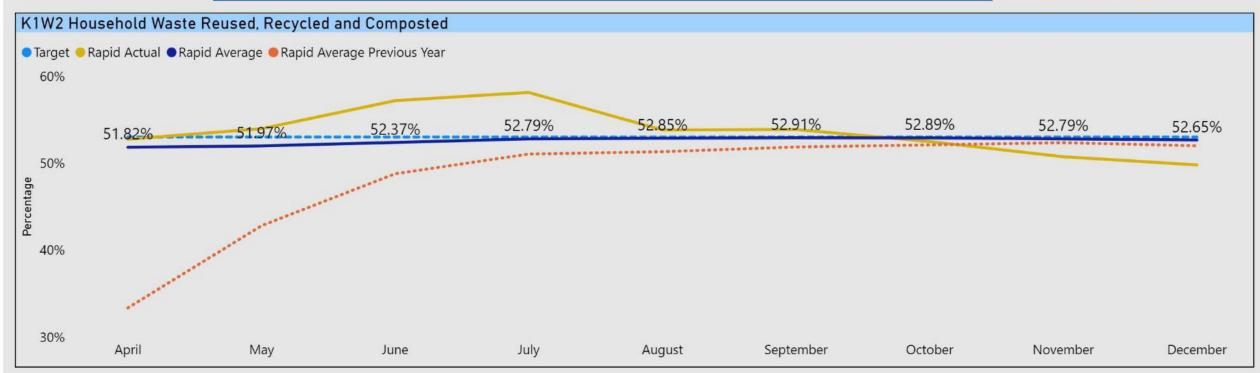
2019-2020

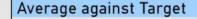
K1W2 Household Waste Reused, Recycled and Composted (Rapid)











52.65%

Target: 53% December

#### Supporting Narrative

In order to continue to meet the Council's objectives and support the changes proposed by Government through the Environment Bill, it is proposed that the current target of 53% be increased to 55%. Performance has been difficult to achieve as an impact of the pandemic on services, but it is hoped that current measures and management will see good improvements being made on this performance.

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Proposed Target 2022-2023

55%



October September

February

March

2019-2020

2020-2021

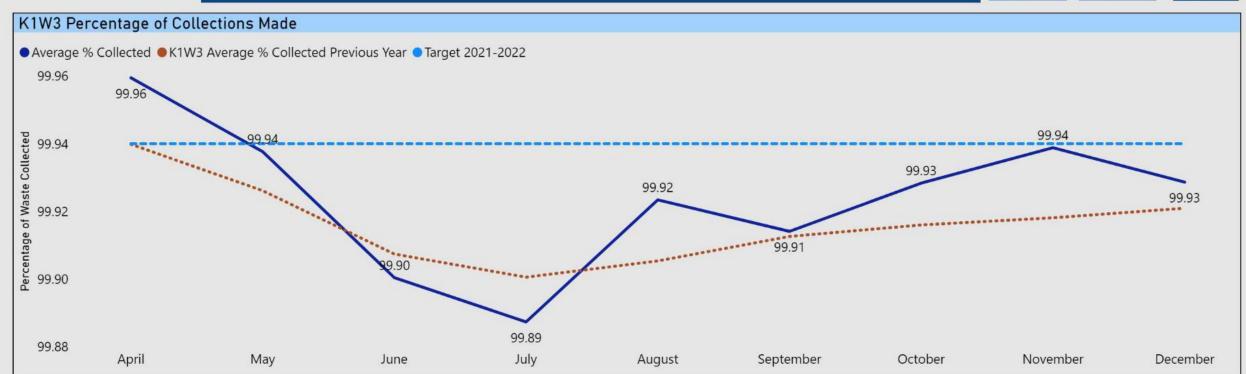
2021-2022

# K1W3 Percentage of Collections Made









#### Average against Target

99.93

Target: 99.94% December

#### Supporting Narrative

It is proposed that the existing target is retained in order that it encourages ambition in the team for a target that has not been achieved in the past couple of years, due to the significant impact that the pandemic and other factors that have had on the service. Measuring performance against this consistent target will help the Service understand the impact of changes on performance.

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**Proposed Target** 2022-2023

99.94

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#### **Cabinet**

**12** 

(i)

9 March 2022

Report of Assistant Director of Place and Client Author Geoff Be

Geoff Beales **№** 506514

Title Regu

Request for Delegated Authority for the Award of HRA Contracts 2022/23

Wards affected

All wards

#### 1. Executive Summary

- 1.1 Within the Housing Revenue Account (HRA), the Council owns almost 6,000 affordable homes, benefitting people in need of social housing. The housing stock is managed through an Arm's Length Management Organisation (ALMO), Colchester Borough Homes (CBH). Each year a number of maintenance contracts are managed in accordance with a Housing Investment Programme (HIP) that keeps these homes in a suitable condition, as part of an ongoing planned approach set from the HRA Asset Management Strategy and 30-year HRA Business Plan.
- 1.2 This report sets out the maintenance contracts that are due to expire over the next year, that need new contracts to be procured and awarded for the HIP in 2022/23. These are contracts that are likely to require Cabinet approval due to estimated costs (over £500k for the scope of the contracts, over multiple years) and spanning over more than 2 wards.
- 1.3 The report seeks delegation of powers to the Portfolio Holder for Housing and Planning to approve the award of these contracts as they arise, which will make those awards smoother and faster if they arise between meetings scheduled for the next year. A similar decision was taken in 2020 and 2021 which was concluded successfully over the subsequent delegated contract awards.

#### 2. Recommended Decision

- 2.1 To delegate authority to the Portfolio Holder for Housing and Planning for the award of the contracts for works within the Housing Investment Programme 2022/23, including but not limited to:
  - Heating system renewals
  - Climate emergency response works
  - External wall insulation works
  - Wet rooms
  - Bathrooms and second WC
  - Windows and doors
- 2.2 To delegate authority to the Portfolio Holder for Housing and Planning for the award of a replacement contract for void work to empty Council Homes that will commence in March 2023 when the existing contract ends.

2.3 To delegate authority to the Portfolio Holder for Housing and Planning for the award of a new contract for the void works specifically resulting from newly purchased properties under the acquisition programme in 2022/3 and 2023/4, this contract will total 90 properties (approval for the purchase of the properties has already been given by Cabinet).

#### 3. Reason for Recommended Decision

- 3.1 The Council owns almost 6,000 affordable Homes within the Housing Revenue Account, benefitting people in need of social housing. The housing stock is managed through an Arm's Length Management Organisation (ALMO), Colchester Borough Homes (CBH) and each year a number of maintenance contracts are managed within an agreed Housing Investment Programme. This keeps these homes in a suitable condition, as part of an ongoing planned approach set from the HRA Asset Management Strategy and 30-year HRA Business Plan.
- 1.2 The contracts that are due to expire over the next year need new contracts to be procured and awarded for the Housing Investment Programme in 2022/23. These are contracts that are likely to require Cabinet approval due to estimated costs (over £500k for the scope of the contracts, over multiple years) and borough-wide span.
- 1.3 The decision to delegate powers to the Portfolio Holder for Housing and Planning to approve the award of these contracts, as they arise, will make those awards smoother and faster if they arise between Cabinet meetings scheduled for the next year, or during the pre-election period. This avoids delays in the delivery of improvements for tenants. A similar decision was taken in 2020 and 2021 and has demonstrated the success and benefit of this approach in past/current contract awards.

#### 4. Alternative Options

4.1 Not to delegate the powers requested; but this would then need contracts to be individually reported to Cabinet for each contract award increasing the time and resourcing required, for a procurement process that is already heavily scrutinised and regulated. This would delay the start of contracts, and therefore the improvements to homes for tenants, whilst waiting for a Cabinet meeting to arise. The time/benefit balance would therefore suggest that delegation to the Portfolio Holder for Housing and Planning would be more effective and efficient use of Council resources, without introducing risks and demonstrated by the previous approval of delegation. The Portfolio Holder decisions would remain available for call-in should individual concerns arise.

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#### 5. Background Information

- 5.1 The Housing Investment Programme (HIP) is funded through the Housing Revenue Account and currently there is a planned investment of around £15m across the housing stock per year. Simplistically, the HRA receives the social and affordable rents and income from Council housing that is then ring-fenced within the HRA (a separate account to the General Fund) to be invested back into the social housing stock (whether in maintenance of existing stock, or provision of new affordable homes, this then in turn increases the income back into the HRA in future years to pay for itself).
- 5.2 The HIP therefore includes the planned and reactive replacement of building elements, such as electrics, heating, windows, doors, kitchens and bathrooms etc, on a cyclical basis. The HIP is based on the expected notional life of those elements. This is verified by a stock condition survey of identified properties.
- 5.3 Once it has been identified that many properties require similar investment then the necessary budget, part of a 30-year HRA Business Plan to manage the funds and property in the HRA, is approved by Cabinet (in January each year) to fund the investment. This work is then collated into packages of works that can be contracted together to provide value for money and economies of scale, consistency of works across the stock and relationships with contractors familiar with the Council's needs and property etc.
- An appropriate procurement route is identified in advance and a contractor is selected to enter into a suitable contract for the delivery of the works. Previously the Council has entered contracts on a variety of terms, whether small or large contracts, and whether for single or multiple years, and this experience informs the basis on which each element of the programme is delivered.
- 5.5 The delegation of the HRA HIP contracts will assist in a timely, smooth, contract renewal or replacement process over the next year, for known contracts that will emerge. These contracts include:
  - Heating System Renewals
  - Climate Emergency Works
  - External wall insulation works
  - Wet rooms
  - Bathrooms and second WC
  - Windows and doors
  - Voids (including both an existing contract renewal and a new contract, see 5.8 below)
- 5.6 This list is not exhaustive. In addition, the Climate Emergency Response Works were agreed by Cabinet in November 2020 as a supplementary package of work to the HIP that further improves homes, starts addressing the climate emergency declaration but also provides additional employment opportunities and economic recovery benefits after the global pandemic. These works will potentially not be delivered through one single supplementary contract, all the elements of the planned works include cladding, insulation, windows, heat and energy sources etc.
- 5.7 The complete package of contracts will be delivered within the approved budget for the HIP in 2022/23 which was approved by Cabinet at its meeting on 26 January 2022.

5.8 Work to empty properties do not form part of the HIP, but ensure that properties are made ready for new tenants to move in. The amount of works required varies from property to property but ranges from simple painting and decoration to replacement of defective elements or more major changes to older bathrooms or kitchens which will be due to be replaced shortly anyway (thus avoiding later disruption to tenants once they have moved in). It is proposed to award one new contract specifically for properties purchased via the acquisitions programme as well as replacing the expiring contract to the existing void work contract which will end in March 2023. Because of value, and multiple wards, both contracts would require Cabinet approval. The delegation of these contract awards to the Portfolio Holder for Housing will assist in a timely, smooth, contract award process over the next year.

#### 6. Equality, Diversity and Human Rights implications

- 6.1 Implications for Equality, Diversity and Human Right will be considered in all contracts awards. However, it is generally thought that investment in and the appropriate maintenance the Council's housing stock has overwhelmingly positive implications for tenants and residents of the Borough.
- 6.2 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:
  - eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.2 The recommendations will have no disproportionate impact on any protected group. The Equality Impact Assessment for the Council's Housing Investment Programme is here.

#### 7. Strategic Plan References

- 7.1 The Strategic Plan sets out clearly the Council's priorities. The budget process has been designed to ensure that resources are allocated to meet these priorities.
- 7.2 This decision particularly contributes to the following Strategic Plan 2021-2023 priority areas:
  - Responding to the Climate Emergency
    - Reduce carbon emissions to help achieve a zero-carbon footprint for Council services for 2030
    - Environment and sustainability imbedded in all Council decision making and the adaption and recovery from Covid-19
  - Tackling the causes of inequality and support our most vulnerable people
    - Support people to live in healthy homes that meet their needs
  - Increase the number, quality, and types of homes

- Improve existing Council homes to keep them in good repair and improve energy efficiency
- Continue to improve and modernise available housing for older people

#### • Prevent households from experiencing homelessness

- ➤ Work with partners to deliver the 2020-23 Homelessness and Rough Sleeping Action Plan
- ➤ Intervene early to prevent homelessness and work in partnership with other organisations to sustain people's accommodation
- Tackle rough sleeping in the Borough

#### Enable economic recovery from Covid 19 ensuring all residents benefit from growth

- ➤ Ensure our Borough becomes stronger post Covid 19 by supporting businesses to recover, adapt and build resilience
- Develop opportunities to ensure the new economy is greener, sustainable, and more resilient

# • Create an environment that attracts inward investment to Colchester help businesses to flourish

- Encourage green technologies and innovative solutions to the Climate Emergency
- Maximise the social value benefits derived from third party contracts
- ➤ Ensure the Councils assets continue to contribute to economic growth and opportunity

#### 8. Consultation

8.1 Tenants of all housing stock have been consulted as part of a review of the Asset Management Strategy. The Asset Management Strategy includes specific reference to a suitable Procurement Strategy for HIP works.

#### 9. Publicity Considerations

9.1 All residents are notified of major contract awards via the Resident Newsletter. Affected tenants are notified well in advance of works taking place and consulted about the specific impact on them and their household.

#### 10. Financial implications

- 10.1 The budgets for the Housing Investment Programme and Acquisitions Programme were presented to Cabinet on the 26 January 2022 and will be within the 30-year HRA Business Plan and approved budget for 2022-23.
- 10.2 Revenue budgets for repairs maintenance which includes void works were presented to Cabinet on the 26 January 2022 and will be within the approved budget for 2022-23.

#### 11. Health, Wellbeing and Community Safety Implications

11.1 It is broadly expected that communities where these works will take place will be positively affected by the completion of the works. Improved buildings and estates reduce anti-social behaviour and crime, improve health and associated outcomes for residents and communities. Recent medical reports have identified, more than ever, that the quality of housing has a significant impact on the health of residents within those properties.

#### 12. Health and Safety Implications

12.1 Contractors bidding for works are expected to demonstrate a strong track record and high level of competence in managing health and safety through the procurement process. Contractors then manages health and safety on site, managed by CBH, although ultimate responsibility remains with the Council as the contracting authority.

#### 13. Risk Management Implications

13.1 None expected. All contracts are managed individually, and risk registers are maintained by CBH.

#### 14. Environmental and Sustainability Implications

- 14.1 As part of the Housing Asset Management Strategy a Housing and Environmental and Sustainability Strategy has been produced. Using a specialist energy efficiency modelling database, we have looked at scenarios for delivering all our homes to EPC Band C by 2030.
- 14.2 CBC has been taking action to improve the energy efficiency of our properties, cold damp houses and inequality in our stock create poorer health outcomes. Energy efficiency works take a fabric first approach to retrofit and include loft and cavity wall insulation and moving to installing Air Source Heat Pumps from our Capital Programme. This ensures we are tackling fuel poverty and making utility bills cheaper.
- 14.3 Where possible water saving measures and LED lighting are installed
- 14.4 There are no new PV installations planned, but where installed, tenants benefit from savings and the Council receives revenue returns which are re-invested into other initiatives.
- 14.5 The Government has a target that all social rented homes will be net zero carbon by 2050. The Council continues to develop an understanding of the technical solutions available and their cost as it continues to seek funding to support delivery and consider the financial viability of properties.



#### **Cabinet**

12(ii)

9<sup>th</sup> March 2022

Report of Assistant Director of Place & Author Geoff Client Beales

**₹** 506514

Title Award of a Contract for Asbestos Surveying to social housing stock and

corporate buildings (Ref: 0259)

Wards affected

ΑII

#### 1. Executive Summary

- 1.1 This report requests that Cabinet grant authority to procure a contract to deliver the asbestos surveying services to properties directly managed by Colchester Borough Homes and commercial and corporate buildings managed by Amphora across the borough, in accordance with statutory duties relating to asbestos regulations.
- 1.2 The contract is designed to provide a systematic review of properties to ensure that the management and control of asbestos within residential and corporate buildings is effectively managed and appropriate control measures are in place to comply with asbestos regulations.
- 1.3 The contract aim is to deliver an effective asbestos surveying service and maintenance regime that will result in continuing to keep residents' homes and corporate buildings safe and secure by delivering and effective surveying service that identifies the management control and action required to maintain effective management of asbestos.
- 1.4 The programme is intended to renew all asbestos surveys to Colchester Borough Council's housing stock and corporate assets. This will be conducted over an anticipated 4-year period. The aim is for all properties to remain compliant and to complete surveys and ensure suitable and relevant documents are in place for each property in line with the 2012 asbestos regulations.
- 1,5 The funds will be contained within the General Fund and the Housing Revenue Account capital budgets for Council owned accommodation over four years from April 2022.

#### 2. Recommended Decision

- 2.1 To agree to appoint Environmental Management Services to conduct the asbestos surveys to the Colchester Borough Council residential, commercial, and corporate properties.
- 2.2 To agree to enter with the successful contractor into a contract for two years with the possibility to extend for up to two years (24 months), at the Council's discretion and subject to performance. The anticipated start date is 1st April 2022.

2.3 To agree that should the preferred supplier withdraw Cabinet endorse the appointment of the contractor in second place in consultation with the Portfolio Holder for Resources and the Portfolio Holder for Housing and Planning.

#### 3. Reason for Recommended Decision

- 3.1 Under the Council's constitution contracts with a value of over £500,000 require Cabinet approval unless otherwise delegated. Although the Housing Revenue Account contract awards have been delegated awards in the General Fund have not.
- 3.2 The award of the contract for asbestos surveying has been subject to an open procurement exercise in line with corporate procurement requirements.
- 3.3 The recommended bidder has provided the best offer based upon the evaluation of their bid price, qualitative submission, and Social Value offer.

#### 4. Alternative Options

- 4.1 Not to appoint a contractor would have a direct impact on the delivery of planned and reactive works to the stock. This would also compromise compliance with legislation which could lead to properties that would result in either, the properties becoming non decent and right to repair or disrepair claim(s) being made by residents not being able to be actioned.
- 4.2 Not to appoint the highest scoring contractor may result in a legal challenge under the Contract Procedure Rules.

#### 5. Background Information

- 5.1 The Council owns almost 6,000 affordable homes, benefitting people in need of social housing. The housing stock is managed through an Arm's Length Management Organisation (ALMO), Colchester Borough Homes (CBH).
- 5.2 The Council also owns corporate buildings which are managed by Colchester Amphora Trading Limited. Colchester Borough Homes manages the asbestos surveying on behalf of the Council who maintain responsibility for the buildings.
- 5,3 Each year several maintenance contracts are procured and managed in accordance with a Housing Investment Programme that keeps these homes in a suitable condition, as part of an ongoing planned approach set from the HRA Asset Management Strategy and 30-year HRA Business Plan.
- 5.4 Colchester Borough Homes has been delivering a continuous programme of asbestos surveys to Colchester Borough Council's housing stock and corporate buildings.
- 5.5 The programme is intended to renew all asbestos surveys to Colchester Borough Council's housing stock and corporate and commercial assets. This will be conducted over an anticipated 4-year period. The aim is for all properties to remain compliant and to complete surveys and ensure suitable and relevant documents are in place for each property in line with the 2012 asbestos regulations.
- 5.6 Colchester Borough Homes previously conducted a large-scale project to survey the housing stock approximately 10 years ago. It has been highlighted that a significant number of these surveys are becoming outdated and therefore should be undertaken again.
- 5.7 These works were identified during an internal compliance audit; ACM's (aluminium composite materials) have been removed during previous works with no current asbestos survey to confirm they are no longer present. The initial goal will be to resurvey the oldest property reports whilst tying in with the Capital Programme to ensure the relevant survey is in place.
- 5.8 The tendering process was managed by the Colchester Borough Council's Senior Procurement Consultant via the e-tendering system (BiP Solutions Ltd, Delta e-sourcing Portal). The tender opportunity was issued on 15<sup>th</sup> December 2021 with a return date of 12:00 on 17<sup>th</sup> January 2022. There were 30 expressions of interest, which translated into 13 bids being received, which were opened on the 17 January 2022.
- The work was fully specified by Colchester Borough Homes in line with current Building Regulations, housing regulation note on asbestos (HSG 24) and the control of asbestos regulation (CAR 2012). Tender submissions were sought for the asbestos surveying of Colchester Borough Council housing stock, corporate and commercial assets.
- 5.10 The weighting of the scoring was 45% technical, 45% price and 10% Social Value (submitted via the Social Value Portal). The results of the evaluation can be found in the Part B Confidential Report on this agenda item.
- 5.11 Under the control of asbestos regulations a Duty Holder must be appointed to manage the ACMs within their stock. For commercial and corporate properties or areas of a domestic building where there are shared facilities; Regulation 4 applies. The landlord must identify (and control) asbestos. Other relevant parts of the asbestos regulations, Health and Safety at Work Act, Construction Design and Management Regulations (Reg

- 10) and/or the Management of Health and Safety at Work Regulations 1999 should be used to ensure that an appropriate asbestos survey, including sampling, is commissioned by the employer or client initiating the work, before building, refurbishment, maintenance or demolition work takes place in any domestic or non-domestic property. There is a Health and Safety Executive advisory note for social landlords on refurbishment of housing stock that is likely to contain asbestos.
- 5.12 The duty holder must ensure asbestos management plans are in place. These plans are written to manage that risk and ensure it has been prepared and that the plan is put into effect to make sure that:
  - Any material known or presumed to contain asbestos is kept in a good state of repair
  - Any material that contains or is presumed to contain asbestos is, because of the
    risks associated with its location or condition, repaired and adequately protected
    or, if it is in a vulnerable position and cannot be adequately repaired or protected,
    it is removed
  - Information on the location and condition of the material is given to anyone who is liable to disturb it or is otherwise potentially at risk
- 5.13 CBH will continue to manage the contract on behalf of the Council through their role as contract administrator which will include managing day to day issues and arrangements of the contract and will act as the main point of contact for all parties through the nominated representative.

#### 6. Equality, Diversity and Human Rights implications

- 6.1 Implications for Equality, Diversity and Human Right will be considered in all contracts awards. However, it is generally thought that investment in and the appropriate maintenance the Council's housing stock has overwhelmingly positive implications for tenants and residents of the Borough and the effective management of corporate buildings
- 6.2 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:
  - eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 6.3 The recommendations will have no disproportionate impact on any protected group. The Equality Impact Assessment for the Council's Housing Investment Programme is here.

#### 7. Standard References

- 7.1 The Strategic Plan sets out clearly the Council's priorities. The budget process has been designed to ensure that resources are allocated to meet these priorities.
- 7.2 This decision particularly contributes to the renewed commitment to ensure all stock is compliant.

#### Responding to the Climate Emergency

Reduce carbon emissions to help achieve a zero-carbon footprint for Council services for 2030

Environment and sustainability imbedded in all Council decision making and the adaption and recovery from Covid-19

#### Tackling the causes of inequality and support our most vulnerable people

Support people to live in healthy homes that meet their needs

#### Increase the number, quality, and types of homes

Improve existing Council homes to keep them in good repair and improve energy efficiency

Continue to improve and modernise available housing for older people

#### Prevent households from experiencing homelessness

Work with partners to deliver the 2020-23 Homelessness and Rough Sleeping Action Plan

Intervene early to prevent homelessness and work in partnership with other organisations to sustain people's accommodation

Tackle rough sleeping in the Borough

# Enable economic recovery from Covid 19 ensuring all residents benefit from growth

Ensure our Borough becomes stronger post Covid 19 by supporting businesses to recover, adapt and build resilience

Develop opportunities to ensure the new economy is greener, sustainable, and more resilient

# Create an environment that attracts inward investment to Colchester help businesses to flourish

Encourage green technologies and innovative solutions to the Climate Emergency Maximise the social value benefits derived from third party contracts Ensure the Councils assets continue to contribute to economic growth and opportunity

#### 8. Consultation

8.1 Tenants of all housing stock have been consulted as part of a review of the Asset Management Strategy. The Asset Management Strategy includes specific reference to a suitable Procurement Strategy for HIP works. In relation to the corporate buildings managed by Amphora there is a duty to undertake regular inspections of properties where asbestos materials are contained

#### 9. Publicity Considerations

9.1 All residents are notified of major contract awards via the Resident Newsletter. Affected tenants are notified well in advance of works taking place and consulted about the specific impact on them and their household.

#### 10. Financial implications

10.1 The budgets for the Housing Investment Programme were presented to Cabinet on the 26 January 2022 and will be within the 30-year HRA Business Plan and approved budget for 2022-23.

#### 11. Health, Wellbeing and Community Safety Implications

- 11.1 The continuous programme of refurbishment works has positive implications for the specific wards and residents who are having the works undertaken on their respective properties. The continuous surveying programme for corporate buildings ensures that the public and staff are within a safe environment
- 11.2 Improved buildings and estates reduce anti-social behaviour and crime, improve health and associated outcomes for residents and communities. Recent medical reports have identified, more than ever, that the quality of housing has a significant impact on the health of residents within those properties.

#### 12. Health and Safety Implications

12.1 Contractors bidding for these works are expected to demonstrate a strong track record and high level of competence in managing Health and Safety through the procurement process. Health and Safety will be managed daily by the contractors, although the Council retains its CDM responsibility with the Client and has ultimate responsibilities.

#### 13. Risk Management Implications

13.1 A risk register will be created by the winning contractor and actively managed throughout the project. CBH also have their own risk register that they manage on behalf of CBC as project managers.

#### 14 Environmental and Sustainability Implications

- 14.1 All asbestos waste taken from Colchester Borough Council assets must be fully compliant. The contractor will hold the appropriate waste carriers license and provision of a consignment note detailing waste type, quantity and location of disposal.
- 14.2 Correct identification of materials will ensure that hazardous waste is disposed of correctly and will not result in intentional or accidental disposal of the waste with other materials resulting in contamination.
- 14.3 Concise records of ACM condition and location will assist with the duty to manage under the regulations and help to prevent contamination of land and areas surrounding the ACM.

Appendix 1 - Evaluation of tender submissions – see Part B not for publication report for results of the tendering process



#### Cabinet

12(iii)

**Geoff Beales** 

**₹** 506514

9 March 2022

Report of Assitant Director Place and Client

**Services and Assistant Director** 

**Communities** 

Title Award of contract for Stairlift Equipment

Wards All wards

affected

#### 1. Executive Summary

1.1 This report requests that Cabinet grant authority to procure a contract with Stannah Lift Service through the Procurement for Housing (PfH) Materials Framework, Lot 6 Stairlifts, to deliver stairlift equipment to residents with mobility issues across the borough, in accordance with statutory duties. The contract aim is to deliver an effective stairlift installation and maintenance regime that will result in continuing to keep people safe and mobile in their own homes for longer.

**Author** 

- 1.2 The contract is to design, deliver and maintain equipment that meets the needs of the individual to access essential areas in their property such as bedroom and washing facilities, as recommended by Essex County Council Social Care. A large proportion of recommended adaptations are for stairlift, which is an area of specialist work that needs to be carried out by a qualified contractor. Each stair lift will need to be individually designed to meet both the individuals' needs and the layout of the home.
- 1.3 The funds will be contained within the Disabled Facilities Grant (DFG) allocation, and Housing Revenue Account capital budgets for Council owned accommodation, over four years from April 2022.

#### 2. Recommended Decision

- 2.1 To enter into the 'Procurement for Housing' Framework.
- 2.2 To award a 4-year contract to Stannah Lift Services under the Procurement for Housing Framework, effective 1<sup>st</sup> April 2022 for both General Fund and Housing Revenue Account installations under a combined agreement to provide a consistent service for all residents across the borough.

#### 3. Reason for Recommended Decision

- 3.1 Under the Council's constitution contracts with a value of over £500,000 require Cabinet approval unless otherwise delegated. Although the Housing Revenue Account contract awards have been delegated the DFG's in the general fund have not.
- 3.2 Since 2017, CBC and Colchester Borough Homes have been operating under the Procurement for Housing Framework which is now due for renewal. Stannah have been reliable and responsive to our requirements and the framework contract also allows us to use alternative contractors if Stannah are unable to provide a specific lift as required by the specification.

- 3.3 The Procurement for Housing Framework enables essential stairlift equipment to be provided into a resident's home by only requiring a quote from the single supplier. This supports both Social Care and the NHS budgets by maximising residents' independence and reducing risks that could lead to admissions to hospital through trips or falls, prolonged stays in hospital or the need for care or increasing the cost of care packages.
- 3.4 Stannah Lift Services have demonstrated their ability to deliver a fast service which is an important consideration when carrying out adaptation works. Stannah are well-known and recognised in the supply and installation of stairlifts and offer a 24-hour 365 day a year repair service.
- 3.5 It is therefore prudent to continue with a specialist contractor in place to facilitate the delivery of Disabled Facilities Grant projects and adaptations to Council owned properties.

#### 4. Alternative Options

- 4.1 Offer an open tender and award. Engaging in an open tender in normal circumstances allows for wider competition but as stairlift contractors are fairly specialised this may not be the best route. This process can also take considerable time to administer and reach contract award.
- 4.2 Multiple bids/tenders for each individual application. Seeking at least two quotes for each application and awarding to the cheapest. This process is known to take longer and increases the time to process applications.
- 4.3 Other Framework Agreements have been considered although none allow for the use of, third party contractors if the principal contractor cannot meet the requirements of the specific lift, which would then take considerable time to procure, affecting the resident.
- 4.4 Continue to operate with two separate contracts for the general fund and housing revenue account, but this does not offer best value to the Council.

#### 5. Background Information

- 5.1 This report considers the contract arrangements the Council has for stairlift installations within the Housing Revenue Account for rented council homes and installations via Disabled Facility Grants for private sector tenants and homeowners.
- 5.2 Prior to 2017, when the existing framework was procured, there existed a county-wide framework hosted by Essex County Council of which CBC was a member since its inception in 2007. Before 2007, CBC and CBH had operated without a framework agreement in place.
- 5.3 Operating without a framework required seeking competitive quotes from at least two contractors with the cheapest contractor 'winning' the tender to deliver the equipment. This practice took more officer time to administer and required the two contactors to visit the resident and provide a scheme and quote, slowing the application process further.
- 5.4 This additional time, to tender individual works, impacts negatively on the resident's independence and often also has other impacts on health and wellbeing. The decision was jointly taken by the service areas to look for a better solution to enable applicants to receive their equipment as quickly as possible.
- 5.5 In 2017 the Council and Colchester Borough Homes joined the Procurement for Housing Framework both with a separate contract for their individual areas of work.
- 5.6 The decision to use the procurement for housing framework has been effective in delivering high quality installations for the two service areas during the current framework period. The contract ends on 31 March 2022 and a new contract is required from 1 April 2022.
- 5.7 It is proposed that the Council enter into a single four-year contract through the Procurement for Housing Framework with Stannah Stairlift Services to deliver stairlift equipment to residents with mobility issues across the borough, in accordance with statutory duties. The framework enables essential stairlift equipment to be provided into a resident's home by only requiring a quote from the single supplier.
- 5.8 Stannah Lift Services have demonstrated their ability to deliver a fast service, which is an important consideration when carrying out adaptation works. Stannah are well known and recognised in the supply and installation of stairlifts and offer a 24-hour 365 day a year repair service. Furthermore, if a stairlift is no longer required but still serviceable they will remove, refurbish and store free of charge until it is required.
- 5.8 The contract will be to design, deliver and maintain equipment that meets the needs of individuals to access essential areas of their home such as bedroom and washing facilities, as recommended by Essex County Council Social Care.
- 5.9 The contract aim is to deliver an effective stairlift installation and maintenance regime that will result in continuing to keep people safe and mobile in their own homes for longer. This will allow them to remain within their existing community and support networks.
- 5.10 The funding for this contract will be contained within the Disabled Facility Grant Allocation to the Council and Housing Revenue Account capital budgets approved in January each year, with the adaptions to Council homes managed by Colchester Borough Homes.

#### 6. Equality, Diversity and Human Rights implications

- 6.1 Implications for Equality, Diversity and Human Right will be considered in all contracts awards. However, it is thought that investment in and the appropriate maintenance the Council's housing stock has overwhelmingly positive implications for tenants and residents of the Borough.
- 6.2 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to:
  - eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
  - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
  - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- The recommendations will have no disproportionate impact on any protected group. The Equality Impact Assessment for the Council's Housing Investment Programme is <a href="https://example.com/here">here</a>. The Equality Impact Assessment for the Councils Financial Assistance Policy, which includes Disabled Facility Grant, can be found <a href="https://example.com/here">here</a>.

#### 7. Strategic Plan References

- 7.1 The Strategic Plan sets out clearly the Council's priorities. The budget process has been designed to ensure that resources are allocated to meet these priorities.
- 7.2 This decision particularly contributes to the following Strategic Plan 2021-2023 priority areas:
  - Responding to the Climate Emergency
    - ➤ Reduce carbon emissions to help achieve a zero-carbon footprint for Council services for 2030
    - ➤ Environment and sustainability imbedded in all Council decision making and the adaption and recovery from Covid-19
  - Tackling the causes of inequality and support our most vulnerable people
    - > Support people to live in healthy homes that meet their needs
  - Increase the number, quality, and types of homes
    - Improve existing Council homes to keep them in good repair and improve energy efficiency
    - Continue to improve and modernise available housing for older people

#### Prevent households from experiencing homelessness

- ➤ Work with partners to deliver the 2020-23 Homelessness and Rough Sleeping Action Plan
- ➤ Intervene early to prevent homelessness and work in partnership with other organisations to sustain people's accommodation

Tackle rough sleeping in the Borough

#### Enable economic recovery from Covid 19 ensuring all residents benefit from growth

- ➤ Ensure our Borough becomes stronger post Covid 19 by supporting businesses to recover, adapt and build resilience
- Develop opportunities to ensure the new economy is greener, sustainable, and more resilient

#### Create an environment that attracts inward investment to Colchester help businesses to flourish

- ➤ Encourage green technologies and innovative solutions to the Climate Emergency
- Maximise the social value benefits derived from third party contracts
- ➤ Ensure the Councils assets continue to contribute to economic growth and opportunity

#### 8. Consultation

- 8.1 Adaptations to housing stock and residents' properties are responsive and based on residents need on a case-by-case basis. Services are not provided on a continuing basis and so no particular consultation was carried out with affected residents.
- 8.2 Tenants and residents are consulted on planned installations of stairlifts and are asked to agree the final plans.

#### 9. Publicity Considerations

9.1 All CBC residents are notified of major contract awards via the Resident Newsletter. Affected tenants are notified well in advance of works taking place and consulted about the specific impact on them and their household. Once awarded, CBH will refresh/renew the advice given to residents about requesting an adaptation.

#### 10. Financial implications

10.1 The budgets for the Housing Investment Programme were presented to Cabinet on the 26 January 2022 and will be within the 30-year HRA Business Plan and approved budget for 2022-23.

#### 11. Health, Wellbeing and Community Safety Implications

- 11.1 The purpose of the adaptations service is to meet the needs of tenants who become disabled and ensure they can continue to access and enjoy their home.

  Therefore, this contract has only positive outcomes for tenants Health and Wellbeing.
- 11.2 It is broadly expected that individuals where these works will take place will be positively affected by the completion of the works.

11.3 The works allow residents to continue to remain in their home and continue to live within their community and existing support networks.

#### 12. Health and Safety Implications

12.1 There are no Health and Safety Implication in the award of this contract.

#### 13. Risk Management Implications

13.1 There are no Risk Management Implications in the award of this contract.

#### 14. Environmental and Sustainability Implications

- 14.1 The key Environmental and Sustainability impacts operated by Stannah is their approach to recycling which contributes towards the Council's strategic objectives.
- 14.2 Stannah currently have a recycling scheme in place. If a stairlift is no longer required but still serviceable they will remove, refurbish and store free of charge until required by either CBC or CBH. Stannah will then reinstall at a reduced cost to the Council. This is environmentally responsible, but it also ensures that the Council's financial resources are effectively used.

## PETITIONS, PUBLIC STATEMENTS, QUESTIONS

## (i) Have Your Say submissions from members of the public

Date of Meeting	Details of Members of the Public	Subject Matter	Form of Response	Date Completed
Cabinet, 26 January 2022	Mr Orton	The condition of the town centre	Verbal response provided at the meeting by Councillor Crow, Portfolio Holder for Environment and Sustainability, Councillor Laws, Portfolio Holder for Economy, Business and Heritage, and Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy.	26 January 2022
Council, 23 February 2022	Sir Bob Russell	Highways issues in the town centre	The Mayor invited Sir Bob Russell to submit his comments in writing so a detailed response could be prepared.	23 February 2022
Council, 23 February 2022	Petra Crees	Investment in Greenstead and the importance of engaging with the local community.	Verbal response provided at the meeting by Councillor Dundas, Leader of the Council and Portfolio Holder for Strategy.	23 February 2022

Date petition received	Lead Petitioner	Subject Matter	Form of Response	Date Completed		
No valid petitions received in this period.						