End of Year Update

Cabinet

Wednesday 12 April 2023

Pamela Donnelly – Chief Executive

Introduction

- Background
- Challenge
- Achievements
- Next steps

Background

- 2022/2023 has seen the initiation and continuation of the delivery of significant areas of work and priorities for the Council
- Against a backdrop of the most challenging financial conditions in recent memory
- Key challenge, achievements, and next steps are outlined for key priorities
- Ensuring incoming Cabinet has a clear understanding and allowing a seamless transition into the new municipal year

Financial context and MTFF timeline

	Transformation Activity		
2022/23	2023/24	2024/25	2025/26
• Proposals to balance 23/24 (£5.25m identified) • Transformation projects mobilisation	• Deliver 23/24 budget savings • Proposals to balance 24/25 (target £3m savings/income)	• Deliver 24/25 budget savings • Further work to balance 25/26 (target £250K savings/income).	• Deliver 25/26 budget savings • Further work to balance 24/25 • (target £??m savings/income)

Budget and Medium-Term Financial Forecast

Challenge

- 2022/2023 has been a challenging year to manage the in-year budget
- 5 largest areas of cost pressure:

Cost Pressure	Description
£740K	Neighbourhood services staff costs
£700K	In year pay award
£492K	Sport & Leisure inflation and other service pressures
£359K	Less Planning Income
£191K	Corporate Building Pressures

- 2023/2024 budget was the most challenging budget to balance in recent memory
- 2023/2024 budget gap of £6.95M (more than a quarter of controllable revenue budget)
- Ambitious capital programme under pressure due to the impacts of inflation, supply and workforce challenges
- Significant challenges in progressing the audit of previous end of year accounts due to nationally reported issues with resources in external audit firms.

Budget and Medium-Term Financial Forecast

Achievements

- Despite facing multi-million pound in-year budget pressures, the most recent forecast budget outturn position is for a £434K net overspend
- Further work will continue to identify ways to mitigate the net 22/23 overspend with the aim of ending the year on budget
- Work has been undertaken throughout the year to deliver a balanced budget for 23/24 including several cross-party budget workshops and the Leader's budget alumni meetings
- A total of £5.25M of savings along with the use of £1.7M of reserves have been identified to deliver a balanced budget for 23/24
- The review of the Council's Capital Programme is nearing completion

Budget and Medium-Term Financial Forecast

Next steps

- Delivery of £5.25M of savings and a further £3M of savings required by the Medium Term Financial Forecast in 24/25 will require significant organisational change and changes to service delivery
- This programme is underway
- A report will be provided to the Governance and Audit Committee and Cabinet in June 2023 on the capital programme review

Strategic Plan 2020 - 2023

Challenge

- Priorities for the City and the Council for three years – 2020 to 2023
- The current Strategic Plan was published in March 2020 and runs to March 2023.
- The key challenge for 22/23 has been to continue delivery against the existing plan whilst developing a new plan for 2023 to 2026

Strategic Plan 2020 - 2023

Achievements

- Significant delivery has been demonstrated against key strategic aims identified by Cabinet in June 2023
- “Future of Colchester” public consultation conducted
- “City Fit for the Future” strategic plan recognises the significant transformation of Council services that will be required
- Sets the framework for the Council’s three-year Medium Term Financial Forecast
- Local Government Peer Challenge emphasised the need for a strong link between priorities and capacity to deliver

DELIVERING HOMES FOR PEOPLE WHO NEED THEM

- Continued to build new (market) homes – but no more than we need. We are on track to deliver 880 new homes in 2022/2023 which is close to the Government's target for our area of 920.
- Delivered 172 affordable homes through Registered Provider developments, Acquisition programme and Council new build properties.
- Seen the first homes built by our council company, Amphora Homes, to be sold on the open market and the delivery of 30 per cent affordable homes through Amphora Homes schemes.
- Work is underway to build the £65m Leisure Park at Northern Gateway, a mix of community facilities, leisure and homes.
- Prevented homelessness for 163 households and supported 70 households into accommodation between April 2022 to the end of December 2022.

TACKLING THE CLIMATE CHALLENGE AND LEADING SUSTAINABILITY

- Reduced the council's direct carbon footprint by 10.1% (662.1 tonnes of CO2e) and are working towards net zero by 2030
- Now have 15 electric and hybrid vehicles as part of our drive towards a fully electric fleet by 2030.
- We have 7 electric vehicle charging points in council-owned car parks.
- Launched an all-electric Car Club to boost sustainable transport options for residents.
- Worked with Essex University on a project that uses Colchester oyster shells as a natural coastal defence and exhibited it at COP27 UN Climate change talks.
- Planted 14,000 trees and given away 15,000 trees/shrubs across the city as part of the Colchester Woodland and Biodiversity Project to help our wildlife and our environment.
- Making our air cleaner by continuing our CAReless no-idling campaign, E-cargo bike project and support of the bikability scheme.

CREATING SAFE, HEALTHY AND ACTIVE COMMUNITIES

- Work with a range of partners to support residents through the cost of living crisis and ensure residents and businesses have information on grants and help and support available.
- Thousands of volunteers engaged and supporting communities by working with a wide range of organisations called the One Colchester partnership.
- Work with organisations including the Police and the One Colchester partnership to make sure the city centre is safe and welcoming during the day and night.
- Continuing to support refugees and those seeking asylum homed in Colchester, as a City of Sanctuary.

GROWING A FAIR ECONOMY SO EVERYONE BENEFITS

- Made sure support and information was in place for businesses during the Covid-19 pandemic and the cost of living crisis.
- Delivered a wide range of events and initiatives to help celebrate Queen Elizabeth II Platinum Jubilee that stimulated the local economy.
- Became a modern day city on 23 November 2022.
- Ran the Future of Colchester survey to develop a three year plan to make the most of Colchester's modern city for the benefit of all residents, including young people.
- Continue to deliver the Town Deal projects to improve the lives of residents and support businesses.
- Secured £19.66m funding from the Government's Levelling Up Fund to help tackle inequality, regenerate the St Botolph's area and boost the local economy, in partnership with Essex County Council.

CELEBRATING OUR HERITAGE AND CULTURE

- Hosted a stage of the prestigious Women's Tour in June 2022.
- Launched a new Cultural Strategy in 2022 in collaboration with Cultural Partners.
- Joint Museums Service retained its National Portfolio Organisation status with Arts Council England for 3 more years, receiving an uplift from £200k to £400k per year.
- Supported 25 organisations hosting cultural and creative events through our Cultural and Creative Events Fund.
- Castle Visitor returned to pre-pandemic levels with 'Wicked Spirits' exhibition, exceeding 2019 figures and bucking national trends.
- Invested in our heritage, including new interpretation boards and hosting a major exhibition in July 2023 'Gladiators: A Day at the Roman Games' at Colchester Castle.
- Committed to improve the Natural History Museum over the next few years by listening to residents and visitors feedback and ideas.

Strategic Plan

- Tackle the climate emergency
- Deliver Modern Services for a Modern City
- Improve health, well-being, and happiness
- Deliver homes for those most in need
- Grow our economy so everyone benefits
- Celebrate our city and our heritage and culture

Strategic Plan 2020 - 2023

Next steps

- Closing report will be provided in the new municipal year
- Reports will also be provided to Cabinet to update them on delivery against the new “City fit for the Future” Strategic Plan Delivery Plan

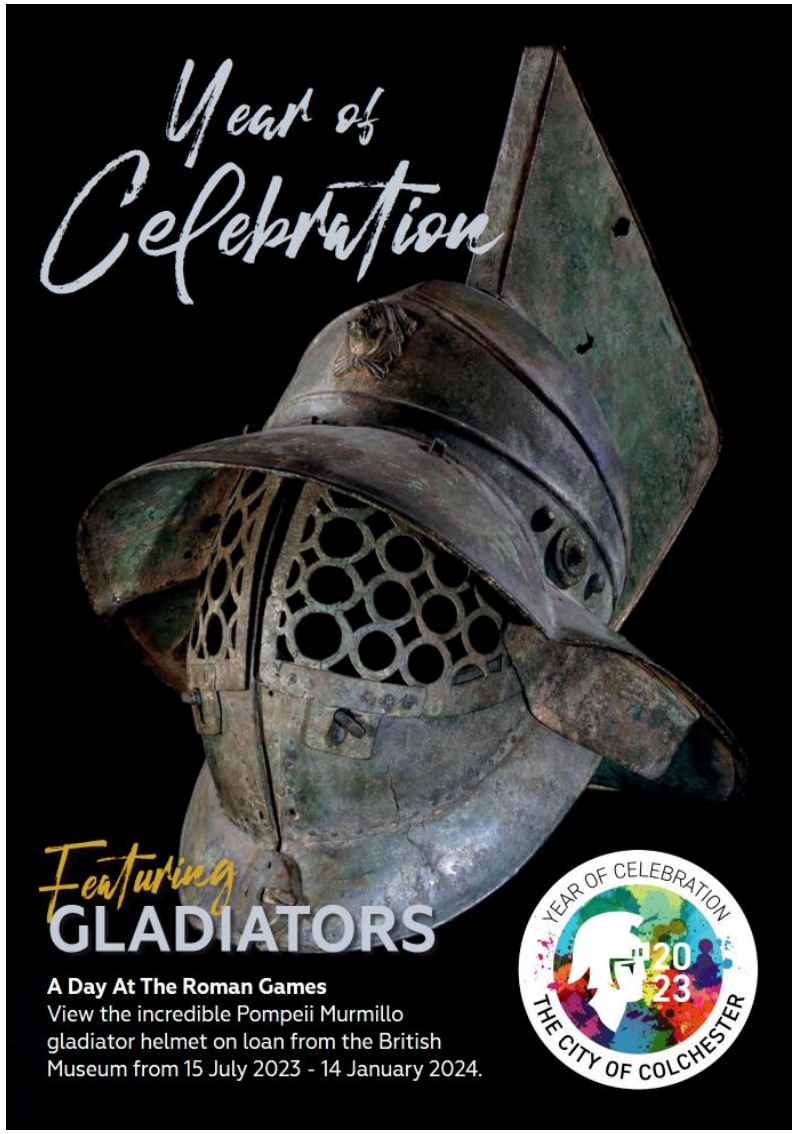
Local Government Association Peer Challenge

Key recommendations

1. Focus on city status. Use this is an opportunity to galvanise partners, improve the borough's economic and cultural strength and raise the voice of Colchester
2. Get a firmer grip on the capital programme – manage all risks and improve your planning to ensure you have appropriate strategic finance, programme and project capacity and the resources to deliver
3. Co-design a compelling and longer-term place-based narrative/city vision to define Colchester for the future
4. Strengthen your political and officer 'leaders of place' roles and look beyond Colchester – map your anchor institutions, partners and stakeholders
5. Review your priorities and projects and refocus on delivering 'Brilliant Business As Usual' and strengthen your corporate resources
6. Strongly consider whether changing your election cycle will help you achieve your goals, ambitions and deliver improved services for Colchester's communities
7. Better define with your staff what 'hybrid working' means for CBC and provide a clear definition. Also, clarify how the new CBC values will be designed and embedded, communicating to staff how these define the Council and will help achieve Colchester's ambition
8. Commission an independent review of Colchester Commercial Holdings Ltd, and its subsidiaries, also undertake an internal review of Colchester Borough Homes to assess whether the companies are realising the benefits they were established to deliver

City Status and Year of Celebration

What's it all about...



- Celebrating & promoting all the great things we have
- Celebrating & commemoration of our heritage
- Celebrating the opportunity City Status brings
- Helping our businesses recover and thrive
- Attracting new investment to Colchester
- Attracting more visitors to Colchester
- Engaging and involving our Young People
- Celebrating our voluntary & community sector
- Being Proud of Colchester!

City Status and Year of Celebration

What's happening...

- Ceremony, including Letters Patent and Visit from the King!
- Developed and shared Marketing Toolkit.
- 34 events (so far) across the whole of Colchester City, rural, urban and City centre.
- Coronation of the King
- Year of Celebration Guided Tours, free for residents of Colchester
- A Colchester City Tiptree Jam, on sale exclusively at Visitor Information Centre
- Launch of a new Retail Vision by Business Improvement District
- Spring Taster Create Festival by BID to support hospitality sector
- Garden Festival run by BID over the Summer

City Regeneration and Renewal

Challenge

- Colchester is changing as the way people work, shop and spend their leisure time changes
- In common with places across the country, there has been a dramatic growth in e-commerce, an expansion in the choice of leisure options and an increase in homeworking
- City centres need to adapt to retain their vibrancy
- A key finding from the “Future of Colchester” public consultation was that residents have real desire for a vibrant City Centre and see this as a key priority for the City Council

City Regeneration and Renewal

Achievements

- Colchester City Council and Essex County Council are working in partnership 'Team Colchester' with others to support this adaptation, and to capitalise and build on the unique strengths of our city centre
- During 2022-23 the Council worked with Essex County Council and partners to develop a comprehensive masterplan for the City Centre
- Our Town Deal programme has secured £19m of government funding to boost Colchester's economy, create jobs, tackle inequalities, and make lasting improvements to our place
- Our Town Deal programme includes work to tackle inequalities and boost services in Greenstead, protect heritage assets and enhance public spaces in the City Centre, support sustainable travel by providing new walking and cycling routes, improve facilities for young people, and build on Colchester’s digital strengths by providing a new shared working hub for small digital businesses, new digital learning facilities at the Wilson Marriage centre, and a pioneering 5G technology pilot in the city centre
- 2022-23 started with our submission of detailed business cases for each of the Town Deal’s projects to government
  - The Department for Levelling Up, Housing and Communities approved all our Business Cases and released our full first year tranche of funding
  - The teams working on each project progressed planning, design and costings work, and many are now on site or about to be so

City Regeneration and Renewal

Achievements

- During 22/23 planning and preparatory work has been carried out. This is now transitioning into delivery, with work well underway to develop the new digital learning suite at the Wilson Marriage Centre, archaeology work done at the Essex County Hospital and Digital Working Hub sites, a full Heritage Lottery Fund (HLF) bid for the project to bring Jumbo back into use submitted, and a successful HLF Expression of Interest to bring Holy Trinity Church back into use also achieved.

- In 22-23 we built on our Town Deal work by bidding to the second round of the governments Levelling Up Fund. This bid was submitted jointly with Essex County Council and was for almost £20 million to make a long-lasting improvement to the St Botolph's area of the City Centre.

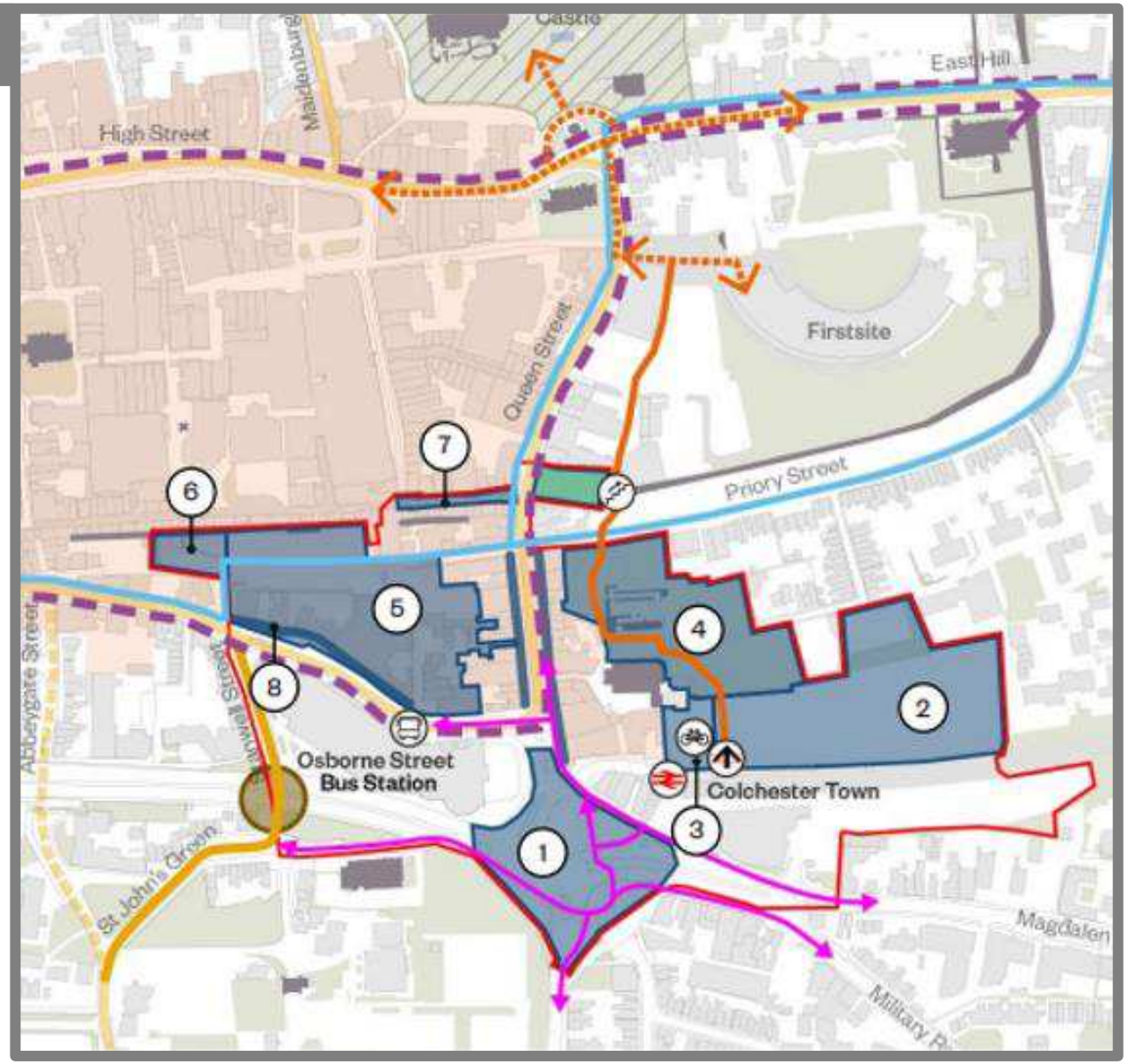
- During 22-23 we submitted a successful investment plan to access funding for the Government's Shared Prosperity Fund.

- We were successful in securing £1.3m and have allocated this to a wide range of initiatives being led by partners in the public and voluntary sector to boost jobs, tackle inequalities, and improve life chances.

City Regeneration and Renewal

Our Levelling Up bid

- Making a long-lasting visual improvement to the public realm
- Kick-start quality housing schemes
- Bring a much-needed boost to footfall for Town Centre businesses
- Reduce anti-social behaviour
- Enhance Colchester's heritage assets and its appeal to visitors
- Improve facilities for cycling and walking



City Regeneration and Renewal

Shared Prosperity Fund

- To support the work of our partners to regenerate Colchester's economy, and to tackle inequalities, during 22-23 we submitted a successful investment plan to access funding for the Government's Shared Prosperity Fund
  - We were successful in securing £1.3m and have allocated this to a wide range of initiatives being led by partners in the public and voluntary sector to boost jobs, tackle inequalities, and improve life chances
- Some projects have started already with the rest beginning throughout 23-25
  - These include work to boost Colchester's vibrant creative sector, help for local people to access jobs in the construction and health sectors, support to enable more volunteering, and support for a new community supermarket providing low-cost food to help tackle the cost-of-living crisis

City Regeneration and Renewal

Next steps

- A detailed delivery plan has been developed to accompany the Economic Strategy, and during 23-24 we will be implementing many of the actions in this plan
    - Our next steps for 23-24 for the Masterplan are to consult on the draft plan ahead of formal adoption into Planning Policy
        - We will also be considering the opportunities identified in the plan to prioritise how we take them forward
    - For the Town Deal, next steps for 23-24 include a start on site to enhance St. Nicholas Square, redevelopment work commencing to improve the Town House youth service building along with the youth centres in Highwoods and Stanway, the installation of the new dedicated cycle way on East Hill, and the start of building work on the public realm at the Essex County Hospital site and on the new Digital Working Hub
    - In 23-24 for the LUF, our next steps include starting detailed engagement with communities and stakeholders, letting contracts, and carrying out the detailed planning work necessary
        - We will also move to delivery of some early aspects such as offering grants to improve shopfronts with the Business Improvement District.

The Family of Council Companies

Challenge

- The LGA Peer review recommendation was to:
  - Commission an independent review of Colchester Commercial Holdings Ltd, and its subsidiaries, also undertake an internal review of Colchester Borough Homes to assess whether the companies are realising the benefits they were established to deliver
- In addition:
  - The MD of CCHL gave notice of his retirement in Nov 2022 and the Chair of the CBH Board became vacant at the end of 2022
- In December 2022 CCC commissioned a Risk Assessment of CCHL in view of the change of MD
- In January CCC commissioned a risk assessment of CBH to understand whether further review work would be needed and also commissioned the full review as recommended by the Peer Team to be carried out by CIPFA

The Family of Council Companies

Progress

Colchester Borough Homes

- The Risk assessment for CBH found no significant issues or concerns, that there is an effective board and that there were some issues to work together on around oversight of compliance and the relationship between the companies and especially facilities management and delivery of housing
- A new Chair of CBH Board has been appointed

Colchester Commercial Holdings Ltd

- The Risk assessment for CCHL identified the need to progress at pace with the Interim MD recruitment, some immediate governance and constitution risks to address and actions to be considered as part of a wider reform of governance alongside a new Business strategy and Business Plan for the Amphora Group
- In response a new Interim MD has been recruited and started in post in March 2023, a Shareholder team has been established to assist with implementing the outcomes of the reviews
- Governance and Audit has considered all the review outcomes and recommendations and agreed the action plan

The Family of Council Companies

Progress and Next steps

- The 'Family' has been strengthened by establishing regular liaison between the Chief Executives of the three organisations and also the leader and Chairs of all three to provide strategic oversight and leadership
- The Strategic Direction and Business Plan reset will take place during the next 2-3 months
- The Action Plan will be prioritised, critical actions implemented ASAP and the more significant Governance changes will follow the reset of the Strategic Direction and Business Plan
- Discussions are already underway around sharing of services with CBH and potential for greater collaboration on the wider housing role of CCC

Key Partners and Partnership arrangements

Overview

- Collaborative approach is key and system leadership forms part of our operational design principles
- Recent Strategies have been written in partnership, including Communities Can, Colchester's Cultural and Economic Strategies, refreshed Climate Emergency Action Plan.
- North Essex Economic Board, Colbea and the BID supporting the economy and businesses
- Essex University collaboration and joint projects to support place, climate change and communities objectives
- Essex County Council collaboration on Town Centre and Active travel
- NEE Health Alliance key to reducing Health Inequalities and investing millions into transformation
- System Approach is seeing tangible change, shared roles, shared accommodation, reduced duplication and a focus on prevention.
- Communities Can approach builds on Community Strengths, the One Colchester partnership combines Colchester's collaborative approach to Health and Wellbeing and Community Safety.
- Team Colchester and Your Colchester collaboratively working to deliver regeneration aims
- Worked with schools, businesses, and Anchor Network groups to further the Council’s influence on Climate Change

Key Partners and Partnership arrangements

Achievements

- Community & Voluntary Sector collaborative approach to supporting the most vulnerable during Pandemic
- Collaborative approach to External Funding enabled millions and development of Masterplan for the City Centre;Town Deal / Levelling Up / Safer Streets / Inequalities Funding / Homelessness / Regeneration / Climate Change. Sharing information, sharing resources, reducing duplication - hospital discharge, homelessness, climate change and sustainability, environment, economy, active travel, healthier homes and reducing health inequalities. One Colchester Funding Panel and support for refugees and asylum seekers across Colchester
- Delivery of new Community Hub in Colchester and Colchester's 1st Community Supermarket on its way....
- See You Safer Campaign for tackling Violence Against Women and Girls and tackling Domestic Abuse - Together We Can project and Funding
- University partnership projects to help economy, build communities, tackle climate change: eg. project to prevent coastal erosion - showcased at COP 27, work to build community cohesion in Greenstead, planned digital innovations.
- Provided support to hundreds of businesses working with the North East Economic Board, Colbea, the BID and Colchester Ambassadors
- Embedded air pollution campaigns in schools, trialled an e-Cargo bike “concierge service” for Christmas shoppers, and participated in cross-organisational thinking with regards to cost of living responses, energy saving and climate change.

Council Organisation Health and Leadership

Design Principles - collated into themes

People Centric

- Place people at the core of everything we do
- Designing services from the user's perspective
- Genuinely care about people, staff and our communities.

Developing our People

- **Strive for an inclusive & empowered workforce**
- **Develop a learning & improvement culture**
- **Invest in people, learning & innovation**
- **Align resources to priorities**

Innovation & Creativity

- Decisions & design driven by research, data & evidence
- Comfortable with change
- Design that integrates foresight
- Inclusive growth and income generation

Communities Can

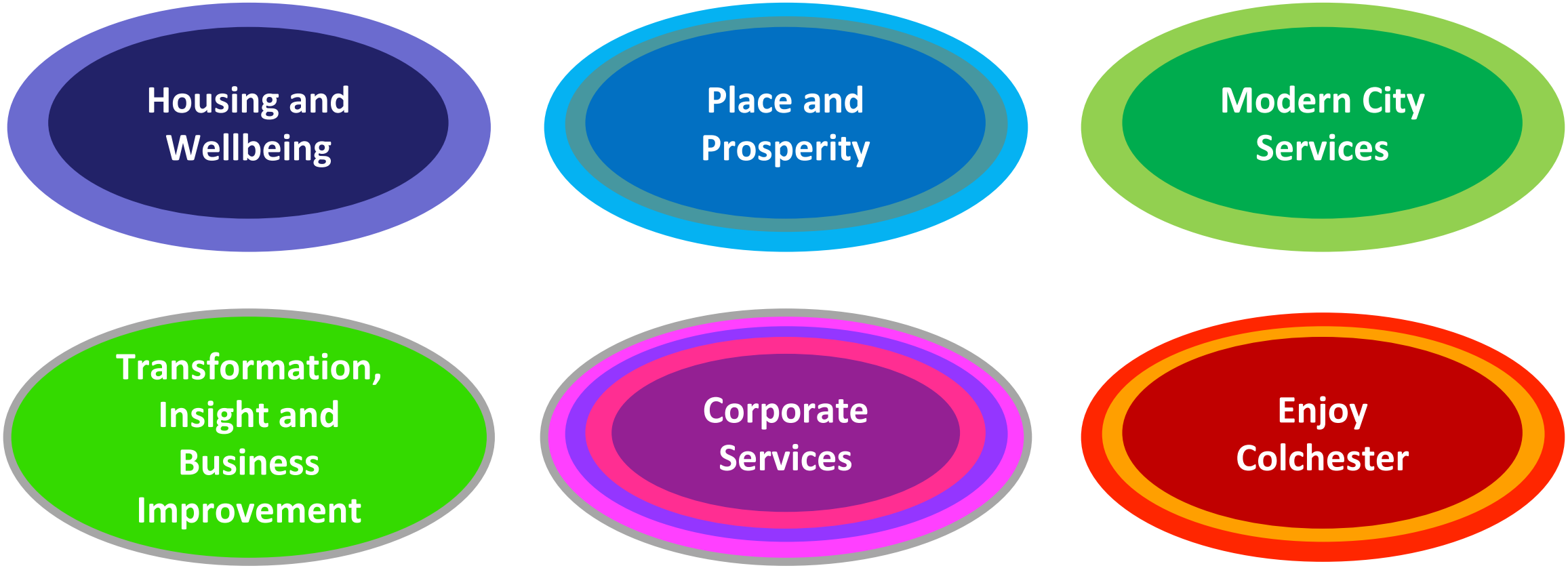
- Enable and work alongside individuals & communities
- ABCD & Stewardship as core to our thinking
- Support & enable our most vulnerable customers
- Build on Strengths that exist within our communities

Collaboration

- Leading & collaborating to influence outcomes
- Ensure collaboration for shared purposes
- Collaboration with the right delivery models

Council Organisation Health and Leadership

Clusters



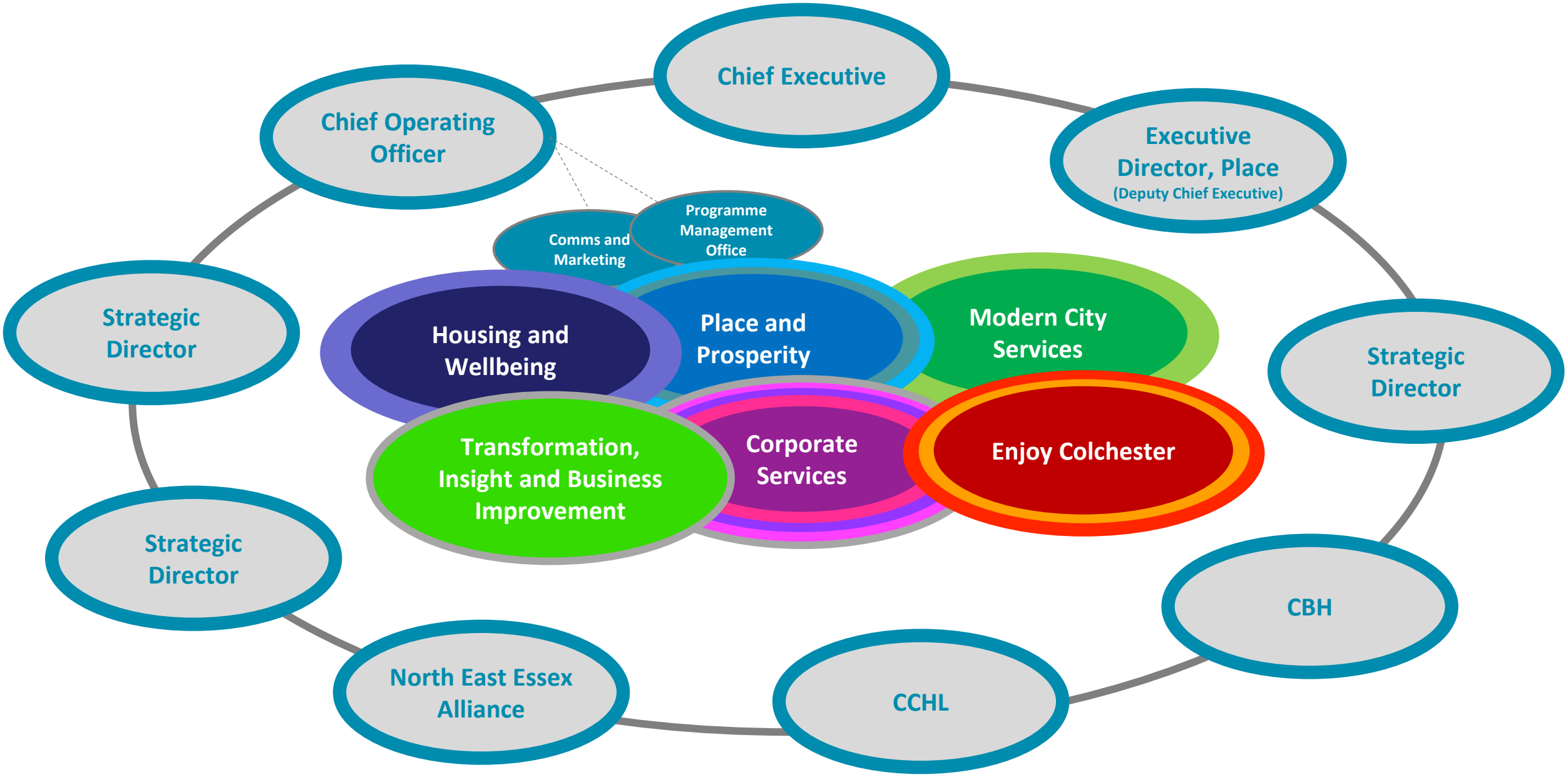
Council Organisation Health and Leadership

Strategic Plan 2023-26

- Respond to the climate emergency
- Develop modern services for a modern city
- Improve health, well-being, and happiness
- Deliver homes for those most in need
- Grow our economy so everyone benefits
- Celebrate our city and our heritage and culture

An inclusive, modern, and sustainable City

People Live Well
in north east Essex


Chief Executive
Chief Operating Officer
Executive Director, Place
(Deputy Chief Executive)
Programme Management Office
Comms and Marketing
Strategic Director
Housing and Wellbeing
Place and Prosperity
Modern City Services
Strategic Director
Transformation, Insight and Business Improvement
Corporate Services
Enjoy Colchester
Strategic Director
CBH
North East Essex Alliance
CCHL

Roles

Colchester City Council
Head of NEPP
Head of Neighbourhood Services
Head of Public Protection
Head of Economic Growth
Head of Regen & Sustainability
Head of Planning
Director of Transformation (shared)
Head of Strategic Housing
Head of Wellbeing and Prevention
Head of Operational Finance
Head of Governance (Monitoring Officer)
Director of Finance (s151) (Shared)
Head of People
Head of Sport and Leisure
Head of Museums, Culture and Tourism

Head of Sport and Leisure

Aquatics

Business Improvement and Controls

Commercial

Sports Park

Sport and Fitness

Head of North Essex Parking Partnership

Business Manager

Group Development Manager

Group Operating Manager

Head of Museums, Culture & Tourism

Colchester Museums

Ipswich Museums

Visitor and Cultural Services

Heritage

Joint Services

Tourism

Enjoy Colchester

Head of Public Protection

Environmental Protection

Licensing

Community Safety

Safeguarding

Food & Safety

Building Control

Head of Neighbourhood Services

Recycling & Waste

Parks and Open Spaces

Street Care & Safety

Modern City Services

Head of Economic Growth

Economic Growth

Inclusive Growth, Skills & Employment

Team Colchester

City Centre Development

Town Deal

Levelling Up

Head of Regeneration and Sustainability

Climate Change & Energy

Sustainable Travel

Strategic Asset Delivery

Regeneration

NEPP Client

Head of Planning

Place

Planning

Major Development

Garden Communities

Local Plan

S106

Place and Prosperity

Director of Finance (S151)

S151

Strategic Finance

MTFF

Business Partnering

Technical Accounting

Finance Systems

Head of Operational Finance

Revenues and Benefits

Revs & Bens Systems/Technical

Procurement & Purchasing

Accounts Receivable

Accounts Payable

Control

Corporate Debt

Contact Centre (pending further review)

Head of Governance (Monitoring Officer)

Legal Services

Risk & Insurance

Emergency Planning

Corporate Health and Safety

Elections

Internal Audit

Civic and Members

Democratic Services

Hallkeeping

Head of People

Human Resources

Organisational Development

HRSC

Equality, Diversity, Inclusion

Head of Strategic Housing

Strategic Housing

Housing policy

Private Sector Housing

Healthy Homes

Head of Wellbeing and Prevention

Community & Partnerships

Inequalities

Health Alliance

Employment & Financial Support

Bereavement Services

Housing and Wellbeing

Director ICT & Transformation

ICT

Digital Development

Business Improvement

Research and Engagement

Website

Transformation, Insight and Business Improvement

Summary of next steps and Conclusion

- The 2023/2024 municipal year has been challenging with some of the most difficult financial challenges in recent history
- We have a new Strategic Plan and a solid delivery plan backed up with effective partnerships and significant external funding to maximise the opportunities for Colchester