

Cabinet Meeting

**Grand Jury Room, Town Hall, High Street,
Colchester, CO1 1PJ
Wednesday, 08 July 2015 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.

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COLCHESTER BOROUGH COUNCIL
Cabinet
Wednesday, 08 July 2015 at 18:00

Members:

Leader and Chairman Councillor Paul Smith (Liberal Democrats)
 Councillor Tina Bourne (Labour)
 Councillor Mark Cory (Liberal Democrats)
 Councillor Annie Feltham (Liberal Democrats)
 Councillor Bill Frame (Liberal Democrats)
 Councillor Dominic Graham (Liberal Democrats)
 Councillor Beverley Oxford (Highwoods and Stanway
 Independent)
 Councillor Tim Young (Labour)

AGENDA - Part A
(open to the public including the press)

Members of the public may wish to note that Agenda items 1 to 5 are normally brief.

1 Welcome and Announcements

- a) The Chairman to welcome members of the public and Councillors and to remind all speakers of the requirement for microphones to be used at all times.
- (b) At the Chairman's discretion, to announce information on:
- action in the event of an emergency;
 - mobile phones switched to silent;
 - the audio-recording of meetings;
 - location of toilets;
 - introduction of members of the meeting.

2 Urgent Items

To announce any items not on the agenda which the Chairman has agreed to consider because they are urgent, to give reasons for the urgency and to indicate where in the order of business the item will be considered.

3 Declarations of Interest

The Chairman to invite Councillors to declare individually any interests they may have in the items on the agenda. Councillors should consult Meetings General Procedure Rule 7 for full guidance

on the registration and declaration of interests. However Councillors may wish to note the following:-

- Where a Councillor has a disclosable pecuniary interest, other pecuniary interest or a non-pecuniary interest in any business of the authority and he/she is present at a meeting of the authority at which the business is considered, the Councillor must disclose to that meeting the existence and nature of that interest, whether or not such interest is registered on his/her register of Interests or if he/she has made a pending notification.
- If a Councillor has a disclosable pecuniary interest in a matter being considered at a meeting, he/she must not participate in any discussion or vote on the matter at the meeting. The Councillor must withdraw from the room where the meeting is being held unless he/she has received a dispensation from the Monitoring Officer.
- Where a Councillor has another pecuniary interest in a matter being considered at a meeting and where the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the Councillor's judgement of the public interest, the Councillor must disclose the existence and nature of the interest and withdraw from the room where the meeting is being held unless he/she has received a dispensation from the Monitoring Officer.
- Failure to comply with the arrangements regarding disclosable pecuniary interests without reasonable excuse is a criminal offence, with a penalty of up to £5,000 and disqualification from office for up to 5 years.

4 Have Your Say!

a) The Chairman to invite members of the public to indicate if they wish to speak or present a petition at this meeting – either on an item on the agenda or on a general matter not on this agenda. You should indicate your wish to speak at this point if your name has not been noted by Council staff.

(b) The Chairman to invite contributions from members of the public who wish to Have Your Say! on a general matter not on this agenda.

5 Minutes

To confirm as a correct record the minutes of the meetings held on 27 May 2015 and 3 June 2015.

Minutes of meeting 27-05-15

7 - 8

6 Call-In Procedure

To consider any items referred by the Scrutiny Panel under the call-in procedure. At the time of the publication of this agenda, there were none.

7 Housing and Public Protection**7(i) Appointment of Contractors for the Refurbishment of the Enoch House Sheltered Housing Scheme** 17 - 22

See report by the Head of Commercial Services

8 Strategy/Economic Growth and Planning**8(i) Future of South East Local Enterprise Partnership (LEP)** 23 - 28

See report by the Strategic Director - Commercial and Place

9 Strategy/Resources**9(i) 2016/17 Budget Strategy, Medium Term Financial Forecast and Budget Timetable** 29 - 50

See report by the Assistant Chief Executive

10 Community Safety, Licensing and Culture**10(i) Revisions to Colchester and Ipswich Museums Service (CIMS) Joint Committee Agreement** 51 - 98

See report by the Chief Operating Officer

11 General**11(i) Progress of Responses to the Public** 99 - 100

To note the contents of the Progress Sheet.

12 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)

13 Housing and Public Protection - Part B

13(i) Appointment of Contractors for the Refurbishment of the Enoch House Sheltered Housing Scheme - Part B

The following report contains exempt information (financial/business affairs of a particular person including the authority holding the information) as defined in paragraph 3 of the Part 1 of Schedule 12A to the Local Government Act 1972.

See report by the Head of Commercial Services

14 Economic Growth and Planning

14(ii) Essex Building Control Shared Service Business Casse

The following report contains exempt information (financial/business affairs of a particular person including the authority holding the information) as defined in paragraph 3 of the Part 1 of Schedule 12A to the Local Government Act 1972.

See recommendation contained in minute 65 of the Trading Board meeting of 17 June 2015

Cabinet

Wednesday, 27 May 2015

- Attendees:** Councillor Tim Young (Portfolio Holder for Community Safety, Licensing and Culture and Deputy to the Leader of the Council), Councillor Tina Bourne (Portfolio Holder for Housing and Public Protection), Councillor Paul Smith (Chairman and Portfolio Holder for Strategy), Councillor Annie Feltham (Portfolio Holder for Communities and Leisure and Deputy Leader of the Council), Councillor Beverley Oxford (Portfolio Holder for Customers), Councillor Mark Cory (Portfolio Holder for Resources), Councillor Bill Frame (Portfolio Holder for Economic Growth and Planning), Councillor Dominic Graham (Portfolio Holder for Street and Waste Services)
- Substitutes:** No substitutes were recorded at the meeting

1 Appointment of Deputy Chairman

RESOLVED that Councillor Annie Feltham be elected as Deputy Chairman for the forthcoming municipal year.

CABINET

3 June 2015

Present:- Councillor Smith (Chairman)
Councillors Bourne, Cory, Feltham, Frame, Graham, B.
Oxford and T. Young

Also in attendance: - Councillors Davies, Havis, Hayes, Hazell, Jarvis, J.
Maclean, Naish and Willetts

2. Minutes

RESOLVED that the minutes of the meeting held on 18 March 2015 be approved as a correct record.

3. Have Your Say!

Councillor Jarvis attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) in respect of the redevelopment of the town centre. He explained that he had raised concerns about the progress of the Vineyard Gate and St Botolph's schemes at Full Council in February 2015 and asked if there was a "plan B" in case of difficulties. He had been assured that all parties were committed to the developments and that matters were proceeding. He asked if this remained the case. He emphasised the quality and ambition of the proposals the Conservative administration had developed for Vineyard Gate and queried whether the present administration's proposals were of equal quality. Now that the recession was over and economic conditions were improving, the administration should be pushing the schemes forward. Otherwise the town centre would not thrive and shoppers would be drawn to alternative town centres.

Councillor Frame, Portfolio Holder for Economic Growth and Planning, emphasised that the town centre was prosperous and thriving. He highlighted the investment Williams and Griffin had made in extending their premises and that another major retailer had announced they would be opening in Colchester. Unemployment was falling whilst investment and jobs were increasing. The Council would continue to support town centre traders.

Councillor J. Maclean attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) to highlight a recent incident at Leisure World and asked what steps were taken to safeguard children at Leisure World, particularly those who were unaccompanied by an adult.

Councillor Feltham, Portfolio Holder for Communities and Leisure, responded that staff had responded promptly and appropriately to the incident when concerns were raised. The matter had been referred to the police and it would not be appropriate to comment further on the incident. Safeguarding was taken very seriously at Leisure World and she would provide further details about the safeguarding policy.

4. Community Enabling Strategy

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member.

Councillor Feltham, Portfolio Holder for Communities and Leisure, introduced the report and stressed the benefits that would result from the community enabling approach that underpinned the Strategy. It would promote social cohesion and through encouraging volunteering and community activity, it would generate social capital. The objectives of the Strategy were to protect and enhance services and strengthen communities whilst also making financial savings. The benefit of reintroducing locality budgets for members was also emphasised. This would allow councillors to support local projects, and again would help build communities and develop social capital.

Councillor Willetts attended and, with the consent of the Chairman, addressed the Cabinet to express the Conservative Group's support for the proposals. However, if local communities were being asked to do more, then the Council should also be considering whether they should be entitled to a council tax discount. In particular, they supported the reintroduction of locality budgets which, although a relatively small sum per councillor, generated significant leverage and impact.

Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, Councillor Graham, Portfolio Holder for Street and Waste Services, Councillor T. Young, Portfolio Holder for Community Safety, Licensing and Culture, Councillor B. Oxford, Portfolio Holder for Customers and Councillor Bourne, Portfolio Holder for Housing and Public Protection, all expressed their support for the Community Enabling Strategy and the reintroduction of locality budgets. The importance of locality budgets in building connections between councillors and their local communities was stressed. The Strategy was a move away from the old "top down" approach and put the focus on a grass roots approach with local councillors, volunteers and parish councillors as champions. In particular Councillors were encouraged to build digital skills with in their communities by becoming online champions.

Councillor Smith, Leader of the Council and Portfolio Holder for Strategy announced that the Council would be bidding to bring part of the poppy installations recently displayed at the Tower of London to Colchester. The bid would be for either the Weeping Window or the Wave display. As a garrison town with historic links to the military, Colchester would be a particularly appropriate location for such an installation to be displayed. If the bid were successful it would help generate tourism and would provide an appropriate backdrop to Remembrance Day ceremonies. He hoped the bid would receive the backing of all Councillors. Councillor T. Young, Portfolio Holder for Community Safety, Licensing and Culture, expressed his support.

RESOLVED that:-

- (a) The Community Enabling Strategy be approved and adopted.
- (b) A Locality Budget of £120,000 shared evenly between all Councillors for use on local initiatives, be reintroduced.

REASONS

A Community Enabling approach provides a way in which the Council can re-focus its work to promote self-help where appropriate.

In particular, a Community Enabling approach encourages self-help where three outcomes can be achieved:

1. Services or outcomes are protected or enhanced
2. Communities are strengthened or neighbourliness is increased
3. CBC is able to better manage demand and make savings

A Community Enabling approach has the potential to deliver wider social benefit. It will promote social cohesion by bringing together and empowering communities. Also, by encouraging volunteering and community activity, the borough gains more 'social capital'. This is defined as greater citizenship, neighbourliness, social networks and civic participation. The Office for National Statistics says that greater social capital is "associated with better health, higher educational achievement, better employment outcomes, and lower crime rates".

£125,000 of funding from New Homes Bonus has been allocated to support community initiatives as part of the delivery of the strategy.

ALTERNATIVE OPTIONS

The main alternative to this decision would be not to adopt this strategy and to continue with the current model for delivering services and engaging with communities. However, this will leave several discretionary services vulnerable to reduced funding.

Councillor Frame (in respect of his membership of the Board of Colchester Community Stadium Ltd) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).

5. Colchester Community Stadium Ltd – recommendation from Trading Board

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member.

Councillor Frame, Portfolio Holder for Economic Growth and Planning, explained the background to the recommendations from the Trading Board. He endorsed the recommendations in respect of joint marketing and promotion initiatives and the use of the stadium facilities for external events and meetings where appropriate. In terms of formal meetings, he recommended that the Trading Board hold a meeting at the Stadium, which would give an opportunity to assess their facilities and their suitability for other formal meetings.

RESOLVED that the Council further support and promote the use of the Community Stadium through:-

- Joint marketing and promotion initiatives;
- Where appropriate the use of stadium facilities for external events and meetings;
- Holding a meeting of the Trading Board at the Community Stadium.

REASONS

At its meeting on 11 March 2015 the Trading Board received a presentation from David Murthwaite (Chairman) and Clive Gilham (Chief Executive) of Colchester Community Stadium Ltd. One of the issues that arose in the debate was how the Council could further support the use of the Community Stadium and the Trading Board approved a resolution inviting Cabinet to consider the matter further.

Cabinet supported the proposals made in respect of joint marketing and promotion initiatives and the use of the stadium facilities for external events and meetings where appropriate. Holding a Trading Board meeting at the Stadium would provide an opportunity to assess the facilities at the Stadium and their suitability for formal meetings.

ALTERNATIVE OPTIONS

It was open to the Cabinet to approve or reject the recommendation from the Trading Board.

6. Trading Board Annual Report 2014/15

The Head of Commercial Services submitted a report a copy of which had been circulated to each Member.

Councillor Havis, Chairman of Trading Board, attended and addressed the Cabinet to endorse the Trading Board's Annual Report. She was very proud of the achievements by the Trading Board in 2014-15. In particular she highlighted the £300,000 of savings in procurement that had been achieved and the profit that had been achieved by those services being developed as commercial businesses such as Helpline and Bereavement Services. She thanked the members of the Board for the non-partisan way they had approached the work of the Board and paid tribute to the work of officers supporting the Board and the staff in the commercial businesses.

Councillor Willetts attended and with the consent of the Chairman addressed the Cabinet. He offered his congratulations to Councillor Havis and the Trading Board for its achievements in 2014/15. It was now working well after a difficult start. Services were now developing more commercial ways of operating and moving away from the traditional concept of direct labour. The Conservative Group supported this and the Trading Board would be used by any future Conservative administration to move towards a more efficient commissioning model.

Councillor Cory, Portfolio Holder for Resources, Councillor Bourne, Portfolio Holder for Housing and Public Protection, Councillor Smith, Leader of the Council and Portfolio

Holder for Strategy and Councillor Oxford, Portfolio Holder for Customers, all expressed their support for the work of the Trading Board and their thanks to the officers who supported it, particularly Graham Lewis, Commercial Manager. Tribute was also paid to former Councillor Turrell, who had pushed forward the concept of the Board in the first place. Members stressed that the Board was not a precursor to a move to a commissioning authority. The Board encouraged an emphasis on a more commercial way of working and delivering some services through commercial organisations which may be at arm's length from the Council. However, any profits that were generated as a consequence would be reinvested in Council services.

RESOLVED that:-

(a) The Cabinet received and noted the Trading Board Annual Report 2014-15 and agreed that that it be published and promoted.

(b) The key headlines from the Annual Report as set out below be noted:-

- Procurement Savings of £300k in year
- On target 'profit' achieved by businesses – Helpline, Bereavement Services and Monitoring Centre
- Improved Commercial processes and procedures
- Greater Partner and Stakeholder engagement
- Commercialisation of Support Services

REASONS

The Annual Report provided an opportunity for the Cabinet to note the work that the Trading Board has undertaken in the past municipal year.

ALTERNATIVE OPTIONS

Not to agree to the publication of the Annual Report.

7. Member Development Group Annual Report to Cabinet 2014-15

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member.

RESOLVED that Cabinet receive and note the Annual Report of the member Development Group for the 2014-15 municipal year.

REASONS

The Member Development Group's Terms of Reference include a requirement to report to Cabinet on an annual basis. This provides Cabinet with an opportunity to review the work of the Member Development Group.

ALTERNATIVE OPTIONS

No alternative options were proposed.

8. Appointments to External Organisations and Council Groups

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member.

RESOLVED that:-

- (a) The representatives for the Municipal Year 2015/2016 to the various external organisations and Council groups listed in Appendix A of the Assistant Chief Executive's report be agreed, such appointments to cease if the representatives cease to be members of the Council during the year.
- (b) To confirm that those Councillors who are not members of the Council groups for the Municipal Year 2015/2016 be confirmed as a pool of members able to act as substitute members on Council groups, in accordance with the normal requirements relating to substitute members set out in the Council's Constitution.
- (c) To authorise the Leader of the Council to make a determination where a nomination is deemed to be in dispute, if a vacancy occurs or if an appointment needs to be made to a new organisation during the course of the municipal year.
- (d) To note the reports from appointees to external organisation and council groups about the work undertaken in 2014-15, as set out in Appendix B of the Assistant Chief Executive's report.
- (e) To note that the appointments set out in Appendix A to the Local Highway Panel have already been made by the Leader of the Council under the provisions of Cabinet Procedure Rule 22 (Matters of Urgency) in order for attendees to attend the first meeting of the Panel on 2 June.

REASONS

It is important for the Council to continue to make formal appointments to certain organisations and council groups such as those with statutory functions, our key strategic and community partners and groups with joint working arrangements. These groups have been identified in Appendix A of the Assistant Chief Executive's report.

ALTERNATIVE OPTIONS

No alternative options are proposed other than to authorise the Leader of the Council to make a determination where a nomination is deemed to be in dispute.

9. Progress of Responses to the Public

The Assistant Chief Executive 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.

Report of	Head of Commercial Services	Author	Lynn Thomas
			 505863
Title	Appointment of contractors for the refurbishment of the Enoch House Sheltered Housing Scheme.		
Wards affected	St Andrews Ward		

This report seeks Cabinet agreement to the appointment of contractors to deliver refurbishment works at the Enoch House Sheltered Housing Scheme.

1. Decision(s) Required

- 1.1 To note the successful outcomes of the Worsnop House Sheltered Housing refurbishment project including:-
 - High levels of customer satisfaction
 - The release of under-occupied family-sized accommodation, now being utilised by local families
 - Improved standards of accommodation for older residents in line with the agreed Colchester Standard
- 1.2 To agree to appoint N D Smith, to deliver the Building Works involved in refurbishing Enoch House
- 1.3 To agree to appoint C.J Electrical, to deliver the Electrical Works involved in refurbishing Enoch House
- 1.4 To agree to appoint Cooper & Brome, to deliver the Mechanical Works involved in refurbishing Enoch House
- 1.5 To agree to enter with the successful individual contractors into the latest version Joint Contract Tribunal (JCT) 2011 Intermediate Form of Contract to deliver the works.

2. Reasons for Decision(s)

- 2.1 This is the second major refurbishment project of the Council's Sheltered Housing Programme and is presented to address the September 2011 Cabinet decision to make improvements to four of the Councils sheltered schemes so that in future no tenant would need to share facilities and would have their own kitchen and bathroom.
- 2.2 The procurement approach agreed by Cabinet on 1st December 2010 as part of the Asset Management Strategy is to let a JCT Form of Contract for this and similar types of work.

3. Alternative Options

- 3.1 Not to accept the tenders of one or more of the proposed contractors. This would impede the delivery of previous Cabinet decisions and may not deliver best value which the Council has a duty to seek.
- 3.2 Not to continue with the programme but again this would be at odds with the previous Cabinet decisions.

4. Supporting Information

- 4.1 Following a review of the Council's sheltered housing schemes in 2011, Cabinet agreed to the refurbishment of four schemes in order to improve accommodation for older people in the borough and ensure that our sheltered housing meets the needs and aspirations of older people.

The review found that changes were needed to address several issues; voids in sheltered housing was high, yet at the time there were over 500 people on the needs register who were eligible for sheltered housing. Nine out of the then 23 sheltered housing schemes did not offer self-contained accommodation which suggested that they did not meet the needs or aspirations of older people.

- 4.2 Following this decision, Cabinet agreed to allocate £3.8m in the Housing Investment Programme (HIP) to support the first of the refurbishment schemes, Worsnop House. The Worsnop House project is now complete and was officially opened in March 2015.
- 4.3 The outcomes of the Worsnop House project have been extremely positive, with existing tenants highly satisfied with their new homes and 10 customers moving into sheltered accommodation for the first time. This has released, amongst others, three 3-bedroomed family homes and one 2-bedroomed home for other residents in need of family accommodation.

Residents of Worsnop have provided some very positive feedback:

Resident A "I moved into Worsnop House 4 years ago but over time I found that my bedsit accommodation did not really suit my needs. It felt very small and lacks storage space. I enjoy lots of hobbies including model making, marquetry and stamp collecting but find that there's not a lot of room to do these or to have visitors round. My new flat has been purpose designed taking mine (and other residents) needs into account. I enjoy cooking so I'm very pleased that it has a purpose designed kitchen with modern appliances and cupboard space to keep things neat and tidy! I have my own shower facilities and washing machine which I feel will give me more independence. It is a much nicer living environment, where I have the space to enjoy my hobbies and a modern flat that I can invite friends to."

Resident B "I am amazed with the transformation and really like my new flat. Everything was taken care of with the moves."

Resident C "My old flat wasn't very nice, but my new flat is lovely and I am very happy with it. I love my new kitchen and appliances. It was nice to have choices for the interior of the flat. The moves went well and the removal company were marvellous. It hasn't been too bad living here whilst the work has been going on; I will miss the staff and workmen when they leave to start the next project."

- 4.4 A further provision in the HIP Programme has been made of £2m in 2015/16 and £2.1m in 16/17 which has been allocated to the Sheltered Housing programme and is proposed to be spent largely on Enoch House.
- 4.5 It should be noted that building costs have increased by almost 20% since the project was priced in 2013 due to a buoyant construction market but with anticipated value engineering actions the project should be containable within the budget.
- 4.6 The proposed contractors are all local Small and Medium-sized Enterprises (SME's) and any additional social value will be incorporated where possible during the contract negotiations. The project will therefore also make a significant contribution to the local economy

5 Procurement and Project Management Process

- 5.1 EU regulations are not required for this size of contract and so it was advertised in local papers for 2 weeks based on three separate contracts covering particular building disciplines. A two-stage contractor selection process consisting of a Pre-Qualification Stage which is open to all interested parties, followed by a Tender Stage which is restricted to contractor's selected by analysis of the first stage responses was followed. The Pre-Qualification Stage invites interested contractors to submit information concerning their Financial Capacity, Technical Capability, Relevant Experience and References. Information is requested in a Pre-Qualification Questionnaire (PQQ) from all interested contractors.
- 5.2 A Sheltered Housing Project Board has been set up and a detailed project and governance plan has been formulated giving a timeline to complete the procurement process.
- Colchester Borough Homes (CBH) carried out a robust analysis of the completed PQQ's which resulted in 6 contractors being invited to tender for the Building Works Contract, 5 contractors for the Electrical Works Contract and 4 for the Mechanical Works Contract.
 - Tenders were sent out to the prospective contractors on the 9th April 2015 and were returned and opened by legal services on 22th May 2015.
 - The tenders were scored on an 80% cost, 20% quality split derived from the returned tenders and contractor proposed delivery Method Statements. The Method Statements were scored by a panel on the 9th June 2015. The panel was made up of CBH and CBC staff.
 - The final cost and quality analysis was then conducted by CBH and presented to the Sheltered Housing Project Board for approval before the recommendations contained in this report were brought to Cabinet.
- 5.3 A copy of the overall results attributed to Tender Price and Quality are available on Part 2 of the agenda
- 5.4 As part of the procurement process a robust tender specification including drawings and a bill of quantities was developed to ensure the Council and its tenants receive best value on the evaluation criteria of price and quality. The documentation was written to contain a strong emphasis on quality and resident satisfaction as it will be necessary for customers to continue to reside in Enoch House while works are in progress.

- 5.5 The Form of Contract to deliver the contracts is the latest version of the Joint Contracts Tribunal (JCT) Standard Form of Intermediate Contract.
- 5.6 Current robust controls and monitoring arrangements will continue as a minimum standard. The formal monthly Operational Site Meeting (OSM) attended by both CBC and CBH together with the Sheltered Housing Board have been put in place with arrangements to capture the performance monitoring of all contracts including progress against the agreed programme, monitoring of expenditure against agreed budgets, the quality and standard of the services provided to tenants by reviewing customer satisfaction reports and direct liaison with tenants.
- 5.7 The role of CBH as the Contract Administrator (CA) and Main Contractor is key to the success of this contract. CBH will manage the contract on behalf of the Council which will include managing day to day issues/arrangements of the contract and act as the main point of contact for all parties through a nominated representative. The CA through the nominated representative will attend the monthly OSM to report on the contractor's performance. The role of CA is also clearly defined within the JCT Form of Contract.
- 5.8 Financial credit checks on each of the recommended contractors have been conducted and their individual rating does not give cause for concern

6. Proposals

- 6.1 To accept the recommendations of the Sheltered Housing Project Board by:
- 6.2 Awarding the contract to deliver the Building Works Contract to N D Smith
- 6.3 Awarding the contract to delivery the Electrical Works Contract to C J Electrical
- 6.4 Awarding the contract to deliver the Mechanical Works Contract to Cooper & Brome
- 6.5 To enter with the successful individual contractors into the latest version of the JCT Intermediate Form of Contract for the sums tendered

7. Strategic Plan References

- 7.1 This decision is part of delivering against the Prosperous theme in the Council's Strategic Plan 2015-18 to 'Provide opportunities to increase the number of homes available including those that are affordable for local people and to build and refurbish our own Council houses for people in significant need.'

8. Consultation

- 8.1 Tenants were involved in the tender process and will be further involved in the set up and mobilisation of the successful contractor with particular emphasis on engaging with the tenant forums and on site operational meetings.

9. Publicity Considerations

- 9.1 Good communication with tenants is vital and the Council working closely with CBH will need to issue information to our tenants to advise them of new contract arrangements, how it will affect them with ongoing updates as the programme progresses. Again this information will follow once the contracts are let and more detail discussions have taken place with the three successful contractors.

10. Financial implications

- 10.1 The financial implications are contained within the Background Paper on part 2 of the agenda because this contains commercially sensitive information it has been presented so as to not identify the individual contractors involved.
- 10.2 There will be a requirement to complete value engineering with the successful contractors and to obtain grant funding where possible to ensure there are sufficient funds allocated within the Housing Investment Programme to finance the tenders recommended for this project. There is sufficient contingency available to cover professional fees and works which are found necessary but unspecified at this stage.

11. Equality, Diversity and Human Rights implications

- 11.1 Link to the Equality Impact Assessment for Sheltered Housing Schemes is provided <http://www.colchester.gov.uk/CHttpHandler.ashx?id=3930&p=0>
Title: The Annual Housing Investment Programme (HIP)
- 11.2 Link to the Equality Impact Assessment for The Annual Housing Investment Programme is provided <http://www.colchester.gov.uk/CHttpHandler.ashx?id=8734&p=0>
Title: The Annual Housing Investment Programme (HIP)
- 11.3 Through the Housing Procurement Strategy within the Asset Management Strategy staff ensure that all future procurement and purchasing documentation recognise, understand and support CBC and CBH policies with regard to equal opportunities, diversity and human rights.

12. Community Safety Implications

- 12.1 There are none directly arising from this report although through the procurement process all contractors will be aware of the specific needs of our customers and direct on site delivery will be managed by CBH to safeguard both customers and contractors.

13. Health and Safety Implications

- 13.1 Through the role of Principal Contractor CBH will ensure Health and Safety and Construction Design and Management Regulations 2015 (CDM 2015) requirements are fully complied with.

14. Risk Management Implications

- 14.1 By following the Council's own procurement policy and by implementing the controls and recommendations as set out in this report, the Council is seeking to mitigate any potential risks or challenges.

Report of	Strategic Director Commercial and Place	Author	Ian Vipond
Title	Future of South East Local Enterprise Partnership		282717
Wards affected	All		

This report concerns the future of the Local Enterprise Partnership (LEP) arrangements that Colchester Borough is part of. It has been proposed that the South East LEP be dissolved and a new LEP is formed for Greater Essex.

1. Decision(s) Required

- 1.1 To support the proposal to dissolve the South East Local Enterprise Partnership (LEP) provided there is an appropriate alternative LEP for Colchester to be part of.
- 1.2 Further consideration be given to what arrangements or structure for a LEP would best secure Colchester's interests, such consideration to include further consultation with Colchester business groups.

2. Reasons for Decision(s)

- 2.1 Cabinet needs to decide if it wishes to support the proposal by the Deputy Leader of Essex County Council and the Chairman of Haven Gateway Partnership that in the light of proposals to dissolve the South East LEP that a new LEP is formed based on the area of Greater Essex, which is the boundaries of the County Council and the two Unitaries of Southend and Thurrock.

3. Alternative Options

- 3.1 The Council could decide to support those wishing the SE LEP to remain (the status quo) or it could suggest a new LEP based on the wider Haven Gateway area. In practice all options require willing partners if Government is going to be persuaded to support any specific proposal.

4. Supporting Information

- 4.1 In 2010 the Government sought proposals to create a series of LEPs around the Country to reflect economic areas and allow a mechanism for these areas to bid for funds to support economic development. They were intended to be much more driven by the businesses in the area. That exercise led to the creation of the SE LEP which is regarded as the largest LEP outside of London and includes all of Kent, Medway, East Sussex and Greater Essex including the two Unitaries
- 4.2 It is probably fair to say that most commentators believe the SE LEP has struggled with governance arrangements and has sought to run a 'federated' structure in order to manage its processes. This has not been ideal in showing an effective LEP in terms of

assessing business priorities across its whole area and using its size to attract the scale of both public and private resources it would be expected to achieve. Haven Gateway has often felt on the outer margins of the LEP although Colchester Borough has itself done relatively well in securing Local Growth Funds.

- 4.3 At the last SE LEP Board it was agreed that Kent Medway and Essex should put their own proposals to Government to see if they could be persuaded to amend to LEP arrangements in this part of the Country. It should be noted that not all Authorities or Business representatives supported a change to the arrangements some feeling that this would add further delays and that we should get on with running what we have got. Nevertheless alternatives will be presented to Government and we will have to see what their response is. It is clearly in Colchester's interest to be inside a LEP. The worst possible scenario is that the current changes would result in an arrangement which excluded Colchester from a LEP as the ability to attract both Government and EU funding would be dramatically reduced.

5. Proposals

- 5.1 The attached letter (Appendix 1) has been received from the Deputy Leader of Essex County Council and the Chairman of Haven Gateway Partnership which sets out a desire to ensure there is alternative arrangements put in place based on a Greater Essex area. The Cabinet therefore needs to decide whether it wishes to support the proposal to support the creation of a Greater Essex LEP in the event that the current SE LEP dissolves.

6. Strategic Plan References

- 6.1 This clearly relates to the desire to increase the prosperousness of Colchester.

7. Consultation

- 7.1 Various business groups have been consulted on these proposals.
- 7.2 Should the South East LEP be dissolved, consultation on the most effective arrangements for a LEP will continue with local businesses including Essex University, Chambers of Commerce, Colchester Hospital University Foundation Trust and local arts organisation.

8. Publicity Considerations

- 8.1 No applicable.

9. Financial Implications

- 9.1 A substantial part of the Borough's regeneration proposals and economic development initiatives is reliant on access to Government and EU funding via the LEP.

10. Equality, Diversity and Human Rights implications

- 10.1 No direct impact

11. Community Safety Implications

- 11.1 No direct impact..

12. Health and Safety Implications

12.1 No direct impact.

13. Risk Management Implications

13.1 No direct impact

Essex County Council
Deputy Leader's Office
PO Box 11, County Hall
Chelmsford
Essex CM1 1LX



Cllr Paul Smith
Leader of Colchester Borough Council
Rowan House
33 Sheepen Road
Colchester
Essex
C03 3WG

28 May 2015

Dear Paul,

Future of South-East Local Enterprise Partnership

Economic growth is the number one priority for Essex County Council and with the government's emphasis on Local Enterprise Partnerships, we want to make sure that in Essex, that we have a LEP that works as optimally as it can to deliver this.

Business leaders in Essex have commented publicly that the new government should work with businesses to refine existing arrangements where needed and a Greater Essex LEP has been suggested as a more suitable vehicle for advancing work to unlock economic growth. Businesses and membership organisations, such as the Institute of Directors, the Chambers of Commerce and the Federation of Small Businesses are already working together across the whole Essex geography through the Greater Essex Business Board. The SELEP has been successful in bidding for funds from the Government's Local Growth Fund (LGF), but this success has been hard won and came without the flexibility we sought. SELEP is a large and complex partnership and lacks a coherent economic geography and we feel that a Greater Essex Local Enterprise Partnership will have the ability to be more agile and locally responsive.

Colleagues in the Kent and Medway Economic Partnership (KMEP) have also publicly expressed their desire to ask the new Government to review SELEP boundaries with a view to creating a number of smaller LEPs. It is understood that Kent partners wish to write to Ministers in June. This has presented an opportunity to address some local concerns expressed by business and local authority leaders in reviewing our own arrangements in Greater Essex.

At the last South-East Local Enterprise Partnership board on Friday 22 May, it was agreed that both Kent with Medway and Essex would approach government with their respective

plans. We are resolute to work together with local authorities, businesses and partners across Essex, Southend and Thurrock to put a case to government for a Greater Essex Local Enterprise Partnership so as to maximise the amount of investment and benefit to our residents.

Conversations have already been taking place across the county, between business leaders, local authorities and partners and a proposal will be taken to government that is worked up with all of these interested partners.

We are keen for partners to engage in this process as much as possible and if you would like to speak further, please contact Kevin's office on 033301 30695 who will put you in touch or email him at cllr.kevin.bentley@essex.gov.uk.

With Best wishes

Yours sincerely



Councillor Kevin Bentley
Deputy Leader and Cabinet Member for
Economic Growth, Infrastructure, Waste and
Recycling, Essex County Council



George C Kieffer
Vice Chair (Essex Businesses) – South East LEP
Chairman – Haven Gateway Partnership
Chairman – Visit Essex

Report of	Assistant Chief Executive	Author	Sean Plummer ☎ 282347 Darren Brown ☎ 282891
Title	2016/17 Budget Strategy, Medium Term Financial Forecast and Budget Timetable		
Wards affected	Not applicable		

This report asks Cabinet to:

- **Note the current financial position for the financial years 2014/15 and 2015/16**
- **Agree the use of balances**
- **Note the budget forecast and timetable for the 2016/17 budget**
- **Note the updated Medium Term Financial Forecast for the period to 31 March 2019**
- **Note an update of the Revenue Balances position**
- **To note the Capital Programme.**

1. Decisions Required

- 1.1. To note the pre-audit outturn position for the financial year 2014/15.
- 1.2. To agree to release funding from balances for projects set out at paragraph 3.4
- 1.3. To agree the funding for the Borough Investment for All (BIFA) of £470k as set out at paragraph at paragraph 3.5.
- 1.4. To note the budget forecast, approach and timetable for the preparation of the 2016/17 budget and updated position in respect of balances.
- 1.5 To note the updated Medium Term Financial Forecast as set out at Appendix A.
- 1.6 To note the latest position in respect of the Capital Programme.

2. Reasons for Decisions

- 2.1. The Council is required to approve a financial strategy and timetable in respect of the financial year 2016/17, and a Medium Term Financial Forecast (MTFF) for the two subsequent financial years.

3 Financial Overview 2014/15 and 2015/16

Financial Year 2014/15

- 3.1. The Pre-Audit Outturn report for the year to 31 March 2015 was presented to the Scrutiny Panel on 16 June 2015.

- 3.2. The position shows a net underspend on budgets of £471k after allowing for a number of agreed carry forward items and also the allocations reported to Scrutiny Panel set out at paragraph 3.4. A number of factors have contributed towards this position including:
- Delivery of c£600k more earned income than budgeted.
 - One-off gains of £245k from VAT refunds, banking adjustments and miscellaneous Government grants.
 - Additional net interest earnings of £136k.
 - Net additional income through the local retention of business rates system.
- 3.3. The 2014/15 budget included c£2.7m of savings or additional income. As shown these have all been delivered or compensating savings have been found. The 2015/16 budget was based on the plan that the 2014/15 outturn would be delivered “on budget”, although it was acknowledged at the time that a net surplus was forecast. The final position therefore reflects an improvement and the additional surplus has initially been added to balances.
- 3.4. *Financial Year 2015/16*
At this stage in the financial year it is difficult to assess potential variances (both positive and negative). The position will be reported throughout the year to Scrutiny Panel. There are a number of proposed allocations which are recommended are funded from balances:-

Proposal	Comment	£'000
Customer Record Management (CRM) Post	To develop the CRM project within our coordinated programme of customer contact systems which need to be aligned and joined up to provide integrated online and assisted customer journeys. This work will significantly contribute to the organisations channel shift and savings targets and be a key driver towards our ‘Digital by choice’ ethos.	60
Disabled Facilities Grant (DFG) Post	To fund a temporary staffing resource in the Private Sector Housing team, to manage the back log of cases taken back/new cases arising as a result of ceasing to use the Home Improvement Agency.	28
Revolving Investment Fund (RIF)	Overall there is additional net income within the “commercial theme.” It is acknowledged that there are ongoing revenue pressures and this will assist to meet these.	72
<i>Total Service Issues</i>		<i>160</i>
Locality budget	Proposal agreed by Cabinet as part of Community Enabling Strategy (£60k to reinstate New Homes Bonus allocation for Strategic Plan priorities and £60k from balances)	120
Town Walls	Additional one-off investment to provide for ongoing maintenance and to build a fund, which will reduce the need to commit larger amounts of capital resources every few years.	100
ICT remote access project	This new solution will offer staff and members access to Colchester’s IT network from a wider range of devices than is possible at present. Original indicative costs only covered the cost of a new remote access solution from Dell. Evaluation of the technical detail has shown that we need to upgrade our virtual desktop platform first. By doing these projects in tandem, good rates for services have been secured. This investment enables the Council to continue delivering effective flexible working, bringing benefits to staff, accommodation savings to the organisation and taking forward the options for mobile working for key services.	70
Total Proposed Allocations		450

- 3.5. The remaining surplus of £471k is therefore available for the Cabinet to consider any further allocations. It is proposed that this is used to deliver Borough Investment for All (BIFA). BIFA will deliver and support a range of actions. It will strengthen the activity around a number of planned activities and launch a set of new projects. These will include:
- Making the most of our heritage assets
 - Activities and events for young people
 - New assistance for those disadvantaged by changing economic circumstances
 - Improved presentation in the Town Centre
- 3.6. Based on the above proposals balances would remain above our recommended level. Scrutiny Panel will receive reports during the year on the budget position.

4. Budget Forecast for 2016/17

- 4.1. Appendix A sets out a budget forecast for 2016/17 and a Medium Term Financial Forecast (MTFF) for the subsequent two years including the key assumptions. 2016/17 will be the first full year of a new Government spending review and will see the continuation of the important and significant changes that have been made to how Local Government is funded with the introduction of a scheme of locally retained business rates and the continuation of the impact of the Local Council Tax Support (LCTS) Scheme. These provide a backdrop to a budget forecast which continues to contain a number of uncertainties and therefore risk areas.
- 4.2. The current forecast budget gap for 2016/17 is £0.5m and is summarised in the following table:-

	2016/17	note
	£'000	
Base Budget	23,321	
14/15 One-off items	13	
Cost Pressures (net of one off changes)	191	See MTFF
Growth Items (net of one off changes)	(100)	
Savings	(720)	
Forecast Base Budget	22,705	
<i>Funded By:</i>		
Revenue Support Grant	(2,195)	See para.4.4.
Business Rates Baseline	(4,006)	
<i>Settlement funding</i>	<i>(6,201)</i>	
Increase in NNDR / taxbase above baseline	(800)	See paras. 4.6 to 4.8
New Homes Bonus	(4,611)	
Total Gov't grants	(11,612)	
Council Tax	(10,539)	See para 4.15
Use of Reserves	(20)	
Total Funding	(22,171)	
Budget gap	534	

4.3 The key assumptions in respect of the 2016/17 forecast are:

Government Funding & Business Rates

- 4.4. The 2015/16 Finance Settlement announcement did not provide any provisional figures for 2016/17. Whilst not providing any real detail on which we can make projections for funding, the Autumn Statement did show that further reductions in grant should be assumed. The key figure for the Council's financial planning is the comparable level of settlement funding. The following table shows a *planning assumption* of a reduction of 13% in 2016/17.

	2015/16	2016/17
	£'000	£'000
Revenue Support Grant	(3,195)	(2,195)
Business Rates Baseline	(3,927)	(4,006)
Settlement funding	(7,122)	(6,201)
Reduction (£'000)		(921)
Reduction (%)		13%

- 4.5. The table above excludes the Council Tax freeze grant for 2015/16 which is assumed will not be paid in 2016/17.
- 4.6. The localisation of Business Rates (NNDR) was introduced in 2013/14. For 13/14 and 14/15 we had been broadly budgeting at the baseline level, but as part of the 15/16 budget additional income of £700k was included .
- 4.7. One of the main risks within the current scheme is that businesses can appeal their Rateable Value (RV), and get decisions backdated. This means there is a risk that we have to refund business rates in respect of previous years, and also the ongoing income may drop. To put some of this into context, currently about a third of the total RV of the borough is under appeal. We have made provision for appeals in our accounts, but this is an area which is impossible to predict
- 4.8. Looking ahead, the budget forecast currently assumes that we might see an increase in our retained NNDR income of £100k in 16/17. Throughout the year we will continue to monitor income levels and appeal decisions, and will revisit this assumption as appropriate.
- 4.9. For 2015/16 we have agreed to be part of an Essex business rate "pool". The rationale for this is that the pool provides an opportunity to keep a greater share of NNDR income above the baseline. It is too early to estimate any additional income that we might achieve from this arrangement; any such gain would not be accounted for until 2016/17, and it is unlikely that we will be able to estimate this as part of the 2016/17 budget setting process.

Inflation and costs

- 4.10 For 2016/17 a planning figure has been included for general changes to "pay and prices" in line with the approach used in recent years. It will be necessary to review forecasts for specific areas including pay and energy costs in due course and this is therefore subject to change. The cost pressures also include a reduction to reflect the 2015/16 pay award decision which was lower than had been provided for, giving an in-year and ongoing saving.
- 4.11. No other specific cost pressures are currently included in the 2016/17 forecast, however, the following are specific risk areas where we expect that issues may be quantified:-

- Changes to housing benefit administration grant
- Any additional costs related to the whole Council elections in 2016
- Review of income targets

4.12. These items and any other emerging issues will be reviewed as the budget progresses and any changes will be reported to Cabinet accordingly.

Growth Items

4.13. No allowance has been built into the budget forecast for any new growth items in 2016/17. However, the budget assumes that the funding from New Homes Bonus allocated for investment in projects will continue to be available. In addition, the budget strategy assumes that any growth in the New Homes Bonus will be allocated to new one-off projects. This reflects the approach to minimise the risk of changes to levels of New Homes Bonus funding by allocating the increase to one-off investment to support corporate priorities.

Savings

4.14. The largest area of additional saving includes an increase of £670k. This comprises additional savings or additional income in respect of 2 main themes:-

- Commercial theme. This includes additional net income from assets and trading services of £150k.
- Customer journey / business process savings. This includes various efficiencies from reviewing customer processes and the target is £520k.

Council Tax

4.15. The budget forecast for 2016/17 reflects an assumption of a freeze in Council Tax. This does not represent a formal proposal at this stage, but indicates a desire to continue with the approach of the last five years, during which the Council has kept Council Tax unchanged. The Government has not indicated whether a Council Tax freeze grant will be payable to those authorities that do not increase Council Tax in 2016/17. The budget does however assume an increase in the taxbase.

Local Council Tax Support (LCTS)

4.16 The Local Council Tax Support Scheme (LCTS) was approved by Full Council in December. This replaced Council Tax benefits and, as has previously been reported, places a number of changing risks to the Council, such as:-

- *Recovery of Council Tax.* There is a risk of a lower level of collection of Council Tax, given that more people have to pay Council Tax.
- *Recovery costs and resources.* The number of people paying Council Tax has increased and the impact on resources has to be considered.
- *Demand.* Under the previous benefit scheme there was no direct financial impact on the Council of changes in the amount of benefit paid. Under the LCTS scheme the Government grant is a fixed sum and therefore any increase is borne by all of the major preceptors including Colchester.

4.17. The Government funding for LCTS is provided within the revenue support grant and retained business rates figures, which as explained earlier in the report is forecast to reduce by c13% in 16/17. Consideration will need to be given to the impact of this on any cost of the LCTS.

New Homes Bonus (NHB)

- 4.18. The budget position shown includes no increase in the level of income from the New Homes Bonus received in 2015/16 of £4.6m.
- 4.19. It has been highlighted in previous Cabinet reports that specific funding allocated by the Government for the New Homes Bonus is insufficient to meet the total cost of the scheme, therefore any shortfall is met by the main formula grant funding allocation. As such it is important that the New Homes Bonus is considered alongside the grant funding and this issue is considered later in the report and as part of the Medium Term Financial Forecast (MTFF).
- 4.20. The current budget strategy is that any further increase in NHB in 2016/17 will only be used for one-off items and that we will continue to use c£2m to support the 'base budget'. Based on this approach and assuming the methodology of the scheme is unchanged, there will be a minimum of £2.2m available to invest in one-off projects in 2016/17.
- 4.21. The MTFF currently assumes that any reductions in New Homes Bonus in 2017/18 and beyond will result in a reduction in the level of one-off investment provided.

Summary of Budget Forecast

- 4.22. There are a number of significant budget risks and variables that will affect the 2016/17 budget process and these are set out within Appendix A. It will therefore be important to consider and respond to any changes in the budget forecast and this will be reported to Cabinet throughout this year.
- 4.23. In summary there is a forecast budget gap of circa £0.5m. This already reflects planned savings of £0.7m. It should be noted that at this stage this gap could change based on a number of emerging factors.

Delivering the 2016/17 Budget

- 4.24. The Council's approach to the budget is that it is primarily driven by the Strategic Plan. We have adopted a number of different ways to identify savings or additional income to support Strategic Plan priorities and to meet a number of substantial cost pressures. The strategy for the last few years has been broadly based upon identifying opportunities to make efficiencies, mainly through the FSR process, maintaining and where possible increasing income and through exploring different ways to deliver services.
- 4.25. The Budget Group comprising Cabinet members and senior officers has operated for five years. It is intended that the Budget Group continues and has the overview of all possible budget opportunities, monitoring progress and taking relevant reports. Work has already started and has identified a number of possible options. In outline these include:-

Outturn Review

- 4.26. The outturn position for 2014/15 has been reported earlier in this report and shows a net underspend. As part of the 2015/16 budget we agreed some savings and additional income which were identified as part of a high level review of the previous year's outturn. It is now proposed to carry out a 'line by line' detailed review which will look at all non-employee costs over the last three years to help consider whether there are areas where budgets should be adjusted for future years.

NNDR Income

- 4.27. As mentioned earlier, we will review the level of income expected from retained business rates as part of the 2016/17 budget.

Other reviews

- 4.28. There are a number of other areas that will be considered during the year. These will include:-
- Confirmation of savings and income from commercial activities and business processes
 - A revised sport and leisure business plan
 - A number of budget options for efficiencies, income or reductions
- 4.29. The Council's approach to budgets has always been to consider the longer-term impact of decisions. The budget process for 2016/17 will continue to reflect this by recognising that some service changes (reductions, income and growth) will often be delivered over a period longer than a year.
- 4.30. Appendix B sets out the proposed budget timetable.

Housing Revenue Account (HRA)

- 4.31. The HRA is a ring fenced account that relates to costs and income in respect of the Council's housing stock. The HRA budget and rent setting process is carried out alongside the General Fund budget and elements of the process are carried out simultaneously. The budget approach for the HRA will continue to be fully integrated within the General Fund budget process, with the final budget report and rent setting being included within the overall budget and Council Tax decisions.
- 4.32. HRA Self-Financing has been in operation since 1st April 2012, and Cabinet have agreed a 30 year HRA Business Plan which runs to 2043. This has assisted with financial planning and the outputs from this were reflected in the 2015/16 budget, and the 2016/17 budget will therefore be similarly developed within this framework.

5. Medium Term Financial Forecast

- 5.1. The Medium Term Financial Forecast (MTFF), as set out at Appendix A, shows a potential budget cumulative budget gap of c£3m by 2018/19. The key factors affecting the budget gap in later years include the assumed further reduction in Government funding.
- 5.2. The forecast needs to be viewed alongside the level of significant risks and uncertainty regarding a number of key factors that will impact on the Council's finances in the medium term. Most of the key risks outlined in the MTFF could result in recurring cost pressures for the Council. This will require recurring cost savings or additional income to be identified to minimise the escalation of these pressures.
- 5.3. The MTFF also shows that the Council continues to hold reserves and balances to support the Council's budgets. The position on these reserves will be reviewed during the year as the 2016/17 budget progresses.
- 5.4. In summary, the MTFF sets out what is likely to continue to be a challenging financial outlook with a level of uncertainty in future years. The budget process needs to establish that the Council's spending plans, in the medium term, are affordable and can be prudently financed.

6. Revenue Balances

- 6.1. The current balances position is set out within Appendix A. This shows that uncommitted or unallocated balances are currently at £2.3m, which is £0.5m above the recommended level of £1.8m.
- 6.2. When the 2015/16 budget was set it was reported and agreed that balances stood at just over £2m. Cabinet had agreed to allocate £280k in balances in order to fund any resulting shortfall should there be a successful challenge by Government to our transfer of balances between the HRA and General Fund. However, as it has now been confirmed that there will be no challenge to the transfer, the level of uncommitted balances has increased.
- 6.3. As this report emphasises, the Council is expected to continue to face many underlying financial pressures in the medium term. Whilst some provisions have been made within balances for some of these, there is a recognised view that further significant reductions in public sector spending will occur over the coming years, and that there is an increased financial risk associated with many of the local government finance reforms such as localisation of business rates and the local council tax support scheme. It should also be noted that balances can by nature only be used once, and so it is not generally appropriate to use them to support ongoing budget pressures.
- 6.4. This is the first report in respect of the 2016/17 budget. The budget timetable sets out that the position on balances and other reserves and provisions will be reported later this year. It will again be necessary to review the risk assessment that informs the recommended level of balances. The scope and option of using balances to support the revenue budget will therefore be considered in future reports.

7. Capital Programme Update

- 7.1. The following table sets out a summary of the total capital programme including the Revolving Investment Fund (RIF).

	2014/15 £'000	2015/16 £'000	2016/17 £'000	2017/18 £'000	2018/19 £'000
GENERAL FUND					
Shortfall / (Surplus) B/Fwd	1,056	(506)	(956)	(1,056)	(1,156)
New schemes	135	350	100	100	100
Capital receipts	(1,697)	(800)	(200)	(200)	(200)
Shortfall / (Surplus) C/Fwd	(506)	(956)	(1,056)	(1,156)	(1,256)
REVOLVING INVESTMENT FUND					
Shortfall / (Surplus) B/Fwd	648	(1,706)	(1,439)	(1,101)	(2,719)
New schemes	1,335	5,354	2,605	1,600	5,500
Capital receipts	(3,689)	(5,087)	(2,267)	(3,218)	(3,018)
Shortfall / (Surplus) C/Fwd	(1,706)	(1,439)	(1,101)	(2,719)	(237)
Overall Shortfall / (Surplus) C/Fwd	(2,212)	(2,395)	(2,157)	(3,875)	(1,493)

- 7.2. The table shows that for the General Fund programme there are forecast surplus resources of £1.3m by 2018/19. Whilst a large proportion of this is available now, the table shows it also indicates that future receipts are limited and as such any new capital spending proposals need to be viewed in this context.
- 7.3. An update of the RIF position is currently being produced and will be reported to the RIF Committee in due course.

- 7.4. Further updates on the capital programme will be provided alongside budget reports.

8. Strategic Plan References

- 8.1. The 2016/17 budget and the Medium Term Financial Forecast will be underpinned by the Strategic Plan priorities and will seek to preserve and shift resources where needed to these priorities.

9. Financial implications

- 9.1 As set out in the report.

10. Equality and Diversity Implications

- 10.1 Consideration will be given to equality and diversity issues in respect of budget changes proposed as part of the budget process. This will be done in line with agreed policies and procedures including production of Equality Impact Assessments where appropriate.

11. Risk Management Implications

- 11.1 As set out in report.

12 Consultation

- 12.1. The Council is required to consult on its budget proposals. A consultation exercise took place as part of the production of the Strategic Plan agreed by Council in February 2015.
- 12.2. The budget strategy and timetable aims to ensure that information is available for scrutiny and input from all Members on proposals in the process. The aim is that detailed information will be available prior to the final budget report being submitted to Cabinet and approval by Council in February.
- 12.3. As has been the case in previous years the opportunity remains open for the leader of the opposition to meet with officers to assist with consideration of any alternative budget proposals.
- 12.4. Furthermore, we will continue with the statutory consultation with business ratepayers and will meet with parish councils in respect of grant funding.

13. Other Standard References

- 13.1 There are no direct Publicity, Human Rights, Community Safety or Health and Safety implications as a result of this report.

Background Papers

Revenue and Capital Outturn reports to Scrutiny Panel – 16 June 2015

Medium Term Financial Forecast 2015/16 – 2018/19

1. Introduction

The Medium Term Financial Forecast (MTFF) sets out the Council's budget forecast for the next three years. The MTFF sets out:-

- A summary of the 2015/16 budget including an analysis of all service budgets
- The budget forecast for next three years including current cost pressures, growth items and assumptions regarding use of reserves.
- A list of key risk items for 2016/17 and beyond
- The current position on Council General Fund balances including the risk assessment for 2015/16
- The current position on all other reserves and balances

The MTFF will continue to be updated during the year as the budget progresses.

2. 2015/16 Budget

The Council's General Fund includes all costs and income other than those in respect of the Council housing stock

Colchester's total net revenue budget for 2015/16 is **£18.7million**.

	£'000
Net Budget (incl: New Homes Bonus)	18,710
Funded by:	
Government Grant (incl: Council Tax freeze grant)	3,309 (18%)
Retained Business Rates (as shown in baseline assessment)	4,627 (25%)
Council Taxpayers (excl. parishes)	10,434 (56%)
Use of Balances / Reserves and Collection Fund	340 (1%)
	18,710

The following table sets out a summary of the 2015/16 budget including changes made from the previous year.

2015/16 Summary Budget

	Adjusted Base Budget	One-off items	Cost Pressures	Growth Items	Technical Items	Total Savings	Detailed 14/15 Budgets
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Corporate & Democratic Core	289	0	0	0	(2)	(74)	213
Corporate & Financial Management	6,425	(49)	109	0	1	(304)	6,182
Executive Management Team	590	0	11	0	1	(2)	600
Community Services	6,068	0	188	25	(8)	(267)	6,006
Commercial Services	2,497	(75)	79	244	(1)	(628)	2,116
Customer Services	2,171	0	347	0		(390)	2,128
Operational Services (excl NEPP)	1,047	0	690	0	(15)	(232)	1,490
Professional Services	2,597	(25)	111	0	(1)	(368)	2,314
Total General Fund Services	21,684	(149)	1,535	269	(25)	(2,265)	21,049
<i>Corporate Items / sums to be allocated to services</i>							
UCC FSR Target/Procurement/Journey Management	(657)	(50)	0			379	(328)
Investment Allowance funded by New Homes Bonus	1,007		0	1,328			2,335
IT Servers	0		250				250
Borough-Wide service pressures	0		200				200
EMT Local Govt Devolution	0		5				5
NHB Top-Slice	0		0			(13)	(13)
<i>Non-Service Budgets</i>			0				0
Grants to Parish councils	118		0			(16)	102
CLIA (net interest)	599		50			(50)	599
R&R Contribution	150		0				150
Min Revenue Provision	669		0				669
Pensions	2,147		0				2,147
C Tax Sharing Agreement	(400)		0			(250)	(650)
GF/HRA/NEPP Adjustment	(3,211)		20		25	(28)	(3,194)
Total Below the Line	422	(50)	525	1,328	25	22	2,272
Total including Below the Line	22,106	(199)	2,060	1,597	0	(2,243)	23,321

	Adjusted Base Budget	One-off items	Cost Pressures	Growth Items	Technical Items	Total Savings	Detailed 14/15 Budgets
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Funded by:							
General Reserve	(100)	100	0				0
Use of balances: re carry forwards	(74)	74	(44)				(44)
Use of balances: re NHB carry forward	0		(27)				(27)
Contribution to balances	0		560				560
Capital Expenditure Reserve	(189)		189				0
Other Reserves - S.106	(30)		10				(20)
Government Grant (RSG / NNDR)	(8,290)		1,168				(7,122)
NNDR Growth above Baseline	0		0		(700)		(700)
Council Tax Freeze Grant	(107)		0	(7)			(114)
Council Tax	(10,048)		0		(386)		(10,434)
Collection fund Transfer	(142)	142	0		(409)		(409)
New Homes Bonus	(3,410)		0		(1,201)		(4,611)
NNDR Deficit / (Surplus)	284	(284)	0		(400)		(400)
Total	(22,106)	32	1,856	(7)	(3,096)	0	(23,321)

3. Budget Forecast 2015/16 to 2018/19

The following table sets out the Council's budget forecast for the next three years including key assumptions.

Medium Term Financial Forecast				
2015/16 to 2018/19				
	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000
Base Budget	22,106	23,321	22,705	22,812
15/16 One-off items	(199)	13		
Cost Pressures (net of one off changes)	1,840	191	1,090	640
Growth Items (net of one off changes)	1,797	(100)	(583)	(433)
Savings	(2,223)	(720)	(400)	250
Technical Items				
Forecast Base Budget	23,321	22,705	22,812	23,269
<i>Funded By:</i>				
Revenue Support Grant	(3,195)	(2,195)	(1,695)	(1,195)
Business Rates Baseline	(3,927)	(4,006)	(4,086)	(4,167)
<i>Settlement funding</i>	<i>(7,122)</i>	<i>(6,201)</i>	<i>(5,781)</i>	<i>(5,362)</i>
Increase in NNDR / taxbase above baseline	(700)	(800)	(900)	(1,000)
New Homes Bonus	(4,611)	(4,611)	(3,887)	(3,086)
Total Gov't grants & NNDR	(12,433)	(11,612)	(10,568)	(9,448)
Council Tax	(10,434)	(10,539)	(10,644)	(10,751)
Council Tax Freeze Grant (re 15/16)	(114)			
Collection Fund Deficit / (Surplus)	(409)			
Business Rates Deficit / (surplus)	(400)			
Use of Reserves	469	(20)	(20)	(20)
Total Funding	(23,321)	(22,171)	(21,232)	(20,219)
Budget (surplus) / gap before changes (cumulative)	0	534	1,580	3,050
Annual increase		534	1,046	1,469

Cost Pressures

	2016/17	2017/18	2018/19
	£'000	£'000	£'000
General Inflation	640	640	640
Pensions	0	250	
Pensions - auto enrolment		200	
IT servers (remove one off item)	(250)		
Local Taxation Inspection (remove one off item)	(50)		
EMT - local government devolution (one off item)	(5)		
Carry forward items (one off adjustment)	(44)		
Total	291	1,090	640

Adjustment re:14/15 pay award	(100)		
Total after amended pressures	191	1,090	640

Growth

	2016/17	2017/18	2018/19
	£'000	£'000	£'000
Food Waste (net impact of grant being used)		141	368
Affordable homes			(52)
Growth linked to New Homes Bonus		(724)	(749)
Regeneration resources (one off)	(100)		
Total	(100)	(583)	(433)

Savings

The following sets out savings assumed for 16/17 including items added by Budget Group which have not yet been formally agreed:-

	2016/17	2017/18	2018/19
	£'000	£'000	£'000
Council Tax sharing agreement			250
Commercial income and procurement savings (Note 1)	(150)	(400)	
Business process efficiencies (Note 2)	(520)		
Remove one-off contingencies	(50)		
Total	(720)	(400)	250

4. Risk Areas / Uncertainty

There are several key risk areas or areas where the outcome is uncertain which will impact on the 2016/17 budget forecast and potentially in later years. The main areas are:-

Ref	Risk / Area of uncertainty	
1	<i>Government Funding / Business Rate Retention Scheme</i>	<p>The MTFF includes the reduction in the 'SFA' for 2015/16 of 15% with further reductions thereafter.</p> <p>An announcement expected middle / end of December with initial spending review figures earlier.</p> <p>From 2013/14 a proportion of the Council's core income that used to be provided by Government grant is now funded by the Council keeping a share of business rates income. This poses a new risk as well as a potential reward.</p> <p>The budget includes an assumption that in 15/16 we will retain an extra £700k of NNDR income above our baseline figure and future years includes an assumption that this will increase each year by £100k.</p>
2	<i>Welfare Reform (including Local Council Tax Support - LCTS)</i>	<p>Budget papers have previously set out some of the key risks associated with the implication of the Council having approved the LCTS scheme. The combined impact of the Government's welfare reforms and demands on Council services will need to be considered during the period of the MTFF.</p>
3	<i>Government grants and partnership funding</i>	<p>The Council's budget has changed over recent years with a greater emphasis on funding from both partner organisations and Government bodies. These funding streams can rarely be guaranteed and can therefore add to our cost pressures.</p> <p>Provision has been made in the 2015/16 budget for the New Homes Bonus based on the notified grant and the MTFF takes a prudent view by forecasting no increase to this grant in future years.</p> <p>Provision has been made for changes in other Government grants, such as housing benefit administration, in 2015/16. Further reductions in these areas are likely and these will be considered as the MTFF is reviewed.</p>
4	<i>Pensions</i>	<p>An allowance has been built in for increases in pensions costs based on the results of the last actuarial review and which therefore are fixed until 2016/17. Thereafter an allowance has been assumed of £250k and this will need to be reviewed closer to the time.</p>
5	<i>Fees and charges and other income</i>	<p>Previous years has shown how changes in income have affected the budget both positively and negatively. Looking ahead to 2016/17 and beyond it is difficult to estimate how income levels may continue to be affected and the budget will consider any changes in due course.</p>
6	<i>Inflation</i>	<p>An allowance for general inflation, including pay, has been built into the 2015/16 budget and MTFF.</p> <p>Not all the Council's costs are directly linked to RPI / CPI and therefore we will continue to monitor the impact of inflation on all Council costs.</p> <p>Specific assumptions in respect of pay and energy will be considered in more detail later in the year.</p>

Ref	Risk / Area of uncertainty	
7	<i>Use of reserves</i>	The budget position for 2015/16 includes limited proposals to use and contribute to certain reserves. No proposals to use general balances are currently included in the MTFF.
8	<i>Legislation</i>	There are likely to be several items of new legislation over the life of the MTFF for which any available funding may not cover costs or which may impact significantly on the Council e.g. universal credit.
9	<i>Impact of regeneration programme e.g. staff resources</i>	The budget includes a proposal for additional resources of £100k to support work in the Northern Gateway. Furthermore, the recently established Revolving Investment Fund (RIF) provides a framework for managing potential pressures.
10	<i>Property review</i>	A review of our assets was carried out and a 5-year Building Repairs and Maintenance Plan produced. There will continue to be financial implications arising from this for both the revenue budget and capital programme and these will continue to be considered in detail and included in the on-going updates of the MTFF. The 2015/16 budget maintains the additional allocation of £150k in respect of planned repairs. This will continue to be reviewed to consider if it is sufficient to meet ongoing requirements.
11	<i>Impact of growth in the Borough and demand for services</i>	A number of Local Authority services are directly impacted by the increase of population in the Borough, such as waste services, planning, benefits etc. As part of future budgets it will be necessary to consider whether there is a need for additional resources in these or other areas in order to maintain levels of service. A financial assumption has been made that the Council's programme of service reviews will assist in identifying efficiencies to cope with changes in demand. However, the 2015/16 budget includes an allowance of £200k, recognising that there is likely to be some pressure on services from the increasing number of households in the Borough, for example, the cost of providing our waste service.
12	<i>Delivery of budget savings</i>	The 2015/16 budget includes c£2.2m of savings or increased income. These items were risk assessed and all are considered deliverable. The 2016/17 forecast includes further savings from the ongoing FSR work and whilst these are currently considered to be on track to be delivered these will be reviewed as part of the 2016/17 budget process.
13	<i>Net earnings Interest and investments</i>	The budget is influenced by a number of factors including interest rates and cashflow movements. The treasury management strategy for 2015/16 highlights the outlook for interest rates in the medium-term, which points to continuation of unprecedented low levels into 2015/16. The Council's strategy of internal borrowing has helped minimise our interest cost, however, it is recognised that this is not a long term approach and therefore there may be future cost pressures from any need to borrow externally. This is currently not reflect in the MTFF but will be considered as part of future budget updates.

5. General Fund Balances – Risk Assessment

Introduction & Background

A risk assessment was undertaken to determine the prudent level of general fund balances as part of the 2015/16 budget process.

Historically we have maintained a strong level of balances and these have been used to:-

- Support the annual budget - particularly to fund one off items.
- Fund new initiatives identified during the year.
- Provide cover for cashflow and emergency situations.
- Provide flexibility and a resource for change management.

Risk Assessment

The risk assessment has been kept under review. The results of the current assessment are summarised below.

Factor	Assessed Risk		
	High £'000	Medium £'000	Low £'000
Cash Flow	950		
Capital (nil given reserves and receipts)			0
Inflation		100	
Investment Income	150		
Trading Activities and fees and charges		200	
Emergencies		50	
Benefits			100
New Spending – legal commitments			100
Litigation		150	
Partnerships			100
VAT Exemption Limit			350
Budget Process		100	
Revenue impact of capital schemes			150
Impact of Local Government Finance reforms (Welfare Reform, including LCTS and retention of business rates scheme)	300		
	1,400	600	800

	Minimum Provision
High Risk – 100%	1,400
Medium Risk – 50%	300
Low Risk – 10%	80
Sub Total	1,780
Unforeseen factors,	20
Recommended level	1,800

This shows the minimum level of balances being maintained at £1.8 million. It is then a matter of judgement whether it would be desirable to hold any further level of balances beyond this, or to seek to rebuild balances above this level to provide for future flexibility.

The main issues to mention concerning the assessment are: -

- The key reason for proposing to increase balances in 2013/14 was the new risks associated with major Local Government reforms such as the creation of a Local Council Tax Support Scheme and the local retention of business rates. This remains a risk and one which will need to be considered following consideration of NNDR projections for 2015/16.
- While the possible requirement to meet capital spending from revenue resources is still recognised as a potential risk the assessment is "nil" because of the current level of funds held in the capital expenditure reserve and the introduction of the Prudential Code.
- Investment income has been identified as a risk area. In last year's risk assessment this was classified as a "high risk" and due to the continuing uncertainty in the world economy this has been maintained.
- The assessment includes the risk that the VAT exemption limit will be exceeded with a consequent loss of recoverable VAT. Regular monitoring and active management of new schemes minimises this risk.

Implications

The risk assessment will be carried out at least annually as part of the budget process. While the current assessment indicates a minimum level it is important to recognise that there are implications of operating at this level. As noted above we have traditionally had a level of balances that have provided flexibility and enabled new initiatives to be considered outside the annual budget process. Operating at the minimum level requires an approach and a discipline to: -

- Ensure all spending aspirations for the coming year are assessed as part of the annual budget process. The continued development of the Medium Term Financial Forecast will assist in this.
- Recognise that it will not be possible to draw on balances to fund new discretionary initiatives identified in the year, however desirable they may be; an alternative source of funding would need to be identified.
- Realise future assessments could identify a need to rebuild balances
- Accept that the potential for interest earnings on balances will change depending on the level of balances held. (This will be reflected in the budget accordingly).
- Acknowledge that any balances desired for future flexibility/change management will need to be built up over and above the prudent level identified.

In addition it is acknowledged that it may be necessary for balances to fall below the recommended level. Balances are provided to mitigate unbudgeted cost pressures and as such at times they may be used to provide temporary support to the Council's budget.

6. General Fund Balances - Position

The following table sets out the General Fund balances position. This has been reviewed and presented in a different way to highlight current sums allocated within balances

In summary this shows:-

- Current balance of £9.1m
- Of which, £4.9m is forecast to be spent or to remain as an allocation during 15/16
- A further £1.9m is allocated for future year costs or against specific risks
- Leaving £2.3m uncommitted or unallocated.
- The recommended level of general fund balances is £1.8m, meaning we are **£0.5m** above our recommended minimum level.

General Fund balances

	<i>Allocated</i>	<i>Risk allocations</i>	<i>Unallocated</i>	<i>Total</i>	<i>Note</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>	
Opening balance 1/4/15	(6,000)	(1,096)	(2,027)	(9,123)	per 14/15 accounts
Agreed contribution to balances	(280)	(280)		(560)	Agreed in 15/16 budget
Budget carry forwards *	3,470			3,470	As reported to Scrutiny Panel
Previous c/f decisions *	194			194	Previous year carry forward
Redundancy costs *	473			473	Includes pension strain costs
Previous year allocations *	325			325	Allocations made by Cabinet which are committed.
Community right to challenge & right to bid *	46			46	Funding allocated from Gov't grant
Agreed use of balances 15/16	71			71	Agreed in 15/16 budget
Proposed use of balances - 15/16	450			450	See Cabinet 8 July 2015
Funding for BIFA	471			471	See Cabinet 8 July 2015
Estimated use of balances	5,220	(280)	0	4,940	
Forecast balance 31/3/16 *	(780)	(1,376)	(2,027)	(4,183)	
<i>Use of balances in later years or risk allocations</i>					
Community Stadium - rent adjustment	500			500	Provision for reduction in rent
NNDR / Welfare reform - risk allocation		400		400	Provision for impact arising from reforms
General contingency - risk allocation		285		285	
Planning appeals, legal, HR etc- risk allocation		411		411	Some costs possible in 15/16
Housing benefit - risk allocation		130		130	Agreed in 15/16 budget
Collection Fund - risk allocation		150		150	Agreed in 15/16 budget
Total later years allocations	500	1,376	0	1,876	
Uncommitted / unallocated Balance	(280)	0	(2,027)	(2,307)	
Recommended level			(1,800)	(1,800)	Agreed in 15/16 budget
Surplus above recommended level	(280)	0	(227)	(507)	

*Not all expected to be spent in 15/16. Any unspent will be carried forward to later years.

2016/17 Budget Timetable	
Budget Strategy March 15 – July 2015	
March – June (SMT and Budget Group)	Budget Group Meetings Agreed Update MTFF /Budget Strategy Review potential cost pressures, growth and risks Consider approach to budget Initial budget reviews started
Cabinet – 8 July 15	<ul style="list-style-type: none"> • Review 14/15 outturn • Report on updated budget strategy / MTFF • Timetable approved
Scrutiny Panel – 21 July 15	Review Cabinet report
Detailed Budget preparation and Budget Setting Consultation	
Budget Group / Leadership Team regular sessions on progress / budget options now - December	Review budget tasks Consider delivery of existing budget savings Carry out outturn review
Cabinet – 2 September 15 and /or 14 October 14 (<i>likely to be 14 October</i>)	<ul style="list-style-type: none"> • Budget Update • Review of capital resources / programme
Cabinet – 25 November 15	<ul style="list-style-type: none"> • Budget update • Reserves and balances • Agree fees and charges / budget changes • Government Finance settlement (if available) • Review in year budget position
Scrutiny Panel – 26 January 16	Review consultation / Budget position (Detailed proposals)
Cabinet – 27 January 16	Revenue and Capital budgets recommended to Council
Council – 17 February 16	Budget agreed / capital programme agreed / Council Tax set

Leadership Team to review budget progress during year.

Report of	Chief Operating Officer	Author	Ann Hedges
Title	Revisions to Colchester and Ipswich Museums Services Joint Committee Agreement		
Wards affected	Not applicable		

This report concerns revisions to the Colchester and Ipswich Museums (CIMS) Joint Committee Agreement

1. Decision Required

- 1.1 To agree the revisions to the Colchester and Ipswich Museums (CIMS) Joint Committee Agreement .

2. Reasons for Decision

- 2.1 The Colchester and Ipswich Museums Service (CIMS) was formed in 2007 via a Joint Committee Agreement for 2007-2018. The agreement designates Colchester Borough Council as the employing authority for CIMS and empowers CIMS to operate the museums service on Ipswich Borough Council's behalf. The Joint Museums Committee (JMC) is the main governance mechanism for the service.
- 2.2 CIMS has been established for eight years and has brought about considerable improvements efficiencies in service delivery. It has coped with significant changes in external funding regimes without having a detrimental impact on service delivery and been successful in attracting national and international interest in the venues and collections which form the Ipswich component of the Service. CIMS officers are playing a key role in the Ipswich Arts and Museums Project and have strong links across the Arts and Heritage sector in the town and more widely.
- 2.3 With eight years experience in delivering the Joint Museums Committee Agreement and with the current agreement having less than three years to run, it is felt that the time is right to consider the effectiveness of the Agreement and whether it should be extended. The conclusion reached in consultation with the relevant Portfolio Holders was that the agreement should be revised and extended.

3. Alternative Options

- 3.1 The agreement could be left as it is but it is now reaching the end of its life and the changes reflect the changing nature of the partnership

4. Proposals

- 4.1 The 2007-2018 Agreement is attached in full at Appendix 1. The proposed Agreement for 2015-2021 is attached in full at Appendix 2. The key changes are listed against the headings in the revised agreement:

Section 1 – Strategic Vision

- 4.2 The vision within section 2.1 of the 2007-2018 agreement has been updated to be more strategic and meaningful to potential external funders

Section 2 – Partnership Services

- 4.3 In the 2007-18 agreement, section 2.2 set out the “baseline services” for Ipswich, section 2.3 the “baseline services” for Colchester and 2.4 the specific Joint Service Functions. This reflected the infancy of the arrangement at the time but in reality these sections were repetitious and overly detailed for an agreement which ultimately enables each Council to retain the core decision making functions about what is provided in each borough. They have been replaced by a list of services that CIMS will provide
- 4.4 Section 2.5 of the 2007-18 Agreement set specific limits and requirements which have been replaced by decisions made by Executive regarding Collections Management [insert ref]. Provisions relating to collection storage, Freedom of Information and Intellectual Property have been retained.

Section 3 - Finance

- 4.5 The 2007-2018 Agreement set out in detail the contributions from each Council for the first three years together with a schedule of payments, insurance information, accounting rules, what would happen with any surplus or deficit, transitional savings, budget setting process and capital expenditure. Most of these provisions (with the exception of transitional savings) are reflected in the revised agreement.
- 4.6 The revised Agreement addresses the issue of Colchester charging admission fees and Ipswich providing free access. It caps the income that is guaranteed to go into CIMS at current levels and allows each Council to determine what happens to any additional income. In return for continuing to maintain the current level of contribution from admission income to the Service, Colchester is able to put some of its operating costs into the service.
- 4.7 The Section 151 Officers of each Council have confirmed that they are satisfied with the proposed arrangements and will have accounting systems in place to implement them.

Section 4 - Governance arrangements

- 4.8 There are no changes to the section which describes the Joint Committee

Section 5 – Constitution of the Joint Committee

- 4.9 There are no changes to the Membership or support to the Committee provisions. However the 2007-2018 Agreement specified that there must be a minimum of four Committee meetings per year. This has proved unnecessary and it is proposed to reduce this provision to two meetings (with the ability to call additional meetings if required).
- 4.10 In section 5.4 of the 2007-2018 agreement provisions were included for CIMS to carry out a range of functions which have since proved unnecessary or inappropriate. This list has been reviewed and in particular the ability for the Joint Museums Committee to carry out functions such as setting charges or bye-laws under the 1964 Public Libraries and Museums Act has been removed. These functions would now need to be exercised by the Partner Authorities themselves. Changes have also been made to references to

Ipswich's involvement in recruiting to key posts relating to Ipswich following a restructure which was implemented in February 2015.

- 4.11 The Monitoring and Assessment section (5.5 of the new Agreement) has been revised to reflect changes in national performance frameworks and local and national policy
- 4.12 Scrutiny arrangements and provisions for "call in" remain unchanged, as do provisions for liability of Joint Committee members and conduct and expenses of members.

Section 6 – Dissolution Arrangements

- 4.13 The provisions to dissolve the Agreement remain the same. Essentially, either authority may give six months notice of its wish to terminate on the 31st March in any year.

Section 7 – Review

- 4.14 The revised Agreement retains provisions to review the Agreement from time to time.

5. Strategic Plan References

- 5.1 The provision of a high quality museum service in partnership delivers against a number of Strategic Plan priorities:
 - Make more of Colchester's great heritage and culture so that people can enjoy them and draw inspiration for their creative talents
 - Promote Colchester's heritage and wide tourism attractions to enhance our reputation as a destination
 - Be clear about the major opportunities to work in partnership with public, private and voluntary sectors to achieve more for Colchester than we would on our own .

6. Consultation

- 6.1 The Portfolio Holders who are also the Chair and Vice Chair of the Joint Museum Committee have been consulted on the proposed changes to the Agreement. The Section 151 Officers of each authority have confirmed they support the financial elements of the proposed changes and will have systems in place to implement them..

7. Publicity Considerations

- 7.1 Not applicable

8. Financial implications

- 8.1 The key changes to note within the proposed revise agreement include 2 main areas:-
 - Adjustments to the 2015/16 contribution reflecting the removal of earned income from the joint budget
 - Agreeing the methodology for changes to the annual contribution

2015/16 Contribution

- 8.2. The JMC budget currently includes income earned by each authority. This includes items such:-
 - admission income – this relates solely to the Castle,
 - education – schools packages, which includes Colchester and Ipswich museums
 - lettings – such as weddings and events which again is in both authority budgets

- retail sales – in both authority budgets
- miscellaneous other income

- 8.3 When the agreement was first made the contribution made by each authority recognised the different financial breakdown of each council and one of these issues was that Colchester was ‘contributing’ a large proportion of all the income. Currently this means that any income above or below budget is dealt with by the JMC.
- 8.4 It is proposed that to recognise the decisions taken by each authority on areas such as charging policies that the majority of earned income is removed from the JMC budgets and directly accounted for each council’s budgets. To ensure there is no initial impact on the JMC it is proposed that for any income removed from the JMC in 15/16 each council agrees to make a matching contribution.
- 8.5 The table below sets out a summary of the adjustments that arise from the above proposals showing that Colchester’s contribution will increase from £670,800 to £1,072,000 and that Colchester own budget will now include net income of £401,200 from Colchester own museums. These adjustments include some associated costs which are directly related to the earned income.

	Budget 2015/16	Proposed Adjustments		
	CIMS	CIMS	CBC	IBC
	£	£	£	£
Expenditure	2,193,300	2,156,800	30,500	6,000
Income	-746,900	-275,700	-431,700	-39,500
	1,446,400	1,881,100	-401,200	-33,500
Contributions to CIMS				
CBC	670,800	1,072,000		
IBC	775,600	809,100		
	1,446,400	1,881,100		

- 8.6 The proposed changes do not include any income or costs in respect of retail sales. Currently, whilst income is shown split between each authority, the “cost of sales” is treated as a joint cost. As such, it is considered that more work is required to ensure that when the income is removed from the JMC the appropriate level of cost is also removed. This will be carried out during 15/16 with a view to implementing this change for the 16/17 budget.

Methodology for changes to the annual contribution

- 8.7. Having made the adjustments for 2015/16 it is also necessary to consider how future contributions may change. The first point to note is that it is proposed that each authority agree to increase the annual contribution to the JMC for the following year by the inflation rate in September.
- 8.8. The remaining proposals concerns how changes to the service which may result in savings or additional costs will be dealt with. Here, in simple terms, it is proposed that any changes that either authority makes which results in specific new costs or new savings will result in a cost or saving to that authority, otherwise general savings / costs will be dealt with on a shared basis.

- 8.9 This approach is designed to allow each authority to determine changes to a service, such as opening hours or expansion plans and benefit from the any savings that may accrue or provide funding alongside the decision.
- 8.10 In summary, the new proposals will mean that individual authorities will take the risk and receive the benefits of decisions taken locally and of income received that relates to their own services. Future budget setting and monitoring will also reflect these proposed changes.

9. Equality, Diversity and Human Rights implications

- 9.1 The proposed changes do not impact on the current equality and diversity implications

10. Community Safety Implications

- 10.1 Not applicable

11. Health and Safety Implications

- 11.1 Not applicable.

12. Risk Management Implications

- 12.1 Not applicable

Colchester

Ipswich

Colchester & Ipswich Museum Service

A Combined Museum Service for Colchester and Ipswich

Joint Committee Agreement 2007-2018

Between:

Colchester Borough Council

&

Ipswich Borough Council

FINAL

Joint Committee Agreement – Final

About the document

This is a Joint Committee Agreement, concerning a combined museum service for Colchester and Ipswich, between:

(1) Colchester Borough Council of Town Hall High Street Colchester CO1 1FR (“Colchester”)

and

(2) Ipswich Borough Council of Grafton House Russell Road Ipswich IP1 2DE (“Ipswich”)

Who are collectively referred to in this agreement as “the Partner Authorities”. It is an agreement for a period of 10 years from 1 April 2007, subject to the terms and conditions of this agreement.

This agreement sets out the relationship between the two organisations in relation to the combined museum service.

The document has six sections

- 1. Preamble**
 - Operational/Policy context for the funding partners
 - The key contacts in both organisations
- 2. Service Level**
 - Strategic
 - Ipswich Specific
 - Colchester Specific
- 3. Funding Arrangements**
 - Level of funding for 2007/2008 with planning figures for 2008/2009 and 2009/2010
 - Schedule of Payments
- 4. The Joint Committee**
 - Joint Committee
- 5. Constitution of the Joint Committee**
 - Decision Process
 - Scrutiny arrangements
 - Monitoring and Assessment
- 6. Dissolution Arrangements**
 - Criteria
 - Financial liability
 - Staffing liability
- 7. Review**

1. Preamble

- Operational/Policy context for the funding partners
- The key contacts in both organisations

2. Service Level

2.1 Strategic

The vision and aim of the combined museum service will be to provide a museum service that:

- ***Acts as a source of pride, inspiration and fun, for all the diverse peoples of Colchester and Ipswich, the East of England, and more widely***
- ***Is recognised as one of the best in the country and a role model for others both inside and outside the museum sector***

Underlying this vision is a set of values that express the belief:

- ***in the value of museums to local communities and society and the important role they play in engendering community pride and identity***
- ***that collections are central to our purpose and that it is our mission, not only to preserve and manage them, but also to unlock and communicate their stories***
- ***that the user is at the heart of what we do and we commit ourselves to deliver customer excellence***
- ***in a strong commitment to inclusion, access, and diversity***
- ***in a 'One Staff' approach that recognises and utilises staff talents***
- ***that learning is at the heart of a successful organisation***
- ***in the need to have strong financial management and to be cost effective while always striving to improve service delivery***
- ***in a commercial approach that seeks to maximise all available opportunities while still adhering to core principles of fair access***
- ***in the need for strong performance management in order to ensure high standards and effective service delivery***
- ***in striving to be innovative and being prepared to take risks in order to achieve excellence***
- ***that change is inevitable and should be viewed as an opportunity***
- ***in an outward looking perspective that proactively seeks partnership and funding opportunities***
- ***that supporting and working with the wider museum community is not only our duty but also adds to the well-being of the organisation***
- ***that working together across Colchester and Ipswich, in equal partnership, can only be of benefit to both councils and communities***

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2.2 Ipswich Baseline Services

The Ipswich Museum Service specific service provided at Ipswich must include:

- Directly manage and operate the following museums:
 - Christchurch Mansion - seven days a week, 10.00 am – 5.00pm, with a few days closure over the Christmas period to be decided at operational level
 - The High Street Museum – five days a week (Tuesday – Saturday), 10.00 am – 5.00pm, with a few days closure over the Christmas period to be decided at operational level

This does not include managerial responsibility for the fabric of the building other than reporting any issues to Ipswich

- The provision of appropriate technical advice to the building maintenance process
- Under a partnership arrangement operate a Museum Programme through one room in the Town Hall and contribute to the developing ideas for the longer term use of the building
- Provide life long learning service appropriate to the museums, the collections, the needs of users, and the size of the service
- Provide inclusive opportunities for both formal education visits and family learning activities and special events.
- Develop and provide a Community Outreach programme
- Care for, manage and make accessible the museum collections held by Ipswich including those placed into storage and those which Ipswich has loaned to others.
- Interpret the collections and museum buildings, and the stories that they represent, through a range of appropriate methods
- Conduct appropriate programmes and strategies including exhibition programmes to not only increase visits and usages but also to diversify the audience
- Carry out all necessary steps to ensure status is maintained under Museum Accreditation; & Investors in People
- Obtain and maintain status under an additional national accreditation scheme VAQAS
- Consider other appropriate accreditation schemes in particular the museum Designation scheme

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- Provide all appropriate museum performance figures in order to allow Ipswich to report Best Value Performance Indicators to the Audit Commission. These figures must be provided unless Ipswich agrees otherwise.
- Contribute as appropriate to the broader objectives of Ipswich as set out in its Corporate Plan 'Transforming Ipswich', and its Cultural Strategy 'Vibrant Ipswich' and to work with other Ipswich service areas to achieve this
- In relation to museum matters, represent Ipswich as appropriate at County; Regional; National; and International level.

2.3 Colchester Baseline Services

The specific service provided at Colchester will be to:

- Directly manage and operate four buildings as public museums:
 - Colchester Castle - seven days a week (10.00 am – 5.00pm Monday – Saturday and 11.00am – 5.00pm Sunday), with a few days closure over the Christmas period to be decided at operational level
 - Hollytrees Museum - seven days a week (10.00 am – 5.00pm Monday – Saturday and 11.00am – 5.00pm Sunday), with a few days closure over the Christmas period to be decided at operational level
 - Colchester Natural History Museum - seven days a week (10.00 am – 5.00pm Monday – Saturday and 11.00am – 5.00pm Sunday), with a few days closure over the Christmas period to be decided at operational level
 - Tymperleys Clock Museum – seasonal opening April – October, five days a week (Tuesday – Saturday 10.00am – 1.00pm & 2.00pm – 5.00pm)
- Provide life long learning service appropriate to the museums, the collections, the needs of users, and the size of the service
- Provide inclusive opportunities for both formal education visits and family learning activities and special events.
- Provide a Community Outreach programme
- Care, manage and make accessible the museum collections held by Colchester
- Interpret the collections, museum buildings, the history of Colchester and its communities and the stories that they represent, through a range of appropriate methods
- Conduct appropriate programmes and strategies to not only increase visits and usages but also to diversify the audience

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- Carry out all necessary steps to ensure status is maintained for Museum Accreditation; Designation; VAQAS; & Investors in People
- Provide all appropriate museum performance figures in order to allow Colchester to report Best Value Performance Indicators to the Audit Commission. These figures must be provided unless Colchester agrees otherwise.
- Directly manage certain key heritage assets owned, or managed on behalf of English Heritage, by Colchester including the Town Walls, St. Botolph's Priory, St. John's Abbey Gateway, Lexden Triple Dyke, Blue Bottle Grove Dyke, the Colchester Roman Theatre, and the Mersea Barrow.
- In partnership with other parts of Colchester contribute to other aspects of heritage management, interpretation, and strategies
- Maintain, update and develop the Colchester Urban Archaeology Database
- Provide all the necessary archaeological advice in relation to planning applications and, as appropriate, more generally to the planning process
- Contribute as appropriate to the broader objectives of Colchester as set out in its Strategic Plan, Cultural Strategy, and Service Improvement Plans
- In relation to museum matters, represent Colchester as appropriate at County; Regional; National; and International level

2.4 Specific Joint Service Functions

The specific functions to be provided as a joint museum service will be to:

- Provide the necessary key management functions appropriate to the nature and scale of operations
- Maintain and operate a headquarters building (the Museum Resource Centre, Ryegate Road, Colchester)
- Maintain and operate storage for artefacts not on display including a large storage facility at Heckworth Close, Severalls Industrial Estate, Colchester and any storage facility provided by Ipswich for the purposes of the Joint Museums Service from time to time.
- Provide a Conservation Service both to meet a range of in-house needs and as a commercial service
- Take a lead both regionally and nationally in the field of disability issues in museums including continuing to hold an annual national conference ('Dis:cover')

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- Develop and implement a rolling programme of three year Museum Development Plans
- Represent the joint service as appropriate at County; Sub-regional; Regional; National; and International level
- Continue to be a partner in the East of England Hub and: implement all the service specific actions in the current Hub business plan; working with the four partners, contribute to the development of the next Hub Business Plan; and report as required by MLA and DCMS
- Give advice and support to the wider museum community, in accordance with the requirements of a Hub museum and in recognition of the status and size of the joint service, commensurate with the amount of resources available at any one time
- Implement and comply with the Business Plans and Development Plans approved by the Partner Authorities' Executives and/or the Joint Committee from time to time.

2.5 Specific Limits and Requirements

2.5.1 Colchester (as the lead authority) shall ensure that:

- (a) No object of any description which forms part of the collection owned by Ipswich's museums service as at the date of this agreement shall be permitted to leave Ipswich unless that item is recorded in a register of collections which may be made electronically and which must include (where appropriate):
 - i. a photograph of the item.
 - ii. a description of the item.
 - iii. a record of the fact that the item belongs to Ipswich Borough Council.

This does not prevent any object being moved from Thorrington Barn or from the possession of Suffolk County Council or other archaeological excavation unit to Heckworth Close or other appropriate location or for urgent conservation projects
- (b) Any significant change to the display of the Partner Authority's collection would be subject to prior agreement and form part of the business plan which will be agreed by both Partner Authorities.
- (c) The Joint Museum Service is operated in such a way that the museums or any part of them are open to the public only where all risks to the health and safety of the public or any employee or Councillor of the Partner Authorities are, so far as reasonably practicable, avoided.

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- (d) Each Partner Authority's collections and museums receive a fair share of the available management and conservation resources (unless the Joint Committee agrees otherwise).
- (e) Any goods services or property purchased as part of the joint museum service and which are wholly or partly funded from the Joint Museum Account will, so far as possible, be procured so that if this agreement ends :
 - i. The body or bodies who funded the purchase of the property (including jointly funded property) can be identified and the ownership dealt with that time.
 - ii. Any title to the item can be transferred to Ipswich without any further payment having to be made to any supplier (eg a software supplier or the owner of goods under an operating lease).
 - iii. Where goods or services are purchased specifically for use at Ipswich then they are purchased in Ipswich's name.
- (f) All acquisitions or additions to the collections of the joint museums service shall be acquired in the name of Colchester or Ipswich and the ownership shall be clearly recorded in the collections register.
- (g) All acquisitions or additions shall be fairly distributed (in terms of ownership and display) between Ipswich and Colchester.
- (h) All display cases computers and other equipment belonging to Ipswich are clearly marked as Ipswich's property.

2.5.2 Both Partner Authorities agree that:

- (a) Ipswich artefacts may be stored at Colchester storage facilities without any charge over and above the Annual Contribution.
- (b) Colchester artefacts may be stored at Ipswich storage facilities without any charge over and above the Annual Contribution.
- (c) The Partner Authorities will co-operate with each other (or their auditors or contractors) and give full access to documents, premises and records to the extent that the Partner Authorities (or their auditors or contractors) reasonably require such access or co-operation in order to:
 - i. Monitor the operation of this agreement.
 - ii. Audit the performance and systems in the joint museums service.
 - iii. Investigate complaints about the operation of the joint service.

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- iv. Respond to requests for information under the Freedom of Information Act 2000 or the Environmental Information Regulations 2005.
- (d) Colchester grants Ipswich a permanent irrevocable licence to use and to allow others to use for any purpose and without payment any intellectual property created by or on behalf of Colchester as a result of this agreement (except to the extent that the intellectual property exclusively relates to museums and/or collections owned by Colchester).
- (e) Neither this agreement nor the operation of it gives Colchester any legal estate (leasehold or otherwise) or rights or title to over any real or personal property belonging to Ipswich or the right to grant the same on behalf of Ipswich.
- (f) Any intellectual property created by or on behalf of the joint museums service shall, to the extent that it relates to Ipswich's collection or Ipswich's sites belong to Ipswich.
- (g) Any intellectual property created by or on behalf of the joint museums service shall, to the extent that it relates to Colchester's collection or Colchester's sites belong to Colchester.
- (h) Ipswich will handle and respond to Freedom of Information Act requests concerning the Ipswich aspects of the Joint Museum Service.
- (i) Colchester will handle and respond to Freedom of Information Act requests concerning the Colchester aspects of the Joint Museum Service.
- (j) Each Partner Authority will notify the other of any FOI requests received which relate to the functions of the Joint Committee.
- (k) All employees employed in the Ipswich Museums Service on 31 March 2007 shall transfer to Colchester Borough Council with effect from 1 April 2007

2.5.3 Exclusions - Both Partner Authorities agree that:

- (a) The following areas are excluded and remain the responsibility of the respective Partner Authority's as they apply to the museum collections and museum buildings of each respective partner:
 - i. The disposal or permanent transfer of title of any item in either Partner Authorities museum collections.
 - ii. The decision to levy admission charges to the general public to any of the museum buildings

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- iii. Changes to the opening times of the museum buildings (as set out in 2.2 and 2.3) apart from when there is an overriding operational issue, such as a health and safety matter, that necessitates a short-term closure
- (b) Decisions in these areas be agreed through the agreed political decision making process of each Partner Authority
- (c) A Partner Authority shall inform the other of any proposals to make any decision under paragraph a) above

3. Funding

3.1 Annual Contribution

The level of funding for 2007/2008 in relation to the Joint Museum Service is presented below along with the contribution required from each partner. Figures are also presented for 2008/2009 and 2009/2010 but these are only put in for planning purposes.

	07/08	08/09	09/10
Ipswich Annual Contribution for Direct Costs	£857,002	£844,887	£833,393
Colchester Annual Contribution for Direct Costs	£796,194	£782,141	£768,655
Joint Service Direct Cost (Net)	£1,653,196	£1,627,028	£1,602,048
Ipswich contribution towards Support Costs for the Joint Museum service	£17,500	£17,938	£18,386
Colchester contribution towards Support Costs for the Joint Museum service	£160,153¹	£164,156	£168,260
Total Support Costs for the Joint Service	£177,653	£182,094	£186,646
Ipswich all Joint Service Costs	£874,502	£862,825	£851,779
Colchester all Joint Service Costs	£956,347	£946,297	£936,916
Joint Service Total Costs	£1,830,848	£1,809,122	£1,788,694

3.2 Schedule of payments

3.2.1 The Annual Contribution (rounded up or down to the nearest £100) for the year 1 April 2007 to 31 March 2008 shall be:

Ipswich: £874,502

Colchester: £956,347

3.2.2 Ipswich shall pay its annual contribution to Colchester in four equal quarterly instalments payable on the following dates:

¹ At the time of writing this final figure is still to be calculated but it a reasonable estimate based on the 06/07 budget – actual figure will be added prior to the final agreement

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- 1st April
- 1st July
- 1st October
- 1st January

3.3 Insurance

- 3.3.1 The costs of Public Liability Insurance and employee insurance will be met within the cost of the joint museum service and so is contained within the contributions as set out in 3.1
- 3.3.2 In relations to buildings insurance and collections insurance it is the responsibility of both Councils separately to ensure that the insurance cover that they feel is appropriate is provided. Consequently the insurance cost for buildings and collections shall not be charged to the Joint Museums Account.
- 3.3.3 Colchester shall comply with any request made by Ipswich for the purpose of facilitating the procurement, administration and maintenance of any insurance relating to the museum service.

3.4 Accounting

- (a) Colchester shall maintain a ring fenced cost centre within its general fund to be referred to as the Joint Museum Account. The account shall include:
- i. money paid by Ipswich to Colchester under this agreement
 - ii. money approved to be transferred into the account by Colchester as part of its annual budget setting process (which for the 2007-8 year shall be the amount set out in paragraph 3.2.1).
 - iii. Income received by Colchester with respect to the Joint Museums Service.
 - iv. Expenditure incurred by Ipswich or Colchester with the consent of the Joint Committee on the direct provision of the Joint Museums Service (but not expenditure which this agreement prevents from being charged to the Joint Museums Account).
 - v. Other expenditure incurred by Ipswich or Colchester other than on direct provision of the Joint Museums Service but which is properly chargeable to the Joint Museums Service in accordance with proper accounting practices.
 - vi. Expenditure on any legal claim brought against the joint museums service (whether against the Joint Committee or Colchester or Ipswich and whether or not arising out of premises).

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- (b) Colchester shall ensure that money paid or transferred into the Joint Museum Account is only applied to the expenses of the Joint Museums Service and shall not transfer or pay any money out of the Joint Museum Account except in accordance with this agreement or with the written permission of Ipswich.

3.5 Budget Surplus or Deficit

In the context of a net budget of close to £1.82 million it will be impossible to achieve an end of year result that is exactly on budget, though the objective will be to be within budget. It is therefore agreed that:

- a) If any variance is less than £100,000 then it may, except in the last year of this agreement) be carried forward to the next year.
- b) If any variance exceeds £100,000 Partner Authorities may agree that the surplus or deficit is to be eliminated by making an adjustment to the annual contribution.

3.6 Transitional Savings

Both Colchester and Ipswich Borough Councils have mechanism to make savings in relation to employee costs during the financial year. In the case of the joint museum service it would however not be acceptable for Colchester as the employing body to unilaterally take a transitional employee saving from the joint museum service. The budget is created by contributions from two partners on an agreed level of funding from each. Consequently it is agreed that:

- If any employee savings occur during the financial year it is only through the Joint Committee that a decision could be taken about how this could be transferred back to one or both of the Partner Authorities as a transitional saving.

3.7 Setting the Budget for the Joint Service

In 2008 and subsequent years of this agreement, Ipswich and Colchester shall, when they each set their annual general fund budget, fix the amount that they commit to pay or transfer into the Joint Museum Account (“the Annual Contribution”) during that financial year, and in recommending the final contribution to their council, each party’s Executive shall have regard to any recommendations made by the Joint Committee.

3.8 Capital Expenditure

- 3.8.1 The Joint Committee may from time to time seek capital funding from either or both of the Partner Authorities in accordance with either of the Partner Authorities’ capital approval process. Any capital monies which

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are spent on the joint museum service may be spent only on the purpose for which it was approved by the Partner Authority who paid it.

3.8.2 Any Partner Authority may at any time require the repayment of any money paid by that authority to Colchester for the purposes of the Joint Committee which either:

- a) the money has not been spent; or
- b) no legal obligation which commits the Authority to spend that money has been entered into.

4. Governance Arrangements

The Joint Committee

4.1 Colchester and Ipswich (“the Partner Authorities”) have decided to form a joint committee (“the Joint Committee”) as the appropriate framework under Sections 101 and 102 of the Local Government Act 1972 section 20 of the Local Government Act 2000 and the Local Authorities (Arrangement for the Discharge of Functions) (England) Regulations 2000 (as amended) and any other enabling legislation.

4.2 The Partner Authorities have agreed:

- (a) to form a Joint Committee with effect from 1 April 2007 to be known as the “Colchester and Ipswich Joint Museums Committee” and which is referred to in this agreement as “the Joint Committee”;
- (b) to agree and monitor the strategy and policy framework; and
- (c) for the functions set out in section 2 of this agreement to be delegated to the Joint Committee and be discharged by the Joint Committee on behalf of their authority.
- (d) that the Joint Committee is authorised to delegate any of its functions to any officer of any of the Partner Authorities.

4.3 This Agreement, and any future amendments to it, have been (or will be in the case of future amendments) put before a meeting of the executive of each of the Partner Authorities and has been (or will be) adopted by each such Partner Authority committing that authority to membership of the Joint Committee and to the terms and conditions of this agreement.

4.4 This Agreement is without prejudice to each Partner Authority’s other powers and responsibilities for their respective areas but each Partner Authority agrees that it will not exercise its functions in relation to the functions of the Joint Committee except:

- (a) via the Joint Committee

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- (b) via powers delegated to an officer by the Joint Committee; or
- (c) after consulting the other Partner Authority.

5. Constitution of the Joint Committee

5.1 Membership

- 5.1.1 The membership of the Joint Committee will comprise of 4 members (“Committee Members”), two appointed by each of the Partner Authorities which will initially be each Partner’s Portfolio Holders whose responsibilities include Leisure and Finance. In addition each Partner Authority may appoint a substitute who may attend meetings of the Joint Committee in the absence of one of that authority’s Committee Members. No councillor may serve as a Committee Member or a substitute unless they are a member of the Partner Authority’s Executive.
- 5.1.2 The term of office of each Committee Member shall be determined by the Partner Authority appointing them, provided that for the duration of their appointment they remain a member of the Executive of their Partner Authority and have been appointed by the Partner Authority to be or remain a Committee Member.
- 5.1.3 Each Partner Authority shall notify the Clerk of the Committee of the name and contact details of its Committee Members and Substitute Members.
- 5.1.4 A Partner Authority may change its appointed Committee Members at any time provided that written notice of any such change is given to the Clerk to the Joint Committee, taking effect upon receipt. Such written notice may be given by electronic mail.
- 5.1.5 Each Partner Authority may send appropriate officer(s) to meetings of the Committee (or any Sub-Committee) to support its Committee Members.
- 5.1.6 Each Partner Authority through either its Partner Authority Member shall have one vote at meetings of the Committee or any Sub-Committee.
- 5.1.7 All voting shall be by a show of hands, unless the provisions of paragraph 5.1.8 below apply. Any question coming before the Joint Committee shall be decided by a simple majority of those present and voting.
- 5.1.8 Recorded votes shall be taken if requested by any Committee Member, and any Member shall have the right to have the way he voted (or abstained) recorded in the minutes.

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5.2. Support to the Joint Committee

- 5.2.1 The Clerk to the Joint Committee shall be a senior officer of the Ipswich Borough Council as nominated from time to time by Ipswich in writing to the Chairman.
- 5.2.2 The functions and responsibilities of the Clerk to the Joint Committee shall be as follows:-
- (a) to make all necessary arrangements for the convening of meetings of the Joint Committee and any Sub-Committees;
 - (b) to provide, or, where necessary, procure the provision of, all necessary advice on the technical, legal and financial implications of matters under consideration by the Joint Committee or relevant to the Committee's functions;
 - (c) to bring to the attention of the Joint Committee matters which are relevant to the Committee's functions and which merit consideration by the Joint Committee ;
 - (d) to arrange for the taking and maintenance of minutes of meetings of the Joint Committee and any Sub-Committee s, and ensure that the business of the Joint Committee at its meetings is conducted in accordance with legal requirements;
 - (e) to manage and co-ordinate the day-to-day affairs of the Joint Committee and its administrative support.
- 5.2.3 The business address for all communications relating to the administration of the Joint Committee's affairs shall be:

“[Marked for the attention of the Clerk to the “Colchester and Ipswich Joint Museums Committee”

5.3. Meetings of the Joint Committee

- 5.3.1 The Joint Committee will meet at least four times in every municipal year. The 2007-2008 meetings are scheduled for: June 2007; October 2007; January 2008; and March 2008. These timed meetings are designed to: allow budget proposals for the joint museum service to be fitted in the annual budget setting processes for both organisations, with a draft budget presented in October and the final budget agreed in January; allow forward plans to be approved in March; and to fit around the May elections. This does not preclude other meetings being held throughout the year as required.
- 5.3.2 At each Annual General Meeting the Committee shall determine and approve the programme of meetings to take place over the following year.

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- 5.3.3 The Chairman may call other meetings as necessary in addition to those set out in the schedule of meetings approved at the relevant Annual General Meeting provided each Partner Authority approves the date and time of any such additional meetings.
- 5.3.4 The Chairman may cancel / rearrange a meeting if there is insufficient business to justify this being held or if other circumstances make it appropriate for this to be held at a different date/time, provided each Partner Authority agrees to the cancellation of any meeting and approves the date and time of any rearranged meeting.
- 5.3.5 The first meeting of the Committee on or after 1 June in any year shall be the Annual General Meeting at which the Chairman, Vice-Chairman and any Sub-Committee s of the Committee shall be appointed, but nothing in this paragraph prevents the Committee establishing a Sub-Committee at any other time.
- 5.3.6 The Committee shall appoint the posts of Chairman and Vice-Chairman of the Committee each year at the Annual General Meeting.
- 5.3.7 The quorum for a valid meeting of the Committee shall be three.
- 5.3.8 The chair of the Committee will be alternated between both Partner Authorities. In the second and subsequent years of the Committee's operation the Chairman shall be a Committee Member appointed by a different Partner Authority from the previous year's Chairman.
- 5.3.9 The meetings of the Joint Committee will alternate between venues in Colchester and Ipswich, and so if one is held in Colchester then the next will be held in Ipswich.
- 5.3.10 A printed copy of the summons, the agenda for each meeting, any relevant reports and the minutes of the previous meeting shall be despatched by the Clerk of the Committee, at least five (5) clear days before such meeting to each Committee Member.
- 5.3.11 At the same time, such papers will also be despatched to:
- (a) the Proper Officer of each Partner Authority
 - (b) chairman of each of the Partner Authority's Overview and Scrutiny Committee with responsibility for scrutiny in respect of museums and/or finance matters and to the chief executive of each Partner Authority or such other senior officer of a Partner Authority as may be nominated in writing by a Partner Authority to the Clerk of the Committee ; or
 - (c) such other addressees as a Partner Authority may nominate in writing from time to time to the Clerk of the Committee .
- 5.3.12 The summons shall contain notice of all business, except urgent business, which is required to be brought before the Committee either

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in the ordinary course of business, or which is brought by the Chairman, the Vice-Chairman or the Clerk of the Committee.

5.3.13 Meetings of the Committee will be open to the public and press except where the Committee resolve that the press and public be excluded (which may only be during consideration of items containing confidential or exempt information within the meaning of the Local Government Act 1972).

5.3.14 Minutes of the Committee shall (subject to the provisions of paragraph 5.3.13 above) be available to the public and press as though they were minutes of a meeting of a Partner Authority.

5.3.15 The Chairman in consultation with the Vice Chairman or a Partner Authority may invite any person to attend a meeting of the Committee for the purpose of making a presentation, or participating in discussion, on any item relevant to the Committee's functions where that person is able to provide a professional or commercial viewpoint, which the Chairman or the Partner Authority considers would be of assistance to the Committee.

5.4. Decision Level

5.4.1 The Joint Committee will be responsible for:

- (a) Agreeing the Three Year Development Plans for the combined museum service.
- (b) Agreeing all new, or revised, policies (such as Collections and Acquisition and Disposal Policies)
- (c) Agreeing level of service provision as agreed through the annual budget setting process and as set out in the Joint Committee Agreement
- (d) Annually agreeing the level of fees and charges pertaining to the joint museum service but not including a decision to introduce a general charge for admission (see 2.5.3.ii)
- (e) Agreeing annual budget proposal to be made to the Executive (or Cabinet) for final approval
- (f) Making budget decisions related to the use of/funding of end of year surplus or deficit situations and transitional employee savings
- (g) Key issues such as continuing as a member of the East of England Hub and other partnership arrangements with all the benefits and commitments that that entails.

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- (h) Functions under ss12-20 of the Public Libraries and Museums Act 1964, section 111 of the Local Government Act 1972 and section 2 of the Local Government Act 2000.
- (i) Delegating any of the functions of the Joint Committee to an Officer of Ipswich or Colchester provided that the Joint Committee may not delegate:
 - i. The functions referred to in 5.4.1(a)-(h) above;
 - ii. Any decision to cease to provide any of the baseline services in section 2 of this agreement.

5.4.2 The Joint Committee will not have responsibility for staffing decisions but the Partner Authorities agree that the appointment of a replacement for the most senior employee in the joint museums service will be carried out in consultation between both Partner Authorities and a representative from Ipswich shall be invited to attend the final interview.

5.4.3 The parameters for operational details will be set by the annual Joint Committee Agreement and the three year development plan (initially in 2007/2008 by a one year interim plan), and within this framework operational implementation and decisions will be taken by the appropriate officers.

5.5. Monitoring and Assessment

5.5.1 The Joint Committee will be responsible for monitoring and assessing the joint museum service in terms of its:

- (a) General performance as measured by a range of indicators such as financial performance, visitor figures, income, Best Value Performance Indicators, Satisfaction levels, funding leverage, key achievements etc
- (b) Performance in carrying out this Agreement
- (c) Progress in fulfilling the three year development Plan (during 2007-2008 the joint museum service will be covered by an interim one year development plan only)

5.5.2 It will also receive presentations and progress reports on key issues and notable projects.

5.6 Scrutiny Arrangements

5.6.1 The decisions made by (and, for the avoidance of doubt, not mere recommendations of) the Committee shall be subject to the Overview and Scrutiny arrangements of each Partner Authority.

5.6.2 Decisions or actions of the Joint Committee shall be notified to the Proper Officer of each Partner Authority together with all those to whom

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agenda papers etc are despatched in accordance with this agreement within seven (7) Working Days of the decision being reached or the actions being taken, as the case may be

- 5.6.3 The Joint Committee Members and their officer advisers shall fully co-operate with the relevant Overview and Scrutiny Committee of the Partner Authorities and shall, where requested, attend any meeting of any relevant Overview and Scrutiny Committee.

Call in

- 5.6.4 Any decision or action of the Joint Committee may be called in for scrutiny by members of a Partner Authority. A decision is called in by members of a Partner Authority in the same way in which they would call in a decision of that Partner Authority's Executive except that:
- (a) decision may not be called-in after 5pm on the 5th working day after the date upon which the decision is published.
 - (b) a call in of such a decision or action can only be made if the decision or action concerned affects the Partner Authority whose membership wishes to call in the decision or action.
- 5.6.5 Once a decision is called in it may not be implemented until the Scrutiny Arrangements of the Partner Authority whose membership has called in the decision or action has been completed. Where a Scrutiny Committee or a full Council makes recommendations to the Joint Committee the Joint Committee shall arrange for the decision to be reconsidered in the light of comments made by the Committee or the full Council and the final decision of the Joint Committee shall not be subject to call in.
- 5.6.6 The call-in procedure set out above shall not apply where the decision or action being taken by the Joint Committee is certified by the Joint Committee as urgent.
- 5.6.7 A Scrutiny Committee must notify the Joint Committee if it includes in its work programme any aspect of policy development or review relating to the work or functions of the Joint Committee.
- 5.6.8 Where a Scrutiny Committee has formed recommendations on proposals for development, a Scrutiny Committee shall prepare a formal report and submit it for consideration by the Joint Committee.
- 5.6.9 The Joint Committee shall consider the report of a Scrutiny Committee within fifteen (15) Working Days of it being submitted to the Clerk of the Joint Committee and shall issue a formal response to such a report.
- 5.6.10 Where any Partner Authority Member or officer is required to attend a Scrutiny Committee, the Chairman of that Committee will inform the Monitoring Officer of his own authority.

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- 5.6.11 That Monitoring Officer shall inform the Partner Authority Member or officer in writing giving at least ten (10) Working Days notice of the meeting at which he is required to attend, such notice to state the nature of the item on which he is required to attend to give account and whether any papers are required to be produced for the Scrutiny Committee.
- 5.6.13 Where the account to be given to the Scrutiny Committee will require the production of a report, then the Partner Authority Member or officer concerned will be given sufficient notice to allow for preparation of that documentation.
- 5.6.14 Where, in exceptional circumstances, the Partner Authority Member or officer is unable to attend on the required date, then the Scrutiny Committee shall in consultation with the Partner Authority Member or officer arrange an alternative date for attendance which shall be as soon as practicable in relation to the original date specified.
- 5.6.15 If, having considered the decision or action, a Scrutiny Committee is concerned about it, then it may refer it back to the Committee for reconsideration, setting out in writing the nature of its concerns. If referred back to the Committee for reconsideration the Committee will have a further seven (7) Working Days to consider whether to amend the original decision or revise the original action taken before reaching a final decision or taking final action.
- 5.6.16 The operation of the provisions relating to call-in and urgency shall be monitored annually by the Clerk of the Committee, and a report submitted to the Committee with proposals for review if necessary.

5.7 Conduct and expenses of members

- 5.7.1 All Committee Members shall observe at all times the provisions of the Code of Conduct adopted by their Authority.
- 5.7.2 Each Partner Authority shall be responsible for meeting any expenses to which any Joint Committee Member or officer appointed by them, as its representative, is entitled as a result of their attendance at duly authorised meetings.

5.8 Liability of Joint Committee members

- 5.8.1 Committee Members appointed by the Partner Authorities shall have the same responsibilities and liabilities as those which apply when sitting on other Committees and bodies as appointed representative on behalf of their authority.
- 5.8.2 Where any contractual arrangements are authorised by the Joint Committee, any liabilities arising under those arrangements will rest with the relevant Partner Authority.

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- 5.8.3 Indemnification for any liabilities which do arise is a matter between the Committee Member and their appointing authority/body

6. Dissolution Arrangements

6.1 Criteria

- 6.1.1 Either party may terminate this agreement on the expiry of six months' written notice terminating on 31 March in any year.
- 6.1.2 Either party may terminate this agreement if the other commits a fundamental breach of this agreement.
- 6.1.3 Either party may terminate this agreement with immediate effect if the other Partner Authority, without the consent of the other, sets its Annual Contribution at a level which is
- (a) Less than 90% of the amount recommended by the Joint Committee
 - (b) Less than 90% of the previous year's contribution.
- 6.1.4 The Partner Authorities may agree alternative termination arrangements.
- 6.1.5 The provisions of section 6 of this agreement shall survive the termination of the agreement.

6.2 Financial liability on dissolution

- 6.2.1 At the end of this agreement Colchester shall as soon as practical draw up accounts showing the financial out-turn of the Joint Museums Account.
- 6.2.2 The Joint Museums Service shall be managed so that as the final out-turn of the Joint Museums Account is as close to zero as possible.
- 6.2.3 Any surplus or deficit on the Joint Museums Account shall be settled/distributed in the following shares:

Ipswich 50% : Colchester 50%

6.3 Transfer of Staff

- 6.3.1 In this paragraph "Ipswich's New Provider" means the person operating Ipswich's museums from the date upon which this agreement terminates (and Ipswich's New Provider may be Ipswich).
- 6.3.2 All employees who, during the last year of operation of this agreement, spent more than 50% of their time on issues specifically relating to Ipswich's museums shall transfer to Ipswich's New Provider.

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6.3.3 Other employees shall continue to be employed by Colchester, unless the parties agree otherwise.

6.3.4 Colchester shall use all reasonable endeavours to ensure that their employees co-operate with Ipswich's New Provider for a period of 1 year after the termination of the agreement in order to effect a seamless transfer of Ipswich's museums' to Ipswich's New Provider.

6.3.5 For the purpose of facilitating the transfer of any person's employment from Colchester to Ipswich's New Provider Colchester shall supply to Ipswich promptly on request such information as Ipswich shall reasonably require (including information required under TUPE legislation) in order to facilitate the transfer of employees from Colchester to Ipswich's New Provider.

6.4 Artefacts

6.4.1 Subject to 6.4.2, when this agreement ends for any reason, any artefacts which belong to one Partner Authority but which are in the custody of the other Partner Authority shall, if requested, be returned to the owner.

6.4.2 Where this agreement ends and artefacts are stored by one party on behalf of the other party, then to the extent that those artefacts are not collected by the owner within 1 month from the date of termination, the storing party shall continue to store the artefacts for 1 year from the date of termination, subject to the payment of reasonable storage charges by the owner.

6.5 Other Assets and property

6.5.1 Title to the following property shall be transferred to Ipswich on the termination of this agreement:

(a) All property belonging to Colchester which is or used at in Ipswich's premises (other than temporarily) on the termination of this agreement

(b) All property belonging to Colchester to the extent that it relates to Ipswich's museums or collection (including the relevant part of any collections records.

'property' includes plant, software licenses and operating leases

6.5.2 All property belonging to Ipswich but in Colchester's possession shall be returned to Ipswich immediately upon termination.

6.5.3 Colchester shall promptly supply Ipswich with a copy of all intellectual property which belongs to Ipswich or which Ipswich is entitled to use

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(such copy to be supplied in such format as Ipswich shall reasonably require).

- 6.5.4 Colchester shall provide reasonable assistance with the installation of any software on any computer equipment.
- 6.5.5 The duties in paragraph 6.5.4 shall continue for one year from and after the date of termination.
- 6.5.6 If plant equipment or services has been purchased for the use (directly or indirectly) of both Ipswich and Colchester's museums then the parties shall sell the equipment and split the proceeds of sale in the percentage in which the Joint Museums Account is to be split between Ipswich and Colchester.

7. Review

- 7.1 The Partner Authorities shall keep this agreement under review. The Joint Committee may from time to time make recommendations about changes to the agreement.
- 7.2 The Partner Authorities shall:
- a) Consider any recommendations for changes to the agreement made by the Joint Committee.
 - b) Consider any proposals for change made by the other party (after taking account of any views expressed by the Joint Committee).
 - c) Co-operate with each other and the Joint Committee in the undertaking of reviews of this agreement.
 - d) Any changes to this agreement shall be recorded in writing signed on behalf of Ipswich and Colchester.

The common seal of Ipswich Borough Council was hereunto affixed in the presence of

Authorised Officer

Authorised Officer

The common seal of)
Colchester Borough Council)
was hereunto affixed)
in the presence of)

Mayor

Joint Committee Agreement – Final

Proper Officer

Colchester and Ipswich Museum Service

A Combined Museum Service for Colchester and Ipswich

Joint Committee Agreement 2015-2021

Between:

Colchester Borough Council

&

Ipswich Borough Council

July 2015

This is a Joint Committee Agreement, dated xxxxxxxxxxxxxxxxxxxxxxxxxxxxxx concerning a combined museum services for Colchester and Ipswich, between:

(1) **Colchester Borough Council** of Town Hall, High Street, Colchester, CO1 1FR
("Colchester")

and

(2) **Ipswich Borough Council** of Grafton House, Russell Road, Ipswich, IP1 2DE
("Ipswich")

Who are collectively referred to in this agreement as "the partner authorities".

- (1) The partner authorities are local authorities constituted by the Local Government Act 1972 (the 1972 Act).
- (2) By virtue of Section 12 of the Public Libraries and Museums Act 1964 the partner authorities may provide and maintain museums within their administrative area or elsewhere in England and Wales and may do all such things as may be necessary or expedient for or in connection with the provision or maintenance thereof.
- (3) By virtue of Section 101 and 102 of the 1972 Act and section 20 of the Local Government Act 2000 and Regulations thereunder a Local Authority may arrange for the discharge of any of its functions by any other Local Authority and two or more local authorities may appoint a joint committee of those authorities for the purpose of discharging any of their functions jointly with or without restrictions as they think fit except the functions with respect to levying a rate or issuing a precept for a rate or borrowing money. Section 103 of the 1972 Act provides that the expenses incurred by a joint committee of two or more local authorities shall be defrayed by those authorities in such proportions as they may agree or in case of disagreement as may be determined by a single arbitrator agreed on by the appointing authorities or in default of agreement appointed by the Secretary of State for the Environment.
- (4) The partner authorities have agreed to revise the Colchester and Ipswich Museum Service Joint Committee Agreement 2007 – 2018 which is replaced by the terms of this agreement and for the avoidance of doubt the partner authorities acknowledge that the dissolution arrangements in section 6 of the former agreement are not triggered by entering into this agreement.
- (5) This agreement is an agreement for a period of 6 years from 1st August 2015, subject to the terms and conditions set out below.

This agreement sets out the relationship between the partner authorities in relation to the combined museum service.

Section 1

Strategic vision

- 1.1 Colchester and Ipswich Museums will inspire creativity and learning through the innovative use of venues and collections that appeal to and connect with audiences locally, regionally and nationally. We want our Museum Service to enrich the lives of all our residents, increase their knowledge and understanding and feed their aspirations and imaginations. We want our visitors to have access to all that our Museums have to offer and to enjoy and value what they experience during their visits making a significant and positive impact upon their lives.

DRAFT

Section 2

Partnership services

2.1 Manage and operate the museums located in Colchester & Ipswich ("the joint museums service") which currently covers:

- a. Christchurch Mansion
- b. The High Street Museum
- c. Colchester Castle
- d. Hollytrees Museum
- e. Colchester Natural History Museum

The opening hours of each Museum will be decided by Colchester in respect of those Museums within Colchester Borough and Ipswich in respect of those Museums within Ipswich Borough. Cost implications to be reflected in the contributions for each Authority.

2.2 Provide inclusive lifelong learning opportunities for both formal education visits and family learning activities and special events across all facilities.

2.3 Develop and promote community outreach programmes.

2.4 Care for, manage and make accessible museum collections including those in storage and loaned to others in accordance with policies set up in each partner authority.

2.5 Interpret the collections and museum buildings and the stories they represent through a range of appropriate methods.

2.6 Conduct appropriate programmes and strategies including exhibition programmes to not only increase visits and usage but also to improve diversity of audiences.

2.7 Carry out all necessary steps to ensure status is maintained under:

- a. Museum accreditation
- b. Investors in People
- c. The national accreditation scheme VAQAS

2.8 Represent the Colchester and Ipswich Joint Museums Committee (CIMS), Colchester and Ipswich as appropriate at County, Regional, National and International level.

2.9 Provide the necessary key management functions appropriate to the nature and scale of the operations.

2.10 Provide a Conservation Service.

2.11 Provide appropriate management information and performance data to meet statutory requirements and to give adequate information for decision making.

2.12 Contribute as appropriate to the broader objectives of both authorities set out in corporate strategies.

The Partner Authorities agree that:

- (a) Ipswich artefacts may be stored at Colchester storage facilities without any charge over and above the Annual Contribution.
- (b) Colchester artefacts may be stored at Ipswich storage facilities without any charge over and above the Annual Contribution.
- (c) The Partner Authorities will co-operate with each other (or their auditors or contractors) and give full access to documents, premises and records to the extent that the Partner Authorities (or their auditors or contractors) reasonably require such access or cooperation in order to:
 - i. Monitor the operation of this agreement.
 - ii. Audit the performance and systems in the joint museums service.
 - iii. Investigate complaints about the operation of the joint museums service.
 - iv. Respond to requests for information under the Freedom of Information Act 2000 or the Environmental Information Regulations 2005.
- (d) Colchester grants Ipswich a permanent irrevocable licence to use and to allow others to use for any purpose and without payment any intellectual property created by or on behalf of Colchester as a result of this agreement (except to the extent that the intellectual property exclusively relates to museums and/or collections owned by Colchester).
- (e) Neither this agreement nor the operation of it gives Colchester any legal estate (Leasehold or otherwise) or rights or title to any real or personal property belonging to Ipswich or the right to grant the same on behalf of Ipswich.
- (f) Any intellectual property created by or on behalf of the joint museums service shall, to the extent that it relates to Ipswich's collection or Ipswich's sites belong to Ipswich.
- (g) Any intellectual property created by or on behalf of the joint museums service shall, to the extent that it relates to Colchester's collection or Colchester's sites belong to Colchester.
- (h) Ipswich will handle and respond to Freedom of Information Act requests concerning the Ipswich aspects of the Joint Museum Service.
- (i) Colchester will handle and respond to Freedom of Information Act requests concerning the Colchester aspects of the Joint Museum Service.
- (j) The Partner Authorities will notify each other of any Freedom of Information requests received which relate to the functions of the CIMS.

Section 3

Financial contribution to joint service

- 3.1 The contribution to be made by both Colchester and Ipswich for 2015/16 totals £1,881,100 ("Annual Contribution") and is shown below:-

	Colchester	Ipswich	Total
	£	£	£
Agreed 2015/16 contribution	670,800	775,600	1,446,400
Add: Income removed from joint budget	431,700	30,500	471,200
Less: Costs removed from joint budget	30,500	6,000	36,500
Revised Contribution for 2015/16	1,072,000	809,100	1,881,100

Rationale behind Annual Contribution

- 3.2 Income and any related costs removed from the joint budget will be accounted for in both Colchester and Ipswich accounts. It will be for each Authority to set its own budget for these areas.
- 3.3 Buildings cost for Colchester to be included in the costs of the service to recognise the additional contribution made by the Colchester Castle income. These will include, but are not exclusively:
- a. NNDR
 - b. Utilities
 - c. Security
 - d. Insurance
 - e. Repairs and maintenance
- 3.4 Colchester, as the employing authority of employees engaged in working for the joint museums service, shall determine the level of annual salary of those employees using a job evaluation scheme. Each pay grade has a number of incremental points and employees normally progress up the grade by one increment on an annual basis subject to satisfactory performance. Colchester implemented the National Living Wage in April 2013 which is reviewed annually in November.
- 3.5 Colchester is not part of national terms and conditions and pay is reviewed on an annual basis through local negotiations with UNISON taking into account inflationary factors, local salary levels and affordability. All employees are offered membership of the Local Government Pension Scheme. Ipswich has a published pension policy which sets out the Council's decisions relating to discretionary powers allowed within the scheme.
- 3.6 Marketing spend in 2015/16 has been agreed by the partner authorities to be proportionate to income generated. It has been agreed by the partner authorities that these levels will be maintained in the same proportions for future years. Additional marketing spend may be provided by the partner authorities either as an additional contribution to the joint museum service or to be held within each authority's accounts.

Responsibilities and Changes to Service & Annual Contribution

- 3.7 An inflationary increase to be included in the contributions each year equivalent to any increase in CPI as at September.
- 3.8 Colchester shall decide on the admission charges for the Museums within its Borough and whether to charge, rates and concessions and Ipswich shall decide on the admission charges for the Museums within its Borough and whether to charge rates and concessions.
- 3.9 Any general savings shall be shared equally by the partner authorities, unless these are the result of changes specific to an individual authority such as a change in opening hours in which case they would be kept by the authority instigating the change.
- 3.10 Significant changes to the service will lead to a review of Section 3 of the agreement and the contributions made by each authority. Changes that might lead to a review would include, but are not exclusively, opening new museums, closing existing museums, changes to staffing arrangements requested by an individual authority. Any review will be undertaken in accordance with clause 7 of this agreement.
- 3.11 Opening times of the Museums referred to in section 2 .1 of this agreement will be at the discretion of each authority as described in section 2. Costs or savings as a result of any changes in opening times will be reflected in the Annual Contribution.
- 3.12 The joint museum service will be able to carry forward a deficit or surplus of up to £100,000 between financial years. Any sums above this level will result in the shortfall or surplus being funded by or returned to each authority in proportion to the Annual Contribution unless otherwise agreed by the partner authorities.

4. Governance Arrangements

- 4.1 The Partner Authorities have agreed:
 - a) to agree and monitor the strategy and policy framework for the Joint Museum Service excluding each Partner Authority's collections, buildings and access to these; and
 - b) for the functions set out in section 2 of this agreement to be delegated to CIMS and be discharged by the CIMS on behalf of the partner authorities.
 - c) that CIMS is authorised to delegate any of its functions to any officer of the partner authorities.
- 4.2 This Agreement, and any future amendments to it, have been (or will be in the case of future amendments) put before a meeting of the Executive and/or Council of each of the Partner Authorities and has been (or will be) adopted by each such Partner Authority committing that authority to membership of the CIMS and to the terms and conditions of this agreement.
- 4.3 This Agreement is without prejudice to each Partner Authority's other powers and responsibilities for their respective areas but each Partner Authority agrees that it will not exercise its functions in relation to the functions of the CIMS except:

- a) via the CIMS
- b) via powers delegated to an Officer by CIMS; or
- c) after consulting the other Partner Authority.

5. Constitution of the Joint Committee

5.1 Membership

- 5.1.1 The membership of the CIMS will comprise of 4 elected members (“Committee Members”), two appointed by each Partner Authority. The membership of the CIMS will include the Portfolio Holders with responsibility for Museums within their portfolio from each Partner Authority. In addition each Partner Authority may appoint a substitute who may attend meetings of the CIMS in the absence of one of that Partner Authority’s Committee Members. No elected member may serve as a Committee Member or a substitute unless they are a member of the Partner Authority’s Executive/Cabinet.
- 5.1.2 The term of office of each Committee Member shall be determined by the Partner Authority appointing them, provided that for the duration of their appointment they remain a member of the Executive/Cabinet of their Partner Authority and have been appointed by the Partner Authority to be or remain a Committee Member.
- 5.1.3 Each Partner Authority shall notify the Clerk of the CIMS of the name and contact details of its Committee Members and Substitute Members.
- 5.1.4 A Partner Authority may change its appointed Committee Members at any time provided that written notice of any such change is given to the Clerk to the CIMS, taking effect upon receipt. Such written notice may be given by electronic mail.
- 5.1.5 Each Partner Authority may send appropriate officer(s) to meetings of the CIMS (or any Sub-Committee) to support its Committee Members.
- 5.1.6 Subject to 5.1.7, each Committee Member shall have one vote at meetings of the CIMS or any Sub-Committee.
- 5.1.7 In the case of an equality of votes the person presiding at the meeting shall have a second or casting vote.
- 5.1.8 All voting shall be by a show of hands, unless the provisions of paragraph 5.1.9 below apply. Any question coming before the CIMS shall be decided by a simple majority of those present and voting.
- 5.1.9 Recorded votes shall be taken if requested by any Committee Member, and any Member shall have the right to have the way they voted (or abstained) recorded in the minutes.

5.2 Support to the CIMS

- 5.2.1 The Clerk to the CIMS shall be a senior officer of Ipswich as nominated from time to time by Ipswich in writing to the Chairman of CIMS.

5.2.2 The functions and responsibilities of the Clerk to the CIMS shall be as follows:-

- a) to make all necessary arrangements for the convening of meetings of the CIMS and any Sub-Committees;
- b) to provide, or, where necessary, procure the provision of, all necessary advice on the technical legal and financial implications of matters under consideration by the CIMS or relevant to the Committee's functions;
- c) to bring to the attention of the CIMS matters which are relevant to the Committee's functions and which merit consideration by the Committee;
- d) to arrange for the taking and maintenance of minutes and meetings of the CIMS and any Sub-Committee's, and ensure that the business of the CIMS at its meetings is conducted in accordance with legal requirements.
- e) To manage and co-ordinate the day-to-day affairs of the CIMS and its administrative support.

5.2.3 The business address for all communications relating to the administration of the CIMS affairs shall be;

("Marked for the attention of the Clerk to the "Colchester and Ipswich Joint Museums Committee")
Ipswich Borough Council
Grafton House
15-17 Russell Road
IPSWICH
IP1 2DE

5.3 Meetings of the CIMS

5.3.1 The CIMS shall meet at least twice in every municipal year. In 2015/16 municipal year the Committee will meet in June to agree the work programme for the Joint Service for 2015/16 and in January to agree a budget proposal for 2016/17 which will be put to the Cabinet/Executive of each Partner Authority. This pattern is expected to be repeated for each year of the agreement. This does not preclude other meetings being held throughout the year as required.

5.3.2 The June meeting of the CIMS will be the Annual General Meeting. At the Annual General Meeting the Committee shall determine and approve the programme of meetings to take place that municipal year.

5.3.3 The Chair of the CIMS may call other meetings as necessary in addition to those set out in the schedule of meetings approved at the relevant Annual General Meeting provided each Partner Authority approves the date and time of any such additional meetings.

5.3.4 The Chair may cancel/rearrange a meeting if there is insufficient business to justify the meeting being held or if other circumstances make it appropriate for the meeting to be held at a different date/time, provided each Partner Authority agrees to the cancellation of any meeting and approves the date and time of any rearranged meeting.

- 5.3.5 At the Annual General Meeting the Chair, Vice-chair and any Sub-Committees of the CIMS shall be appointed, but nothing in this paragraph prevents the Committee establishing a Sub-Committee at any other time.
- 5.3.6 The Committee shall appoint the posts of Chair and Vice-chair of the Committee each year at the Annual General Meeting.
- 5.3.7 The quorum for a valid meeting of the Committee shall be three.
- 5.3.8 The Chair of the Committee will be alternated between both Partner Authorities. In the second and subsequent years of the Committee's operation the Chair shall be a Committee Member appointed by a different Partner Authority from the previous year's Chair.
- 5.3.9 The meetings of the Joint Committee will alternate between the venues in Colchester and Ipswich, and so if a meeting is held in Colchester then the following meeting will be held in Ipswich.
- 5.3.10 A printed copy of the summons, the agenda for each meeting, any relevant reports and the minutes of the previous meeting shall be despatched by the Clerk of the Committee, at least five (5) clear days before such meeting to each Committee Member.
- 5.3.11 At the same time, such papers will also be despatched to:
- a) The Proper Officer for each Partner Authority
 - b) Chair of each of the Partner Authority's Overview and Scrutiny Committee with responsibility for scrutiny in respect of museums and/or finance matters and to the Chief Executive of each Partner Authority or such other senior officer of a Partner Authority as may be nominated in writing by a Partner authority to the Clerk of the Committee; or
 - c) Such other addresses as a Partner Authority may nominate in writing from time to time to the Clerk of the Committee.
- 5.3.12 The summons shall contain notice of all business, except urgent business, which is required to be brought before the Committee either in the ordinary course of the business, or which is brought to the Chair, the Vice-chair or the Clerk of the Committee.
- 5.3.13 Meetings of the Committee will be open to the public and press except where the Committee resolve that the press and public be excluded (which may only be during consideration of items containing confidential or exempt information within the meaning of the Local Government Act 1972).
- 5.3.14 Minutes of the Committee shall (subject to the provisions of paragraph 5.3.13 above) be available to the public and press as though they were minutes of a meeting of a Partner Authority.
- 5.3.15 The Chair in consultation with the Vice-chair of the committee or a Partner Authority may invite any person to attend a meeting of the Committee for the purpose of making a presentation, or participating in discussion, on any item relevant to the Committee's functions where that person is able to provide a professional or

commercial viewpoint, which the Chair of the committee or the Partner Authority considered would be of assistance to the Committee.

5.4 Decision Level

5.4.1 The CIMS will be responsible for:

- a) Agreeing an annual work programme for the Joint Museums Service
- b) Agreeing level of service provision as agreed through the annual budget setting process of each Partner Authority and as set out in this agreement.
- c) Making budget decisions related to the use of / funding of end of year surplus or deficit situations and transitional employee savings subject to the provisions in section 3.

5.4.2 Functions under section - 13 to section 20 of the Public Libraries and Museums Act 1964 are excluded from the remit of the CIMS. Such functions will be exercised by the relevant Cabinet/Executive of each Partner Authority. Functions under Section 12 of the 1964 Act are limited to the provisions of this agreement.

5.4.3 The CIMS will not have responsibility for staffing decisions but the partner authorities agree that;

- a) the recruitment and selection of the most senior employee in the joint museum service will be carried out jointly by officers of the partner authorities.
- b) the recruitment and selection of any senior or managerial employee in the joint museum service who will work wholly or predominantly in Ipswich will be carried out jointly by officers of the Partner Authorities.

5.4.4 The parameters for operational details will be set through the annual work programme for the Joint service. Within these parameters operational decision will be taken by appropriate officer in accordance with a Scheme of Delegation.

5.5 Monitoring and Assessment

5.5.1 The CIMS will be responsible for monitoring and assessing the Joint Museum Service in terms of its;

- a) Performance against the agreed work programme
- b) Performance against budget
- c) Performance against any relevant National or Local Performance Indicators.

5.6 Scrutiny Arrangements

5.6.1 The decisions made by (and, for the avoidance of doubt, not mere recommendations of) the CIMS shall be subject to the Overview and Scrutiny arrangements of each Partner Authority.

5.6.2 Decisions or actions of the CIMS shall be notified to the Proper Officer of each Partner Authority together with all those to whom agenda papers etc are despatched in accordance with this agreement within seven (7) working days of the decision being reached or the actions being taken, as the case may be.

- 5.6.3 The CIMS Members and their officer advisors shall fully co-operate with the relevant Overview and Scrutiny Committee of the Partner Authorities and shall, where requested, attend any meeting of any relevant Overview and Scrutiny Committee.

Call in

- 5.6.4 Any decision or action of the CIMS may be called in for scrutiny by members of a Partner Authority. A decision is called in by members of a Partner Authority in the same way in which they would call in a decision of that Partner Authority's Executive except that:
- a) Decision may not be called-in after 5pm on the 5th working day after the date upon which the decision is published.
 - b) A call in of such a decision or action can only be made if the decision or action concerned affects the Partner Authority whose membership wishes to call in the decision or action.
- 5.6.5 Once a decision is called in it may not be implemented until the Scrutiny Arrangements of the Partner Authority whose membership has called in the decision or action has been completed. Where a Scrutiny Committee or a Full council makes recommendations to the CIMS the CIMS shall arrange for the decision to be reconsidered in the light of comments made by the Executive/Cabinet or the Full Council and the final decision of the CIMS shall not be subject to call in.
- 5.6.6 The call-in procedure set out above shall not apply where the decision or action being taken by the CIMS is certified by the CIMS as urgent.
- 5.6.7 A Scrutiny Committee must notify the CIMS if it includes in its work programme any aspect of policy development or review relating to the work or functions of the CIMS.
- 5.6.8 Where a Scrutiny Committee has formed recommendations on proposals for development, a Scrutiny Committee shall prepare a formal report and submit it for consideration by the CIMS.
- 5.6.9 The CIMS shall consider the report of a Scrutiny Committee within fifteen (15) working days of it being submitted to the Clerk of the CIMS and shall issue a formal response to such a report.
- 5.6.10 Where any Partner Authority Member or officer is required to attend a Scrutiny Committee, the Chair of that Committee will inform the Monitoring Officer of his own Authority.
- 5.6.11 That Monitoring Officer shall inform the Partner Authority Member or officer in writing giving at least ten (10) working days' notice of the meeting at which he is required to attend, such notice to state the nature of the item on which he is required to attend to give account and whether any papers are required to be produced for the Scrutiny Committee.

- 5.6.12 Where the account to be given to the Scrutiny Committee will require the production of a report, then the Partner Authority Member or officer concerned will be given sufficient notice to allow for preparation of that documentation.
- 5.6.13 Where, in exceptional circumstances, the Partner Authority Member or officer is unable to attend on the required date, then the Scrutiny Committee shall in consultation with the Partner Authority Member or officer arrange an alternative date for attendance which shall be as soon as practicable in relation to the original date specified.
- 5.6.14 If, having considered the decision or action, a Scrutiny Committee is concerned about it, then it may refer it back to the Committee for reconsideration, setting out in writing the nature of its concerns. If referred back to the Committee for reconsideration the Committee will have a further seven (7) working days to consider whether to amend the original decision or revised the original action taken before reaching a final decision or taking final action.
- 5.6.15 The operation of the provisions relating to call-in? Shall be monitored annually by the Clerk of the Committee, and a report submitted to the Committee with proposals for review if necessary.

5.7 Conduct and expenses of members

- 5.7.1 All Committee Members of the CIMS shall observe at all times the provisions of the Code of Conduct adopted by their Authority.
- 5.7.2 Each Partner authority shall be responsible for meeting any expenses to which any CIMS Member or officer appointed by them, as its representative, is entitled as a result of their attendance at duly authorised meetings.

5.8 Liability of CIMS members

- 5.8.1 Committee Members appointed by the Partner Authorities shall have the same responsibilities and liabilities as those which apply when sitting on other Committee's and bodies as appointed representative on behalf of their Authority.
- 5.8.2 Where any contractual arrangements are authorised by the CIMS, any liabilities arising under those arrangements will rest with the relevant Partner Authority.
- 5.8.3 Indemnification for any liabilities which do arise is a matter between the Committee Member and their appointing Authority/Body.

6. Dissolution arrangements

6.1 Criteria

- 6.1.1 Either party may terminate this agreement on the expiry of six month's written notice terminating on 31st March in any year.
- 6.1.2 Either party may terminate this agreement if the other commits a fundamental breach of this agreement.

6.1.3 Either party may terminate this agreement with immediate effect if the other partner authority, without the consent of the other, sets its Annual Contribution at a level which is;

- a) Less than 90% of the amount recommended by the CIMS
- b) Less than 90% of the previous year's contribution.

6.1.4 The partner authorities may agree alternative termination arrangements.

6.1.5 The provisions of section 6 of this agreement shall survive the termination of the agreement.

6.2 Financial liability on dissolution

6.2.1 At the end of this agreement Colchester shall as soon as practical draw up accounts showing the financial out-turn of the Joint Museums Account.

6.2.2 The Joint Museums Service shall be managed so that as the final out-turn of the Joint Museums Account is as close to zero as possible.

6.2.3 Any surplus or deficit on the Joint Museums Account shall be settled/distributed in the following shares:

Ipswich 50%: Colchester 50%

6.3 Transfer of Staff

6.3.1 In this paragraph "Ipswich's New Provider" means the person operating Ipswich's museums from the date upon which this agreement terminates (and Ipswich's New Provider may be Ipswich).

6.3.2 All employees who, during the last year of operation of this agreement, spent more than 50% of their time on issues specifically relating to Ipswich's museums shall transfer to Ipswich's New Provider.

6.3.3 Other employees shall continue to be employed by Colchester, unless the parties agree otherwise.

6.3.4 Colchester shall use all reasonable endeavours to ensure that their employees co-operate with Ipswich's New Provider for a period of 1 year after the termination of the agreement in order to affect a seamless transfer of Ipswich's museums' to Ipswich's New Provider.

6.3.5 For the purpose of facilitating the transfer of any person's employment from Colchester to Ipswich's New Provider Colchester shall supply to Ipswich promptly on request such information as Ipswich shall reasonable require (including information required under TUPE legislation) in order to facilitate the transfer of employees from Colchester to Ipswich's New Provider.

6.4 Artefacts

- 6.4.1 Subject to 6.4.2, when this agreement ends for any reason, any artefacts which belong to one partner authority but which are in the custody of the other partner authority shall, if requested, be returned to the owner.
- 6.4.2 Where this agreement ends and artefacts are stored by one party on behalf of the other party, then to the extent that those artefacts are not collected by the owner within 1 month from the date of termination, the storing party shall continue to store artefacts for 1 year from the date of termination, subject to the payment of reasonable storage charges by the owner.

6.5 Other Assets and Property

- 6.5.1 Title to the following property shall be transferred to Ipswich on the termination of this agreement;

- a) All property belonging to Colchester which is or used at in Ipswich's premises (other than temporarily) on the termination of this agreement
- b) All property belonging to Colchester to the extent that it relates to Ipswich's museums or collection (including the relevant part of any collections records).

'Property' includes plant, software licenses and operating leases.

- 6.5.2 All property belonging to Ipswich but in Colchester's possession shall be returned to Ipswich immediately upon termination.
- 6.5.3 Colchester shall promptly supply Ipswich with a copy of all intellectual property which belongs to Ipswich or which Ipswich is entitled to use (such copy to be supplied in such format as Ipswich shall reasonably require).
- 6.5.4 Colchester shall provide reasonable assistance with the installation of any software on any computer equipment.
- 6.5.5 The duties in paragraph 6.5.4 shall continue for one year from and after the date of termination.
- 6.5.6 If plant equipment or services has been purchased for the use (directly or indirectly) of both Ipswich and Colchester's museums then the parties shall sell the equipment and split the proceeds of sale in the percentage in which the Joint Museums Account is to be split between Ipswich and Colchester.

7. Review

- 7.1 The partner authorities shall keep this agreement under review. The CIMS may from time to time make recommendations about changes to the agreement.
- 7.2 The partner authorities shall:
- a) Consider any recommendations for changes to the agreement made by the CIMS
 - b) Consider any proposals for change made by the other party.

- c) Co-operate with each other and the CIMS in the undertaking of reviews of this agreement.
- d) Any changes to this agreement shall be recorded in writing signed on behalf of Ipswich and Colchester.

The common seal of)
Ipswich Borough Council)
Was hereunto affixed)
In the presence of)

Authorised Officer

Authorised Officer

The common seal of)
Colchester Borough Council)
Was hereunto affixed)
In the presence of)

Mayor

Proper Officer

PETITIONS, PUBLIC STATEMENTS, QUESTIONS

(i) Have Your Say speakers

Date of Meeting	Details of Members of the Public	Subject Matter	Form of Response	Date Completed
27 May 2015	Ken Jones	Welcome and congratulations to the Mayor and Deputy Mayor	Comments acknowledged by the Mayor	27 May 2015

(ii) Petitions

Date petition received	Lead Petitioner	Subject Matter	Form of Response	Date Completed
No valid petitions received				

