

# SCRUTINY PANEL

## 15 March 2023

*Present: -*

Councillor Laws, Councillor Lilley, Councillor McCarthy, Councillor Smith, Councillor Willetts (Chair)

*Substitutions: -*

Councillor Pearson for Councillor Scordis  
Councillor Sunnucks for Councillor Lissimore

*Also present: -*

Councillors Fox and King

### **401. Portfolio Holder Briefing from the Portfolio Holder for Environment and Sustainability**

The Chair explained that the Portfolio Holder for Environment and Sustainability had sent her apologies for the meeting as she was unable to attend for reasons of ill health.

### **402. Portfolio Holder Briefing from the Portfolio Holder for Neighbourhood Services and Waste**

The Chair explained that due to a misunderstanding Councillor Goss, Portfolio Holder for Neighbourhood Services and Waste, had not received notification of the meeting and accordingly his briefing would be rescheduled for early in the new municipal year.

### **403. City Status Update**

The Panel received a report from the Strategic Director providing an update on the plans and the Council's approach to the benefits from the award of City Status. Lucie Breadman, Strategic Director, Lindsay Barker, Deputy Chief Executive and Executive Director, Place, and Matthew Brown, Economic Regeneration Manager, attended to present the report and assist the Panel.

The Strategic Director, together with the Economic Regeneration Manager, and Councillor King, Leader of the Council and Portfolio Holder for Strategy, made a presentation to the Panel addressing:-

- The aims and objectives of the Year of Celebration.
- The activities scheduled for the Year of Celebration and timescales. This was wide ranging and did not just concentrate on the city centre. It included a

number of events in the rural wards such as the Layer Marney Opera Festival and the West Mersea Town Regatta.

- The tools available to help promote the Year of Celebration, such as the promotional stamps and the cityscape logo.
- The approach being taken with partners, particularly the Business Improvement District. The consensus with partners was that the approach should be to build on existing strengths, priorities and strategies , rather than establishing a new City Status Strategy and Action Plan.
- The benefits of City Status. It would raise aspirations, boost Colchester's image and reputation, give Colchester greater influence and demonstrate its importance in heritage terms. The BID had already reported that Colchester is appearing on new potential investment lists.
- Practical examples of change happening to the City Centre include the Town Deal and Levelling Up Fund projects. The Panel were shown projects focussing on heritage from this programme. The Town Deal and Levelling Up fund projects had a combined value of £40 million, excluding match finding, and were being treated as one programme.
- Some of the key Town Deal projects include the restoration of Jumbo, repairs and restoration of Holy Trinity Church so it could be brought back into use as a community hub, a number of public realm sites such as Holy Trinity Square and St Nicholas Square, and virtual reality tourism.
- The Town Deal projects include a heritage enriched walking route between Colchester Town Station and Firstsite, to improve first impressions of the city centre for those arriving at Colchester Centre Station, improved interpretation at St Botolph's Priory and improvements to the Roman Wall.
- The legacy of City Status. This would build on existing strengths and reflect the multi centre nature of modern Colchester. Recognition that this was about the whole of Colchester , with benefits for the historic core, urban and rural Colchester. The Local Government Association Peer Review Team believed that City Status put Colchester on the cusp of something great. Our strategic plans, priorities and collaborative approach with partners along with an ambitious approach aim to enhance the benefits of City Status. .

The Chair of the Panel stressed the need for a lexicography of terms given the differing possible meanings and interpretations of the word "City" in this context, which caused confusion. The Chair also noted that there were considerable overlaps between this item and other items the Panel was invited to consider, such as the Town Deal and the Levelling Up projects. The Panel needed to be able to look in more granular detail at the impact of each project. There was concern that each of the items was becoming in effect a scrutiny of the Strategic Plan and it became increasingly difficult to see whether each component was performing adequately.

Councillor King emphasised that there were project disciplines that required the project teams to show what was achieved against the objectives set for the Town Deal and Levelling Up projects. There were clear criteria for the objectives and outcomes of these projects against which progress could and would be measured. It was appreciated that these projects were enmeshed with City Status and whilst these projects would be subject to individual scrutiny, this item brought them together in an overall package. The Executive Director, Place, stressed that work

was underway to monitor the outcomes of these projects but that these were at an early stage.

The Chair sought clarification as to whether the Panel was being asked to scrutinise the whole of the Strategic Plan or to consider the additional opportunities that had arisen because of the award of City Status and if so then these needed to be clearly differentiated. Councillor King indicated that he accepted this point and of the need for the individual elements to be scrutinised in detail. However, it was still useful to consider more generally how the city was viewed and how this was changing as a consequence of the award of City Status.

In discussion members of the Panel sought clarification as to how the Year of Celebration would be promoted and marketed. For example would there be a social media campaign with partners and would hard copies of promotional material be made available for those who did not access social media and for use in neighbouring towns and other cities? The Strategic Director confirmed that marketing for the Year of Celebration was already underway and using a range of marketing media and tools. The joint marketing programme based on a shared vision was being led by the BID and was in an early stage of development. This would be key in helping come to an agreed view of what City Status meant for Colchester. There was still a place for hard copy advertising and marketing material and this would be provided, although increasingly venues such as stations were reluctant to take such material.

It was also suggested by members of the Panel that whilst there was a vision of what City Status could achieve, the challenge was to convert this vision into tangible results. In that context, the schedule of events was reassuring and this would be understood by residents in a way strategic visions for Colchester or detail about investment and finance would not be. The emphasis on the word “city” did not resonate with those in rural wards and tangible details about particular schemes was more likely to be understood and welcomed than an emphasis on vision. Concern was expressed by some members of the Panel that the Year of Celebration events were concentrated in the historic core and a number of key events, such as Rowhedge Regatta, were not included. The Town Deal and Levelling Up Funding were largely devoted to the historic centre and were not being used to address long standing problems outside the city centre, such as flooding in the Hythe.

The Strategic Director accepted the point in respect of rural communities and they met regularly with town and parish clerks. Considerable effort was made to engage with rural communities and other groups, such as young people, and to ensure that the benefits were felt across the wider city. In terms of the Year of Celebration events were not being excluded. Organisers of events could ask for them to be included in the Schedule of Events, and communications had been sent out inviting events to be put forward for inclusion in the Year of Celebration.

It was also emphasised that the Policy Panel had taken the view that the Year of celebration and City Status should include the whole of the City and should not concentrate wholly on the historic city centre.

Members of the Panel suggested ways in which public engagement could be boosted such as through a competition building on the celebration jam being created by Wilkin and Sons, making the images of the public realm improvements available on the Council's website, and producing an online guide to the history of Colchester which could be accessed for those visiting historic and heritage sites.

The Executive Director Place stressed that the Council was working at pace in order to visualise and bring the proposals to life for residents through concepts such as an interactive map. The Council was looking to engage with a local company who could use modern technology in this way to promote the changes planned for the City Centre.

Members of the Panel explored whether the Council was seeking to learn from the experiences of Chelmsford and Southend. The significance of the 2040 date was also questioned and it was suggested that 2043 or 2049 would be more historically significant dates to mark. The Strategic Director explained that the Council had consulted with Chelmsford and Southend and was also linking in with the Key Cities Network. In view of the circumstances that had led to its award of City Status, Southend was taking a different, more reflective approach.

The Panel also discussed how the Council was developing the skills base in the city. Whilst the growth that was being seen was encouraging, the lack of skills was a real issue. Colchester had a low wage economy and the only way to change this was to improve the skills base. The Annual Monitoring Statement showed the slow improvement of skills and the consequent improvement in wage levels had been a theme for the last decade. It had also been identified as an issue in the current and previous Strategic Plan.

The Executive Director agreed that this was a central issue and highlighted that skills development was a key strand of the Council's Economic Strategy. The Health Alliance were looking at skills issues as they saw it as one of the key determinants of health. It was frustrating that the Shared Prosperity Fund, from which Council had received funding, did not allow investment in skills until year 3. The devolving of responsibility for skills to a more local level was also a key issue in the devolution proposals currently being considered. It was suggested that the Scrutiny Panel could hold a one issue meeting on skills in the city in the new municipal year, to which relevant partners and guests could be invited to present and contribute.

In summary the Chair indicated that the report had been well received and indicated that it demonstrated that the work to build on the award of City Status was well underway, although it was noted that some of this work would have been undertaken notwithstanding the award. After considering the issues raised in the debate it was felt that the importance of a whole city approach should be stressed to Cabinet. There remained some concerns about the engagement with City Status in the rural areas of the city and of the benefits it would bring outside of the centre. Addressing the skills issue should also be a by-product of City Status and it was felt that the importance of this should be stressed to Cabinet. In addition the Panel considered that the City Status work was most effective when it concentrated on the practicalities and the delivery of specific plans and events, and that Cabinet should be encouraged to focus on that element.

*RESOLVED that:-*

- (a) The plans and approach already underway for City Status be noted.
- (b) The Panel's Work Programme for 2023-24 include a one item meeting on issues relating to the skills base within the city, with relevant partners invited to attend.

*RECOMMENDED TO CABINET that:-*

- (a) A Whole City approach be taken to the work on City Status to ensure that all residents feel involved and were able to take part in the Year of Celebration and that the benefits of City Status were felt across the whole city area.
- (b) The improvement of the skills base within the city be an essential part of City Status.
- (c) There be a greater emphasis and focus on detailed practical and deliverable plans and targets.

#### **404. Town Deal Progress**

The Panel received a report from the Deputy Chief Executive and Executive Director, Place, providing an update on the Town Deal programme. The report was the first annual progress reports to the Scrutiny Panel, following the Panel's meeting in November 2023 when it received an update on progress on the programme. Lindsay Barker, Deputy Chief Executive and Executive Director, Place, and Matthew Brown, Economic Regeneration Manager, attended to present the report and assist the Panel.

The Chair indicated that his principal interest was in the timescales and whether the projects were on track, especially given the challenges around the capital programme.

The Panel received a presentation from the Deputy Chief Executive and Executive Director, Place and the Economic Regeneration Manager. This set out:-

- The context for the Town Deal Programme.
- Progress on the projects which were generally progressing well with major milestones being met. Only one project had slipped significantly in terms of timescale.
- Cost inflation was having an impact but this was being managed and mitigated.
- Recent engagement activity. Engagement was at the heart of the programme and a considerable amount of engagement had been undertaken.
- Recent progress on key schemes including the Digital Skills Hub, Jumbo, Holy Trinity Church, Digital Working Hub and the cycling and walking route from East Hill to the University.

- More detailed information on those schemes rated as amber in terms of progress.
- The key risks, which were cost inflation and delays securing permissions and land acquisitions. There were effective mitigations in place to address cost inflation, such as seeking alternative sources of funding and tailoring schemes where necessary. In terms of delays on permissions and acquisition, sponsors and senior officers would engage to try and expedite matters.

In discussion, the Chair sought further detail about the status of the amber projects and whether any were in serious danger of being rated red. Officers confirmed that nothing was in that position presently. Many were amber as they were awaiting clarification on costs. There was still a reasonable amount of time for the delivery of the projects, which had to be completed by 2026 and they had been staged in terms of delivery.

A member of the Panel indicated that similar assurances had been given on earlier projects, which had then run into difficulty. Concern was expressed about the serious cost pressures that some of the projects would face, particularly on building costs. This would be a particular risk for the Heart of Greenstead project, given the housing element of the project.

The Executive Director, Place, explained that not all projects were to be directly delivered by the Council. For example the Essex County Hospital scheme was being managed by Essex County Council and the City Council was providing a contribution. There was no risk to the Town Deal programme on those schemes. On the Heart of Greenstead project this was a community led project. The Town Deal team were discussing with the community what the Health and Wellbeing Hub, which was the Town Deal element of the scheme, would look like. There were a number of partners involved and if their ambitions about what could be achieved from the scheme could not be met, then they may need to make a greater contribution. Alternatively if further funding was not made available, the scheme may need to be scaled back. The housing delivery was not part of the Town Deal programme and was being funded through the Housing Revenue Account.

It was also suggested by a Panel member that the Digital Working Hub in Queen Street was a considerable investment with a comparatively low yield in terms of jobs created, when compared with other schemes such as the Digital Skills Centre. The Economic Regeneration Manager explained the figure given was net direct jobs created. This was a business incubation and growth centre and many more jobs would be created indirectly through the businesses it created and supported. It was suggested that the relevant part of the Appendix to the report be amended accordingly.

Councillor Fox, Portfolio Holder for Local Economy and Transformation, was invited to contribute and explained that this linked into the earlier discussion on skills. The Digital Skills Centre at the Wilson Marriage site would concentrate on getting people back into employment by developing their digital skills. Therefore it was easier to record direct employment that would result from its work. The Digital Working Hub was a business incubation unit that over the long term would create many jobs

through the scaling up of the business that it helped get established. Given the nature of the business it supported these were likely to be high value jobs.

A member of the Panel sought confirmation that the funding agreements and business cases were in the public domain. Financial appraisals should also be completed for each of the projects, although it was appreciated that some of the benefits leading from the schemes were social rather than financial. These would help capture the value of the assets at the conclusion of the programme. It was also suggested that some projects such as Heart of Greenstead would be easier to progress if the Council owned the land.

Officers explained that the Council was the Accountable Body for the Town Deal programme and there was a Heads of Terms agreement with government setting out the agreed outcomes, costs and timescales. These would be shared with the Panel. The Business Cases were agreed by government, the Town Deal Board and by Cabinet and were in the public domain. The scheme for Heart of Greenstead had changed since its original design in 2018 and was now focusing on the Community Health and Wellbeing Hub first, which was on land owned by the Council. The wider housing scheme would be developed on land owned by Notting Hill Genesis, a Housing Association, who had just undergone a change in management and it was anticipated that the sale of this land would progress once the new management team was established. It was a community led scheme and considerable effort had gone into setting up the correct governance arrangements and board membership. There was considerable involvement from partners, including the University and it would be a new model of provision for Colchester. It was always anticipated that it would take the full length of the Town Deal programme to deliver the scheme and ensure it delivered the right outcomes.

Councillor Fox offered a reassurance to the Panel that the Town Deal Board had a range of experience and skills, with representatives from the business, the community and government. There was a clear feeling that although there were issues such as cost inflation, the Board was addressing those issues and enabling the programme to progress. Government appeared to be satisfied with how Colchester was delivering on the programme.

The Panel sought clarification that the timescales on Holy Trinity Church were still compatible with the prospective tenant, and whether this would impact on the refurbishment grants of other churches. Officers explained that the prospective tenant, Community 360, were still very interested but would need reassurance that the building had been de-risked. They did not have the expertise to apply for Heritage Lottery Funding so the Council would do this and ensure the risks from occupancy were removed. Officers were aware of the need to synchronise the bids for funding to ensure they did not cut across one another and to avoid duplication.

It was also suggested that the CGIs created for the programme could be improved and that photoreal CGIs should be used. There were local firms who could provide much better images than had been used to date. If further resource was needed, this should be made available given the importance of the programme. Further consideration should be given to displays on hoardings or in neighbouring shops so that residents were better informed about the projects and the potential benefits.

Officers explained that the team had already made contact a leading CGI firm, who were interested in some form of partnership approach, subject to usual procurement processes. More generally work was underway to look at what technology was available to support the community engagement process through better visualisation.

In summary the Chair explained that the Panel was of the view that the programme had not deteriorated since it was last scrutinised. It appeared to be stable with the target dates largely being met. There was a good understanding of the risks and mitigating measures were being pursued where appropriate. It was suggested that a recommendation be made to Cabinet about the need to ensure appropriate resources were made available to help residents better understand the various projects in the city centre.

*RESOLVED* that the good progress made to date on the Town Deal be noted.

*RECOMMENDED TO CABINET* that the presentation of the town centre projects be given greater prominence and that resources be made available to help residents better understand the projects in the city centre and the benefits that they would bring to the city and its residents.

**The Panel resolved that in accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with the Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2000 (as amended) to exclude the public, including the press, from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Section 100I and Schedule 12A of the Local Government Act 1972.**

#### **405. Turnstone Development - Colchester Leisure Park**

This minute is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of a particular person, including the authority holding the information).