

Cabinet

Wednesday, 16 March 2016

Attendees: Councillor Tina Bourne (Portfolio Holder for Housing and Public Protection), Councillor Mark Cory (Portfolio Holder for Resources), Councillor Annie Feltham (Portfolio Holder for Communities and Leisure and Deputy Leader of the Council), Councillor Bill Frame (Portfolio Holder for Economic Growth and Planning), Councillor Dominic Graham (Portfolio Holder for Street and Waste Services), Councillor Beverley Oxford (Portfolio Holder for Customers), Councillor Paul Smith (Chairman and Portfolio Holder for Strategy), Councillor Tim Young (Portfolio Holder for Community Safety, Licensing and Culture and Deputy to the Leader of the Council)

Substitutes: No substitutes were recorded at the meeting

Also in attendance: Councillors Chapman, Cope, Davies, Hazell, Lissimore, Locker, G. Oxford, Willetts.

Publication and Call in Arrangements

Date Published 17 March 2016

Date when decisions may be implemented (unless 'called in') 5pm 24 March 2016 All decisions except urgent decisions and those recommended to Council may be subject to the Call-in Procedure.

Requests for the scrutiny of relevant decisions by the Scrutiny Panel must be signed by at least ONE Councillor AND FOUR other Councillors to countersign the call-in form OR to indicate support by e-mail. All such requests must be delivered to the Proper Officer by no later than 5pm on Thursday 24 March 2016.

67 Minutes

RESOLVED that the minutes of the meeting held on 27 January 2016 be confirmed as a correct record.

68 Have Your Say!

Joseph Schumacher addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) about Salary Brook Valley. He highlighted the petition of almost 800 signatures recently submitted to the Council following the campaign led by Councillor Cook. Salary Brook Valley was a great asset to the community and rich in biodiversity. It was home to many species and irreplaceable ancient woodland. However

it had attracted the interest of property developers and in order to protect it, the site should be designated as an asset of community value or classified as a special site in the Local Plan process.

Councillor Frame, Portfolio for Economic Growth and Planning, confirmed that he responded to the petition and had invited the lead petitioner to attend Local Plan Committee on 4 April. He suggested Mr Schumacher also attend. The Council was working with neighbouring authorities in line with the duty to cooperate. Work had started on building up an evidence base for the review of the Local Plan, which would include a study of Salary Brook Valley. Councillor Cory, Portfolio Holder for Resources, and Councillor T. Young, Portfolio Holder for Community Safety, Licensing and Culture, expressed their support for protecting Salary Brook Valley and highlighted the work done by other ward Councillors.

Mark Goacher addressed the Cabinet pursuant to the provisions of Meeting General Procedure Rule 5(1) to ask how the impact of government reforms would affect the Council's plan to build council housing and whether the Council intended to continue to build housing. He had welcomed the social housing built by the Council on brownfield sites. He also queried why the petition on the West Tey settlement had not triggered a debate by Full Council, given that it contained 6,000 signatures.

Councillor Bourne, Portfolio Holder for Housing and Public Protection, explained that building council housing had been one of the first commitments of the administration. It recognised that the provision of council housing made housing available to those in need. However the government had imposed a 1% decrease on social housing rents. This had had a significant impact on the Housing Revenue Account Business Plan. Over the thirty year life of the plan, it would mean a loss of £143 million. The government had encouraged the Council to borrow against the value of its housing assets and use these funds to build Council housing and refurbish its social housing. With the decrease in rent and the loss of borrowing headroom the Council could no longer afford to finance further council housing.

Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, explained that as the petition related to a planning matter, the criteria on referral to a meeting of Full Council did not apply and it was more appropriate for it to be considered by the Local Plan Committee. He also stressed that the Council would have continued to build council housing if it had been able to do so.

69 Delivering Colchester's Environmental Sustainability Strategy: A New Local Authority Carbon Management Plan 2016-2020

The Head of Commercial Services submitted a report a copy of which had been

circulated to each Member.

Richard Rugg of the Carbon Trust made a presentation to Cabinet. This highlighted the factors behind the need to manage carbon emissions and the action Colchester Borough Council had taken to date. It had already achieved a 35% reduction in carbon emissions and was in the top 10% of local authorities in dealing with carbon emissions. The new Carbon Management Plan addresses how the Council can reduce the environmental impact from its own buildings, services and operations, and is linked to a new sustainability campaign to engage with the wider public. This was in line with the Council's strategic priorities and in addition would provide cost savings and community leadership.

Councillor Willetts attended and with the consent of the Chairman addressed the Cabinet. Whilst the progress made was to be welcomed, he considered that the new plans were not as challenging as previously. Many of the targets related to Leisure World and these should have been implemented already. The most serious issues, such as dealing with Council's fleet of vehicles, were not to be dealt with for several years and should be brought forward.

Councillor Cope attended and with the consent of the Chairman addressed the Cabinet. Whilst the progress in dealing with carbon was to be welcomed, no action was being taken to deal with methane emissions. He expressed concern about the energy use generated by digital technology and whether this had been taken into account in the Council's plans to move to more digital ways of working. Reference was also made to air quality issues, following the recent presentation to Councillors on the issue. The impact of air pollution from buses was a particular concern and action needed to be taken now that the Council had evidence of the harm caused.

Councillor T. Young, Portfolio Holder for Community safety, Licensing and Culture, thanked Richard Rugg for his presentation and commended the work of Wendy Bixby, Sustainability and Projects Officer, and Cabinet colleagues for their work on carbon management. The actions in the Carbon Management Plan cut across all portfolios and were radical and realistic. There was no question of the administration becoming complacent.

Cabinet members also expressed their support for the Carbon Management Plan. There was no longer a statutory requirement to produce such a plan, but this was a priority for the Council. It was proposed that £190,000 be allocated to support the implementation of the Plan and a further £88,000 was proposed to be allocated to bring some of the projects listed later in the plan forward for delivery. The issues raised on air quality and the energy costs of digital ways of working would be looked at further by the relevant services.

RESOLVED that the new Local Authority Carbon Management (LACM) Plan for Colchester for 2016 to 2020 be adopted.

REASONS

A key deliverable of the Council's Environmental Sustainability Strategy (ESS) 2015-2020 is to reduce carbon emissions from the impact of Colchester Borough Council's services, buildings and operations.

Projects identified in the new LACM Plan 2016-2020 will help the Council to cut the use of energy and fuel, and achieve more energy efficient buildings making both carbon and financial savings.

ALTERNATIVE OPTIONS

Not to adopt the LACM Plan (2016-2020). The Council does not have a statutory duty to produce and publish a LACM Plan. However, not having a robust plan to reduce the Council's carbon emissions would jeopardise the Council's ability to achieve its carbon reduction targets which it set out in its Environmental Sustainability Strategy. Having a plan has additional benefits such as reducing the Council's expenditure on energy and fuel costs.

70 2015/16 Budget Update

Councillor Frame subsequently notified the Monitoring Officer of a non-pecuniary interest (as a Colchester Borough Council nominee on Colchester Presents) on the following item and the Monitoring Officer directed that the interest be recorded in the minutes of the meeting.

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member, together with a copy of the consultation response on the New Homes Bonus.

Councillor Willetts attended and with the consent of the Chairman, addressed the Cabinet. He considered that the funding of the projects listed in Appendix A of the Assistant Chief Executive's report was a better use of the funding than restoring street lighting. Essex County Council would turn individual street lights back on if circumstances warranted it. In particular the scheme to light key heritage site was welcomed. However, concern was expressed about the allocation of £25,000 for additional community safety resources in respect of the PREVENT/Modern Slavery

agenda and gang related activity as he did not consider that these were problems in Colchester.

Councillor T. Young, Portfolio Holder for Community Safety, Licensing and Culture, highlighted the importance of restoring street lighting, but that in view of Essex County Council's position this was not possible. The funding for PREVENT/Modern Slavery and gang related issues was important. Modern slavery was a hidden problem but it did exist in North Essex and gangs were moving into Colchester and Tendring. The funding would support a range of strategic priorities.

Councillor Cory, Portfolio Holder for Resources, supported Councillor Young's comments and introduced the report. The proposed allocations of funding supported a wide range of community needs including heritage and the voluntary sector. Members of the Cabinet indicated their support for the proposals and highlighted how the proposals delivered on their strategic priorities and would engender wellbeing within the borough.

RESOLVED that:-

- (a) £185k be reallocated from funding for street lights to the projects set out in Appendix A of the Assistant Chief Executive's report and that funding be carried forward into 2016/17 as required.
- (b) The funding allocated for the Wonderhouse project be held against a project to review museum storage issues and potential move from the Museum Resource Centre.
- (c) The additional New Homes Bonus sum of £88k be allocated to support the implementation of the Carbon Management Plan.
- (d) £33k from the 2015/16 New Homes Bonus Strategic Plan Priorities allocation be used for the Roman Circus scheme as set out in the Assistant Chief Executive's report.
- (e) The New Homes Bonus Consultation response be noted.

REASONS

It was reported to Full Council as part of the budget and tax setting that a report would be brought to Cabinet on the reallocation of certain funds.

ALTERNATIVE OPTIONS

Different options for funding could be considered and the Cabinet could decide that

allocated funds should be added to balances.

71 Digital Challenge

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member together with minute 51 of the Scrutiny Panel meeting of 23 February 2016.

Councillor Willetts attended and with the consent of the Chairman, addressed the Cabinet. He welcomed the proposals as they would lead to an improvement in customer service. The Council's digital infrastructure lagged far behind that of businesses of a similar size. He hoped the investment would deliver systems that were easier to use for customers and that a sensible balance would be drawn between security and ease of access so that customers would not be required to provide large volumes of information in order to access Council systems.

Councillor B. Oxford, Portfolio Holder for Customers, and Councillor Cory, Portfolio Holder for Resources, presented the report and thanked the Scrutiny Panel for its helpful comments. The Council appreciated that it needed to be able to provide its customers with the ability to contact it at the time and in the method of their choice. The use of digital technology would also free up officer resource to provide more help to those without access to technology.

RESOLVED that:-

- (a) The Digital Challenge business case at Appendix 1 of the Assistant Chief Executive's report be approved.
- (b) The comments of the Scrutiny panel be noted.

REASONS

To enable the implementation of the Digital Challenge proposals, which will:

- Improve customer service
- Improve effectiveness
- Increase productivity
- Improve efficiency
- Deliver significant savings.

ALTERNATIVE OPTIONS

The alternative option would be not to approve the Digital Challenge business case, but that would fail to capitalise on the investment included in the ICT Strategy to achieve the benefits and savings in the business case.

72 Colchester Northern Gateway (North) Sports Hub Development Proposal

Councillors Graham (as a member of Myland Community Council) and T. Young (in respect of his son's membership of Colchester and East Essex Cricket Club) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).

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

Fiona Duhamel, Economic Growth Manager, made a presentation to Cabinet outlining the vision underpinning the proposal and the main features of the proposed development.

Jean Dickinson addressed the Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1). Whilst she generally supported the proposals for the Northern Gateway, she requested that the southern part of the Rugby Club site be retained for community use. It was noted that the report indicated that an area of land within the rugby club site would become public open space. There was a wide range of community uses that would be suitable on this site such as a pop up library, crèche or facilities for the elderly. There would be great concern if this part of the site was used for housing development and if that was proposed in the future then community groups should be given an opportunity to respond.

Councillor Chapman attended and with the consent of the Chairman addressed the Cabinet. He stressed that villages to the north of Colchester wished to remain as discrete entities and did not want to be subsumed within development stretching northwards from Colchester. There was some concern that the northern boundary of development in Colchester was being brought forward again and in particular about the northern salient of the site beyond Salary Brook. It was hoped that any buildings and development on the site would be kept low key and there was also some concern about potential light and noise pollution from the site.

Councillor Locker attended and with the consent of the Chairman addressed the Cabinet and expressed his support for the plans for the site, which would create a regional sporting hub. The types of sports offered had also taken account of community

need. Mile End had seen considerable growth over recent years and had seen in particular a rise in the number of families and of elderly residents. The provision of community facilities had not kept pace with population growth and it was now anticipated that there would be a shortfall in the section 106 funding allocated for community facilities. This development might provide an opportunity to address this issue. If the Northern Gateway site was to be funded through housing development, would the Cabinet look at other funding streams for the provision of community facilities.

Councillor Frame, Portfolio Holder for Economic Growth and Planning, introduced the report and stressed that Cabinet was not considering a planning application and this would be brought forward in due course. The proposals would provide a wide range of non-elite sports. As the scheme developed, issues of light and noise pollution would be looked at and appropriate mitigation would be put in place. The site could act as a barrier against further housing development moving northwards. In respect of the comments about community facilities, there would be further consultation with key stakeholders which would provide an opportunity for these matters to be considered further.

Members of the Cabinet expressed support for the scheme. The sports provided would reflect changing trends in the types of sport people wished to participate in. There would be a good balance of community and performance sports uses. The scheme would only proceed if it could be demonstrated that it was sustainable and viable in the long term. However, the provision of housing development on part of the rugby club site was a key element of the funding for the scheme.

RESOLVED that:-

- (a) The recommended proposal including layouts and concept building designs be approved, to create a community sport and leisure hub at Northern Gateway North which will provide a new high quality home for Colchester Rugby club, dedicated cycling facilities including a learn to ride offer, two 3G artificial pitches and a central sports building suitable for use by a range of clubs and individuals.
- (b) To note the decision required on Part B of the agenda to approve the full business case for the proposed development including the capital and revenue assumptions and financial implications for the Council's budget and Medium Term Financial Forecast.
- (c) It be agreed in principle that the capital proceeds from the disposal of part of the Mill Road site for residential development can be used as enabling funding for the scheme and agree that further work in reducing the risks associated with this funding mechanism will be reported back to Cabinet at a later date.
- (d) The potential capital contributions to the scheme from a range of funders including Sport England and sports governing bodies be noted and that the required

funding applications be pursued.

(e) To note the recommendation in part B of this agenda that the Council should make provision to support any interim borrowing of capital required during the development of the scheme.

(f) The emerging management options for the site detailed in part B of the agenda be noted and further examination of the most appropriate model be endorsed with a view to bringing the details of the preferred option(s), together with agreed heads of terms for key users of the site, back to Cabinet for approval.

(g) Work on the scheme to continue with a view to submitting an application for planning permission in due course.

REASONS

To ensure the development of the Northern Gateway as a key sports/leisure destination within a quality parkland setting will be designed and built in an economical and sustainable manner.

To ensure that the scheme proceeds in accordance with good planning principles and with the benefit of planning approval as an essential milestone in the project.

To ensure that a robust business case supports the delivery of the proposed scheme including financial sustainability, funding mechanisms and operational business planning before progressing to the detailed design stage.

To ensure that all risks and financial implications from capital recycling and interim borrowing are fully assessed and monitored in accordance with the Council's financial management arrangements.

To ensure that the full capital funding required for the scheme is secured from a range of external funders.

To ensure that the scheme is managed effectively and in a sustainable way whilst retaining Council control in order to ensure the scheme meets the requirements of the Council's Sports Strategies.

To provide jobs and economic growth to a key growth location within the Borough.

ALTERNATIVE OPTIONS

Different options have been explored during the development of the scheme over the past 18 months and it is intended that the layout and building proposals are adaptable should other sports clubs become key participants in the future. The site layout, building

design and business case presented here represent the only viable option at this stage.

It is possible that the scheme could be halted and the land could continue to be leased for agriculture with attendant implications for the Borough in meeting the Sports Strategy outputs and for the Rugby Club in not being able to expand and grow its community offer.

Any delay in bringing forward the proposed scheme may impact upon the levels of external funding to be secured as key funders may decide to invest in other opportunities.

73 Housing Development Strategy

Councillor T. Young (as Chairman of Colne Housing) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).

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

Councillor Bourne, Portfolio Holder for Housing and Public Protection, presented the report and explained that despite the impact of government reforms on the building of council houses there were still opportunities for the Council to bring forward housing into the borough. The report outlined a number of options that would enable the Council to enter into a commercial venture that would result in the construction of up to 860 homes with a variety of tenures. Further feasibility work would be undertaken on the options set out in the report.

Councillor Smith, Leader of the Council and Portfolio Holder for Strategy, highlighted that housing associations had stopped or reduced the amount of housing they were building and therefore there was considerably less housing provision for those who could not afford a house on the open market. This new proposal would allow the Council to bring forward housing in a variety of tenures and also to use some of the profit that was generated for initiatives such as subsidies for key workers or for local people.

RESOLVED that:-

(a) The recommended outline proposal to commence a seven year programme of direct new build housing development on Council owned sites be agreed in principle subject to a full business case being approved by Cabinet at a later date.

(b) The creation of a wholly owned Housing Development Company to deliver, or be capable of entering into a joint venture to deliver, the proposed programme of development, subject to approval of the full business case referred to above, to include further site pre development work, viability testing, financial modelling and specialist legal advice be agreed in principle.

(c) Officers be authorised to work up the full business case including company structure, further site pre-development work and viability testing.

REASONS

To bring forward a robust delivery programme of future homes with a range of tenures, such as private market sale homes, affordable homes, private rented homes, key worker homes, and starter homes, in the Borough over the next 7 years.

To stimulate economic growth and bring forward a commercial opportunity for the Council in respect of its underutilised land assets which can be used to contribute to wider Borough objectives.

To take a lead in meeting overall housing stock needs and raising the quality of design and delivery in the Borough

To play a part in the sustainable growth of the construction industry and provide high quality training opportunities through onsite developments

A decision in principle will allow officers to carry out more detailed work on site pre development, financial modelling and viability.

To generate a General Fund cross subsidy mechanism which will provide capital to fund the programme in the absence of available funding through the Housing Revenue Account.

ALTERNATIVE OPTIONS

Not to proceed with a further programme of housing development which will adversely affect the chance of bringing forward more affordable homes in the Borough given the current pressure on registered providers business plans.

To move forward another small development of Council build affordable homes similar in unit numbers to Phase 1, however this is not currently affordable given the lack of available borrowing headroom in the Housing Revenue Account (HRA).

74 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.

75 Colchester Northern Gateway (North) Sports Hub Development Proposal (part B)

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 any particular person, including the authority holding that information.).