

CABINET

12 April 2023

Present: - Councillor King (Chair)
Councillors Cory, Cox, Fox, J. Young

Also in attendance: Councillors Laws, Sunnucks and Willetts

741. Minutes

RESOLVED that the minutes of the meeting held on 8 March 2023 be confirmed as a correct record.

742. Have Your Say!

Sam Older, Regional Unison Representative attended and addressed Cabinet pursuant to the provisions of Meetings General Procedure Rule 5(1) on behalf of employees of Idverde who provided services to the Council under the grounds maintenance contract. The Council had recently extended the contract with Idverde for a further three years. Unison had recently negotiated a pay increase for the Council's lowest paid staff. However, this did not apply to staff employed by Idverde on the grounds maintenance contract, which meant they earned £2000 less than equivalent employees directly employed by the Council. They provided a valuable and highly visible service and were seen by members of the public as Council employees. Would the Council consider inserting a clause in the contract with Idverde to ensure that staff employed by Idverde for a service commissioned by Colchester City Council were paid at least the same pay rates as staff directly employed by Colchester City Council from April 2022.

In response, Cabinet members stressed the value that the Council placed on the work provided under the grounds maintenance contract. The Policy Panel had recommended that the service be brought back in house at the end of the Idverde contract, which would ensure that such discrepancies did not occur in future. The Council also had a long term commitment to paying the Living Wage and ensuring that all its contractors also paid it. It was also committed to raising wage levels in Colchester. However, the Council was under significant financial pressure and it had to be recognised that the Council was not the direct employer. It could only seek to influence and encourage. The Council would raise the issue with Idverde.

743. End of Year Update

The Chief Executive submitted a report a copy of which had been circulated to each Member and made a presentation to Cabinet. A copy of the full presentation would be circulated to members after the meeting.

Pam Donnelly, Chief Executive, explained that the concept of an End of Year Update was new but believed it should be retained for future years. It was an opportunity to highlight achievements and to look forward so that any new administration was fully sighted, which would help ensure a smooth transition.

The Chief Executive highlighted the following key challenges and achievements.

- The budget process had been the most challenging in recent memory and it was a significant achievement that progress had been made with strategic priorities given the budgetary constraints. Significant savings had been achieved and the situation was still challenging with a considerable budget gap to be closed in future years. A firmer grip of the capital programme was needed but progress was being made in reviewing this.
- Significant progress was being made on Strategic Plan priorities. In terms of “Delivering Homes for People who Need Them” the Council continued to build new market homes and the delivery of 173 affordable homes was a laudable achievement. The Council continued to address the cost of living crisis in partnership with the voluntary sector and the NHS. Colchester remained a City of Sanctuary and continued to welcome and support refugees. In respect of “Growing a Fairer Economy” the Council was delivering the Town Deal and Levelling Up Fund projects with partners which would generate employment and help support the local economy.
- A new Strategic Plan for 2023-26 had been adopted with new priorities reflecting the post pandemic environment and reflecting the reduced resources available to the Council.
- All the recommendations made by the LGA Peer Review had been actioned and progress was being made.
- Progress was being made with the Year of Celebration to mark City Status, which would deliver renewal and regeneration. This would deliver a brighter future despite the current difficulties.
- In view of concerns about the readiness of the Council’s companies for the challenges they faced, they had been subject to significant external challenge. This had identified some risks, but an Improvement Plan was in place. A new interim Managing Director had been appointed to Colchester Commercial Holdings Ltd. The Council continued to enjoy an excellent working relationship with Colchester Borough Homes and had a shared desire to drive improvements to the Council’s housing stock.
- To ensure the readiness of the organisation to meet the challenges it faced the Council had reorganised its Management Team. Phase 1 of this project had seen the creation of a Senior Leadership Board, which was smaller and worked differently to its predecessor. This had also delivered a significant saving. Phase 2 would build on and nurture the existing Group Managers who would be included in a wider senior leadership team. These roles would be grouped into clusters which

would reflect their relationship with the Strategic Plan. The Council's Corporate Services would also be strengthened. This would help transform the authority into an organisation fit for the future.

In summary the Chief Executive stressed the need to maintain perspective. Whilst the financial position was very challenging, the Council had a grip on it, and the tough decisions needed would be taken. There was a bright future ahead for Colchester.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, invited Cabinet members to highlight key achievements and challenges from their respective portfolios.

Councillor Fox, Portfolio Holder for Local Economy and Transformation, stressed the importance of the engagement work undertaken by the Council to establish what were the priorities for residents. This had demonstrated the need to concentrate on the city centre. The award of City Status had also focused attention on the city centre. The Town Deal and Levelling Up Fund projects would bring in considerable investment into the city centre and would help lever in further investment. The City Centre Masterplan would help develop this further. In addition, the new Economic Strategy was a significant achievement which would help key sectors of the local economy and drive up wage levels.

It was noted that this was Councillor Fox's last Cabinet meeting and Cabinet members paid tribute to his contribution and thanked him for his service.

Councillor Cory, Portfolio Holder for Resources, welcomed the report and considered that this should be a regular item. The Council had maintained its ambition and identity despite the challenges it faced. Much of the economic instability the Council faced was due to government policy, but the administration welcomed the challenge and scrutiny from the local opposition. Governance and Audit Committee and the Scrutiny Panel had provided valuable challenge and demonstrated that more could be achieved by working together. There had also been valuable partnership working, particularly with Essex County Council. There was a positive future for Colchester, but there was a need to bring residents with the Council through consultation and celebration.

Councillor J. Young, Portfolio Holder for Housing and Communities, explained that good progress was being made in delivering against the Council's aspiration to deliver 350 affordable homes by 2024. However, the scope of housing need could not be underestimated and there was no room for complacency. The benefits of partnership working were highlighted by the work with Essex County Council to bid for funding from the Shared Prosperity Fund for a Community Supermarket.

Councillor Cox, Portfolio Holder for Heritage and Culture, highlighted that City Status would be a huge boost to heritage and culture. The programme for the Year of Celebration was still emerging but had a real organic community feel. The challenge ahead was to align the work on City Status with the work on regeneration and renewal, the work on the Cultural Strategy and the work on the Shared Prosperity and Levelling Up Funds. Despite the challenges this was an exciting time.

Councillor King summarised by reminding Cabinet that the LGA Peer Review had stated that Colchester was "on the cusp of something great." There would be transformational change which would deliver real benefit to the quality of life for residents. The Council

needed to keep its focus and maintain financial stability. An extraordinary amount had been done in an extraordinary year and the situation was well set for the next administration.

RESOLVED that:-

- (a) The progress against key Council priorities and areas of work in the 2022/2023 municipal year and the proposed next steps be noted.
- (b) The action required to ensure the continuation of delivery and a smooth transition into the new municipal year had been identified.

REASONS

To ensure satisfactory delivery of key Council priorities and a smooth transition into the municipal year 2023/2024.

ALTERNATIVE OPTIONS

There were no appropriate alternatives.

744. Town Deal Progress

Draft minute 396 of the Scrutiny Panel meeting of 15 March 2023 was submitted to Cabinet, a copy of which had been circulated to each Member.

Councillor Willetts, Chair of the Scrutiny Panel attended and, with the consent of the Chair, addressed the Cabinet. He explained that the Panel had scrutinised the Town Deal on several occasions. There was concern that whilst the Council was the accountable body, it was not in complete control of the delivery of the projects. Therefore, the Panel wanted to monitor closely the delivery of the projects to ensure they remained on track for delivery by 2026, especially given the position on the Capital Programme and the difficulty of some of the land acquisitions. The Panel had received reassurance from officers that the projects were deliverable and were being well managed. However, it did query whether the non-monetary benefits of some projects, including the Heart of Greenstead, were assured and whether they would be able to deliver a measurable reduction in deprivation. It also felt that whilst Cabinet had a clear view of the benefits of the projects, this understanding was not shared more widely and there was a need for better presentation to the wider public of the benefits that they would bring to the city.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, thanked the Panel for its work, which added value. The recommendation in respect of the presentation of projects was accepted and work to improve this was already underway.

Councillor J. Young, Portfolio Holder for Housing and Communities, explained that in respect of the Heart of Greenstead project, it would be easier to move the project forward if the Council owned the entire site. It was making progress on this. Considerable efforts had been made to involve the community in the project, and again Community 360 had made considerable progress with this, The Community Hub would address the identified needs of the local community. Given the scale of the issues of deprivation and inequality,

this needed to be addressed through changes in government policy and could not be solved through the delivery of the Town Deal projects alone.

RESOLVED 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.

REASONS

Cabinet accepted the need for the town centre projects and the benefits they would bring to be given greater prominence to help residents better understand them.

ALTERNATIVE OPTIONS

It was open to Cabinet not to agree the recommendation from the Scrutiny Panel.

745. City Status Update

Draft minute 395 of the Scrutiny Panel meeting of 15 March 2023 was submitted to Cabinet, a copy of which had been circulated to each Member.

Councillor Willetts, Chair of the Scrutiny Panel attended and, with the consent of the Chair, addressed the Cabinet. The Panel had considered that the Year of Celebration was well organised and comprehensive. However, in general terms, the work on City Status appeared to be a rebranding of projects and work that was already underway to improve Colchester, such as the Town Deal and Levelling Up Fund Projects, rather than a new programme specifically resulting from the award of City Status. In this context it was noted that City Status brought no additional funding or resources. It was therefore difficult to identify particular benefits that resulted from City Status. The Panel considered that there remained a view that the focus of the work and events were concentrated in the historic city centre and that it was important that the whole city was involved and felt the benefits. It also identified skills as a key issue which should be addressed through City Status. The Annual Monitoring report demonstrated that there was a skills deficiency and Colchester had a low skills and low wage economy. City Status should be used to drive progress towards a high skills and high wage economy.

Councillor Fox, Portfolio Holder for Local Economy and Transformation, thanked the Panel for their input and considered the debate at Scrutiny to have been very helpful. City Status did bring a real but intangible benefit. It had brought renewed energy to the Town Deal Board and other groups and had helped the University sell Colchester to students and researchers. The Panel was right to focus on skills as a key issue. It was hoped that the current discussions on devolution may result in greater local control or influence on the development of skills.

RESOLVED 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.

REASONS

Cabinet accepted the need for a whole city approach to City Status and the importance of the need to develop skills within Colchester.

ALTERNATIVE OPTIONS

It was open to Cabinet not to agree the recommendation from the Scrutiny Panel.

746. Financial Monitoring Report – April to December 2022

Minute 352 of the Governance and Audit Committee meeting of 7 March 2023 was submitted to Cabinet, a copy of which had been circulated to each Member.

Councillor Cory, Portfolio Holder for Resources, indicated that he had received some initial feedback from the review of the Capital Programme. An all member briefing would be set up early in the new municipal year followed by a report to the Governance and Audit Committee.

RESOLVED that:-

(a) The Governance and Audit Committee monitor the progress of specific items on the Council's Capital Programme.

(b) Particular attention be given to the budget for Neighbourhood Services to ensure that budgets for the forthcoming financial year were accurate and reflected the current financial situation.

REASONS

There was a need to monitor the Neighborhood Services budget, which had been subject to particular challenges.

ALTERNATIVE OPTIONS

It was open to the Cabinet not to agree the recommendation from the Governance and Audit Committee.

747. Review of Section 106 Developer Contributions

The draft minute from the Scrutiny Panel meeting of 14 March 2023 was submitted to Cabinet, a copy of which had been circulated to each Member.

Councillor Willetts, Chair of the Scrutiny Panel attended and, with the consent of the Chair, addressed the Cabinet. The Panel had been pleased with the progress on the infrastructure audit and database. However, in general terms it had felt that the arrangements around section 106 contributions could be improved. The way projects were identified, and the identification of the contributions that should be sought could be done better. Some opportunities to gain section 106 contributions were missed and there were occasions when agreed contributions were not collected. In addition Councillors were not particularly well linked into the process. Councillors should have greater influence in deciding what infrastructure was needed in their local area. The system would work better if there was a middle ranking officer in place to coordinate the work and give it better focus. Whilst it was appreciated that resources were stretched, this was an area where further resources could deliver real benefits. In addition, Essex County Council should be asked to be more agile in the way they identified projects that required section 106 contributions. There also needed to be better provision of information to members linking the contributions that were collected with the projects that needed resources, enabling Councillors to monitor the situation in their ward.

Councillor Sunnucks attended and with the consent of the Chair addressed Cabinet and endorsed Councillor Willetts comments. He had asked for the review by the Scrutiny Panel to ensure that the Council collected as many section 106 contributions as possible. Infrastructure had not kept up with growth so there was a real need to maximise planning gain and ensure section 106 contributions were collected more efficiently. Essex County Council's guidance to developers needed to be clearer so that they could have a better understanding of the contributions they would be asked to make. This would mean they would have a better appreciation of what they would need to bid for land they wished to develop. It was vital they the Council sought to influence Essex County Council on this issue.

Councillor King, Leader of the Council and Portfolio Holder for Strategy, thanked the Panel for the clear recommendations. The Council was already in the process of recruiting in line with the recommendation from the Panel. Issues around section 106 contributions were not the only reasons behind the infrastructure deficit but it was accepted that the Council needed capacity to ensure it extracted the maximum benefit. Relationships with Essex County Council were improving, which should help influence their procedures in respect of section 106. The recommendations from the Panel were accepted.

RESOLVED that:-

- (a) The monthly report to councillors, detailing available S106 monies, include the Local Infrastructure Delivery Table (LIDP).
- (b) A robust response be provided to Essex County Council, regarding the latest version of the County Council's Developers' Document.
- (c) Further support be given to the infrastructure audit.
- (d) A specialist officer be appointed to oversee S106 and the infrastructure audit.

REASONS

Cabinet considered that the recommendations would help ensure the Council extracted the maximum benefit from section 106 contributions.

ALTERNATIVE OPTIONS

It was open to the Cabinet not to agree the recommendation from the Scrutiny Panel.

748. Progress of Responses to the Public

The Democratic Services Manager submitted a progress sheet a copy of which had been circulated to each Member.

RESOLVED that the contents of the Progress Sheet be noted.

REASONS

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

ALTERNATIVE OPTIONS

No alternative options were presented to the Cabinet.

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

749. Report of Urgent Decision taken under Rule 22 of the Cabinet Procedure Rules – Land Acquisition for Development as Part of the Council's New Housebuilding Programme

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).