

# Council Meeting

**Council Chamber, Town Hall, High Street,  
Colchester, CO1 1PJ  
Wednesday, 22 October 2014 at 18:00**

# **Information for Members of the Public**

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**COLCHESTER BOROUGH COUNCIL**  
**Council**  
**Wednesday, 22 October 2014 at 18:00**

**TO ALL MEMBERS OF THE COUNCIL**

**Published 17/10/2014**

**You are hereby summoned to attend a meeting of the Council to be held at the Town Hall, Colchester on Wednesday, 22 October 2014 at 18:00 for the transaction of the business stated below.**



**Chief Executive**

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

**Please note that the business will be subject to short breaks at approximately 90 minute intervals.**

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

**1 Welcome and Announcements**

(a) The Mayor to welcome members of the public and Councillors and to invite the Chaplain to address the meeting. The Mayor to remind all speakers of the requirement for microphones to be used at all times.

(b) At the Mayor's discretion, to announce information on-

- action in the event of an emergency;
- use of mobile phones;
- audio recording of the meeting;
- location of toilets.

**2 Have Your Say!**

The Mayor to ask members of the public to indicate if they wish to ask a question, make a statement or present a petition on any matter relating to the business of the Council - either on an item on the agenda for this meeting or on a general matter not on this agenda and to invite any such contributions (Council Procedure Rule 6(2)).

(Note: A period of up to 15 minutes is available for general statements and questions under 'Have Your Say!').

### 3 **Minutes**

A... Motion that the minutes of the meeting held on 16 July 2014 be confirmed as a correct record.

**Minutes of Council meeting 160714**

7 - 14

### 4 **Mayor's Announcements**

Mayor's Announcements (if any) and matters arising pursuant to Council Procedure Rule 8(3).

### 5 **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.

- 6 Items (if any) referred under the Call-in Procedure**
- To consider any items referred by the Scrutiny Panel under the Call-in Procedure because they are considered to be contrary to the policy framework of the Council or contrary to, or not wholly in accordance with, the budget.
- 7 Presentation by the University of Essex**
- Council to receive a presentation from the University of Essex Vice-Chancellor, Professor Anthony Forster, and the Deputy Vice-Chancellor, Professor Jules Pretty, on the University's 50th Anniversary celebrations and its strategic plan and priorities. There will be an opportunity for Councillors to ask questions at the end of the presentation.
- 8 Recommendations of the Cabinet, Panels and Committees**
- To consider the following recommendations:-
- 8(i) Proposal to Establish a Revolving Investment Fund** 15 - 16
- B... Motion that the recommendations contained in minute 21 of the Cabinet meeting of 30 July 2014 be approved and adopted.
- 8(ii) Appointment of Honorary Aldermen** 17 - 18
- C... Motion that the recommendations contained in minute 12 of the Governance Committee meeting of 26 August 2014 be approved and adopted.
- 8(iii) Review of Polling Districts and Polling Places** 19 - 20
- D... Motion that the recommendations contained in minute 13 of the Governance Committee meeting of 26 August 2014 be approved and adopted.
- 8(iv) 2013/14 Year End Review of Risk Management** 21 - 22
- E... Motion that the recommendation contained in minute 36 of the Cabinet meeting of 15 October 2014 be approved and adopted.
- 9 Notices of Motion pursuant to the provisions of Council Procedure Rule 11**
- None received at the time of the publication of this Summons.
- 10 Questions to Cabinet Members and Chairmen pursuant to Council Procedure Rule 10**
- To receive and answer pre-notified questions in accordance with Council Procedure Rule 10(1) followed by any oral questions (not submitted in advance) in accordance with Council Procedure Rule 10(3).
- (Note: a period of up to 60 minutes is available for pre-notified questions and oral questions by Members of the Council to Cabinet Members and Chairmen (or in their absence Deputy Chairmen)).
- None received at the time of the publication of this Summons.
- 11 Annual Scrutiny Report 2013-14** 23 - 26
- F... Motion that the Annual Scrutiny report 2013-14 be noted.

- |    |  |         |
|----|--|---------|
| 12 | <b>Schedule of Portfolio Holder Decisions</b>  | 27 - 30 |
|    | To note the Schedule of Portfolio Holder Decisions covering the period 1 July 2014 - 6 October 2014.   |         |
| 13 | <b>Urgent Items</b>  |         |
|    | To consider any business not specified in the Summons which by reason of special circumstances the Mayor determines should be considered at the meeting as a matter of urgency.  |         |
| 14 | <b>Reports Referred to in Recommendations</b>  |         |
|    | The reports specified below are submitted for information and referred to in the recommendations specified in item 8 of the agenda:  |         |
|    | <b>Revolving Investment Fund - report to Cabinet</b>   | 31 - 40 |
|    | <b>Appointment of Honorary Alderman - report to Governance Committee</b>   | 41 - 44 |
|    | <b>Review of Polling Districts and Polling Places - report to Governance Committee 26 August 2014</b>  | 45 - 46 |
|    | <b>2013/14 Year End Review of Risk Management - report to Cabinet</b>  | 47 - 70 |
| 15 | <b>Exclusion of the Public (not Scrutiny or Executive)</b>   |         |
|    | In accordance with Section 100A(4) of the Local Government Act 1972 to exclude the public, including the press, from the meeting so that any items containing exempt information (for example confidential 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)

# Council

Wednesday, 16 July 2014

<b>Attendees:</b>	Councillor Kevin Bentley (Member), Councillor Elizabeth Blundell (Member), Councillor Mark Cable (Member), Councillor Nigel Chapman (Member), Councillor Peter Chillingworth (Member), Councillor John Elliott (Mayor and Chairman), Councillor Andrew Ellis (Member), Councillor Marcus Harrington (Member), Councillor Pauline Hazell (Member), Councillor Brian Jarvis (Member), Councillor John Jowers (Member), Councillor Margaret Kimberley (Member), Councillor Sue Lissimore (Member), Councillor Richard Martin (Member), Councillor Will Quince (Member), Councillor Peter Sheane (Member), Councillor Tina Bourne (Member), Councillor Dave Harris (Member), Councillor Cyril Liddy (Member), Councillor Michael Lilley (Member), Councillor Kim Naish (Member), Councillor Julie Young (Member), Councillor Tim Young (Member), Councillor Nick Barlow (Member), Councillor Lyn Barton (Member), Councillor Helen Chuah (Member), Councillor Barrie Cook (Member), Councillor Nick Cope (Member), Councillor Mark Cory (Member), Councillor Annie Feltham (Member), Councillor Bill Frame (Member), Councillor Ray Gamble (Member), Councillor Martin Goss (Member), Councillor Julia Havis (Member), Councillor Jo Hayes (Member), Councillor Professor Peter Higgins (Member), Councillor Mike Hogg (Member), Councillor Martin Hunt (Member), Councillor Jon Manning (Member), Councillor Lesley Scott-Boutell (Member), Councillor Paul Smith (Member), Councillor Laura Sykes (Member), Councillor Anne Turrell (Member), Councillor Philip Oxford (Member), Councillor Roger Buston (Member), Councillor Robert Davidson (Member), Councillor Chris Pearson (Member), Councillor Rosalind Scott (Member), Councillor Dominic Graham (Member), Councillor Justin Knight (Member), Councillor Jessica Scott-Boutell (Member), Councillor Theresa Higgins (Deputy Chairman)
<b>Apologies:</b>	Councillor Christopher Arnold (Member), Councillor Beverly Davies (Member), Councillor Margaret Fairley-Crowe (Member), Councillor Jackie MacLean (Member), Councillor Dennis Willetts (Member), Councillor Nigel Offen (Member), Councillor Beverley Oxford (Member), Councillor Gerard Oxford (Member)
<b>Substitutes:</b>	

## 16 Minutes

*RESOLVED* that the minutes of the meeting held on 16 June 2014 be confirmed as a correct record.

## **17 Have Your Say!**

Angel Kalyan addressed Council pursuant to the provisions of Council Procedure Rule 7(5) to express her concerns about the governance of the Council. She outlined some of the background and history to her concerns. She stressed her belief that it was for elected members to address these matters. She asked members whether they still wanted her to pursue matters on their behalf and seek an inquiry similar to that at Colchester Hospital.

The Mayor invited the Chief Executive, Adrian Pritchard to respond to her comments. He refuted the allegation that officers had made false statements. He stressed that the Council had followed all due processes in relation to the matters she raised and it considered the matter closed. The only route of recourse for Mrs Kalyan was to take the Council to court, where the Council would defend itself rigorously. If she believed she had evidence of criminal behaviour, this should be reported to the police to investigate.

Mr Orton addressed Council pursuant to the provisions of Council Procedure Rule 7(5) about complaints lodged by an elderly resident of John Bull Walk. Complaints had been made over a period of four years about the state of her windows, which did not close properly but no effective action had been taken. This had led to a smell of damp within the property. This was unfair on the resident who had always paid their rent.

Councillor Bourne, Portfolio Holder for Housing and Public Protection, undertook to raise the matter with Colchester Borough Homes, once she was given details of the resident's address.

## **18 Mayor's Announcements**

The Mayor announced that Colchester Borough Council had won the following awards:-

- In the Primary Times, Essex Star Awards, Leisure World was named Best Sports or Leisure Centre in Essex and Colchester Castle was given the accolade of Best Family-Friendly Museum in Essex.
- In the Geoplace Exemplar Awards Colchester was the runner up in the Integration award for a waste management integration project using LLPG data.
- In Anglia in Bloom, Colchester had won the gold award in the 'small city' category. Castle Park earned the coveted Winner and Gold Award in the 'large parks' category, and the top award in the drought/sustainable garden category.
- In the Green Flag awards, Castle Park had received its eleventh consecutive Green Flag, with High Woods receiving its tenth.

The Mayor also announced the following civic events:-

- The Civic Service on 20 July 2014.
- The Mayoress at Home on 2 August 2014



**19 Colchester's Homelessness Strategy**

**Councillor T. Young (in respect of his position 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).**

*RESOLVED* that the recommendations contained in minute 68 of the Cabinet meeting of 5 March 2014 be approved and adopted (MAJORITY voted FOR)

**20 Alcohol Consumption Task and Finish Group**

*RESOLVED* that the recommendation contained in minute 31 of the Alcohol Task and Finish Group meeting of 17 April 2014 be approved and adopted (MAJORITY voted FOR).

**21 Adoption of the Local Plan Focused Review**

*RESOLVED* that the recommendation contained in minute 7 of the Local Plan Committee meeting of 30 June 2014 be approved and adopted (UNANIMOUS).

**22 Notices of Motion pursuant to the provisions of Council Procedure Rule 11**

**Probation**

**Service**

**Councillor Pearson (In respect of his employment by the National Probation Service) and Councillor Gamble (in respect of being in receipt of a pension from the Probation Service) declared a pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).**

Eliza Vasquez-Walters addressed Council pursuant to the provisions of Council Procedure Rule 7(5) in support of the Motion. She had worked in the Probation Service for 14 years and considered that the Probation Service handled change well. However, previous changes to the service had been evidence based. There was no evidence to support the changes that were now proposed. They were driven by a desire to make profit, which she considered to be immoral in this area of work. Large companies such as Capita were likely to bid for the work, despite having no experience of managing offenders. They would be responsible for large numbers of low risk offenders, which were the group in which reoffending rates were highest. The changes would have a detrimental impact on local communities.

It was PROPOSED by Councillor T. Young that:-

This Council believes that the Government's changes to Probation services in England and Wales are detrimental to community safety, have no evidence based research at their root and are based on this government's wish to dismantle the public service sector.

Before its abolition Essex Probation was one of 4 award winning Probation Trusts in the UK, delivering an excellent standard of service, meeting all of its performance targets, reducing re-offending year on year and protecting victims. Its highly trained, committed and motivated staff group ensured a joined up approach to community safety; working in partnership with this council, Community Safety Partnership, the Police and a host of statutory and voluntary support services.

The split is a move that is not supported by staff or by unions who feel that it is untested and dangerous.

This Council calls on the Government and Opposition at Westminster to halt the privatisation of Probation and restore it as a fully integrated public service once again and demands that the Members of Parliament representing the Borough of Colchester, who have to date voted with the Government in support of these untested changes, take steps to revive this issue in Parliament before public safety is compromised and so that tragic consequences are avoided.

A MAIN AMENDMENT was PROPOSED by Councillor Gamble as follows:-

That the motion on the Probation Service be approved and adopted subject to the following amendments:-

- In paragraph 1 the deletion of all the words from “and are based....” onwards.
- In paragraph 4 the deletion of all the words from “and demands that the members of Parliament....” onwards.

Councillor T. Young indicated that the MAIN AMENDMENT was ACCEPTED and the MOTION was deemed amended accordingly.

On being put to the vote the MOTION was CARRIED (MAJORITY voted FOR).

## 23 Questions to Cabinet Members and Chairmen pursuant to Council Procedure Rule 10

Questioner	Subject	Response
<b>Verbal Questions</b>		
Councillor Naish	Whether there would be any additional restrictions to cars entering the High Street when the market returned to the High Street and if congestion resulted from the relocation of the market, whether there be a u-turn?	Councillor Turrell, Portfolio Holder for Economic Development and Regeneration, explained that no additional restrictions would be implemented in respect of the relocation of the market, but Essex County Council were looking at what changes may be needed for the introduction of Park and Ride. The relocation of the market would not lead to further congestion. Park and

		Ride would be opening soon to alleviate any problems.
Councillor Harris	With the move of the Colchester market to the High Street, would a review of the camera set up of the CCTV system be arranged to ensure public safety was not compromised due to market stalls obscuring criminal behaviour?	Councillor T. Young, Portfolio Holder for Community Safety, Licensing and Culture explained that the situation once the market relocated would no different to the current one. Some of the recent reporting on the CCTV system had not reflected the reality. The system had been working properly for 6 months. The Council's CCTV system was only intended to cover the town centre, Over 374 arrests had been made as a result of the CCTV system, plus it helped with other community safety work, such as tracing missing or vulnerable persons.
Councillor Harris	What was the current process for waste operatives if they came across split bags?	Councillor Barlow, Portfolio Holder for Street and Waste Services, explained that if the bags split whilst they were being handled by the operatives, they would clear up any spillage. However, if they were split before they arrived, they would not do so, as this would slow down collections. If there were particular issues in an area, this should be referred to the zone teams.
Councillor Quince	How many of the Council's CCTV cameras were currently non-operational?	Councillor T. Young, Portfolio Holder for Community Safety, Licensing and Culture stated that none were non-operational.
Councillor Quince	Could the Portfolio Holder for Street and Waste Services guarantee that sufficient stocks of waste collection receptacles would be ordered this year to ensure there would be no repetition of the shortages that occurred at times last year?	Councillor Barlow, Portfolio Holder for Street and Waste Services, said that he would discuss with officers before responding.

Councillor Scott	Would the Portfolio Holder for Communities and Leisure Services review the implications of Essex County Council policy changes regarding home-to-school transport, and make representations to the relevant cabinet member at Essex County Council, given the impact this would have on communities in Wivenhoe	Councillor Feltham, Portfolio Holder for Communities and Leisure Services, indicated that she would write to the relevant Essex County Council Portfolio Holder on her behalf.
Councillor J. Young	Would the Leader of the Council contact the Essex County Council Portfolio Holder with responsibility for street lighting to ask if the recent changes to street lighting could be reversed given the recent murders in Colchester?	Councillor Hunt, Leader of the Council and Portfolio Holder for Strategy, indicated that he would raise the issue with the Portfolio Holder and request that they be turned on until matters resolved. Whilst lighting did not appear to be a material factor in either murder, he accepted they had caused distress and concern
Councillor T. Young	Would the Leader of the Council agree that the deadline for receipt of pre-notified questions should be amended so that it was the same time as deadline for main amendments to Motions?	Councillor Hunt, Leader of the Council and Portfolio Holder for Strategy agreed. Most groups discussed questions at their Group meetings on the Monday before Council meetings. The proposed new deadline would still give time for questions to be published and for responses to be prepared.
Councillor Lissimore	A number of residents had received a letter about Council Tax, which was vicious and difficult to understand. Why had the Council employed this company, how much had they been paid and how much did the Council anticipate saving from the campaigns?	Councillor Smith, Portfolio for Business and Resources, explained that the company had been commissioned on the basis of a recommendation from Essex County Council. The cost to Colchester Borough Council had been £6200 and a previous campaign had generated £371,000. He did not accept that the letters were vicious in tone.
Councillor Jarvis	Over the next 18-24 months a number of major developments were planned for north	Councillor Turrell, Portfolio Holder for Economic Development and

	Colchester and the town centre. Could the Portfolio Holder give an assurance that plans were in place to ensure that the necessary infrastructure, including educational facilities and hospitals, would be in place to support the new developments?	Regeneration, stated that she was in discussion with Essex County Council, the Highways Authority and other agencies to ensure that the developments would be fit for purpose.
Councillor Goss	Would the Portfolio Holder join him in writing to the Arts Council to ask them to allow firstsite to use the £2.2 million of funding recently awarded in a more flexible way so they could give the people of Colchester art they may be interested in seeing. Would the Portfolio Holder do something about the public realm outside firstsite and lack of signage to firstsite.	Councillor T. Young, Portfolio Holder for Community Safety, Licensing and Culture, indicated that he would not be writing to the Arts Council in those terms. In respect of the public realm and signage issues, several members of the Cabinet were working on these issues and those who were members of his group would be able to update him.
Councillor Goss	Would the Leader of the Council ask the Portfolio Holder for Street and Waste Services to introduce a Colchester standard for CCTV so there would a consistent approach to CCTV across both public and private providers? Would a fund be established from the New Homes Bonus to allow community groups and organisations to obtain funding to improve CCTV facilities?	Councillor Hunt, Leader of the Council and Portfolio Holder for Strategy, indicated he would pass the request to Cllr Young, but was not sure what powers the Council would have to act in respect of private companies, No decisions had been taken on the use of the New Homes Bonus but it was unlikely it would be used in the way that Councillor Goss suggested.
Councillor Pearson	What would be the impact of the relocation of the market on disabled parking places and would the Portfolio Holder ensure that steps would be taken to facilitate movement along the High Street by those with mobility issues.	Councillor Turrell, Portfolio Holder for Economic Development and Regeneration indicated that the relocation of the market would have a positive impact on disabled parking provision and that steps would be taken to facilitate movement along the High Street by those with mobility issues.
Councillor Hazell	Given the large investment in	Councillor Feltham, Portfolio

	North Colchester, could a modest amount of funding be made available for the Shrub End Tennis Courts, which could become a commercial asset for the Council.	Holder for Communities and Leisure Services, indicated that there were no plans to invest further in Shrub End Tennis Courts, but that if Councillor Hazell were to write to her, she would provide a full written answer.
Councillor Hayes	Would the Leader of the Council agree that Colchester remained a very safe space, relatively speaking?	Councillor Hunt, Leader of the Council and Portfolio Holder for Strategy, agreed
Councillor Blundell	Despite assurances given at Cabinet, Fair Access to Colchester had not been consulted on disabled parking provision in the town centre following the relocation of the market. Could the Portfolio Holder confirm the parking provision for blue badge holders.	Councillor Turrell, Portfolio Holder for Economic Development and Regeneration indicated she would investigate what the position was.
Councillor Harrington	Did the Portfolio Holder for Community Safety, Licensing and Culture acknowledge that comments he made about Conservative views on public servants did not apply to him?	Councillor T. Young, Portfolio Holder for Community Safety, Licensing and Culture, replied that members of a political party would be judged by that party's actions.

## 24 Schedules of Decisions taken by Portfolio Holders

*RESOLVED* that the Schedules of Portfolio Holder decisions for the period 6 February 2014 1 July 2014 be noted.

**Extract from the minutes of the Cabinet meeting of 30 July 2014**

**21. Proposal to Establish a Revolving Investment Fund**

The Head of Commercial Services submitted a report a copy of which had been circulated to each Member together with minute 6 of the Trading Board meeting of 18 June 2014.

*RESOLVED* that:-

- (a) A Revolving Investment Fund (RIF) be established for the commercial management, disposal of and investment into key assets in order to drive forward income generation projects.
- (b) A Cabinet committee to be known as the RIF Committee be established in accordance with the proposals contained at paragraph 10.4 of the Head of Commercial Services report and the terms of reference as detailed at Appendix 1 of Head of Commercial Services report be agreed. .
- (c) The ringfencing of capital receipts from a number of key identified assets as set out in the not for publication Appendix 2 of the Head of Commercial Services report be agreed and that the revenue funding set out in paragraph 9.11 of the Head of Commercial Services report will be included in the RIF.
- (d). Other capital schemes such as those set out at paragraph 9.12 of the Head of Commercial Services report or other appropriate revenue budgets also be included within the RIF.

*RECOMMENDED to COUNCIL* that:-

- (a). The RIF be included within the overall capital programme and that the approval of any specific projects be subject to the governance arrangements set out within the Head of Commercial Services report.
- (b) The Monitoring Officer be authorised to make all necessary consequential changes to the Constitution.

*REASONS*

There is a need to carry out investment decisions in a more commercially focused way to secure high levels of future income for the Council.

A ringfenced account will provide a structured process to deliver high income producing developments and investments, which can minimise financing costs and has the ability to move swiftly to secure the best commercial outcomes

*ALTERNATIVE OPTIONS*

The Council could continue to allocate capital receipts for specific income producing opportunities on a case by case basis. However there are a number of benefits from taking a more streamlined strategic approach to investment decisions including, more flexibility to act quickly when opportunities arise, the ability to forward fund potential schemes using receipts already in the Fund and the ability to take a longer term approach to investment management of key assets.

The Council could seek to set up an independent asset vehicle specifically for the development of its key assets. A good deal of research has been carried out looking at various models relating to asset based vehicles and whilst there is a clear need for a special purpose vehicle ("SPV") in some circumstances, for example for commercial trading activities and for housing focused development, at this stage it is not clear what benefits would be derived from setting up a stand-alone company.



**Extract from the minutes of the Governance Committee meeting on 26 August 2014**

**12. Appointment of Honorary Aldermen**

Amanda Chidgey introduced a report, prepared at the request of the Leader of the Council, seeking consideration of the appointment of former Councillors Sonia Lewis, Terry Sutton, Colin Sykes and Mary Blandon as Honorary Aldermen. It was explained that the four former councillors were all eligible, having served at least twenty years as a Councillor, or having held the office of Mayor of the Council.

The report explained that a special Council meeting would be required for the appointment of Honorary Aldermen although this could take place on the same date as a scheduled meeting. The Committee was also invited to consider the Council's policy on robes for Honorary Aldermen at civic events which currently provided for additional robes to be purchased by the newly appointed Honorary Aldermen themselves. The current supplier had indicated that robes could be supplied at a cost of £878 or £647, depending on the quality. It was also explained that the supplier of the illuminated resolutions had confirmed that the current lead in time was at least 10 weeks from acceptance of the order by them.

The Leader of the Council, Councillor Hunt attended the meeting and endorsed the report. He was of the view that a specially convened meeting of the Council would be more appropriate given the likely timescale for the ceremony and the opportunity for the Honorary Aldermen to host a reception. He also gave a brief summary of the procedure which usually took place at such ceremonies, explaining they were similar in nature to the Mayor Making ceremony as they involved individual proposals, speeches and presentations of robes.

Issues identified by Councillors included:

- Councillor Lissimore – Has there been an alternative, cheaper robe located from other suppliers?
- Councillor Chapman – Queried whether any of the previous Honorary Aldermen had purchased a robe?
- Councillor Graham – Asked about the balance between level of stock of robes and the number of Honorary Aldermen.

Particular discussion took place regarding the need for additional robes and the appropriateness of requiring newly appointed Honorary Aldermen to replenish the stock, given their individual ability to pay, the fact that longer serving Honorary Aldermen had not been required to do so and the likelihood of insufficient robes being available on any one occasion.

In response to the issues raised, Amanda Chidgey and Councillor Hunt provided the following:

- Enquiries have been made with a local supplier with the quote so far looking likely to be around £500 although this has not been confirmed.
- Since the introduction of the policy on robes no Honorary Alderman had been required to purchase a robe.
- Usually the balance between the number of robes and the aldermen is adequate so that each Honorary Alderman is able to wear a robe. However with the increase in Aldermen, there may be a shortage of robes for the more significant events, such as Mayor Making.

*RECOMMENDED* to the next scheduled meeting of the Council that:

- (i) A special meeting of the Council be convened on a date when no other meetings have been scheduled for the purposes of passing the following resolution:

“That in pursuance of the provisions of Section 249 of the Local Government Act 1972, this Council confers the title of “Honorary Alderman” on former Councillors Sonia Jean Lewis, Terence Richard Sutton, Colin Leslie Sykes and Mary Blandon in recognition of their loyal and eminent service as Members of the Council and its constituent authority”

- (ii) An illuminated transcript of the resolution be given to each former Councillor concerned.”
- (iii) In order to maintain adequate stock and in accordance with the Council’s current policy, the newly appointed Honorary Alderman be invited to meet the cost of any new robes.

**Extract from the minutes of the Governance Committee meeting of 26 August 2014**

**13. Review of Polling Districts and Polling Places**

Andrew Weavers presented the report to the Committee highlighting that this report is required to tie up two different pieces of legislation, the Electoral Registration and Administration Act 2003, and the timetable of the Local Government Boundary Commission for England (LGBCE).

Under the provisions of the Electoral Registration and Administration Act 2003 Colchester Borough Council should hold a compulsory review between 1 October 2014 and 31 January 2015. This is in contrast to the timescale from the LGBCE which will publish its final recommendations on proposed new patterns of warding for the Borough in March 2015. The LGBCE's recommendations will then be ratified by Parliament and come into effect for the whole Council elections in May 2016.

The report therefore recommended to full Council that no change is currently required to the existing voting arrangements, and that a review of polling districts and polling places be undertaken in 2015 following the publication of the LGBCE recommendations, preventing the conflict between the two timetables, and the waste of resources.

*RECOMMENDED* to full Council that:

- (a) The Council does not undertake a formal review of the current polling districts and polling places within the Borough and confirms it is considered that no change is required to the existing voting arrangements which provide satisfactory facilities for electors and are practical in the circumstances for the area.
- (b) A review of polling districts and polling places be undertaken in 2015 following the publication by the Local Government Boundary Commission England of its final new warding pattern recommendations as part of the electoral review of the Borough.



**Extract from the minutes of the Cabinet meeting on 15 October 2014**

**36. 2013/14 Year End Review of Risk Management**

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member together with minute 4 of the Governance Committee meeting of 28 August 2014.

Councillor Willetts attended and with the consent of the Chairman addressed the Cabinet to express his concern that, as shown on the Risk Matrix, risks 3e, 4d and 6e remained as high risk. Action should have been taken to mitigate these risks. In respect of 3e (Staff motivation declines with an impact on fundamental service reviews and implementation of other budget efficiencies) effective staff engagement would have reduced this risk to a more acceptable level. Given the levels of investment in ICT, it was difficult to understand why risk 6e (Significant changes to ICT present challenges in maintaining customer service alongside increasing demands around information security) had not been reduced. Risk 4(d) (potential impact of future central government decisions to reduce public funding) could not be justified as a high risk given the Council's level of balances, which would allow the Council to maintain services even if central government funding was reduced.

Councillor Smith, Portfolio Holder for Business and Resources, responded to Councillor Willetts. In respect of risk 4(d), the Council remained reliant on decisions by central government on funding and had little influence on such decisions. It was likely that central government funding for local government would remain challenging. Reserves could only be used to plug a budget gap once. It was right that this be identified as the most serious risk facing the Council. In terms of risk 6e, this was identified as a high risk due to the impact of any ICT failure, rather than the likelihood of it happening. In respect of 3e, whilst every effort had been made to keep staff engaged during the FSR process, there was a clearly a risk to staff motivation when there was such pressure on budgets resulting in potential redundancies. The Risk Matrix was a realistic reflection of the risks facing the Council.

*RESOLVED* that:-

- (a) The risk management work undertaken during 2013-14 be noted.
- (b) The current Strategic Risk Register be noted.
- (c) The proposed Risk Management Strategy for 2014/15 be approved.

*RECOMMENDED to COUNCIL* that the Risk Management Strategy for 2014/15 be included in the Council's Policy Framework.

*REASONS*

Cabinet has overall ownership of the risk management process and is responsible for endorsing its strategic direction. Therefore the risk management strategy states that Cabinet should receive an annual report on progress and should formally agree any amendments to the strategy itself.

During the year progress reports are presented to the Governance Committee detailing work undertaken and current issues. This report was presented to the Governance Committee on 26 August 2014 where they approved its referral to this meeting. The minutes of the meeting of the Governance Committee were submitted to Cabinet alongside the Assistant Chief Executive's report.

The Risk Management Strategy is one of the key corporate governance documents that supports the Constitution of the Council and forms part of the Policy Framework. Accordingly any amendments have to be approved by full Council.

#### *ALTERNATIVE OPTIONS*

It was open to Cabinet not to approve the Risk Management Strategy or to do so subject to amendments.

<b>Report of</b>	<b>The Scrutiny Panel</b>	<b>Author</b>	<b>Jonathan Baker</b>
<b>Title</b>	<b>Annual Scrutiny Report</b>		<b>Tel. 282274</b>
<b>Wards affected</b>	<b>None</b>		

**This is a report setting out the work of the Council's Scrutiny Panels during 2013-14.**

# **1. Decision required**

- 1.1 To consider and comment on and note the Annual Scrutiny Report, a report that forms the basis for debating the subject of scrutiny at Colchester.

# **2. Reason for the decision**

- 2.1 The Constitution states the Scrutiny Panel shall report annually to the full Council on its workings and make recommendations for future work programmes and amended working methods if appropriate.

# **3. Purpose and Content of the Report**

- 3.1 The purpose of the report is to inform the Council of the work undertaken by the Scrutiny Panel and for the Council to form an opinion of the effectiveness of the scrutiny function.
- 3.2 This Scrutiny Report is a descriptive record of the work undertaken by the Scrutiny Panel during 2013-14.

# **4. Standard and Strategic Plan References**

- 4.1 The Council recognises that effective local government relies on establishing and maintaining the public's confidence, and that setting high standards of self governance provides a clear and demonstrable lead. Effective governance, of which scrutiny is a part, underpins the implementation and application of all aspects of the Council's work.
- 4.2 Scrutiny is a key function to ensure decisions have been subject to full appraisal and that they are in line with the Council's strategic aims. The role of scrutiny is also an important part of the Council's risk management and audit process, helping to check that risks are identified and challenged.
- 4.3 There is no publicity, equality and diversity, human rights, community safety, health and safety, risk management or financial implications in this matter.

# Scrutiny Panel Annual Report 2013-14

This Annual Report demonstrates the contribution made by the Scrutiny Panel at Colchester Borough Council.

This is the first year of the newly formed Scrutiny Panel, after an agreement at Council on 20 March 2013 to merge the Strategic Overview and Scrutiny Panel and the Financial and Audit Scrutiny Panel. This agreement formed part of the Council's new governance arrangements after the Universal Customer Contact Fundamental Service Review.

## **Scrutiny Panel Role**

The role of the Scrutiny Panel is to examine the policies and strategies from a borough-wide perspective and ensure the actions of the Cabinet accord with the Council's policies and budget. The Panel also reviews corporate strategies that form the Council's Strategic Plan, Council partnerships and the Council's budgetary guidelines, and scrutinises Cabinet or Portfolio Holder decisions which have been called in.

## **The Scrutiny Panel in 2013/14**

The function of the Scrutiny Panel is as important as ever, given the challenging future of providing services in difficult economic times with limited resources.

The success of Scrutiny Panel reviews depended on the involvement of Councillors, Council officers, expert witnesses and members of the public, and the Chairman of the scrutiny panels would like to thank everyone for their contribution to scrutiny in 2013/14.

The very low level of call-ins and matters of urgency suggested Councillors continued to take a responsible approach to Governance.

Portfolio Holders have continued to regularly attend items on the Scrutiny Panel agenda that fall within their remit to take a lead on major reviews and to discuss policy, spending and performance.

Members are asked to consider whether the scrutiny and review process is a function that remains effective, ensuring the critical friend challenge to the executive policy and decision making that drives improvement in public services.



## **Prominent Reviews at Colchester Borough Council**

The Scrutiny Panel requested a number of reviews during 2013/14.

The review of the North Essex Parking Partnership occurred twice over the course of the year. The first meeting focused on the operation of the partnership (10 December 2013), at which the NEPP Chairman Councillor Mitchell attended. An extra meeting was requested by Panel members to look further into the financial aspects of the NEPP which took place on 24 February 2014.

The Panel also held a Final Overview of Firstsite, with regards to the construction project of the visual arts facility, which took place on 10 September 2013. In addition the Scrutiny Panel looked at the Council's provision of IT (18 March 2014).

### **Pre Decision Scrutiny**

Pre-scrutiny enables the Scrutiny Panel to examine an issue in depth, and make proposals to the Cabinet or portfolio holder in advance of that decision being taken. This work, regularly includes the Budget Strategy (Noted in July 2013 and January 2014) and the 6-monthly and year-end Performance Report and Strategic Plan Action Plan (Noted in June and December 2013).

The Corporate and Financial Management Fundamental Service Review was considered and noted at Scrutiny, with a recommendation that the minutes were taken into account by the Cabinet (29 October 2013).

The Panel also scrutinised the New Housing Arrangements on the 2 July 2013. This was scheduled in for pre-scrutiny before the Cabinet took its decision on 10 July 2013, providing an opportunity to look at strengthening the partnership arrangements and in what organisation the functions are best delivered. The Panel noted the report and recommended that the Cabinet makes its decision in light of the Panel's discussions.

Another pre decision scrutiny that took place was the Portfolio Holder decision to close the Abbots Activity Centre on 23 July 2013. This meeting took place in the Auditorium at Firstsite to ensure that there was enough capacity for members of the public to attend. Fifteen members of the public participated in Have Your Say! as well as four Councillors who were not members of the Panel. The Panel made a number of requests to Cabinet including to look at alternative funding options and to take into consideration the views of the public who spoke at the meeting.

The Panel also looked at the Homelessness Strategy on 11 February 2014.

### **Partnership arrangements**

Two regular partnership reviews were undertaken. Both reviews, the 'Safer Colchester Partnership' (10 September 2013) and the Colchester Community Stadium Limited (March 2013) were noted.

### **Call-in**

There was one call-in in the municipal year at the meeting on 12 November 2013, which referred the Allotment Charges and Review of Tenancy Agreements decision to the Panel.

The meeting was attended by the Portfolio Holder, members of the public who spoke as part of Have Your Say! as well as other councillors.

The Panel resolved that the decision on the allotment charges and the review of the tenancy agreements be referred back to the Portfolio Holder for Communities Leisure for reconsideration. ***Cabinet confirmed the decision as made by the Portfolio Holder.***

### **Councillor Call for Action (CCfA)**

There were no CCfA issues brought to the attention of Scrutiny Panel during 2013/14.

### **Decisions taken as a matter of urgency**

Two decisions were taken as a matter of urgency in 2013/14.

The first was to approve the fees for applications made under the Scrap Metal Dealers Act 2013. The Scrutiny Panel was notified on the 29 October 2013, and both the Monitoring Officer and the Deputy Chairman of the Scrutiny Panel certified the immediate implementation of the decision and that the call-in procedure would not apply.

The second was the recommendation to join the Essex Business Rates Pool. The Scrutiny Panel was notified at the meeting on 12 November 2013, and both the Monitoring Officer and the Chairman of the Scrutiny Panel certified the immediate implementation of the decision and that the call-in procedure would not apply.

### **Task and Finish Group**

There were no Task and Finish Groups commissioned by the Scrutiny Panel 2013/14.

## Record of Decisions taken under Scheme of Delegation to Cabinet Members 1 July 2014 – 6 October 2014

Portfolio – Business and Resources					
Date	Number	Report Title	Author	Decision	Result
18/07/14	BUS-002-14	Pension Policy	Jessica Douglas	To determine the Council's revised Pension Policy 2014	Agreed 24/07/14
06/08/14	BUS-003-14	Sale of Premises at 1-3 Queen Street, Colchester	Fiona Duhamel	<p>To approve the disposal of 1-3 Queen Street, subject to contract.</p> <p>To authorise the Head of Commercial Services, in conjunction with the Portfolio Holder for Business and Resources, to agree the offer made on the property and settle final terms and consequential matters to complete the sale of the property.</p> <p>To authorise the Head of Commercial Services in conjunction with the Portfolio Holder for Business and Resources, to agree a sale or lease to an alternative party listed in the list of bids received or to reoffer the property on the open market, in the event that the purchaser does not proceed to complete the sale.</p>	Agreed 13/08/14
03/09/14	BUS-004-14	Surrender of Angel Court Lease	Andrew Weavers	To agree that the Council surrenders its leases of Angel Court on the terms contained in the report.	Agreed 10/09/14

**Record of Decisions taken under Scheme of Delegation to Cabinet Members  
1 July 2014 – 6 October 2014**

<b>Portfolio – Communities and Leisure Services</b>					
<b>Date</b>	<b>Number</b>	<b>Report Title</b>	<b>Author</b>	<b>Decision</b>	<b>Result</b>
15/07/14	COM-001-14	Allocation of Section 106 Borough Wide Funding for Building Works 2014-15	Fay Mathers	To approve in principle the award of £32,975 from the section 106 'borough wide fund subject to completion of a Section 106 spend release form. To not award funding to groups that do not meet the criteria for Section 106 'borough wide' funding.	Agreed 22/07/14

<b>Portfolio –Community Safety, Licensing and Culture</b>					
<b>Date</b>	<b>Number</b>	<b>Report Title</b>	<b>Author</b>	<b>Decision</b>	<b>Result</b>
28/08/14	COS-001-14	Consultation on Her Majesty's Inspectorate of Constabulary's Programme of Regular Force Inspections	Sonia Carr	To agree a response to the public consultation on Her Majesty's Inspectorate of Constabulary's Programme of Regular Force Inspections	Agreed 04/09/14
11/09/14	COS-002-14	Tourism Accommodation "inspected Only" Policy	Karen Turnbull	To revoke the Council's current accommodation promotion policy, which states that Colchester Borough Council will only promote accommodation establishments for tourism purposes that have been inspected by either the AA (Automobile Association) or VisitEngland (Quality in Tourism) in	Agreed 18/09/14

**Record of Decisions taken under Scheme of Delegation to Cabinet Members**  
**1 July 2014 – 6 October 2014**

				order to bring Colchester Borough Council in line with other English visitor destinations.	
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**Portfolio – Customers**

Date	Number	Report Title	Author	Decision	Result
No decisions taken in this period					

**Portfolio – Economic Development and Regeneration**

Date	Number	Report Title	Author	Decision	Result
No decisions taken in this period					

**Portfolio – Housing and Public Protection**

Date	Number	Report Title	Author	Decision	Result
20/08/14	HOU-001-14	Response to the Housing and Communities Agency's consultation paper "Consultation on Changes to the Regulatory Framework".	Joanne Webb	To agree the response to the HCA's consultation paper "Consultation on Changes to the Regulatory Framework".	Agreed 28/08/14
16/09/14	HOU-002-14	Sale of HRA land and Wick Road, Speedwell Road and Foresight Road, Colchester	Suzanne Norton	To approve the sale of land at Wick Road, Speedwell Road and Foresight Road, Colchester, in accordance with the Disposals of Small Parcels of	Agreed 23/09/14

**Record of Decisions taken under Scheme of Delegation to Cabinet Members**  
**1 July 2014 – 6 October 2014**

				Land Policy	
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Portfolio – Strategy					
Date	Number	Report Title	Author	Decision	Result
No decisions taken in this period					

Portfolio – Street and Waste Services					
Date	Number	Report Title	Author	Decision	Result
No decisions taken in this period					

<b>Report of</b>	<b>Head of Commercial Services</b>	<b>Author</b>	<b>Fiona Duhamel</b> ☎ 282976
	<b>Section 151 Officer</b>		<b>Sean Plummer</b> ☎ 282347
	<b>Monitoring Officer</b>		<b>Andrew Weavers</b> ☎ 282213
<b>Title</b>	<b>Proposal to establish a Revolving Investment Fund</b>		
<b>Wards affected</b>	All		

**This report concerns the proposal to establish a Revolving Investment Fund (RIF) to drive forward the development of high income producing assets in order to meet the Council's future financial targets**

## **1. Decisions Required**

- 1.1 To agree the establishment of a Revolving Investment Fund (RIF) for the commercial management, disposal of and investment into key assets in order to drive forward income generation projects.
- 1.2 To establish a Cabinet committee to be known as the RIF Committee in accordance with the proposals contained at paragraph 10.4 of this report and to confirm its terms of reference as detailed at Appendix 1 of this report.
- 1.3 To confirm the ringfencing of capital receipts from a number of key identified assets set out in the confidential Appendix 2 and that the revenue funding set out in paragraph 9.11 will be included in the RIF.
- 1.4. To agree that other capital schemes such as those set out at paragraph 9.12 or other appropriate revenue budgets are also included within the RIF.
- 1.5. To recommend to Council that the RIF be included within the overall capital programme and that any the approval of any specific projects will be subject to the governance arrangements set out within this report.
- 1.6. To authorise the Monitoring Officer to make all necessary consequential changes to the Constitution.

## **2. Reasons for Decisions**

- 2.1 There is a need to carry out investment decisions in a more commercially focused way to secure high levels of future income for the Council.
- 2.2 A ringfenced account will provide a structured process to deliver high income producing developments and investments, which can minimise financing costs and has the ability to move swiftly to secure the best commercial outcomes.

### **3. Alternative Options**

- 3.1 The Council could continue to allocate capital receipts for specific income producing opportunities on a case by case basis. However there are a number of benefits from taking a more streamlined strategic approach to investment decisions including, more flexibility to act quickly when opportunities arise, the ability to forward fund potential schemes using receipts already in the Fund and the ability to take a longer term approach to investment management of key assets.
- 3.2 The Council could seek to set up an independent asset vehicle specifically for the development of its key assets. A good deal of research has been carried out looking at various models relating to asset based vehicles and whilst there is a clear need for a special purpose vehicle ("SPV") in some circumstances eg for commercial trading activities and for housing focused development, at this stage it is not clear what benefits would be derived from setting up a stand alone company.

### **4. Supporting Information**

- 4.1 The Council received independent legal advice from Pinsent Masons in April 2013 relating to asset development vehicles, which was considered at a Leadership Team meeting. At a subsequent Leadership Team meeting, following the presentation of an interim report on SPV options, it was noted that a final report would be produced by officers which focused solely on the initial structure and implications of an internal ringfenced account for development assets.
- 4.2 This action was taken based upon research findings within the interim report which found that:
- There are only a small number of circumstances which require a local authority to set up a formal SPV which relate to "commercial initiatives", particularly trading opportunities.
  - If the Council wishes to jointly develop parcels of land with a private sector partner then an SPV will be required.
  - Very little evidence exists of Local Authorities setting up formal SPV's for the commercial development of their assets and this is largely because it is difficult to determine substantial up front benefits from the setting up of any company versus known set up and ongoing management costs such as Corporation tax.
- 4.3 Other councils have however been exploring and introducing internal financial mechanisms which provide for a ring fence of capital receipts with the sole purpose of recycling such funds towards key infrastructure development which cannot be met by the private sector and/or in particular towards investment in income producing assets

#### **Examples**

Fife Council recognised that significant infrastructure investment was required to unlock its development/regeneration aspirations in the area. Faced with an economic climate which prevented such infrastructure being delivered by the private sector, the Council developed a revolving infrastructure fund which brought together a range of funding mechanisms, including capital receipts from Council assets and public borrowing and the resultant model was taken forward to the Scottish Government as an exemplar approach.

Chester and West Cheshire County Council also set up a ringfenced structure to deliver its ambitious town centre regeneration objectives. This internal vehicle was used to facilitate the



forward funding and purchase of a number of town centre sites which were key to overall delivery of the Masterplan of the area.

#### **4.4 The Proposed Ringfenced Account and Revolving Investment Model**

- 4.4.1 With a year on year reduction in government grant to local authorities, it is increasingly important that Council owned assets are managed robustly and commercially to ensure they are creating maximum value.
- 4.4.2 Councils will have different ways that assets are managed and in particular how capital receipts are allocated. With the increased drive to provide higher levels of revenue income it is vital that a more strategic approach is adopted and that each asset is examined carefully to ensure that its maximum potential is recognised. However, it must also be recognised that not all assets are suitable to lease out and it may be more appropriate to sell in order to gain a capital receipt.
- 4.4.3 The ringfenced account provides a mechanism that enables councils to take a proactive approach to investment in the delivery of infrastructure or high yielding development through the recycling of capital receipts gained from the sale of a pool of “surplus” assets and from other funding mechanisms. In this way funds are reused (or revolved) as a continuous investment so as to enable a real focus to be given to an objective to derive high levels of income from assets.
- 4.4.4 The actual financial model developed depends upon available resources and appetite for risk but importantly it can be adapted as needs change or alternative funding mechanisms are developed. For example an initial ringfenced account may just include income from capital receipts but as the model develops and confidence grows, other funding sources can be added such as New Homes Bonus, retained business rates and prudential borrowing.
- 4.4.5 The Revolving Investment Model is designed to be a long term solution (10-20) years for the delivery of major development schemes and does require capital to be set aside for re investment into future land for development. However, it also provides sufficient flexibility to create short term income opportunities eg PV panels investment.

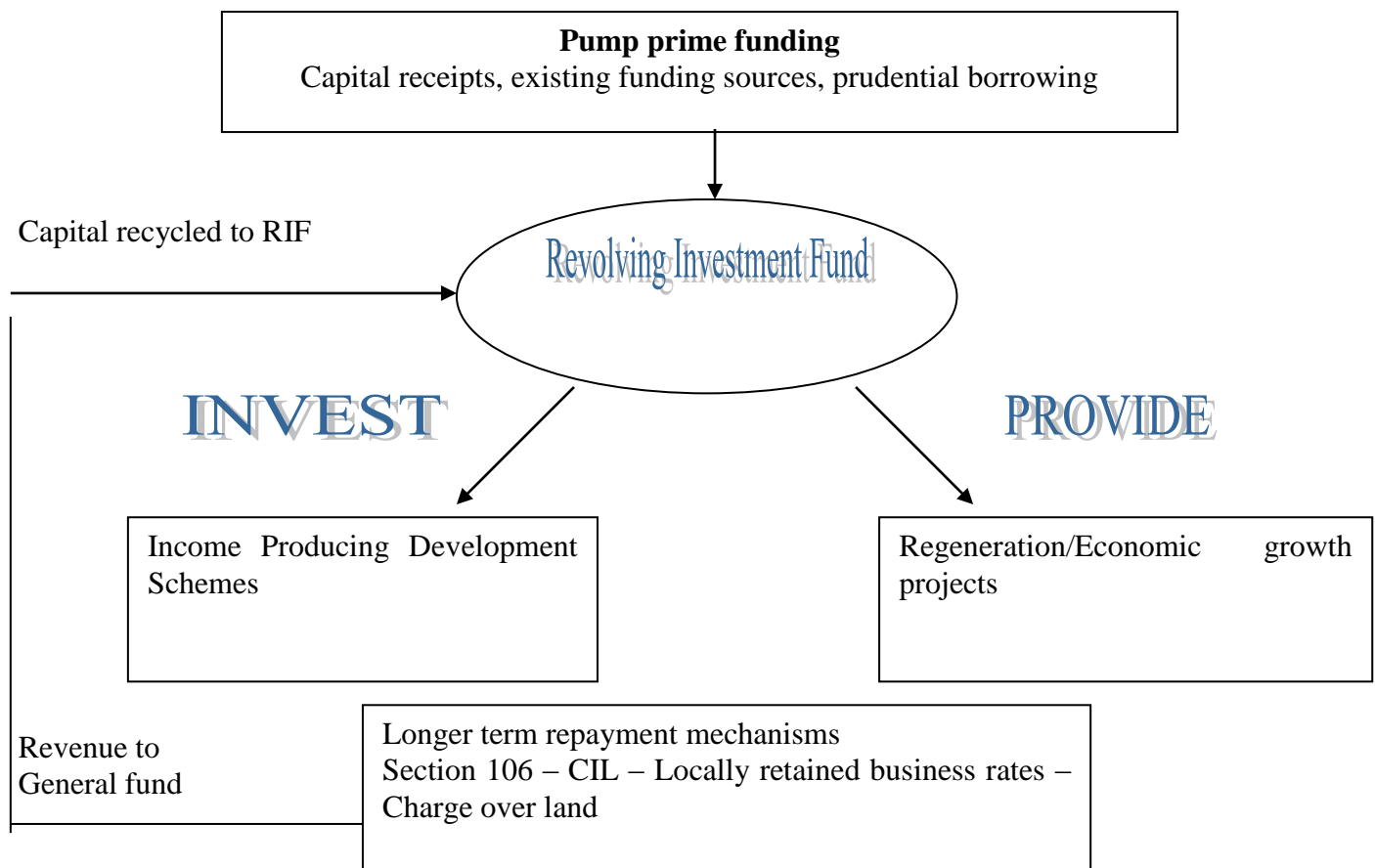
### **5. Proposals**

#### **5.1 The Proposed Colchester Revolving Investment Fund Model**

- 5.1.1 It is proposed that a Revolving Investment Fund Model for Colchester would focus initially on using a ring fenced account to deliver high value income streams through initial capital reinvestment.
- 5.1.2 As part of the research process an initial list of “developable” assets across the Borough has been drawn up. Such assets need to be considered carefully to understand whether they might provide options for creating high value income or whether market demand might dictate they are sold for a capital receipt on long leases (in only very exceptional cases it is proposed that assets are sold freehold as in the very long term the leasehold structure will provide for another injection of capital or revenue).
- 5.1.3 Once it has been agreed which assets can be used to provide a long term revenue stream but require capital for enabling development and which assets can be “sold” for a capital receipt, then further work can take place to establish a 5 year programme of investment.

5.1.4 This programme of investment will show capital receipts anticipated from “sales” over a 5 year period and reinvestment of this capital created would be subject to strict criteria demonstrated within a business case. This is a very simplistic version of the revolving investment fund but as stated previously there is the opportunity to add to the capital ringfenced through other funding mechanisms and there is also the opportunity to spend capital resources on non income producing schemes such as infrastructure and social and economic regeneration.

5.2 An outline of the potential mechanism is shown in Fig 1 below



5.3 The Trading Board at its meeting on 18 June considered a report regarding the proposal to establish a RIF. An extract from the minutes is attached to this report.

## 6. Strategic Plan References

6.1 The proposal contributes to the Council’s aim to be more financially sustainable and also delivers against the following areas in the Strategic Plan

6.2 The Regenerating our borough through buildings, employment, leisure and infrastructure

6.3 Bringing investment to the borough

## 7. Consultation

- 7.1 This is an internal ringfence which is still subject to formal consultation and scrutiny as with existing capital programme.

## **8. Publicity Considerations**

- 8.1 None identified

## **9. Financial implications**

### **9.1 Financial Implications of Revolving Investment Fund**

There are number of important financial issues to consider as part of operating a ringfenced account including the wider implication on the capital programme.

#### ***Impact on the Capital Programme***

- 9.2. The current capital programme is funded in 4 main ways:-

- Borrowing
- Revenue contributions
- External contributions (grants, S106, EU money etc)
- Capital receipts (sale of assets)

- 9.3 The **whole programme** is therefore funded in part by the sale of assets. The creation of a ring fenced account will include some of the largest anticipated capital receipts and therefore potential funding for capital projects outside of the ring fence will be more limited although the overall pot of capital receipts is likely to considerably increase because of the predicted sales within North Colchester and a more pro-active approach to asset management. This however remains a key implication for the Council to consider but a programme of review of the existing investment and operational property portfolios is underway which may produce new capital opportunities outside of the RIF.

- 9.4 Over recent years it is worth noting that a large proportion of capital receipts have been used to fund regeneration projects. In addition they are used for

- Some major repair projects
- ICT / FSR investment schemes (e.g. the UCC FSR capital investment)
- Some rolling programmes

- 9.5 If fewer capital receipts are available to support the non-ringfenced capital programme then this places a greater reliance on other funding opportunities such as:-

- One-off New Homes Bonus allocations
- Section 106 contributions
- The building maintenance provision
- Non ringfenced capital receipts (in particular other assets, including operational assets need to be managed more proactively)
- Borrowing

- 9.6 It is important to note that the ringfenced account remains part of the overall Council capital programme and treasury management activities. Ultimately the Council is not formally bound by the ring fence itself as it is an internal mechanism, but investment decisions taken will begin to restrict options while delivering the desired improved income flows.

#### ***Management of borrowing costs***

- 9.7. The revolving investment fund does provide the Council with an opportunity to manage capital investment and the sale of certain capital assets in a strategic way. Decisions on

spend and income can be considered as part of a clear programme. In this way it may be possible to consider short term borrowing needs and in doing so minimise the need to set aside money to repay debt (MRP). In simple terms it will possible to consider the use of temporary borrowing in a planned way based on anticipated investment and capital receipt plans. Any proposals that require borrowing will be considered with regard to the principles of the Prudential Code and as such will consider affordability, prudence and sustainability. Any proposals will also need to operate within the agreed treasury management borrowing levels set each year by Council.

### ***Delivering commercial income targets***

- 9.8. The UCC FSR includes stretching income targets for additional sustainable revenue streams from assets. Currently, these targets for the next 3 years are in the region of £200k - £400k. It is recognised that to deliver these requires investment and a structured approach to the management of assets which the revolving investment fund based on a ringfenced account provides.

### **Delivery of capital investment / receipts – pump priming**

- 9.9. Delivering capital investment and generating capital receipts includes, or requires costs. These include:-
- pre development
  - master planning
  - marketing
  - Communications / public engagement
  - Technical studies etc
- 9.10 These costs, which may be treated as revenue or capital as appropriate, can as part of the ring fence be properly planned and budgeted alongside the forecast outcomes.
- 9.11 The issue of providing some revenue funding **into** the ring fence will be essential to provide some flexibility. The Council has already agreed revenue contributions towards areas likely to be dealt with in the ring fence. These now total £700k and the intention will be to consider transferring these funds into the RIF:-

	2013/14 £'000	2014/15 £'000	Total £'000
One off contribution to assist with one-off transitional costs associated with commercial land or property deals and towards possible opportunity purchases.	200		200
Contribution to “infrastructure” that we have made from our New Homes Bonus money.	250	250	500
<i>Total</i>	<i>450</i>	<i>250</i>	<i>700</i>

- 9.12 In addition, there are a number of existing capital projects where remaining balances (subject to any outstanding commitments) could be brought into the ringfenced account. These include:-
- St Botolphs Regeneration
  - North Colchester Development land
  - Site disposal costs
  - Park and Ride
  - A12 junction etc

## **A practical example - PV panels**

- 9.13. The Cabinet agreed to proceed with the investment of £800k in Photo Voltaic panels on 10 Council owned non housing assets in January 2014 following a feasibility period. It was also agreed at Cabinet that the Council would prudentially borrow to cover the cost of this investment.

The projected income from this investment net of borrowing costs is £17k pa assuming a loan over a 20 year period. However a direct capital investment through the proposed revolving investment fund would avoid the borrowing costs such as MRP and interest costs and would produce an average annual income (a mix of savings, incentives and sales) of close to £150k pa with a starting income at Year 1 of £90k.

The return on capital invested is therefore significant at 18.75%.

## **10. Management and Governance**

- 10.1 Under current financial regulations there are a number of key approval mechanisms:-
- The requirement for Full Council approval of new capital schemes
  - Cabinet approval for the release of money to individual capital schemes / transfer of money between projects
  - Approval for the sale of land (Portfolio Holder over £150k, Cabinet over £500k)
  - All capital receipts are treated as a corporate resource unless specific approval is given by Cabinet.
- 10.2 The creation of a ringfenced account and a revolving investment fund can therefore be seen as an example of this last point.
- 10.3 In terms of governance there may be different approaches that could be considered or the Fund could be managed under existing arrangements with Cabinet / Portfolio Holder approval for individual project investment / sales etc.
- 10.4 However in order for the RIF to be managed effectively on a more commercial basis it is proposed that governance of the RIF would be carried out by the creation of a committee of Cabinet to be known as the RIF Committee. The composition and terms of reference of the RIF Committee are set out at Appendix 1 of this report. As the RIF Committee would be a committee of Cabinet and will be exercising delegated executive functions, decisions made will be subject to scrutiny and call-in.
- 10.5 The principle of a ringfenced account set up as a stand alone capital fund which sits alongside the existing capital programme has already been established. The existing Northern Gateway Shadow Board already exists as an informal committee and could be formally established by Cabinet to become a decision making body. It is suggested that the RIF Committee could comprise the following: the Leader of the Council, and the Portfolio Holders who have responsibility for regeneration, resources and communities.
- 10.6 As part of the governance arrangements it is proposed that Cabinet consider giving the RIF Committee delegated powers to make disposal and investment decisions up to a value of £5m, provided that a full business case is submitted to the RIF Committee and certain investment criteria are met. It is also proposed that the RIF Committee should be accountable for the operation and management of the RIF and be responsible for developing and administering a number of key activities such as:

- Setting the investment strategy - Developing an approval process for new projects/assets into the fund
- A Project selection process
- Project Appraisal – including analysis of the business case against set criteria
- Developing and monitoring a capital receipts programme
- Establishing a pipeline of new capital funding opportunities and/or new funding sources
- Develop a strategy for any borrowing activities within the fund (subject to the Council's overall treasury management strategy and borrowing levels).

10.7 It is suggested that investment decisions (spend of the capital within the RIF) will be based upon a set of agreed criteria. These criteria will include:

- Return on investment (or regeneration outputs for non income producing regeneration projects) – would income from the proposed project meet rates of return required to invest the capital requested?
- Deliverability – including a review of the planning status, barriers to development, market conditions, ownership and legal limitations
- Timescale for commencement of income
- Risk versus reward – Does the projected income outweigh the deliverability risks from the investment of capital, what is the security of income?
- Consideration of the Prudential Code in respect of any borrowing decisions

10.8 Once established, it is suggested that the RIF Committee should report progress twice a year to Cabinet. Furthermore, the Trading Board should also review performance of the RIF against set targets which are likely to be financial. As the RIF will form part of the capital programme any expenditure should be reported to the Scrutiny Panel in line with existing procedures and will also be subject to review and approval by Cabinet and Council.

## **11. Equality, Diversity and Human Rights, Community Safety and Health and Safety implications**

11.1 None identified at this stage.

## **12. Risk Management Implications**

12.1 There is limited risk associated with setting up the RIF as it is still a ringfenced account within the Council and therefore subject to all formal decision making processes. As risks identified through the spending of capital on new projects will be picked up through the criteria for a business case.

## **Revolving Investment Fund Committee (RIF Committee) Rules**

### **1.0 Introduction**

At its meeting on 30 July 2014 the Cabinet agreed to create a committee of Cabinet to be known as the RIF Committee. This committee will exercise executive functions in relation to the revolving investment fund. All decisions made will be subject to scrutiny.

### **2.0 Application of Cabinet Procedure Rules**

The Cabinet Procedure Rules shall apply to the RIF Committee except as varied by these RIF Committee Rules

### **3.0 Composition**

The RIF Committee shall comprise the following Cabinet members:-

Chairman: Portfolio Holder for Economic Development and Regeneration (Deputy Leader of the Council)  
 Portfolio Holder for Business and Resources  
 Portfolio Holder for Communities and Leisure  
 Portfolio Holder for Community Safety and Licensing

The Chairman of the Trading Board will have a standing invitation to attend the meetings as an observer.

### **4.0 Quorum**

The quorum for the RIF Committee shall be one half of the total membership, rounded up in the event of an odd number of members, provided that the minimum quorum shall be three.

### **5.0 Meetings**

Meetings shall be scheduled monthly and be held at either at the Town Hall or Rowan House during the day.

Meetings shall be held in public except in so far as the matters for decision relate to issues which are required to be dealt with in private in accordance with the Access to Information Rules and the Cabinet Procedure Rules set out in Part 4 of the Constitution.

### **6.0 Terms of Reference for the RIF Committee**

To make decisions regarding the following:

- (1) Develop and Set the re-investment strategy for the rolling 5 year programme including:
  - (a) Establishment of a pipeline of high rental growth projects (subject to approval by way of a business case process) and subject to a spending cap of £5m
  - (b) Agree annual capital funds to be set aside for opportunity purchase of land/new investment assets (subject to investment business case being made).
- (2) A Project selection process – Establish a process for spend on non income producing regeneration projects (subject to business case).

- (3) Developing and monitoring a capital receipts programme.
- (4) Developing and monitoring investment performance against key financial targets.
- (5) Developing a monitoring framework for schemes being developed with RIF investment.
- (6) Develop a strategy for any borrowing activities within the fund (subject to the Council's overall treasury management strategy).
- (7) Project Appraisal – Development of a formal business case procedure to include the following criteria:
  - (a) Return on investment (or regeneration outputs for non income producing regeneration projects) – would income from the proposed project meet rates of return required to invest the capital requested?
  - (b) Deliverability – including a review of the planning status, barriers to development, market conditions, ownership and legal limitations
  - (c) Strategic fit – does the project support Council Strategic Priorities?
  - (d) Timescale for commencement of income
  - (e) Risk versus reward – Does the projected income outweigh the deliverability risks from the investment of capital, what is the security of income?
  - (f) Wider economic impacts – the wider impact of the project on the local economy eg stimulating other local development, contributing to growth of local business or housing targets, local supply chain utilisation.
- (8) Development and overseeing the overall approach to investment risk management including appropriate reviews of risks within the RIF against wider Council risk register.
- (9) Developing the mechanism for new assets to be added to the RIF capital receipts programme.

The Committee will have the authority to commission any reports or external advice/advisors that it needs to fulfil its responsibilities.



26 August 2014

Report of	Assistant Chief Executive	Author	Amanda Chidgey
Title	Appointment of Honorary Aldermen		☎ 282227
Wards affected	Not Applicable		

**This report seeks consideration of the appointment of former Councillors Sonia Lewis, Terry Sutton, Colin Sykes and Mary Blandon as Honorary Aldermen.**

## 1. Decision(s) Required

- 1.1 The Committee is requested to consider a request from the Leader of the Council that former Councillors Sonia Lewis, Terry Sutton, Colin Sykes and Mary Blandon be appointed Honorary Aldermen.
- 1.2 The Committee is further requested to consider approving the following recommendation to the Council:

*“RECOMMENDED that –*

- (i) A special meeting of the Council be convened for the purpose of passing the following resolution:

“That in pursuance of the provisions of Section 249 of the Local Government Act 1972, this Council confers the title of “Honorary Alderman” on former Councillors Sonia Jean Lewis, Terence Richard Sutton, Colin Leslie Sykes and Mary Blandon in recognition of their loyal and eminent service as Members of the Council and its constituent authority”

- (ii) An illuminated transcript of the resolution be given to each former Councillor concerned.”

- 1.3 The Committee may also wish to consider making further recommendations to the Council about the timing of the proposals and the financial implications of maintaining the stock of robes, the detail of which is set out in Paragraph 5 of the report and is open to the Committee to determine.

## 2. Alternative Options

- 2.1 The Committee has discretion as to how it wishes to respond to the proposal.

## 3. Supporting Information

- 3.1 Making recommendations regarding the conferment of the title of Honorary Alderman currently falls within the terms of reference of this Committee.
- 3.2 At the Council meeting held on 20 February 2008, this Council’s eligibility criteria for the

conferment of the title of Honorary Alderman was determined as follows:

“Former Councillors who have either acquired at least 20 years service as Members of the Council or who have held the office of Mayor of the Borough.”

- 3.3 Councillor Lewis has served on the Council for 24 years, from 5 May 1988 to 3 May 1990 and from 7 May 1992 to 22 May 2014 and was Mayor in 2010/11.
- 3.4 Councillor Sutton has served on the Council for 24 years, from 3 May 1990 to 22 May 2014 and was Mayor in 2005/06.
- 3.5 Councillor Sykes has served on the Council for 20 years, from 5 May 1988 to 4 May 2000, from 2 May 2002 to 4 May 2006 and from 6 May 2010 to 22 May 2014 and was Mayor in 2013/14.
- 3.6 Councillor Blandon has served on the Council for 20 years, from 5 May 1994 to 22 May 2014.
- 3.7 Should the recommendation contained in this report be approved it will be referred to the Council meeting on 22 October 2014 and arrangements will need to be made for a subsequent special meeting of the Council to confer the titles. This special meeting could take place on 11 December 2014, which would coincide with the date of the next regular meeting of the Council, or on another date to be determined.

#### **4. Financial Implications**

- 4.1 Set out below are the required arrangements and associated likely cost implications:
  - a special meeting of the Council (no significant cost);
  - the presentation of four framed, illuminated transcript of the Council Resolution (£750 each);
  - The Council's current stock of serviceable robes for use by Aldermen on civic occasions (16) is only just sufficient to meet existing requirements (22 Honorary Aldermen, 5 unlikely to attend).
- 4.2 The Mayoralty Task and Finish Group recommended in December 2010 that, in respect of future Honorary Aldermen ceremonies, the Council would provide the Illuminated Resolutions and free use of the Town Hall Civic Suite for a reception and the new Aldermen would be invited to meet the cost of any reception, together with the cost of any new robes. As mentioned above, the appointment of additional Honorary Aldermen may require additional robes to be available but this cost would fall on the newly appointed Honorary Aldermen.
- 4.3 There is no specific budget allocation for the appointment of Honorary Aldermen but it is anticipated that, with the arrangements being made in accordance with the Task and Finish Group recommendations, capacity will need to be made available within the Civic Fund budget to absorb the cost of the four illuminated resolutions.

#### **5. Further Considerations**

- 5.1 The report sets out the current situation for the Committee but some consideration may wish to be given to the timing of the proposals and the financial implications for the new Honorary Aldermen.

- 5.2 If it is felt that the timescales set out in paragraph 3.7 are too long, it is open for the Committee to include a recommendation to Council requesting arrangements be made for a special meeting of the Council to be called before the next scheduled meeting in December.
- 5.3 The cost of a new robe is likely to be a considerable expense for an individual to consider. The Committee may therefore wish to consider including a further recommendation to Council that the cost of maintaining the stock Honorary Aldermen robes revert back to the Civic budget or to the Council as a whole.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 There are no direct implications for Equality and Diversity from these proposals and as such a full EQIA has not been deemed necessary.

## **7. Standard References**

- 7.1 There are no particular references to the Strategic Plan; publicity or consultation considerations; community safety; health and safety or risk management implications.



26 August 2014

<b>Report of</b>	<b>Monitoring Officer</b>	<b>Author</b>	<b>Andrew Weavers</b>
<b>Title</b>	<b>Review of Polling Districts and Polling Places</b>		<b>☎ 282213</b>
<b>Wards affected</b>	All		

**This report concerns a statutory review of all polling districts and polling places in the Borough.**

## **1. Decisions Required**

### **1.1 To recommend to full Council that:**

- (a) the Council does not undertake a formal review of the current polling districts and polling places within the Borough and confirms it is considered that no change is required to the existing voting arrangements which provide satisfactory facilities for electors and are practical in the circumstances for the area.
- (b) a review of polling districts and polling places be undertaken in 2015 following the publication by the Local Government Boundary Commission England of its final new warding pattern recommendations as part of the electoral review of the Borough.

## **2. Supporting Information**

- 2.1 The full Council at its meeting on 19 October 2011 approved the current polling districts and polling places for the Borough. The law at that time required polling districts and polling places be reviewed every four years. However the Electoral Registration and Administration Act 2013 introduced a change to the timing of compulsory reviews of UK Parliamentary polling districts and polling places. The next compulsory review must have been started and completed between 1 October 2013 and 31 January 2015 (inclusive).
- 2.2 Subsequent compulsory reviews must be started and completed within the period of 16 months that starts on 1 October of every fifth year after 1 October 2013. It is for Councils to determine how this is achieved in consultation with the (Acting) Returning Officer concerned.
- 2.3 The Local Government Boundary Commission for England (LGBCE) advised in March 2013 that a review of the Council's electoral arrangements would take place because the Council felt a review was warranted and that the LGBCE had identified electoral imbalances in the Borough. At the completion of the first phase of the review LGBCE has recommended that the Council size be reduced from 60 to 51 councillors. The LGBCE then commenced a formal consultation on a new pattern of wards for the Borough based on the reduced council size. This consultation closed on 4 August 2014.
- 2.4 The LGBCE will subsequently (after considering representations made) commence another formal consultation on its proposed new pattern of warding for the Borough. This consultation is due to commence on 21 October 2014 and will close on 12 January 2015. The LGBCE's final recommendations are due to be published in March 2015 which will

then be formally ratified by Parliament before coming into effect for the whole council elections on 5 May 2016.

- 2.5 As can be seen from the above there is a conflict between the two timetables which means that if the Council were to undertake a polling district and polling place review now it would be a waste of resources as the Council will be required to undertake a review for the new pattern of warding once finalised by the LGBCE.

### **3. Proposals**

- 3.1 The (Acting) Returning Officer has been consulted and agrees to the proposals detailed at paragraphs 3.2 and 3.3 below.
- 3.2 That the Council does not undertake a formal review of the current polling districts and polling places within the Borough and that it is considered that no change is required as the existing voting arrangements provide satisfactory facilities for electors and are practical in the circumstances for the area.
- 3.3 A review of polling districts and polling places are undertaken in 2015 once the final warding pattern recommendations of the LGBCE are published as part of the electoral review of the Borough.

### **4. Strategic Plan References**

- 4.1 Electoral arrangements forms part of the council's governance arrangements which in turn forms parts of the Council's commitment to customer excellence which underpins the Council's Strategic Plan vision.

### **5. Publicity Considerations**

- 5.1 Details of the review process are published both on the LGBCE and the Council's websites. Details of the polling district and polling places review will be published on the Council's website in due course.

### **6. Consultation Considerations**

- 6.1 The LGBCE as part of the review process, undertakes formal consultations with the public and stakeholders. The Council will in due course be required to formally consult as part of a review of polling districts and polling places.

### **7. Financial, Community Safety, Health and Safety, Risk Management, Equality, Diversity and Human Rights Implications**

- 7.1 No direct implications.

<b>Report of</b>	<b>Assistant Chief Executive</b>	<b>Author</b>	<b>Hayley McGrath</b>
<b>Title</b>	<b>2013/14 Year End Review of Risk Management</b>		 <b>508902</b>
<b>Wards affected</b>	Not applicable		

**This report concerns the Risk Management work undertaken for the period 1 April 2013 to 31 March 2014.**

### **1. Decisions Required**

- 1.1 Note the risk management work undertaken during 2013/14.
- 1.2 Note the current strategic risk register.
- 1.3 Approve the proposed risk management strategy for 2014/15 and recommend to full Council that it be included in the Council's Policy Framework.

### **2. Reason for Decisions**

- 2.1 Cabinet has overall ownership of the risk management process and is responsible for endorsing its strategic direction. Therefore the risk management strategy states that Cabinet should receive an annual report on progress and should formally agree any amendments to the strategy itself.
- 2.2 During the year progress reports are presented to the Governance Committee detailing work undertaken and current issues. This report was presented to the Governance Committee on 26 August 2014 where they approved its referral to this meeting. The minutes of the meeting of the Governance Committee are attached to this report.
- 2.3 The Risk Management Strategy is one of the key corporate governance documents that supports the Constitution of the Council and forms part of the Policy Framework. Accordingly any amendments have to be approved by full Council.

### **3. Key Messages**

- The economy and cuts in public spending continue to have had a significant impact on the key risks during the year. The highest risk on the year end strategic register remains the potential impact of future central government decisions to reduce public funding, including that of the Council's partners (risk 4.d.). However it is recognised that the Council has been proactive about managing resources and the risk relating to the ability to deliver the budget has been reduced (risk 6.c).
- The development of robust, and documented, risk management process within all projects demonstrates the Council's commitment to positive risk.
- Risk Management principles continue to be reinforced and embedded in the organisation. The 2012/13 Annual Governance Report, issued by the Audit Commission in September 2013, stated that "Good systems, processes and controls are in place, including effective risk management systems". This is demonstrated by the 2013/14 internal audit review which provided a substantial assurance level.

#### **4. Supporting Information**

- 4.1 The aim of the Council is to adopt best practices in the identification, evaluation, cost-effective control and monitoring of risks across all processes to ensure that risks are properly considered and reduced as far as practicable.
- 4.2 In broad terms risks are split into three categories:
- Strategic – those risks relating to the long term goals of the Council
  - Operational – risks related to the day-to-day operation of each individual service
  - Project – consideration of the risks relating to specific initiatives
- 4.3 Strategic risks are essentially those that threaten the long term goals of the Council and therefore are mainly based around meeting the objectives of the Strategic Plan. They may also represent developing issues that have the potential to significantly affect service provision, such as fundamental service reviews. Strategic risks are owned by members of the Senior Management Team.
- 4.4 Operational risks are those that threaten the routine service delivery of the Council. Each service area has their own operational risk register that details the risks associated with providing the service. These registers are reported, in summary format, to the Senior Management Team and committee on an annual basis. High risks and the success in controlling them are reported to Senior Management Team on a quarterly basis, as these assist in the formulation of the strategic risk register.
- 4.5 Project risks are those that relate solely to the successful delivery of that specific project. They tend to be quantifiable issues, such as resource or time related, and constantly change and develop over the course of the project as each stage is completed. The lead on the project is responsible for ensuring that there is an appropriate risk register and high level issues are reported to the Enterprise Programme Management Office and senior management team.

#### **5.0 Summary of 2013/14**

- 5.1 Work has been undertaken with the Enterprise Programme Management Office (EPMO) to ensure that there is a comprehensive risk management process for all projects across the Council. This has included facilitating a training course introducing the principles of risk management to project managers and the development of standard project documentation. The Corporate Governance Manager meets with the EPMO, on a monthly basis, to discuss the risks generated by both UCC FSR projects and 'Business as Usual' projects.
- 5.2 The reorganisation of the Council led to the operational risk registers being out of date. Work has been undertaken to bring them in line with the new structure and develop specific registers for key functions.
- 5.3 There were no fundamental changes to the risk management function, or the processes used to identify and control risk, during 2013/14.
- 5.4 An audit of the risk management function was carried out in January 2014. A substantial assurance was achieved and three level two recommendations were made. These related to ensuring that operational risks are discussed at service level management team meetings, linking operational risks to the strategic register and reviewing the reporting process in the risk management strategy.



- 5.5 The risk registers for the Joint Museum Service and the North Essex Parking Partnership both continue to be produced and reported to the joint committees.

## **6. Strategic Risk Register**

- 6.1 During 2013/14 the strategic risk register was reviewed by the senior management team every quarter and reported to the Governance Committee every six months. The current register is shown at appendix 1. These risks have been mapped onto a risk chart as shown at appendix 2.
- 6.2 A new risk has been added at 1f. This recognises the risks associated with developing a more commercial culture.
- 6.3 The Corporate Governance Manager reviewed the strategic risks with each member of the Senior Management Team in March 2014, and in July the Performance Management Board comprehensively reviewed the register to ensure that the identified risks were still appropriate.

## **7. Risk Management Strategy for 2014/15**

- 7.1 The Council's current approach to managing risk was introduced in 2006/07. A requirement within the strategy, and also of the annual audit assessment, is to review the approach each year to ensure that it is still appropriate to the Council's needs.
- 7.2 Therefore a review has been undertaken and the strategy has been updated for 2014/15. The revised strategy is attached at appendix 3. There are no fundamental changes proposed to the risk process with amendments only to external review comments and the updating of titles to reflect the new organisational structure.

## **8. Proposals**

- 8.1 To note and comment upon the Councils progress and performance in managing risk during 2013/14 and the current strategic register, and endorse the submission of the revised Risk Management Strategy to full Council for inclusion in the Policy Framework.

## **9. Strategic Plan References**

- 9.1 The strategic risk register reflects the objectives of the strategic plan and the actions have been set with due regard to the identified key strategic risks. Therefore the risk process supports the achievement of the strategic objectives.

## **10. Risk Management References**

- 10.1 The failure to adequately identify and manage risks may have an effect on the ability of the Council to achieve its objectives and operate effectively.

## **11. Other Standard References**

- 11.1 There are no direct Consultation, Publicity, Financial, Human Rights, Equality and Diversity, Community Safety or Health and Safety implications as a result of this report.

## Appendix 1

**Colchester Borough Council – Corporate Strategic Risk Register**  
**July 2014 – September 2014**

1. AMBITION									
Specific Risks		SCORE						Consequence	
		Current			Previous				
		P	I	O	P	I	O		
1a	In a period of public sector resource reductions the ability to have ambition and to deliver on that ambition.	3	2	6				Major changes needed to the town would not be delivered thus affecting the quality of life of its residents and businesses.	
1b	Unrealistic internal and external expectations on the speed of delivery.	3	3	9				Major economic downturn in public sector resourcing over the next few years will hamper the speed of delivery across the services provided.	
1c	The Council is unable to effectively influence changes in the Borough economy.	3	4	12				Poorer external assessments by independent agencies and loss of Council reputation.	
1d	Over reliance on a limited number of people limits ability to deliver our ambition.	3	3	9				The Borough Council loses its status and influencing ability at sub-regional, regional and national levels.	
1e	The resource implications, including ICT, staffing and financial, of the UCC FSR are greater than anticipated.	2	4	8				The review does not achieve its full potential and anticipated improvements are not realised, resulting in Customers not receiving an improved level of service or change behaviours.	
1f	The organisation and administration fails to embrace the culture required to develop a commercial ethos including the appetite for taking appropriate risk for the opportunity presented.	3	3	9				The ability to achieve the strategic financial objectives will be significantly limited if a more commercial culture and risk acceptance is not embraced.	

<b>ACTION PLAN – AMBITION</b>		
Action	Owner	Review
Implement a regular reporting mechanism from the Strategic Change team to PMB that includes defined performance criteria.	Executive Director	September 2014
Produce an IT development strategy that supports the FSR process and outcomes. This should be reviewed and reported to PMB on a regular basis.	Chief Operating Officer	September 2014
Once the FSR changes are implemented a regular performance monitoring report should be produced assessing achievement of FSR objectives	Executive Director	September 2014
Carry out an impact assessment of staffing reductions.	Assistant Chief Executive	September 2014
The resourcing issues around the UCC FSR are managed by the UCC FSR risk register which covers ICT, Cultural Change, Financial and External risks. The UCC FSR risk register should be programmed into a formal reporting process to PMB and the Risk & Resilience Manager.	Executive Director	The register is reviewed by the implementation group monthly and by the project board bi-monthly.
Officers with more commercial skills have been appointed and others can learn from their experiences together with a set of commercial skills training being implemented across the organisation to re-skill officers for the new ways of working. The Trading Board and the Cabinet need to continue to enhance their commercial understanding in order to take the opportunities offered by a more commercial approach.	Strategic Director	September 2014

2. CUSTOMERS								
Specific Risks		SCORE						Consequence
		Current			Previous			
		P	I	O	P	I	O	
2a	The increasing expectations of our customers, set alongside the financial challenges to service delivery will create challenges to service delivery, our channel shift ambitions and the reputation of the authority.	4	3	12				The Authority fails to deliver the standards of service and delivery which our customers expect, especially in relation to self service and the reliance on IT capabilities.
2b	The expectation remains that the Council will step in to deliver services when other providers either fail or reduce service provision	3	3	9	4	3	12	The Council suffers from a loss of reputation as customers' expectations are not met. There is increased demand on existing services leading to a reduction in standards of delivery

ACTION PLAN – CUSTOMERS		
Action	Owner	Timing
An engagement and consultation programme is put in place, to ensure customers are able to inform service priorities and delivery and to secure the capability amongst our customers to drive our channel shift program. This will be evidenced by reporting the pattern of usage of the routes used by customers and savings achieved.	Executive Director	September 2014
The UCC environment, creating a single point of contact for our customers, is now in place and a performance framework for customer standards is being developed. The Customer Strategy, currently in progress, will provide more details about the actions.	Executive Director	September 2014

3. PEOPLE									
Specific Risks		SCORE						Consequence	
		Current			Previous				
		P	I	O	P	I	O		
3a	Unable to update skills at a time when we need a changing skill set to deliver in a different economic climate	3	3	9				Decline in service performance  Disengaged and demotivated staff  Efficiency and productivity reduction  Inability to meet changing requirements and needs  Customer perceptions decline as we deliver less  Loss of key staff	
3b	Failure to sustain adequate resource to support Training and Development because of the financial situation	3	3	9					
3d	Failure to provide effective and visible political and managerial leadership.	3	3	9					
3e	Staff motivation declines with an impact on fundamental service reviews and implementation of other budget efficiencies	4	4	16					

<b>ACTION PLAN – PEOPLE</b>		
Action	Owner	Timing
Create an internal communications strategy for staff that specifies channels to be used and allows for staff to feed back.	Assistant Chief Executive	September 2014
Review and update the people strategy and set a regular review process...	Assistant Chief Executive	September 2014
Implement a formal training strategy that includes financial considerations and explores training alternatives.	Assistant Chief Executive	September 2014
Review the performance management process to ensure it is still appropriate and development needs are captured.	Assistant Chief Executive	September 2014
Review the Colchester Learning Managers programme to ensure that it is fit for purpose and adds value. Relaunch following review.	Assistant Chief Executive	September 2014
Create a formal training needs analysis to be completed at the implementation stage of an FSR... Reflecting training and development needs to support changes in services.	Assistant Chief Executive	September 2014

#### 4. HORIZON SCANNING

Specific Risks		SCORE						Consequence
		Current			Previous			
		P	I	O	P	I	O	
4a	To continuously assess future challenges to ensure Council is fit for future purpose	2	4	8				If not properly managed then either the Council will lose the opportunity to develop further or will have enforced changes to service delivery.  Adverse impact on local residents / resources.  Missed opportunities to boost local economy.  Conflict between Council / Government agendas.  Reduction in levels of service provision and potential withdrawal of services.
4b	Not taking or creating opportunities to maximise the efficient delivery of services through shared provision, partnerships or commercial delivery	4	3	12				
4c	Failure by the Council to spot / influence at an early stage the direction of Central Government policies / new legislation.	3	3	9				
4d	Potential impact of future central government decisions to reduce public funding, including that of our partners	4	5	20				

#### ACTION PLAN – HORIZON SCANNING

Action	Owner	Timing
<p>Ensure organisational readiness to respond to external challenges through the organisational goals:</p> <ul style="list-style-type: none"> <li>- Customer</li> <li>- Business</li> <li>- Culture</li> </ul>	Executive Director	September 2014
Review and report the Medium term Financial strategy	Chief Operating Officer	September 2014
Review and report the Organisational Development Strategy	Assistant Chief Executive	September 2014
The budget situation is under constant review, including the impact of decisions from central government. Additional actions and areas for spending reviews are being identified.	Chief Operating Officer	September 2014

5. PARTNERSHIPS									
Specific Risks		SCORE						Consequence	
		Current			Previous				
		P	I	O	P	I	O		
5a	Failure or inappropriate performance management of one or more strategic partnerships or key contracts E.g. Haven Gateway, Growth Cities Network, CAPITA, CBH	4	3	12				The cost of service delivery is increased however quality decreases.  Failure to deliver key priorities.  Reputational and financial loss by the Authority.  Failure to deliver expected outcomes through partnerships	
5b	Change of direction / policy within key partner organisations and they revise input / withdraw from projects.	4	3	12				Requirement to repay external funding granted to partnership – taking on the liabilities of the ‘withdrawn’ partner.  External assessment of the Councils partnerships are critical and score poorly.	
5c	Potential inability to agree shared outcomes/ agendas with partners and the Council’s ability to influence partner’s performance.	3	4	12					

ACTION PLAN – PARTNERSHIPS		
Action	Owner	Timing
Set an assessment process for proposed strategic partnerships (to ensure that they will satisfy the Council's objectives) that needs to be signed off by EMT before commitment to new partnerships is made.	Executive Director	September 2014
Set a formal relationship / performance review process to be used by all partnerships and ensure results are reported to senior management...	Executive Director	September 2014
Carry out an annual assessment of partnerships and report to Senior Management Team for review, to ensure that they are still appropriate.	Executive Director	September 2014

6. ASSETS & RESOURCES									
Specific Risks		SCORE						Consequence	
		Current			Previous				
		P	I	O	P	I	O		
6a	Failure to protect public funds and resources – ineffective probity / monitoring systems	3	4	12				Service delivery failure	
								Financial and reputational loss by the Authority	
6b	Risk that Asset Management is not fully linked to strategic priorities and not supported by appropriate resources	3	4	12				Personal liability of Officers and Members.	
								Legal actions against the Council	
6c	Inability to deliver the budget strategy in the current economic climate	2	4	8	3	4	12	Loss of stakeholder confidence in the Borough	
								Inability to sustain costs	
6d	Failure to set aside sufficient capital funds for strategic priorities	3	4	12				Failure to deliver a balanced budget	
								Required to use Reserves & Resources to fund services and capital priorities	
								Severe impact on cash-flow leading to negative effect on performance targets	
6e	Significant changes to our ICT presents challenges in maintaining customer service alongside increasing demands around information security	2	5	10					



<b>ACTION PLAN – ASSETS &amp; RESOURCES</b>		
<b>Action</b>	<b>Owner</b>	<b>Timing</b>
Develop a formal process to manage the assurance systems that form the internal control environment, including Internal Audit, Risk Management, Budget process, Corporate Governance and performance management. This must be reported to senior officers and members on a regular basis to ensure that it is fully embedded	Chief Operating Officer	There is cycle of reviewing and reporting including internal Audit, Risk management and the AGS Review September 2014
Review the budget monitoring process to reflect the new structure and co-ordinates finances across the whole Council not just individual service areas	Chief Operating Officer	Regular reporting to PMB. & Governance Review September 2014
Develop the annual budget strategy to ensure it has controls built in to be able to respond to changes in the strategic objectives and is innovative to reflect the current climate and emerging options	Chief Operating Officer	Annual exercise. Council approves budget in Feb annually
Implement a regular review process for the medium term financial outlook and capital programme processes to ensure they are kept up to date and realistic.	Chief Operating Officer	MTFS is part of the budget strategy & considered during the process. Capital programme reported to FASP quarterly Review September 2014
Review the IT security policies to ensure that they are fit for purpose and implement a training program for all staff. Changes to be planned to ensure customer service is maintained	Chief Operating Officer	Next review September 2014

<b>SCORE DEFINITIONS</b>	<b>1 Very Low</b>	<b>2 Low</b>	<b>3 Medium</b>	<b>4 High</b>	<b>5 Very High</b>
Impact	Insignificant effect on delivery of services or achievement of Strategic Vision & Corporate Objectives.	Minor interruption to service delivery or minimal effect on Corporate Objectives.	Moderate interruption to overall service delivery/effect on Corporate Objectives or failure of an individual service.	Major interruption to overall service delivery or severe effect on Corporate Objectives.	Inability to provide services or failure to meet Corporate Objectives
Probability	10% May happen – unlikely	10 -25% Possible	26 – 50% Could easily happen	51 – 75% Very likely to happen	Over 75% Consider as certain

**RISK MATRIX**  
**JUL 14 - SEP 14**

Low Risks	Medium Risks	High Risks
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Scoring 1-5

Risk Tolerance  
Line

<b>Probability of Occurrence</b>	5 Very High					
	4 High			2a 4b 5a 5b	3e	4d
	3 Medium	1a	1b 1d 1f 2b 3a 3b 3d 4c	1c 5c 6a 6b 6d		
	2 Low			1e 4a 6c	6e	
	1 Very Low					
		1 Very Low	2 Low	3 Medium	4 High	5 Very high
<b>Severity of Impact</b>						

**Removed Risks**

3c

Declining number of staff affects our capacity and impacts on our ambitions  
Removed Qtr 1 2012/13

# Risk Management Strategy 2014/15

**A guide to the Council's approach to  
managing risk. Draft for approval.**

July 2014

## **RISK MANAGEMENT STRATEGY**

*This document outlines the Council's commitment to managing risk in an effective and appropriate manner. It is intended to be used as the framework for delivery of the Risk Management function and provides guidance on developing risk management as a routine process for all services.*

## **INTRODUCTION**

The Council undertakes that this strategy will ensure that:

1. The management of risk is linked to performance improvement and the achievement of the Council's strategic objectives.
2. Members and the Senior Management Team own, lead and support on risk management.
3. Ownership and accountability are clearly assigned for the management of risks throughout the Council.
4. There is a commitment to embedding risk management into the Council's culture and organisational processes at all levels including strategic, programme, project and operational
5. All members and officers acknowledge and embrace the importance of risk management as a process, by which key risks and opportunities are identified, evaluated, managed and contribute towards good corporate governance.
6. Effective monitoring and reporting mechanisms are in place to continuously review the Council's exposure to, and management of, risks and opportunities.
7. Best practice systems for managing risk are used throughout the Council, including mechanisms for monitoring and reviewing effectiveness against agreed standards and targets.
8. Accountability to stakeholders is fully demonstrated through periodic progress reports and an annual statement on the effectiveness of and the added value (benefits) from the Council's risk management strategy, framework and processes.
9. The Council's approach is regularly assessed by an external, independent body against other public sector organisations, national standards and Best Practice.
10. The Risk Management Strategy is reviewed and updated annually in line with the Council's developing needs and requirements.

**Endorsement by Adrian Pritchard, Chief Executive**

*“Colchester Borough Council is committed to ensuring that risks to the effective delivery of its services and achievement of its overall objectives are properly and adequately controlled. It is recognised that effective management of risk will enable the Council to maximise its opportunities and enhance the value of services it provides to the community. Colchester Borough Council expects all officers and members to have due regard for risk when carrying out their duties.”*

A handwritten signature in black ink that reads "A. R. Pritchard." The signature is written in a cursive style with a long, sweeping underline.**WHAT IS RISK MANAGEMENT**

Risk Management is the control of business risks in a manner consistent with the principles of economy, efficiency and effectiveness. It is an essential performance management process to ensure that both the long and short term objectives of the Council are achieved and that opportunities are fully maximised.

Risk Management is not about eliminating risk, as this would limit the ability of the organisation to develop and deliver its ambitions. Its purpose is to recognise the issues that could effect the achievement of our objectives and develop actions to control or reduce those risks. Acknowledgement of potential problems and preparing for them is an essential element to successfully delivering any service or project. Good management of risk will enable the Council to rapidly respond to change and develop innovative responses to challenges and opportunities.

‘The Good Governance Standard for Public Services’ issued by The Independent Commission on Good Governance in Public Services states that there are six core principles of good governance including ‘Taking informed, transparent decisions and managing risk’. The document goes on to state ‘Risk management is important to the successful delivery of public services. An effective risk management system identifies and assesses risks, decides on appropriate responses and then provides assurance that the chosen responses are effective’.

## **BACKGROUND**

A process for managing risks was first adopted by the Council in 2003 and since then has been developed to ensure that it continues to be an effective management system. This strategy defines Colchester Borough Council's definition of risk and the processes to be followed.

In broad terms risks are split into three categories:

- Strategic – those risks relating to the long term goals of the Council
- Operational – risks related to the day-to-day operation of each individual service
- Project – consideration of the risks occurring as a result of the Council's involvement in specific initiatives

The following are some of the practical ways that risks are managed and how effectiveness is measured:

- Creation of an overall strategic register.
- Creation of operational risk registers for all service areas.
- Consideration of risk in Committee reports.
- Development of a comprehensive risk register for the project management programme and consideration of risk as a project management tool.
- Successful internal and external assessment.
- Provision of advice to other authorities regarding our management of risk.

The Audit Commission, in their 2012/13 Annual Governance Report stated that the Council has "Good systems, processes and controls in place, including effective risk management systems".

This is an endorsement that we have devised a practical and workable approach to managing risk. This has resulted in the Council becoming more risk aware and actually taking more risks, as demonstrated by the comprehensive risk register for the regeneration projects. Colchester is also highly regarded for managing risk by both our insurers and other authorities.

The 2013/14 internal audit of risk management gave a substantial assurance opinion. Some recommendations were raised during this audit and these mainly related to the co-ordination of operational risk registers.

## OWNERSHIP

The responsibility to manage risk rests with every member and officer of the Council however it is essential that there is a clearly defined structure for the co-ordination and review of risk information and ownership of the process.

Appendix 3 is from the CIPFA/SOLACE risk management guide, Chance or Choice. It is a generic map of responsibility for each part of the risk management process.

The following defines the responsibility for the risk management process at Colchester:

**Cabinet** – Overall ownership of the risk management process and endorsement of the strategic direction of risk management.

**Portfolio Holder for Business & Resources** – Lead member for the risk management process

**Governance Committee** – Responsible for reviewing the effectiveness of the risk management process and reporting critical items to Cabinet as necessary.

**Performance Management Board (PMB)** – Ownership of the strategic risks and overview of the operational risks. Actively support the Risk Management Strategy and framework.

**Chief Operating Officer** – Lead officer for the risk management process, demonstrating commitment to manage risk.

**Assistant Chief Executive** – Responsible for co-ordination of the risk management process, co-ordinating and preparing reports and providing advice and support.

**Heads of Service** – Ownership, control and reporting of their service's operational risks. Contribute to the development of a risk management culture in their teams.

**All Employees** – To understand and to take ownership of the need to identify, assess, and help manage risk in their individual areas of responsibility. Bringing to the management's attention at the earliest opportunity details of any emerging risks that may adversely impact on service delivery.

**Internal Audit, External Audit and other Review Bodies** – Annual review and report on the Council's arrangements for managing risk throughout the Council, having regard to statutory requirements and best practice. Assurance on the effectiveness of risk management and the control environment.



## AIMS & OBJECTIVES

**The aim** of the Council is to adopt best practices in the identification, evaluation, cost-effective control and monitoring of risks across all processes to ensure that risks are properly considered and reduced as far as practicable.

**The risk management objectives** of Colchester Borough Council are to:

- Integrate risk management into the culture of the Council
- Ensure that there are strong and identifiable links between managing risk and all other management and performance processes.
- Manage risk in accordance with best practice
- Anticipate and respond to changing social, environmental and legislative requirements
- Prevent injury, damage and losses and reduce the cost of risk
- Raise awareness of the need for risk management by all those connected with the Council's delivery of services.
- Ensure that opportunities are properly maximised through the control of risk.
- Reduce duplication between services in managing overlapping risks and promote 'best practise'.

Risk Management forms an important part of the Council's system of Internal Control. Previously the Audit Commission assessed the function as operating at level 3 as part of their 'Use of Resources' review... However, the Use of Resources assessment is no longer carried out but the criteria laid down for each assessment level, set out in Appendix C, still provides a robust framework for delivering an effective service.

## STRATEGIC RISK MANAGEMENT

Strategic risks are essentially those that threaten the long term goals of the Council and therefore are mainly based around meeting the objectives of the Strategic Plan. They may also represent developing issues that have the potential to fundamentally effect service provision, such as proposals to dramatically change the corporate assessment process.

Strategic risks will be controlled using a register that will detail the risks and associated controls. The register will be owned by the Senior Management Team, with ownership for risks being assigned to individual officers, and will be reviewed every quarter. The strategic risks will be reported to the Governance Committee at least twice a year.

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## **OPERATIONAL RISK MANAGEMENT**

Operational risks are those that threaten the routine service delivery of the Council. Each service area will have their own operational risk register that details the risks associated with providing the service. These registers will be reported, in summary format, to the Senior Management Team and committee on an annual basis. High risks and the success in controlling them will be reported to Senior Management Team on a quarterly basis, as these will help in the formulation of the strategic risk register.

## **LINKS**

It is essential that risk management does not operate in isolation to other management processes. To fully embed a risk management culture it has to be demonstrated that risk is considered and influences all decisions that the Council makes. It is essential that there is a defined link between the results of managing risk and the following:

- The Strategic Plan
- Service Plans
- Revenue and Capital Budgets
- Annual Internal Audit Plan

## **ACTION REQUIRED**

The following actions will be implemented to achieve the objectives set out above:

- Considering risk management as part of the Council's strategic planning and corporate governance arrangements.
- Ensuring that the responsibility for risk management is clearly and appropriately allocated
- Maintaining documented procedures for managing risk
- Maintaining a corporate approach to identify and prioritise key services and key risks across the Council and assess risks on key projects.
- Maintain a corporate mechanism to evaluate these key risks and determine if they are being adequately managed and financed.
- Establish a procedure for ensuring that there is a cohesive approach to linking the risks to other management processes
- Including risk management considerations in all committee reports
- Providing risk management awareness training to both members and officers.
- Developing risk management performance indicators.
- Establishing a reporting system which will provide assurance on how well the Council is managing its key risks and ensures that the appropriate Members and officers are fully briefed on risk issues.
- Preparing contingency plans in areas where there is a potential for an occurrence to have a significant effect on the Council and its business capability.
- Regularly reviewing the risk process to ensure that it complies with current national Governance Standards and Best Practice.
- Developing risk management links with key partners and contractors, to ensure that principles are adopted in all areas of service delivery.

## REVIEW

To ensure that the risk management process is effective it will need to be measured and reported to P.M.B., Governance Committee & Cabinet. As well as a structured reporting process of risks and controls during the year there will need to be an annual review demonstrating the success of the following:

- The inclusion of risk management principles within Service Plans and budgets.
- The development of the Internal Audit plan based on the risk issues.
- Achievement against identified performance indicators.
- Members consistently ensuring managing risk is considered as part of the decision making processes within the Council.
- Service managers making recommendations that regard risk as an opportunity as well as a threat.
- Risk management principles being considered in service reviews, for example in areas such as options for change and service improvements.
- Changes in risk being independently identified and assessed by Service Managers
- Compliance with the use of resources criteria and self assessment requirements.

Suitable opportunities to benchmark the risk management service against other organisations should also be explored to ensure that it is effective and the work carried out by the Council conforms to best practise.

The four appendices attached give greater detail of key issues:

Appendix 1 – Outline of the risk management process

Appendix 2 – Details of how Risk Management will be reported.

Appendix 3 – CIPFA guidance on Risk Management Responsibilities

## APPENDIX 1

### The Risk Management Process

Risk Management is a continual process of identifying risks, evaluating their potential consequences and determining the most effective methods of controlling them and / or responding to them. The risks faced by the Council are constantly changing and the continual process of monitoring risks should ensure that we can respond to the new challenges. This process is referred to as the risk management cycle.

#### **Stage 1 – Risk Identification**

Identifying and understanding the hazards and risks facing the council is crucial if informed decisions are to be made about policies or service delivery methods. There is detailed guidance available on how to identify risks which includes team sessions and individual knowledge. Once identified a risk should be reported to the Head of Service who will consider its inclusion on the relevant risk register. If the risk is identified in between register reviews then it is reported to the Risk & Resilience Manager for information and the Head of Service is responsible for managing the risk.

#### **Stage 2 – Risk Analysis**

Once risks have been identified they need to be systematically and accurately assessed. If a risk is seen to be unacceptable, then steps need to be taken to control or respond to it.

#### **Stage 3 – Risk Control**

Risk control is the process of taking action to minimise the likelihood of the risk event occurring and / or reducing the severity of the consequences should it occur.

#### **Stage 4 – Risk Monitoring**

The risk management process does not finish with the risk control procedures in place. Their effectiveness in controlling risk must be monitored and reviewed. It is also important to assess whether the nature of the risk has changed over time.

## APPENDIX 2

### Reporting

No matter how good the process to identify and control risks is, it will not be effective unless the information gained from it is reported and used to influence other management issues / processes. Therefore it is essential that there is a defined process and timetable for reporting the results of the risk management process to both members and officers.

#### Types of Report

- The strategic risk register needs to be reviewed on a quarterly basis by P.M.B.
- Six monthly review of the operational risk registers and a summary report of these reviews to P.M.B.
- A six monthly report needs to be provided to Committee (Governance) detailing the current strategic and high level operational risks and the progress made in controlling them.
- An annual report reviewing Risk Management activity and an action plan for the coming year - taking into account changes in methodology and results of internal and external reviews. Going to P.M.B., Governance and Cabinet. This needs to cover all of the three areas of risk
- Ad-hoc reports need to be provided to P.M.B. when new, significant risk issues arise.

The reports can be summarised as follows:

	Service's	P.M.B.	Governance	Cabinet
<b>Quarterly</b>		Review of strategic risk register		
<b>6 Monthly</b>	Review of operational risk register	Summary of operational review from services	Progress report of strategic & high level operational risks	
<b>Yearly</b>		Scrutiny of annual progress report to cttee on R.M.	Endorsement of annual progress report on R.M.	Summary of past years work on R.M.

## Appendix 3

### Risk Management Responsibilities – CIPFA / SOLACE Guidance

	<b>Framework, Strategy and Process</b>	<b>Identifying risk</b>	<b>Analysing Risk</b>	<b>Profiling risk</b>	<b>Prioritising action based on risk appetite</b>	<b>Determining action on risk</b>	<b>Controlling risk</b>	<b>Monitoring &amp; Reporting</b>	<b>Reporting to external stakeholders.</b>
<b>Members</b>	Agreeing the Framework, Strategy and Process Determined by Officers	Identifying risk	Analysing Risk	Profiling Risk	Determining the risk appetite and prioritising risk.  Agreeing the priorities determined by officers			Reviewing the effectiveness of the risk management process.	Reporting to external stakeholders on the framework, strategy, process and effectiveness .
<b>Risk Management Team</b>	Providing advice And support to the executive Management Team and Members	Providing advice and support.	Providing Advice and support	Providing advice and support	Providing advice and support			Co-ordinating the results for reporting to the corporate management team and members	
<b>Senior Management Team</b>	Determining the framework, Strategy and Process	Identifying strategic and cross-cutting issues	Analysing Strategic and cross-cutting issues.	Profiling strategic and cross-cutting issues.	Determining the risk appetite and prioritising strategic and cross-cutting issues	Determining action on strategic and cross-cutting issues.  Delegating responsibility for control.		Monitoring progress on managing strategic and cross-cutting risks and reviewing the implementation of the risk management framework, strategy and process.  Reporting to members.	Reporting to external stakeholders on the framework, strategy, process and effectiveness.
<b>Assistant Chief Executive</b>	Providing Advice and Support	Providing advice and support	Providing advice and support	Providing advice and support	Providing advice and support	Providing advice and support	Providing advice and support	Co-ordinating the results for reporting to the executive management team and members	Preparing draft reports for the corporate management team and members to issue.
<b>Service Managers / G.M.T's</b>		Identifying service Risks	Analysing Service risks.	Profiling service risks.	Prioritising action on service risks.	Determining action on service risks.  Delegating responsibility for control.		Monitoring progress on managing service risks.  Reporting to the group management team	
<b>Employees, contractors And partners</b>		Maintaining awareness of risks and feeding these into the formal process.	Maintaining awareness impact of risks and feeding information into the processes				Controlling risk in their jobs.	Monitoring progress on Managing job related risks  Reporting to the service manager.	