

SCRUTINY PANEL

18 August 2020

Present: - Councillor Barber, Councillor Bentley, Councillor Bourne, Councillor Dundas, Councillor Hayter, Councillor Hogg, Councillor McCarthy, Councillor Whitehead

Substitutions: - None.

Also present: - Councillor Cory, Councillor King, Councillor J Young.

275. Declarations of interest.

Councillors Paul Dundas, Mike Hogg and Kevin Bentley declared non-pecuniary interests as they had received government small business grants, via Colchester Borough Council. Councillor Lewis Barber declared a non-pecuniary interest as he had made use of the Colbea Business Centre assistance service which obtained funding from Colchester Borough Council (CBC).

276. Pre-Scrutiny of the Council Recovery Programme (Covid 19)

Councillor King, Portfolio Holder for Business and Resources, introduced the item, praising the Council's response to the Covid crisis, which had been agile, swift and done well. The Panel heard that work was continuing with partners to ensure that reopening of businesses in Colchester was a success within the framework of Covid recovery and that this supported the economic recovery of the town. Of key importance was the continued support of the vulnerable through service delivery, together with the business and economy of Colchester through continued support and partnership working with organisations such as the Colchester Business Improvement District (BID) and Essex County Council.

Mandy Jones, Assistant Director Place and Client Services, attended to present the report and assist Members with their enquiries. The Panel heard that Officers and Portfolio Holders were continuing to work on the recovery plan, but that Colchester Borough Council was under significant financial pressure as a result of the crisis. The recovery plan that had been prepared was agile and focussed on four main 'cells' – economy, community, council and customer with cross-cutting themes of commerciality, housing provision, climate change and sustainability and finance. Each cell was being managed by senior management and Portfolio Holders, and the Panel heard that a bid had been submitted for £25,000,000 from the Town Deal Partnership to support public realm development in Colchester. Mandy explained that the recovery plan economy cell was focussed on seeking development opportunities that have arisen out of the current situation, and project development was continuing during the crisis. The Panel heard that the recovery plan is agile and

was intelligence and insight driven and that close collaboration with partners was key to its success.

The Panel heard that key areas of community recovery focussed on continued collaboration and sustaining new working practices that had been developed with a view to strengthen communities and mitigate economic disruption, reduce isolation and improve health and wellbeing. Examples of this were work with Firstsite on a project to celebrate NHS workers and research commissioned from Anglia Ruskin University into community assets and health and wellbeing. Contact had also been made with black, Asian and minority ethnic (BAME) communities to understand the impact of Covid-19 on them, and hear about barriers they faced during the period of lockdown.

Turning to the recovery plan as it related to Colchester Borough Council, the Panel were advised that the most important elements of restarting Council decision making had been to enable people to participate in a digital environment, together with adapting to new ways of working from home, and office provision would be evaluated as a result of this. The finances of the Council would also have to be revised to deliver a balanced budget and the budget strategy will be further developed to meet this requirement. In terms of strategic priorities, projects that delivered these would be reviewed to ensure that they met new needs, and a revised strategic plan would be presented to Cabinet in the near future.

In relation to the customer cell of the recovery plan, the Panel heard that customer access channels had been reviewed to ensure that access to services was as efficient as possible, and all customers were now able to access services both online and via telephone. Social media updates were ongoing and customers were being supported to ease the financial burdens they may be experiencing. Normal recovery process had now resumed for Council Tax, and the discretionary business grant threshold had been reduced to allow more customers to take advantage of this scheme.

Councillor Cory addressed the Panel to offer his thanks to all Officers for their hard work and highlighted the importance of the work that had been done to support residents across the borough. Councillor Cory highlighted the partnership work that had been undertaken with organisations such as the BID and One Colchester and the good foundations that had been laid for a strong recovery through this work. He also praised the reactive and pro-active work that had been undertaken to support residents across Colchester throughout the pandemic, together with the investment that had been made in projects such as Colbea and housing development. The work that had been done, and was planned for the future had ensured that future recovery was sustainable.

Councillor Julie Young, Portfolio Holder for Culture and Performance and Deputy Leader of the Council spoke to highlight the learning that had taken place over the past few months, which showed the value that people placed on interaction with others, and she explained that going forward the focus would be on how communities came together. She referred to the community engagement work that had been carried by Firstsite and others and confirmed that partnerships with external bodies had never been better. In the future, there needed to be

encouragement for people to return to the town centre and to feel safe there, and although no one had wished for the current circumstances, a learning opportunity had been presented which should be taken advantage of.

A Panel member praised the approach that had been taken by senior management at Colchester Borough Council in terms of the information that had been provided to Members throughout the crisis. It was suggested that it appeared from speaking with colleagues at other Local Authorities, Colchester Borough Council's response to the crisis had been agile and effective, and it was queried how this would be carried into the future, particularly in the event of a second period of lockdown. Additional questions were asked by a Panel member about how the chasing of Council Tax arrears was being handled, together with the use and provision of office space for staff in Rowan House in the future, and the care that was being taken of staff who were now working from home – particularly with regard to their mental health.

Councillor David King, Portfolio Holder for Business and Resources responded to the points raised and explained that in his opinion the key reasons for the success of the Council had been the quality of the leadership team and other key people which had been reflected in the quality of the documents presented to the Panel at the meeting. He further highlighted the heart warming focus on relationships beyond the boundaries of the organisation and the development of these and cited the fact that Colchester Borough Council as an organisation had experienced periods of upheaval in the past and had used this experience to good effect in dealing with the current crisis. With regard to the collection of Council Tax, Councillor King confirmed that this was being carried out with a great deal of sensitivity to an individual's circumstances and thoughtful application of pressure was appropriate as income had to be received, but this had to be handed in a sensitive way. He confirmed that there was likely to be a loss in overall income, but the final picture was not yet known. In terms of the care being taken of staff, Councillor King highlighted the work that the Human Resources team had undertaken and the use of many lines of communication with staff to support them. He understood that there was a potentially a need for workspace to be made available for collaboration and that there was a demand for high quality workspaces with the capacity for social distancing. A review of the needs of the organisation was needed before future decisions were taken on ways of working.

A Panel Member questioned the fact that was referenced in the recovery plan that 2,500 businesses had been written to but a response rate of only 15% had been generated, and Councillor King confirmed that although this was a relatively low number, the responses received had been useful nonetheless and this was just one of the ways that business were being engaged with.

Panel members discussed the role of Colbea through the recovery process, and queried what impact the current recession would have on the residents of Colchester and the measures that were in place to assist with this. Councillor King explained that impact of the recession on a local scale was not yet known, and figures were being tracked where possible to attempt to gain full insight into the impact. He confirmed that Colchester Borough Council would be doing all possible to support the skills and confidence of local businesses and residents. With regard to the Council's stance on favouring the awarding of contracts to those able to demonstrate

social value, although it was too early to say what the net impact would be, data was being collected.

Mandy Jones confirmed that the Council had monthly meetings with Colbea who provided monitoring statistics on the number of people that they have seen, and it was confirmed that there were 147 contacts in June, representing a 61% rise on contacts year on year for the one to one advice and support service. Most of the contacts had been around business advice and strategy, with younger people and the hospitality industry now starting to see assistance. Mandy further confirmed that the procurement process had been altered to encourage local suppliers to make bids for Colchester Borough Council contracts.

A Panel Member asked whether or not there had been any changes to the Town Deal bid that CBC had made, and further enquired whether any special consideration had been given to people with disabilities as part of the recovery process, as they could find no mention of this in the report and it was essential that the needs of the disabled community be considered going forward. In the same way, it was pointed out that BAME groups should also form part of the recovery process, and more detailed information on how this had occurred should be provided in reports.

Councillor King confirmed that with regard to the Town Deal bid, the criteria from central government was essentially the same, and the bid was a work in progress. He expressed his faith that CBC would put in a very strong bid and would be successful in securing funding.

Councillor Julie Young said that the Council's relationship with the BAME community had been strengthened during this difficult period, citing the provision of space at St Botolph's Priory for the Colchester Islamic Society for Friday prayers. She also pointed out that CBC had been instrumental in negotiations for this group to use the Mercury Theatre rehearsal space at the Garrison Gym while the mosque was being refurbished. She acknowledged that there was still further scope for engagement with the BAME community but was happy with the work that had taken place over the past few months.

The Chair enquired whether the Town Hall was being actively promoted as a wedding venue again now that weddings were allowed. He also asked whether there were any plans for hybrid meetings to take place and whether surveys of members and staff were planned to gauge feelings on this way of returning to work. With regard to use of office space, he wondered if any consideration had been given to partnership working with other partners such as Colbea, Local Authorities or the NHS.

Councillor King acknowledged the future use of Council office space could take a number of forms, including sharing the space with partner organisations. He confirmed that the events team had been instructed to proceed as far as possible with income generation, and Andrew Tyrrell, Client and Business Manager, provided a brief update that wedding hiring had recommenced.

Councillor Cory addressed the Panel on the subject of remote meetings and working, and explained that it was essential that the opportunity was provided for people to come in for meetings if this was necessary, and the process of arranging hybrid meetings would be implemented. Although being able to log in digitally to meetings was a great advantage, the Town Hall was seen as the seat of local democracy and future arrangements had to be as flexible as possible. Councillor Cory expanded on a previous discussion of the Panel and confirmed that prior to the Covid pandemic the Council had been working to look into inequalities in the community and that this work was continuing. Lucie Breadman, Assistant Director of Communities, addressed the Panel and explained that there had been two key pieces of work, one of which was carried out with Anglia Ruskin University and which showed the value of communities which had been deliberately fostered by CBC and would be built on going forward. In terms of the BAME work that had been undertaken, this was focussed on people sharing what their experiences were and difficulties that they may have experienced in terms of language, access to translated material and the availability of cultural food parcels. The results of this work would be used to inform any future projects.

RESOLVED: That the Panel resolved to thank and commend all Officers and Portfolio Holders for their work to date, and requested quarterly updates were provided to the Panel on the continued response to the Covid pandemic.

277. Review of the Colchester Borough Homes Recovery Plan (COVID-19)

Councillor Fox, Portfolio Holder for Housing, introduced the item by explaining the importance of Colchester Borough Homes (CBH) to the recovery process and the overall response to the demands of the Covid pandemic. Of particular importance over the past few months had been the work undertaken in respect of rough sleepers, and the support of residents in sheltered housing. Councillor Fox expressed his thanks to the Officers of CBH for their hard work over the past few months and expressed his hope that the recovery process would be supported by the ongoing work of CBH in three key areas he identified as housing, jobs and community.

Gareth Mitchell, Chief Executive of Colchester Borough Homes attended to present the report and assist Members with their enquiries. The Panel heard that the recovery stage of CBH would complete at the end of August, following implementation of the CBH Business Continuity Plan which had started in March 2020. Government guidance during this period had prevented continuation with work on the capital programme and repairing tenants homes due to the requirements of shielding and Gareth explained that this had led to the requirement for agile working of all CBH staff as they responded to the crisis. The recovery programme of CBH was very closely allied to that of CBC and linked in at key stages with the 'cells' identified in the CBC Recovery Plan, and the Panel heard that the key recovery project objectives were to reinstate safe service delivery, use the recovery process as a business transformation opportunity, to make best use of technology for service delivery, to strengthen the Business Continuity Plan for the future and to use the Community Plan to develop local partnerships.

Gareth advised the Panel that all CBH services were now recovered, some in full and some under social distancing measures. All backlogs that arisen during lockdown had now been completed, and although it would be difficult, CBH would attempt to meet the service delivery goals set by the end of the financial year.

The Panel heard that as part of the recovery of CBH, office accommodation was being prepared for staff to return where needed and new working practices were being implemented for staff working in tenant's homes. Meetings were being held virtually to ensure that governance arrangements remained fit for purpose, and risk assessments – including individual risk assessments for staff – were being carried out. The Mercury Theatre project had continued to operate throughout lockdown, and Gareth explained that the resumption of the Capital Programme of CBH was closely allied to the CBC recovery plan. The Panel were advised that 38 rough sleepers had been accommodated in the first week of the 'Everybody In' campaign, and 57 had been accommodated in total, and that CBH had made over 4,000 calls to vulnerable residents as well as working closely with local charities. A key focus had been to move some of the more vulnerable residents into permanent accommodation where possible with the required support, and the relationships with external partners had been extremely important in this.

A Panel Member praised the development of digital ways of working, but added a note of caution that those customers who may not have access to more modern technology for a variety of reasons were still supported and had access to all services by other means, a point that Councillor Fox fully endorsed. Gareth confirmed that CBH was acutely aware of the need to maintain all methods of communication for their customers, and indeed during the pandemic the primary method of communication had been by phone for many of the vulnerable tenant groups.

Praise was offered for community caretakers employed by CBH, together with those doing emergency repairs during the pandemic.

In response to questions from the Panel, Gareth Mitchell confirmed that of the 57 rough sleepers that had been accommodated, 4 had returned to family and friends. In respect of the rent arrears that were outstanding, he explained that CBH had a history of delivering high rental income with minimal evictions, and it was only in extreme cases that evictions order were sought against tenants once other avenues had been exhausted. The Panel were advised that the vast majority of those tenants who were facing any action had been in significant arrears prior to the start of the pandemic and any action that did have to be taken would be done as a last resort. Addressing the potential issue of an increased demand for the services of CBH if the current situation caused redundancies and further rent defaulting, Gareth advised the Panel that CBH had been working throughout lockdown to ensure that there were sufficient resources available to meet any future challenge.

Councillor Fox addressed the concerns of a Panel Member with regard to the possibility of a second wave of the Covid virus, leading to further local or national lockdown. He explained that throughout the lockdown period he and CBH had been in close dialogue with other Authorities to share best practice, but a tightening of the rules may lead to a revision of the ways in which sheltered accommodation was

used. Gareth Mitchell confirmed that the main area that would be impacted by further lockdowns was indeed sheltered accommodation, and it may be that the rules may need to be tightened up again. Gareth was confident that the measures were in place to enable CBH to deal with any localised issues in the future, although he accepted that some services may have to be restricted.

A panel member highlighted the fact that CBH was responsible for housing some of the most vulnerable people in the district, and enquired what had been learned that would shape services for the future in respect of assisting those with poor mental health or other disabilities. They further enquired when it was considered that people would be able to move houses once again. Gareth Mitchell explained that the focus of CBH was to support and enable tenants without automatically taking direct action, and the work that had been undertaken during the pandemic had served to highlight the vulnerability of some tenants, and this greater awareness would inform future services. He explained that due to the work that had been undertaken over the past few months, it was anticipated that people would be able to move house in the very near future.

The Chairman enquired whether there were any voids in housing at present and what action had been taken to address this. Gareth confirmed that although restrictions had meant that the turnaround on void housing had been slower, there was still movement and the housing had been used for emergency accommodation during the lockdown period.

RESOLVED: That the Panel resolved to thank and commend all Officers of Colchester Borough Homes and Portfolio Holders for their work to date.

278. Amphora Recovery Programme (Covid-19)

Andrew Tyrrell, Client and Business Manager, and Paul T Smith, Group Commercial Director Amphora, attended to present the report and assist Members with their enquiries. The Panel heard from Andrew Tyrrell that each of the companies within Colchester Commercial Holdings Limited (CCHL) had its own dedicated recovery plan, and that the capital project programme had been one of the most severely impacted by the situation over the past few months, together with the cancellation of all events in Castle Park and other venues. Notwithstanding this, project work was continuing under safe guidelines, and there had been some success stories during lockdown such as Help Line which had proved to be of real assistance to some of Colchester's most vulnerable residents who found themselves cut off from friends and family.

The Panel heard from Paul Smith about the three Amphora Subsidiary Companies, consisting of Amphora Energy Ltd (CAEL), Amphora Homes Ltd (CAHL) and Amphora Trading Ltd (CATL). In addition to the heat network work being carried out, it was now hoped that the introduction of a microgrid as part of the Northern Gateway development to provide electricity generated primarily from renewable sources. The work of CAHL was continuing towards providing affordable housing, and work had continued on the Creffield Road site. The Panel heard that CATL provided a wide range of services on behalf of Colchester Borough Council,

including delivering the sports park, the events business and the Help Line service. Although income had been negatively impacted throughout lockdown, now that restrictions were starting to ease, income generation was recovering in an encouraging manner and the Panel heard that this year the group's performance achieved a dividend payment of £394,000 which was up on its 2018/19 payment of £286,000. The events programme had been hit especially hard by the current crisis, but events were now being planned for next year, and some had been able to go ahead as restrictions eased. A further key development was the introduction of extremely fast full fibre broadband stemming from the Northern Gateway site, and roadworks to lay the support network for this were going on now. Paul confirmed that the commercial companies would continue to develop the work that was agreed under their current business plans, with consideration to future business planning in development for 2021-2024 with a focus on developing the Northern Gateway Heat Network as well as developing other sustainable energy related projects such as a micro grid at the Northern Gateway and other heat networks in Colchester. Some of the key projects to be delivered over the next three years were the events programme, completion and occupancy of 350 new homes for private sale and affordable rent and assistance and support for the greener economy.

Panel members enquired whether the funding of capital projects had been affected by the current situation, and Andrew Tyrrell advised that some of the housing projects were funded by the Housing Revenue Account, and Amphora were helping to deliver this. He further explained that there were two funds associated with Council work, the general fund and a ring-fenced housing fund which could be used for nothing else but housing, and it was this fund which was allowing the Council to proceed on some projects. Additionally, Andrew explained that there was a difference in the borrowing capability of the Council when borrowing against capital or revenue, and capital borrowing was necessary in order to deliver revenue streams in the future.

Paul Smith responded to a Panel members question which requested clarification of the reduction in dividend and the changes referenced to the service level agreement between Amphora and Colchester Borough Council. He explained that the dividend forecast of £226,000 took into account the effect on the events business and included all costs that were known, and this figure represented the worst position and would hopefully improve from that. With regard to the sports element of the business, he said that the roadworks at the bottom of Ipswich Road had severely reduced footfall to Leisure World, but it was hoped that on completion of these the footfall would rise again. It was hoped that both Leisure World and the planned sports park would return to profit in the near future, although continuing restrictions would adversely affect both businesses for many months.

RESOLVED: That the Panel resolved to thank and commend all Officers of Colchester Borough Homes and Portfolio Holders for their work to date.

279. Colchester Business Improvement District

Simon Blaxill, Chair of Colchester Business Improvement District and Sam Good, Business Improvement District General Manager attended the Committee to present a report, and assist Members with their enquiries. Simon introduced the item, and voiced his appreciation of how much was going on in Colchester at present. He highlighted the fact that even prior to the current crisis, there had been significant pressure on the retail sector, and the situation at present highlighted the need for the town centre to re-invent itself as more than a shopping centre. He explained that the Business Improvement District (BID) had been working closely with the Council and thanked Officers for their help and support. He said that BID funds were limited and that for Colchester to recover would require a strategy involving the Council and other partners to generate a vision for the town over the next twenty five years focussed on regeneration and delivering an inclusive and social culture for the future.

Sam Good addressed the Panel and explained that the BID was about to start their third year of a five year term, and outlined the plan to bounce back from Covid. He confirmed that the BID was providing four hundred and eighty hours of street ambassador patrols in the town centre on a monthly basis which had a great impact, and further work had been done on generating marketing online including the 'In Colchester' brand. The Panel heard that the BID were very pleased with the relationships being generated with partners and the ongoing work around generating statistics and data to be fed back to member businesses. In response to the lockdown period, it was explained that the business plan had required to be completely redrafted with key stakeholders and was representative of the whole town. Over one thousand floor vinyls had been handed out free of charge together with recovery packs to assist businesses reopening, together with installation of hand sanitiser stations through the town. Pinch points in the town had been examined where social distancing would be more challenging than in other places, and signage had been issued to attempt to assist with this, and the BID had produced leaflets which were distributed to residents to encourage a feeling of security and facilitate their return to the town centre. This had the effect of supporting a return to 80% of pre-Covid footfall, which was higher than expected. When the lockdown was announced the BID secured the services of a security company from 06 April 2020 to patrol the town centre between the hour so 22.00 and 06.00 every night to protect the properties of businesses which were vacant and during this period there were no break ins or attempted break ins.

The Panel heard that the plans for year three of the bid had been revised and now focussed on three key themes – revive, strive and survive, designed to improve peoples confidence in the town centre which would make Colchester a destination that businesses can succeed in with the aim of making Colchester the best destination in the region for visitors, workers and residents.

The BID had set out a four stage framework for recovery from Covid detailing the immediate actions taken at crisis stage, pre-recovery, recovery and the eventual transformation of the town centre and generation of continual revival. As part of the recovery work undertaken, surveys had been conducted to determine what visitors to the town centre wanted in the future.

One of the key pieces of work carried out by the BID as part of the Covid response was to work closely with a number of key partners, including Essex Police and Colchester Borough Council to put together a complete brief for business on how they should safely manage their queues during the pandemic. This allowed businesses to have the confidence to open safely and gave the public confidence that they were safe when visiting the town centre.

The Panel heard that over the next month the BID was to launch their 'Big Lunch' campaign, funding over three hundred meals for office workers in the town centre to allow them to try out new hospitality establishments in order to encourage workers to have their lunch in the town centre.

In response to a Panel Member, Sam explained that the rate of visitors to shops who made a purchase was higher than normal, and that some business were doing well at present, although there would be as many who were faring badly. It was suggested that any future campaigns or promotions launched by the BID be forwarded to Colchester Borough Council marketing and communications teams for distribution on to all Councillors to enable them to share with their constituents and Councillor King confirmed that this took place as far as was possible.

RESOLVED: That the Panel resolved to thank and commend Sam Good and Simon Blaxill of Colchester Business Improvement District for their work to date.