

# Trading Board Meeting

**G3, Rowan House, 33 Sheepen Road,  
Colchester, CO3 3WG**

**Wednesday, 18 November 2015 at 18:00**

The role of the **Trading Board** is to consider the trading issues of the Council and to challenge and monitor the Council's trading arrangements including companies owned by the Council and joint Committee arrangements, and to make recommendations to Council and Cabinet on trading proposals.

# Information for Members of the Public

## Access to information and meetings

You have the right to attend all meetings of the Council, its Committees and Cabinet. You also have the right to see the agenda, which is usually published 5 working days before the meeting, and minutes once they are published. Dates of the meetings are available at [www.colchester.gov.uk](http://www.colchester.gov.uk) or from Democratic Services. Occasionally meetings will need to discuss issues in private. This can only happen on a limited range of issues, which are set by law. When a committee does so, you will be asked to leave the meeting.

## Have Your Say!

The Council values contributions from members of the public. Under the Council's Have Your Say! policy you can ask questions or express a view to most public meetings. If you wish to speak at a meeting or wish to find out more, please refer to Attending Meetings and "Have Your Say" at [www.colchester.gov.uk](http://www.colchester.gov.uk)

## Audio Recording, Filming, Mobile phones and other devices

The Council audio records all its public meetings and makes the recordings available on the Council's website. Audio recording, photography and filming of meetings by members of the public is also permitted. The discreet use of phones, tablets, laptops and other such devices is permitted at all meetings of the Council, with the exception of Committee members at all meetings of the Planning Committee, Licensing Committee, Licensing Sub-Committee and Governance Committee. It is not permitted to use voice or camera flash functionality and devices must be kept on silent mode. Where permitted, Councillors' use of devices is limited to receiving messages and accessing papers and information via the internet. Viewing or participation in social media is at the discretion of the Chairman / Mayor presiding at the meeting who may choose to require all devices to be switched off at any time.

## Access

There is wheelchair access to the Town Hall from St Runwald Street. There is an induction loop in all the meeting rooms. If you need help with reading or understanding this document please use one of the contact details at the bottom of this page and we will try to provide a reading service, translation or other formats you may need.

## Facilities

Toilets with lift access, if required, are located on each floor of the Town Hall. A vending machine selling hot and cold drinks is located on the ground floor.

## Evacuation Procedures

Evacuate the building using the nearest available exit. Make your way to the assembly area in the car park in St Runwald Street behind the Town Hall. Do not re-enter the building until the Town Hall staff advise you that it is safe to do so.

Library and Community Hub, Colchester Central Library, 21 Trinity Square,  
Colchester, CO1 1JB

telephone (01206) 282222 or textphone 18001 followed by the full number you wish  
to call

e-mail: [democratic.services@colchester.gov.uk](mailto:democratic.services@colchester.gov.uk)

[www.colchester.gov.uk](http://www.colchester.gov.uk)

## **Trading Board - Terms of Reference**

- a) Consider and review the activities performed by:
  - the commercial services arm of the Council
  - those services generating income of approximately £250,000 or above
  - any trading arms of the Council
  - any partly or wholly owned companies of the Council
- b) Identify and develop any new commercial agreements generating significant income for the Council for approval by Cabinet or Council.
- c) Develop the composition of any new body or bodies created wholly or in part by the Council for commercial purposes including their purpose; governance; operating model; business planning function; risk factors; and to recommend approval for such new arrangements to Cabinet or Council.
- d) Ensure any Council capital investment and/or assets that are to be transferred to or used by an outside body for commercial purposes is properly specified, protected and used by the outside body and recommended to Cabinet or Council for approval.
- e) Consider any proposed new/transfer or sale/purchase of company shares and make recommendations on these for approval by Council.
- f) Identify and recommend to Cabinet or Council major strategic opportunities for procurement of services from other companies, organisations, social enterprises and the voluntary and third sector.
- g) Receive regular reports of procurement agreements entered into including financial and service performance measures against those stated in the contract and bring any concerns or risks as recommendations to Cabinet.

# **COLCHESTER BOROUGH COUNCIL**

## **Trading Board**

Wednesday, 18 November 2015 at 18:00

### **Member:**

Councillor Julia Havis  
Councillor Dave Harris  
Councillor Kevin Bentley  
Councillor Roger Buston  
Councillor Robert Davidson  
Councillor Andrew Ellis  
Councillor Martin Goss  
Councillor Justin Knight

Chairman  
Deputy Chairman

### **Substitutes:**

All members of the Council who are not Cabinet members.

## **AGENDA - Part A**

(open to the public including the press)

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

### **1 Welcome and Announcements**

- a) The Chairman to welcome members of the public and Councillors and to remind all speakers of the requirement for microphones to be used at all times.
- (b) At the Chairman's discretion, to announce information on:
  - action in the event of an emergency;
  - mobile phones switched to silent;
  - the audio-recording of meetings;
  - location of toilets;
  - introduction of members of the meeting.

### **2 Substitutions**

Members may arrange for a substitute councillor to attend a meeting on their behalf, subject to prior notice being given. The attendance

of substitute councillors must be recorded.

### 3 **Minutes**

To confirm as a correct record the minutes of the meeting held on 23 September 2015

**230915 public**

9 - 12

### 4 **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.

**5 Urgent Items**

To announce any items not on the agenda which the Chairman has agreed to consider because they are urgent, to give reasons for the urgency and to indicate where in the order of business the item will be considered.

**6 Have Your Say!**

a) The Chairman to invite members of the public to indicate if they wish to speak or present a petition at this meeting – either on an item on the agenda or on a general matter relating to the terms of reference of the Committee/Panel not on this agenda. You should indicate your wish to speak at this point if your name has not been noted by Council staff.

(b) The Chairman to invite contributions from members of the public who wish to Have Your Say! on a general matter relating to the terms of reference of the Committee/Panel not on this agenda.

**7 Recharges**

13 - 18

See report by the Assistant Chief Executive

**8 Work Programme 2015-16**

19 - 22

See report by the Assistant Chief Executive

**9 Commercial Business Development and Procurement Savings**

23 - 26

See report by the Head of Commercial Services

**10 Exclusion of the Public (not Scrutiny or Executive)**

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)

**11 Minutes - not for publication extract**

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

**12 Essex Building Control Shared Service - Host Bid**

**The following report contains exempt information (financial/business affairs of a particular person, including the authority holding the information) as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

See report by the Head of Commercial Services

**13 Commercial Business Development - Building Control**

**The following report contains exempt information (financial/business affairs of a particular person, including the authority holding the information) as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

See report by the Commercial Manager

**14 Commercial Business Development - Helpline**

**The following report contains exempt information (financial/business affairs of a particular person, including the authority holding the information) as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

See report by the Commercial Transition Manager

**15 Commercial Business Development - Monitoring/CCTV**

**The following report contains exempt information (financial/business affairs of a particular person, including the authority holding the information) as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

See report by the Commercial Transition Manager

- 16    **Commercial Business Development - Bereavement Services**  
The following report contains exempt information  
(financial/business affairs of a particular person, including the  
authority holding the information) as defined in paragraph 3 of  
Part 1 of Schedule 12A to the Local Government Act 1972.

See report by the Commercial Transition Manager

- 17    **Trading Services Summary**  
The following report contains exempt information  
(financial/business affairs of a particular person, including the  
authority holding the information) as defined in paragraph 3 of  
Part 1 of Schedule 12A to the Local Government Act 1972.

To note the Trading Services Summary for period 6.

- 18    **Procurement - Performance Summary**  
The following report contains exempt information  
(financial/business affairs of a particular person, including the  
authority holding the information) as defined in paragraph 3 of  
Part 1 of Schedule 12A to the Local Government Act 1972.

To note the Procurement Performance Summary for period 6.

## **TRADING BOARD**

### **23 September 2015**

*Present :-*

Councillor Julia Havis (Chairman)  
Councillors Roger Buston, Robert Davidson, Martin Goss  
and Justin Knight

*Substitute Members:-*

Councillor Cyril Liddy for Councillor Dave Harris  
Councillor Jackie Maclean for Councillor Andrew Ellis  
Councillor Dennis Willetts for Councillor Kevin Bentley

*Also Present: -*

Councillors Mark Cory and Paul Smith

#### **80. Minutes**

*RESOLVED* that the minutes of the meeting held on 5 August 2015 be confirmed as a correct record.

#### **81. Have Your Say!**

Andy Hamilton attended to speak under the Have Your Say provisions about his concerns about breaches of planning and licensing conditions by the private members club, Mingles. The Chairman advised him that this matter fell outside the remit of the Trading Board and he should make his representations in a more appropriate forum, such as Full Council.

#### **82. Leisure World Colchester Strategy and Business Plan**

**Councillor Maclean (in respect of her company providing services to Leisure World) declared a pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).**

The Board considered a report from the Head of Operational Services about the Strategy and Business Plan for Leisure World 2016-20. The report was presented by Matthew Young, Head of Operational Services and Tim Swallow, Group Manager – Sport and Leisure. As the Strategy and Business Plan contained exempt commercially sensitive information, it would be considered on Part B of the agenda. However Matthew Young and Tim Swallow took the opportunity to explain some of the background and the main aims of the Strategy and Business Plan.

The success of the Sport and Leisure Service and the Leisure World brand in particular was highlighted. By the end of the 2014-15 financial year the Sport and Leisure service had achieved the targets and objectives set out in the Fundamental Service Review. However, it operated in a competitive marketplace and was competing not just with other sport centres or spas, but with a wide range of other leisure providers. It was important that it retained and then grew its customer base and its income.

The Strategy and Business Plan provided a vision for how the service could move forward and provided national, regional and local evidence in support of that vision. It set the levels

of investment that would be required and the demonstrated the payback period for each investment area.

*RESOLVED* that the report by the Head of Operational Services be noted.

### **83. Work Programme**

The Board considered a report from the Assistant Chief Executive setting out the draft work programme for the 2015-16 municipal year.

The Board was advised that the items on Strategic Asset Management and Supporting Commercial Services through Human Resources would be scheduled for the meeting on 13 January 2016. It was suggested that the Board receive an update on the Events Management Service but this would now be reported to the Board on a regular basis in a similar way as the other commercial services.

*RESOLVED* that the draft work programme for 2015-16 be noted.

### **84. Commercial Business Development and Procurement Savings**

The Board considered a report from the Head of Commercial Services providing some public background and context to the Commercial Business Development and Procurement Savings reports, which contained commercially sensitive information and were published on part B of the agenda.

*RESOLVED* that the contents of the Head of Commercial Services report be noted.

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

### **85. Minutes**

*RESOLVED* that the not for publication extract from the minutes of the meeting held on 5 August 2015 be confirmed as a correct record.

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

### **86. Leisure World Colchester Strategy and Business Plan**

**Councillor Maclean (in respect of her company providing services to Leisure World) declared a pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).**

This minute is not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (information relating to the financial or business affairs of any

particular person, including the authority holding that information.)

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

**87. Commercial Business Development – Community Alarms/Helpline**

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

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

**88. Commercial Business Development – Monitoring/CCTV**

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

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

**89. Commercial Business Development – Bereavement Services**

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

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

**90. Commercial Business Development – Building Control**

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

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

## **91. Commercial Business Development – Events Management**

The Board considered a report from the Commercial Manager providing an update on the Building Control Service. Graham Lewis, Commercial Manager, presented the report. He confirmed that the go live date for the new service would be April 2016.

*RESOLVED* that the contents of the Commercial Manager's report be noted.

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

## **92. Trading Services Summary**

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

**The Board resolved under Section 100A(4) of the Local Government Act 1972 to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

## **93. Commercial Business Development – Procurement Savings**

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



Colchester 18 November 2015

## Trading Board

Item

7

Report of	Assistant Chief Executive	Author	Sean Plummer ☎ 282347
Title	Recharges		
Wards affected	Not applicable		

**The Board is invited to consider and comment on current arrangements for corporate recharges**

### 1. Action required

- 1.1 The Board is asked to note:-
- (i) the development made to the Council's approach to recharges in the 2015/16 budget.
  - (ii) the next steps being taken to review the impact of recharges set out in paragraphs 4.5 to 4.9.

### 2. Reason for decision

- 2.1 The Board has requested an update on the progress made reviewing recharges.

### 3. Background Information

#### *Background*

- 3.1. Trading Board considered a report on 15 July 2014 which provided a background to the issue of recharges, specifically:-
- That there is a statutory requirement to show the full cost of services. Recharges are therefore required to comply with this.
  - All budgets are set and monitored by the service that controls and is responsible for the cost.
  - Savings are already being built into support service budgets such as the C&FM FSR and ICT contract savings.
  - A basis is agreed as to how recharges will be made. These are designed to be representative and easy to administer.
  - Changes in services may impact on the recharge made. However, it is necessary to be clear whether a change will actually result in a cost or saving to the Council rather than simply relying on the recharge itself.
- 3.2. It was also reported that given the changes to the Council arising from the UCC FSR it was necessary to review the appropriateness of where recharges are made to and the way in which we report non direct costs.
- 3.3. This report provides an update of the work undertaken as part of the 2015/16 budget and the next stage of work.

#### 4. 2015/16 Budget

4.1. The 15/16 budget has been produced incorporating the agreed new approach to our “non-direct” recharges. This has resulted in:-

- More charges going to levels below Head of Service, in many case to individual costs centres
- New, more relevant, methodologies being used for charges

##### *Charges to Heads of Service*

4.2. Appendix A shows how recharges made to Heads of Service have reduced year-on-year by around 90% (circa £7million). These recharges are now being pushed down to a lower level. Some examples of how recharges **out** of services have changed are:-

- (i) Finance previously charged £636k to Heads of Service. Now this has reduced to under £4k with charges being made to lowest level cost centres.
- (ii) The Professional Service Unit (PSU) previously charged £1.3m to Heads of Service. Now charges are being spread across users at a “lower” level. e.g. £115k charged to building control, £122k to Leisure world etc.
- (iii) Other areas of significant change are ICT, Communication, HR, CSC and Office Accommodation.

##### *Recharging Methodologies*

4.3. As part of agreeing the new approach to recharges it has been necessary to review the methodology used. As has been reported before one of the aims has been to ensure that the method used remains simple to administer yet provides a realistic basis for the charge. Some examples include:

- ICT costs allocated on the basis of the number of email accounts and employees using IT
- HR costs on the number of employees
- Office Accommodation (Rowan House) on the basis of the number of workstations.

##### *Impact of changing approach and methodology.*

4.4. The following examples show how recharges **into** services have changed, along with commentary on the new methodology being used.

Colchester Leisure World - Appendix B shows Colchester Leisure World management accounts. It shows that whilst the total non-direct charges are similar, we now have a more detailed clearer breakdown of charges.

Cemetery and Crematorium - Appendix C gives the example of charges made to the Cemetery & Crematorium. Here, it is worth pointing out that with the change in approach, there are changes to the level of charge for some service areas.

## **Summary & Next Steps**

- 4.5. The review for the 15/16 budget has been completed and we will continue to appraise the methodologies and apportionment basis for recharges as part of our annual budget setting process, to improve accuracy and the meaningfulness for services. There are some support areas, such as the Corporate PSU, that did not have a full year's activity at the time of setting the 15/16 budget on which to base their recharges at the lowest level. These are the areas where the largest change is anticipated when we set the 16/17 budget.
- 4.6. The outcome of the review is that there is a greater level of detail of the support and other charges made to service budgets. This provides a more transparent view of charges and enables service areas to better understand what they are "paying for".
- 4.7. Heads of Service have reviewed the recharges they receive, and identified specific areas where the charge is considered to be 'out of kilter' with what the service believes they receive. These specific areas will be tasked with providing a further explanation and justification for the recharges made.
- 4.8. One of the aims of this exercise is to see if there are any common recharge areas across Council services which are identified which might indicate a need to ensure that either the cost of that service is reviewed or that the methodology is looked at.
- 4.9. This is about making sure the internal customer is getting what they think they should be. There needs to be an acceptance that sometimes there will be corporate costs that have to be "shared".

### *Reporting of recharges*

- 4.10. As part of the previous report to Trading Board, it was agreed that steps would be taken in future reports to present recharges in a clearer fashion, to aid understanding of the full cost of services. The sport and leisure business case considered by the Board at the last meeting is an example of how the new approach to recharges has provided a clearer reporting of recharge costs.

## **5. Strategic Plan references**

- 5.1. Whilst there is no direct link to the Strategic Plan, understanding recharges is important in order to make informed decisions relating to budget changes.

## **5. Financial implications**

- 5.1. As set out within this report.


## **6. Other Standard References**

- 6.1 Having considered consultation, publicity, equality, diversity and human rights, community safety, risk management and health and safety implications, there are none that are significant to the matters in this report.

<b>Recharge into Head of Service</b>	<b>14/15</b>	<b>15/16</b>
Equality & Safeguarding	22,500	26,100
Unison Representative	8,800	8,900
Health & Safety	-	1,000
Policy & Projects	54,000	-
Corporate I C T	585,500	4,500
E M T	188,500	142,800
Strategic Change Team	160,200	188,300
Communications	464,500	52,900
Colchester2020 Travel Plan	-	12,000
Commercial Team	50,000	-
Commercial Buyer	150,000	100,000
Computer Holding Account	1,121,400	19,500
Financial Management	635,600	3,500
Internal Audit	161,400	-
Insurance - Employees	2,200	3,600
Insurance - General	3,100	4,200
Income Team	91,500	5,000
Scanning Team	68,800	-
Corporate PSU	1,332,600	-
Legal Services	155,400	-
Human Resources	614,300	3,000
Central Stationery	13,800	13,100
Multi-Function Devices	70,800	1,600
Telephones Holding Account	129,600	7,200
Customer Service Centre	521,100	144,900
Office Accommodation	1,164,200	37,200
Members & Staff Car Parks	10,500	29,100
Messenger & Post Room	200	-
	<b>7,780,500</b>	<b>808,400</b>

<b>Recharge</b>	<b>14/15</b>	<b>15/16</b>	<b>15/16 Allocation Methodology</b>
Health & Safety	-	7,000	Based on employee numbers
Corporate I C T	-	28,200	Based on numbers of staff and e-mail accounts
Communications	-	157,400	Percentage of time and budget allocated
Computer Holding Account	-	116,000	Based on number of employees using IT
Financial Management	-	35,100	Based on gross expenditure
Internal Audit	-	10,400	Based on rolling audit programme days
Insurance - Employees	10,500	11,700	Based on salary costs
Insurance - Premises	28,300	24,600	Based on property valuations
Insurance - General	70,400	68,900	Based on a variety of methodologies, including assessment of liability/risk
Legal Services	1,400	2,700	Fixed fee based on time recording data
Human Resources	-	45,700	Based on employee numbers
Multi-Function Devices	-	7,600	Based on historic usage
Telephones Holding Account	-	2,400	Based on employee phone numbers
Messenger & Post Room	200	-	N/A
<b>C&amp;FM Total</b>	<b>110,800</b>	<b>517,700</b>	
Repairs and Maintenance	265,500	275,300	Based on previous years activity
Repairs & Maintenance - PPM	11,400	10,900	Based on contracts for works
Corporate Facilities	9,300	10,900	%age based on staff time
<b>Commercial Total</b>	<b>286,200</b>	<b>297,100</b>	
Income Team	20,000	17,200	Based on service usage of income/banking, Accounts Receivable and Enforcements.
Customer Services Technical Team	3,000	3,000	Fixed fee based on estimated level of support for each function
Customer Service Centre	-	4,500	Based on service usage of phone enquiries, Payments and Face to Face.
<b>Customer Total</b>	<b>23,000</b>	<b>24,700</b>	
Head of Operational Services	480,700	85,700	Based on Head of Service assessment of time
CBC Off-Street Car Parks	21,900	22,400	
<b>Operational Total</b>	<b>502,600</b>	<b>108,100</b>	
Systems Team	-	8,800	Based on IT systems supported
Scanning Team	-	2,600	Charged to participating services based on estimated usage
Corporate PSU	-	122,100	%age charged to GMT for activity and employee numbers
<b>Professional Total</b>	<b>-</b>	<b>133,500</b>	
<b>Sub-Total</b>	<b>922,600</b>	<b>1,081,100</b>	
Capital Charge – Amortisation/Depreciation	390,500	441,400	Actual charge based on assets/equipment etc
<b>Total</b>	<b>1,313,100</b>	<b>1,522,500</b>	

<b>Recharge</b>	<b>14/15</b>	<b>15/16</b>	<b>15/16 Allocation Methodology</b>
Health & Safety	-	600	Based on employee numbers
Corporate I C T	-	3,600	Based on numbers of staff and e-mail accounts
Computer Holding Account	-	14,900	Based on number of employees using IT
Financial Management	-	9,200	Based on gross expenditure
Insurance - Employees	800	1,100	Based on salary costs
Insurance - Premises	2,000	1,600	Based on property valuations
Insurance - General	5,300	5,500	Based on a variety of methodologies, including assessment of liability/risk
Human Resources	-	3,000	Based on employee numbers
Telephones Holding Account	-	1,200	Based on employee phone numbers
Messenger & Post Room	1,200	500	Based on number of drops on internal messenger service route, franking charges on service usage
<b>C&amp;FM Total</b>	<b>9,300</b>	<b>41,200</b>	
Repairs and Maintenance	10,200	5,800	Based on previous years activity
Repairs & Maintenance - PPM	3,500	2,200	Based on contracts for works
Commercial Team	49,700	68,100	Based on %age of management time
Cleaning	900	900	Based on hours spent per building
<b>Commercial Total</b>	<b>64,300</b>	<b>77,000</b>	
Income Team	1,400	3,000	Based on service usage of income/banking, Accounts Receivable and Enforcements.
<b>Customer Total</b>	<b>1,400</b>	<b>3,000</b>	
<b>Sub-Total</b>	<b>75,000</b>	<b>121,200</b>	
Cap Charges-Gen Depreciation	79,800	82,700	Actual charge based on assets/equipment etc
<b>Total</b>	<b>154,800</b>	<b>203,900</b>	

Report of	Assistant Chief Executive	Author	Richard Clifford
Title	Trading Board Work Programme 2015-16		 507832
Wards affected	Not Applicable		

**This report concerns the work programme for the Trading Board 2015-16**

## 1. Decision(s) Required

- 1.1 To note the Work Programme for the Trading Board.

## 2. Reasons for Decision(s)

- 2.1 The work programme is a standard item included on the agenda of all meetings of the Trading Board. It allows the Board to consider the scheduling of forthcoming items of business and to suggest additional items that fall within the Board's remit.

## 3. Alternative Options

- 3.1 It is open to the Board to agree amendments to the Work Programme.

## 4. Supporting Information

- 4.1 The current work programme is attached at Appendix 1. The updates on the commercial reviews of service will be the main focus of the Board's work in 2015-16 and this is reflected in the work programme.
- 4.2 It is open to the Board to suggest additional items that fall within the Board's remit be added to the work programme.

## 5. Strategic Plan References

- 5.1 The work of the Trading Board supports the key themes of Vibrant, Prosperous and Thriving in the Strategic Plan for 2015-18.

## 6. Standard References

- 6.1 There are no particular references to; publicity or consultation considerations; or financial; equality, diversity and human rights; community safety; health and safety or risk management implications.

## Appendix 1

### Trading Board 2015-16 Work Programme

Date of Meeting	Scheduled items of business
17 June 2015	<b>Commercial Business Development and Procurement reports</b>  <b>Future development of the Building Control Service</b>
5 August 2015	<b>Commercial Business Development and Procurement reports</b>  <b>Events Business Case</b>
23 September 2015	<b>Commercial Business Development and Procurement reports</b>  <b>Leisure World Colchester Business Strategy and Plan</b>
18 November 2015	<b>Commercial Business Development and Procurement reports</b>  <b>Essex Building Control Shared Service - Host Bid</b>  <b>Recharges</b>
13 January 2016	<b>Commercial Business Development and Procurement reports</b>  <b>Strategic Asset Management</b>  <b>Supporting Commercial Services through Human Resources</b>
23 March 2016	<b>Commercial Business Development and Procurement reports</b>  <b>Essex County Council Waste Minimisation Project</b>

Items to be scheduled	Trading Arrangements



Report of	Head of Commercial Services	Author	Graham Lewis
Title	Commercial Business Development and Procurement Savings		☎ 508690
Wards affected	All wards		

**This report concerns an update on the Council's Commercial Services**

## 1. Decision(s) Required

1.1 To note the contents of the following reports which are published on Part B of the agenda.

- Helpline
- Monitoring/CCTV
- Bereavement Services
- Building Control
- Procurement Savings
- Commercial Income and Performance

## 2. Reasons for Decision(s)

2.1 The Commercial Business Development and Procurement Savings reports contain commercially sensitive information which is designated as exempt information that is not for publication by virtue of paragraph 3 of part 1 of Schedule 12A to the Local Government Act. This report sets out some public background and context to these reports.

## 3. Alternative Options

3.1 No alternative options are proposed.

## 4. Supporting Information

4.1 The Trading Board's terms of reference include the following:-

"Consider and review the activities performed by the commercial services arms of the Council".

"Receive regular reports of procurement agreements entered into financial and service performance measures against those stated in the contract and bring any concerns or risks as recommendations to Cabinet."

4.2 The Commercial Business Development and Procurement Savings reports contain detailed operational and financial information about the work and development of the services, which is commercially sensitive. Therefore the reports have been designated as containing exempt information that is not for publication by virtue of paragraph 3 of

part 1 of Schedule 12A to the Local Government Act and are included in part B of the agenda.

- 4.3 The Commercial Business Development reports look at the four main commercial businesses: Helpline, Monitoring/CCTV, Bereavement Services and Building Control and provide information on the themes of Customer, Business and Culture.

#### **Helpline**

- 28 sales have been generated to date from the targeted neighbour mailer
- We are working closely with Colchester Library and agreed to display posters and banners in the reception area
- Helpline will have a large presence at the Halloween town centre event
- Discussions are in hand with both Environmental Services and Street Services for implementation of Helpline's Lone Worker product and monitoring service

#### **Monitoring/CCTV**

- A Hybrid low light camera is currently on trial
- A number of trees across town have been trimmed to improve visibility

#### **Bereavement Services**

- Results from Customer and Funeral Director feedback surveys are now being finalised
- Memorial Website – final integration work with ICT and payment mechanism are being trialled
- A memorial supplier, have now provided design ideas for coloured memorial trees, where engraved leaves can be purchased.
- Land Extension - Application has been approved by the planning department, contractors will be appointed shortly.

#### **Building Control**

- The Building Control team has been strengthened by the recruitment of a 4<sup>th</sup> Surveyor
- A Host Bid Project Group has been working on content for CBC's bid to host the Essex Building Control shared service on behalf of eight Local Authority partners - the date for submission is 13<sup>th</sup> November

#### **Commercial Income and Performance**

Officers provide a graphical analysis for each commercial business providing clear profit and loss performance data, relevant key performance indicators and the managers forecast for year-end profit/loss. Written reports from relevant managers, will update on operational issues.

#### **4.4 Procurement Savings**

In addition to recurring savings, 'high confidence' savings opportunities have been identified and removed from budgets. Additional operational procurement savings and 'stretch targets' for existing budgets will help us achieve agreed savings target.

## **5. Strategic Plan References**

- 5.1 The commercial approach which the Trading Board oversees is critical to the achievement of all outcomes in the Strategic Plan.

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

- 6.1 An Equality Impact Assessment has been carried out for the Council's Commercial Review process and is available by [clicking this link](#). (please ensure that [www.colchester.gov.uk](http://www.colchester.gov.uk) site is open) or following this pathway from the homepage of [www.colchester.gov.uk](http://www.colchester.gov.uk): Council and Democracy>Policies, Strategies and Performance>Equality and Diversity>Equality Impact Assessments>Commercial Services>Commercial Review.

## **7. Standard References**

- 7.1 Financial, publicity or consultation considerations; or financial; community safety; health and safety or risk management implications are as set out in the individual reports.

