

# Trading Board Meeting

**Grand Jury Room, Town Hall, High Street,  
Colchester, CO1 1PJ**

**Wednesday, 15 November 2017 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 (the list of items to be discussed at a meeting), which is usually published five working days before the meeting, and minutes once they are published. Dates of the meetings are available here:

<https://colchester.cmis.uk.com/colchester/MeetingCalendar.aspx>.

Most meetings take place in public. This only changes when certain issues, for instance, commercially sensitive information or details concerning an individual are considered. At this point you will be told whether there are any issues to be discussed in private, if so, you will be asked to leave the meeting.

## Have Your Say!

The Council welcomes contributions and representations from members of the public at most public meetings. If you would like to speak at a meeting and need to find out more, please refer to the Have Your Say! arrangements here: <http://www.colchester.gov.uk/haveyoursay>.

## Audio Recording, Mobile phones and other devices

The Council audio records public meetings for live broadcast over the internet and the recordings are available to listen to afterwards on the Council's website. Audio recording, photography and filming of meetings by members of the public is also welcomed. Phones, tablets, laptops, cameras and other devices can be used at all meetings of the Council so long as this doesn't cause a disturbance. It is not permitted to use voice or camera flash functions and devices must be set to silent. Councillors can use devices to receive messages, to access meeting papers and information via the internet. Looking at or posting on social media by Committee members is at the discretion of the Chairman / Mayor 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 take it to the Library and Community Hub, Colchester Central Library, using the contact details below and we will try to provide a reading service, translation or other formats you may need.

## Facilities

Toilets with lift access, if required, are on each floor of the Town Hall. A water dispenser is available on the first 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.

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Colchester, CO1 1JB

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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 and financial performance of:
  - Colchester Commercial (Holdings) Limited and its subsidiary companies i.e. Housing Company, Energy Company and Trading Company;
  - Those Council services generating income of approximately £250,000 or above; and
  - Any other partly or wholly owned company of the Council
- b) Receive, review and recommend Colchester Commercial (Holdings) Limited's business plans (including its subsidiary companies) annually.
- c) Monitor, challenge and make recommendations to Cabinet regarding Colchester Commercial (Holdings) Limited and its subsidiary companies and other Council services with significant income streams.
- d) Identify and develop any new commercial agreements generating significant income for the Council for approval by Cabinet or Council.
- e) 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.
- f) 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.
- g) Consider any proposed new/transfer or sale/purchase of company shares and make recommendations on these for approval by Council.
- h) Make recommendations to Full Council on how it should exercise the functions flowing from its ownership of shares in Colchester Commercial (Holdings) Limited and its subsidiary companies.
- i) 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.
- j) 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.
- k) Recommend the constitution and appointment of the Councillor Directors of Colchester Commercial (Holdings) Limited.

# COLCHESTER BOROUGH COUNCIL

## Trading Board

Wednesday, 15 November 2017 at 18:00

### The Trading Board Members are:

|                                 |                 |
|---------------------------------|-----------------|
| Councillor Rosalind Scott       | Chair           |
| Councillor Lesley Scott-Boutell | Deputy Chairman |
| Councillor Lewis Barber         |                 |
| Councillor Kevin Bentley        |                 |
| Councillor Robert Davidson      |                 |
| Councillor Chris Pearson        |                 |

### The Trading Board Substitutes are:

All members of the Council who are not Cabinet members.

## AGENDA

### THE LIST OF ITEMS TO BE DISCUSSED AT THE MEETING (Part A - open to the public)

Please note that Agenda items 1 to 6 are normally dealt with briefly.

#### 1 **Welcome and Announcements**

The Chair will welcome members of the public and Councillors and remind everyone to use microphones at all times when they are speaking. The Chair will also explain action in the event of an emergency, mobile phones switched to silent, audio-recording of the meeting. Councillors who are members of the committee will introduce themselves.

#### 2 **Substitutions**

Councillors will be asked to say if they are attending on behalf of a Committee member who is absent.

#### 3 **Urgent Items**

The Chair will announce if there is any item not on the published agenda which will be considered because it is urgent and will explain the reason for the urgency.

**4 Declarations of Interest**

Councillors will be asked to say if there are any items on the agenda about which they have a disclosable pecuniary interest which would prevent them from participating in any discussion of the item or participating in any vote upon the item, or any other pecuniary interest or non-pecuniary interest.

**5 Minutes of Previous Meeting**

The Councillors will be invited to confirm that the minutes are a correct record of the meeting held on 2 August 2017.

**02-08-17 minutes**

7 - 10

**6 Have Your Say!**

The Chair will invite members of the public to indicate if they wish to speak or present a petition on any item included on the agenda or any other matter relating to the terms of reference of the meeting. Please indicate your wish to speak at this point if your name has not been noted by Council staff.

**7 Colchester Commercial Holdings Ltd Colchester Amphora Trading - Period 6**

11 - 14

The Board will consider the report on period 6 of Colchester Commercial Holdings Ltd and Colchester Amphora Trading

**8 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)**

9 **Minutes (Part B)**

The Board will consider whether to approve the not for publication extract from the minutes of the meeting held on 2 August 2017.

10 **Colchester Commercial Holdings Ltd Period 6 2017-18**

The Board will consider the financial information relating to Colchester Commercial Holdings Ltd Period 6

# TRADING BOARD

## 2 August 2017

*Present: -* Councillor Rosalind Scott (Chair)  
Councillors Lewis Barber, Kevin Bentley, Robert Davidson, Chris Pearson and Lesley Scott-Boutell

*Substitute Members:-* None

*Also in attendance:-* Councillor Smith

### **166. Minutes**

*RESOLVED* that the minutes of the meeting held on 21 June 2017 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 part of the following item as it involved the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the Local Government Act 1972.**

### **167. Revised Terms of Reference and Nomination of Directors**

The Board considered a report from the Monitoring Officer inviting the Board to consider revised terms of reference for the Trading Board and the nomination of Councillor Directors to the board of Colchester Commercial (Holdings) Ltd. The Board also had before it a supplementary document giving details of a further nomination for a Councillor Director from the Labour Group.

#### **Terms of Reference**

Adrian Pritchard presented the report to the Board and explained that a meeting of the Chair and Group Spokespersons had been convened to discuss the terms of reference as requested by the Board at its meeting on 21 June 2017. Revised terms of reference arising from that meeting were included in the Monitoring Officer's report. These clarified the role of the Trading Board in challenging the work of Colchester Commercial.

The Board explored the different roles on the Board and the Governance and Audit Committee and Scrutiny Panel in monitoring and auditing the work of Colchester Commercial and its subsidiaries. It was confirmed that Colchester Commercial would have its own audit processes and appoint its own auditors. It would also be subject to audit and scrutiny as any other Council budget. One of the Board's roles would be to provide more regular monitoring than could be provided through these periodic processes.

The Board indicated that it supported the revised terms of reference, subject to an amendment to paragraph k. It was suggested that paragraph k should be amended to remove the words "where relevant", which seemed to unduly limit the Board, and to clarify the Board's role in the appointment of the Councillor Directors.

In response to queries from the Board, it was confirmed that once the terms of reference were agreed, a draft work programme could be drawn up for the Trading Board. This would also need to reflect Colchester Commercial's work programme. The Board requested that the Chair be involved in discussion on the drafting of the Board's work programme.

### **Nomination of Councillor Directors**

Adrian explained that the Board was invited to consider nominations for Councillor Directors for Colchester Commercial (Holdings) Ltd from the three main political groups. The Group Leaders had been asked to nominate a member of their Group as a potential candidate. Some of the Groups had put forward more than one candidate for the Board to consider. The skills and attributes that the Board may wish to consider when assessing the nominations were:-

- Financial acumen;
- Business acumen;
- Major project management experience;
- Housing/commercial development experience;
- Human Resources experience;
- Marketing/sales/customer service experience.

Some members of the Board were of the view that there would be some merit in requiring more than one candidate from each group when considering future appointments to ensure that candidates with a broad range of skills were put forward. However, it was important to consider the nominations submitted and not to delay appointments further.

Following careful consideration of the nominations, the Board considered that the following Councillors should be recommended to Cabinet for appointment as Councillor Directors of Colchester Commercial (Holdings) Ltd:

- Councillor Beverly Davies
- Councillor Adam Fox
- Councillor Martin Goss

*RECOMMENDED to CABINET that:-*

(a) The revised Terms of Reference for the Trading Board be approved, subject to the amendment of paragraph k to read:

*Recommend the constitution and appointment of the Councillor Directors of Colchester Commercial (Holdings) Limited.*

(b) The following Councillors be appointed as Councillor Directors of Colchester Commercial (Holdings) Ltd

- Councillor Beverly Davies
- Councillor Adam Fox
- Councillor Martin Goss

**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.**

**168. Minutes – Not for Publication Extract**

*RESOLVED* that the not for publication extract of the minutes of the meeting on 21 June 2017 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 likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.**

**169. Commercial Business Development – Operational Businesses/Performance and Income report**

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)).



**Trading Board report – Colchester Commercial Holdings Ltd  
Colchester Amphora Trading – Period 6 (P6)  
Author – Graham Lewis, Senior Commercial Manager**

The report below refers to activity within each trading service for the half year 2017/18. Colchester Commercial Holdings Ltd have been managing these services since June 2017 and this the first report to update Trading Board regarding financial performance, operations and business development. Supporting financial information, provided to Colchester Commercial Holdings Board, is provided in Part B papers, as this information is commercially sensitive.

**Sport and Leisure**

Activity has focussed on closing the forecast gap in net surplus, the development of existing provision to attract more customers together with Business Development and marketing activity.

- Since P2 the management team have improved the forecast year end net surplus position and are forecasting an on budget performance
  - Income is down on budget with Lifestyle memberships having been affected by the late opening of Activa Gym. However, over performance in the Leisure Pool, catering, car parking and Highwood has helped the position
  - Overall the service has contained its costs with and has a net underspend
- The launch of Activa Gym took place on 16<sup>th</sup> and 17<sup>th</sup> September, promoted by some innovative marketing materials and associated engagement events
- The weekend and following week saw new Lifestyle memberships exceed target by 60
- Since the Launch Lifestyle memberships have hit their highest ever with over 3,500 live members
- Marketing effort is now concentrated on Aqua Springs Christmas offers and planning for the January Lifestyles and Activa Gym promotions
- A thorough review of the scheduling for the fitness pool has taken place and there will be a proposal for new timetabling to maximise usage in January
- A review of marketing, delivery and joint use contractual arrangements is underway, with an aim to improve net surplus position at Highwoods and Tiptree
- A Leisure World dry side review has also been instigated

**Events**

- Colchester Events Company are expected to finish with an on target net surplus with an improved income, matched with an increase cost base.



- Colchester Events Company have secured New Homes Bonus funds to improve the audience and performer areas at Charter Hall. Improvements include entrance, reception and toilets to deliver a better audience experience including the creation of a new kiosk for additional income opportunities. The green rooms, backstage toilets and kitchen will also be improved.
- We have accommodated two new events in Castle Park, Doomsday/Gloomsday and Oktoberfest and the necessary contracts and planning arrangements have been put in place for a Christmas Event in Castle Park. This will be the first event in a three year plan and the expectation is that it will achieve a break even position in year one.
- Charter Hall have worked with a major national agency and The Comedy Store to bring some new acts to the facility. The national agency are looking to bring a major act to Castle Park next year to gauge reception – if successful we will see them bringing more established acts to the Park and Charter Hall.
- The sale of Wedding packages at the Town Hall and Colchester Castle is increasing with a rise in enquiries, income and events.

### Helpline

- There is a significant gap in net surplus position against budget. Measures are in place to contain costs and income opportunities are being targeted. However, new measures and business development opportunities will take some time to deliver and therefore it is unlikely any improvements in net income will be seen by year end. Some key initiatives did not deliver as expected;
  - 'Operation Pendant' delivered in partnership with the North Essex Clinical Commissioning Group (CCG) and the East of England Ambulance Service Trust (EEAST) have not referred the number of new customers anticipated
  - The service ensured it was sufficiently resourced to deal with extra demand from this project and additional calls from the Tendring area which included the use of 'casuals'.
- The management of staff rotas has been an area of focus and work is underway to implement a clear, planned, efficient rota from January 2018
- A review of the management of the service is also taking place with operational control and business development being priorities
- A pilot with the hospital discharge team is working well and Helpline units are now available for discharged patients across the area.
- Other new business development opportunities are being explored
- A thorough review of marketing material has established that it was not fit for purpose, therefore new promotional packs are being developed which specifically offer services to target customers.



### **Monitoring/CCTV**

- The Monitoring centre has been affected by the issues above, they are also part of the rota and management review

### **Town Centre Digital**

- The contractor appointed to deliver the project has been unable to realise the income expectations. Whilst there have been some mitigating issues such as the need for S50 notices from ECC to dig the road which has taken some time and the cost of connections, we are now at the 6 month break point within the contract and are therefore reviewing options in respect of future income and project delivery.

