

CABINET

16 MARCH 2011

Present :- Councillor Anne Turrell (the Leader of the Council)
(Chairman)
Councillors Nick Barlow, Lyn Barton, Tina Dopson,
Martin Hunt (Deputy Leader) , Beverley Oxford,
Paul Smith and Tim Young

Also in Attendance :- Councillor Barrie Cook
Councillor Nick Cope
Councillor Stephen Ford
Councillor Sonia Lewis
Councillor Henry Spyvee

63. Minutes

The minutes of the meeting held on 26 January 2011 were confirmed as a correct record.

64. Integrated County Strategy

Draft minute 18 of the Policy Review and Development Panel meeting of 10 January 2011, a copy of which appears as Appendix A to these minutes in the Minute Book, was submitted.

RESOLVED that the vision, strategic focus and priorities for Greater Essex identified in the Integrated County Strategy (ICS) in so far as it relates to the Haven Gateway and Colchester, be endorsed.

REASONS

The ICS seeks to identify the key economic priorities for the recovery of the local economy and its future growth across 'Greater Essex' which is the area covered by Essex County, Southend and Thurrock Councils. The ICS would inform future investment priorities and sets out the priority themes and investments within Haven Gateway and the role Colchester Borough will play in the Strategy.

ALTERNATIVE OPTIONS

Cabinet could choose not to endorse the ICS.

65. Adaptations Contract 2011-2014

The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) 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 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

The Head of Strategic Policy and Regeneration submitted a report a copy of which had been circulated to each Member and a copy of which appears as Appendix B to these minutes in the Minute Book together with a not for publication appendix containing exempt information a copy of which appears as Appendix C to these minutes.

Councillor T. Young, Portfolio Holder for Housing and Community Safety, stressed the benefits to the local economy from the award of this contract and the administration's commitment to using local firms. He explained that a local firm had been included on the tender shortlist and that Apollo would employ local subcontractors.

RESOLVED that:-

(a) Apollo Property Services Group Ltd be appointed to deliver the Adaptations contract.

(b) The Council enter into a 3 + 1 year JCT Standard Form of Measured Term Contract 2006 Edition Revision 2 (2009), further amended as set out in the Tender Document, with Apollo Property Services Group.

REASONS

(a) The existing arrangement for the provision of the aids and adaptations is due to expire in April 2011. This is managed through the Deed of Variation agreed between Colchester Borough Homes and Colchester Borough Council.

(b) The procurement approach agreed by Cabinet on 1st December 2010 as part of the Asset Management Strategy is to let a JCT Measured Term Contract for this and similar types of work. As approved the Council will act as the awarding body (Employer) and Colchester Borough Homes (CBH) as the Employer's agent (Contract Administrator).

Expressions of interest were sought through a Pre Qualification Questionnaire (PQQ) process conducted on behalf of the Council by CBH, from which prospective contractors were selected. Of fourteen contractors who were sent a PQQ, 11 were returned and following analysis by CBH two contractors were disqualified due to a lack of experience and of the remaining nine contractors the top scoring six were invited to tender for the works.

Tenders were received on the 12th January 2011 and were analysed and scored by CBH on 13th January 2011.

Independent advice was taken in respect of the evaluation of Quality and this conforms with the detail contained in the invitation to tender and also the Contract Preliminaries through an assessment based on relevant sections of the PQQ covering past performance on similar contracts, performance indicators and references.

ALTERNATIVE OPTIONS

(a) Not to procure the service. There is no statutory duty for Local Housing Authorities to provide an adaptations service for their tenants. However, it is good practice to do so. Not to provide the service would result in tenants living in unsuitable housing or making an application for a Disabled Facilities Grant (DFG). Increased applications for DFGs would exacerbate pressure on this budget and there are associated costs to the General Fund if DFGs are awarded to council tenants.

(b) Not to appoint the contractor selected through the procurement process. The Council could be open to legal challenge if it deviated from its procurement process.

Councillor Nick Barlow and Councillor Henry Spyvee (in respect of his membership of Friends of the Roman Wall) declared a personal interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(3)

66. Repair Work to Colchester's Town Walls

The Head of Environmental and Protective Services submitted a report a copy of which had been circulated to each Member and a copy of which appears as Appendix D to these minutes in the Minute Book.

Councillor Spyvee attended and, with the consent of the Chairman, addressed the Cabinet in his capacity as Chairman of the Friends of the Roman Wall. He urged the Cabinet to support the release of funds from the capital programme. The partnership with English Heritage to preserve and maintain the Roman Wall had been very successful. Contrary to the perception that the wall was neglected, over £300,000 had been spent on the wall over the last three years. The stretch of the wall that was most in need of repair work was in the Balkerne Hill/Middleborough area. The Friends of the Roman Wall would put up an Interpretation Board and the Sixth Form College was raising funds to support this.

Councillor Barlow, Portfolio Holder for Economic Development, Culture and Tourism, and Councillor Smith, Portfolio Holder for Resources and Diversity, stressed their support for the release of funds from the capital programme and explained that this was the largest single investment in the Town Walls since 2000.

RESOLVED that £100,000 be released from the capital programme in the 2011/12 financial year for repair works to Colchester's Town Walls.

REASONS

(a) Sections of the Town Walls are in urgent need of repairs.

(b) Subject to the release of funding, English Heritage have agreed to support the work through a grant of £79,000.

(c) A recommendation to the Cabinet has been made by the Portfolio Holder for Economic Development, Culture and Tourism, through a Portfolio Holder decision taken on 11th January 2011, to consider this matter.

ALTERNATIVE OPTIONS

The alternative option would be not to release capital funding but the consequence would be that the grant aid from English Heritage would be lost. At some point in the future the Council would be forced to carry out the work either in reaction to public pressure or through threat of prosecution from English Heritage. A delay of a further year would also mean that the cost of the proposed work would significantly increase through the inevitable deterioration of another winter.

67. Infopoint@Colchester

The Executive Director submitted a report a copy of which had been circulated to each Member and a copy of which appears as Appendix E to these minutes in the Minute Book.

RESOLVED that the Cabinet support the future development of Infopoint as a single point of access to public sector agencies and the voluntary sector for the benefit of customers they share across Colchester

REASONS

The Council is committed to providing the best services to its customers through the delivery of its strategic priorities. Infopoint acts as a single point of access to our customers and further development will help to deliver this commitment.

ALTERNATIVE OPTIONS

The Council will continue to offer Customer Service Centre service delivery and support in isolation from other public service delivery.

68. Progress of Responses to the Public

The Head of Corporate Management submitted a progress sheet a copy of which had been circulated to each Member and a copy of which appears as Appendix F to these minutes in the Minute Book.

RESOLVED that the contents of the Progress Sheet be noted.

REASONS

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

ALTERNATIVE OPTIONS

No alternative options were presented to the Cabinet.

69. Proposal to Install Photovoltaic (PV) Panels on Social Housing and Corporate Buildings

The Cabinet resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) 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 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

Councillor Barton, Portfolio Holder for Planning and Sustainability, explained that there were many potential benefits from this scheme. It was a low risk scheme that would demonstrate the Council's commitment to sustainability issues. Some tenants would gain free energy and there were income generation possibilities from the energy generated through a new government incentive scheme. The employment opportunities resulting from the scheme would also be a boost to the local economy. However, it was emphasised that at this stage the Cabinet was seeking tenders in order to investigate the possibilities and potential benefits. The Council would work in consultation with the Tenants Panel.

Councillor Smith, Portfolio Holder for Resources and Diversity, explained that this scheme would help contribute to the strategic aim on Low Carbon Energy in the Integrated County Strategy. Councillor T. Young, Portfolio Holder for Housing and Community Safety, and Councillor Turrell, Leader of the Council and Portfolio Holder for Strategy stressed that a final decision on whether to proceed would be taken by a future meeting of Cabinet. The importance of liaising with the Tenants Panel was emphasised.

RESOLVED that:-

(a) The Council should proceed to tender with a proposal to install PV panels on social housing and corporate properties within the parameters and principles set out in this report subject to the analysis of the tender being reported back to Cabinet for a final decision on whether to proceed with the proposal.

(b) The Council should proceed to tender with the 'Roof space rental' option which will provide the Council with a fixed income for 25 years as the lowest risk, subject to the analysis of the tender being reported back to the Cabinet for a final decision on whether to proceed with the proposal.

REASONS

(a) A new government incentive scheme called the Feed-in Tariff (FiT) has made the generation of renewable electricity a profitable investment opportunity. Colchester's

social housing stock and corporate buildings provide a valuable asset of south facing roof space which could be utilised with the installation of PV Panels to generate electricity using energy from the sun.

(b) The Head of Strategic Policy and Regeneration's report sets out two options for the proposal each of which have risks, costs and benefits associated. A decision on which is the preferred option for the Council will allow further progress through the tender process and allow the proposal to be mobilised as quickly as possible.

(c) Regardless of which option is chosen the Council would need to act quickly with this proposal to ensure that all PV is installed prior to the April 2012 deadline which will see a reduction in FIT's levels.

ALTERNATIVE OPTIONS

To decide not to progress the proposal and that no further action be taken.

70. Queen Street St Botolphs Quarter - Approval of Draft Development Agreement

The Head of Strategic Policy and Regeneration submitted a report a copy of which had been circulated to each Member and a copy of which appears as Appendix I to these minutes in the Minute Book.

Councillor Spyvee attended and with the consent of the Chairman, addressed the Cabinet. He welcomed the fact that regeneration in the St Botolph's area was moving forward and that the character of the development would be something that Colchester would be proud of. Part of the development would be near the Roman Wall and it needed to respect the setting of the Wall. The Friends of the Roman Wall wanted an Interpretation Board erected by the owners of the hotel and requested that this be included in the Development Agreement. He hoped that the development would help with the bid for City Status.

Councillor Barton, Portfolio Holder for Planning and Sustainability, explained that the scheme would make a significant beneficial impact on the area and that the negotiations on the scheme had led to a much improved scheme. Councillor Spyvee's suggestion that an Interpretation Board be included in the Development Agreement would be explored.

Councillor Barlow, Portfolio Holder for Economic Development, Culture and Tourism, Councillor Smith Portfolio Holder for Resource and Diversity and Councillor T. Young, Portfolio Holder for Housing and Community Safety, all expressed their support for the scheme.

RESOLVED that:-

(a) The draft legal agreements which will enable the transfer of the site currently

occupied by St James House and Roman House to Garbe as the Council's chosen developer (or such funding body as nominated by Garbe in agreement with the Council in respect of the long lease) for the purposes of constructing a new 97 bed hotel with retail units on the ground floor be approved.

(b) Authority be delegated to the Head of Strategic Policy and Regeneration to conclude the Development Agreement and Head Lease substantially in accordance with the approved draft.

REASONS

(a) The original Heads of Terms were agreed by Cabinet in September 2009

(b) However, since September 2009 there have been fundamental issues in respect of the design proposals for the scheme which has necessitated many discussions with the Council's planning department and English Heritage. The basic issues have arisen from the scale of the proposed redevelopment including the height of the new building in the context of the Queen Street conservation area. In October 2010 a compromise was reached between the parties which allows for the demolition of both Roman House and St James House and a single replacement building at a lower height which will accommodate the 97 bed hotel and retail space on the ground floor. However the replacement floor space will be significantly less than the original proposal which retained and reused the St James House building and subsequently there is no longer room within the site to accommodate a Creative Business Centre.

(c) A new proposal to purchase the adjacent Old Police Station building which had recently come on the market was agreed by the Portfolio Holder in October 2010, with a view to using part of this site for the Creative Business Centre. £500,000 of external funding was secured from Haven Gateway and EEDA towards this purchase and the transaction was concluded in December 2010. Work is currently underway drawing up a planning application for the provision of the Creative Business Centre in this space and various funding bids have been submitted to carry out the refurbishment including the 250,000 Euros CURE bid which has been approved.

(d) Despite difficult economic circumstances the ability of this developer to bring forward a significant commercial development is a notable vote of confidence in Colchester. It will deliver a 97 bed hotel which together with accommodation proposals at Greyfriars and East Hill House will go towards addressing the shortfall of both the amount and range of such accommodation in the town centre recognised in recent studies. The construction and refurbishment work will generate jobs in a sector particularly hit by the recession and the future uses will then provide the opportunity not only for permanent jobs on site but, through the diversion of the capital receipt towards developing a Creative Business Centre, the potential to 'grow' many more. Ash Sakula the architects, who received so much public and stakeholder praise for their winning scheme of the Cultural Quarter design competition, are currently retained to work up the Hotel scheme as well as the rest of the project giving further confidence that the proposals are likely to deliver the quality of improvements that Colchester wishes to see.

(e) Development of this site will contribute to the enhancement of other buildings in the area and will add to the positive changes required to Queen Street and St Botolph's Street which will see values rising and a shift away from only a night time economy.

ALTERNATIVE OPTIONS

(a) The demolition and redevelopment of Roman House and St James House is seen as a significant step in the regeneration of the St Botolph's which will have a significant impact on the appearance and feel of the area. There is an urgent need to redevelop this site as firstsite nears completion as it forms a key gateway to the new Quarter.

(b) Other elements of Phase 1 are also now underway which includes the onsite delivery of the entire area of public realm which runs from the access road from East Hill to the back of the current Roman House and seeks to provide a new public square for animation and activities. This work has been funded through a variety of external funding sources and will be completed in July 2011. .

(c) The sale of 15 Queen Street to firstsite has led to their plans being developed to commence an early form of the Creative Business Centre with a small number of units which have already generated strong demand.

(d) Finally, Colchester Borough Council in partnership with Creative Co-Op has been running a competition where people could submit ideas of a 'pop up' business that could be run from the previously unused old bus station kiosks. The aim of the competition is to kick start the activity that will come to define the new quarter. The Creative Kiosks project has proved very successful with applications from a wide variety of creative users wishing to take space on a short term basis. Uses already in place or lined up include, an antiques stall, vegan cakes, a graphic design project and students from the Institute with learning disabilities showcasing their artwork.

(e) Once work is underway in respect of the hotel it is anticipated that further negotiation between Garbe and the Council will focus on bringing forward Phase 2 of the Quarter which includes the temporary bus station site. This Phase seeks to deliver new homes in the town centre together with a mix of retail uses and event space to be used in conjunction with the Creative Business Centre.

(f) In difficult and uncertain property and economic market conditions the proposed agreement represents an expedient solution to deliver significant improvements to this area of town which include the successful re-development of two less than attractive properties and the provision of much needed hotel space together with new jobs both during the construction phase and once the hotel and retail units open.

The Cabinet/Panel resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) 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.

71. Queen Street St Botolphs Quarter - Approval of Draft Development Agreement

The Head of Strategic Policy and Regeneration submitted a report a copy of which had been circulated to each Member and a copy of which appears as Appendix J to these minutes in the Minute Book.

RESOLVED that:-

(a) The draft legal agreements which will enable the transfer of the site currently occupied by St James House and Roman House to Garbe as the Council's chosen developer (or such funding body as nominated by Garbe in agreement with the Council in respect of the long lease) for the purposes of constructing a new 97 bed hotel with retail units on the ground floor be approved.

(b) Authority be delegated to the Head of Strategic Policy and Regeneration to conclude the Development Agreement and Head Lease substantially in accordance with the approved draft.

(c) The main changes to the financial structure of the deal since approval of the Heads of terms by Cabinet on 9 September 2009 be noted, which include the payment by Garbe of a capital receipt to the Council (previously agreed to be diverted to the purchase of the Old Police Station in Portfolio Holder Report dated 8 December 2010 instead of the provision of space under the hotel for a Creative Business Centre plus the transfer back to the Council by the developer of a smaller retail unit (700-900sq ft) at nil rent for a period of 25 years.

REASONS

As set out in the Head of Strategic Policy and Regeneration's report

ALTERNATIVE OPTIONS

As set out in the Head of Strategic Policy and Regeneration's report