



Cabinet

Item
7(i)

22 November 2023

Report of	Managing Director (Interim) Colchester Commercial (Holdings) Ltd	Author	Richard Carr ☎ 282421
Title	Proposed Future Strategy for Amphora		
Wards affected	All wards		

1. Executive Summary

- 1.1 Much has been achieved through the Amphora arrangements but a change in the external environment and, in particular, the City Council's ability to accommodate risk requires a new strategy for the future. At the heart of this lies a simplification of Amphora to focus on services which can genuinely trade, the hibernation of Colchester Amphora Energy Limited (CAEL) and Colchester Amphora Homes Ltd (CAHL) and the repurposing of skills within the company to support the delivery of the City Council's strategic objectives.

2. Recommended Decision

- 2.1 Cabinet is asked to approve the Proposed Future Strategy for Amphora set out in Appendix A, supported by the Board of Colchester Commercial (Holdings) Ltd on 26 September 2023 and recommended by the Governance and Audit Committee of 17 October 2023.

3. Reason for Recommended Decision

- 3.1 The proposed strategy seeks to respond to the change in the external environment which has impacted on both the City Council and its wholly owned trading companies. In particular, the change in the City Council's ability to accommodate risk.

4. Alternative Options

- 4.1 The principal alternative to the strategy proposed would be a continuation of the current arrangements. However, this would require the City Council to underwrite costs for an indefinite period, with little certainty about when those costs might be recovered. This would place added strain on the City Council's already challenging financial position.

5. Background Information

5.1 The background is set out in Appendix A and, in particular, section 2.

6. Equality, Diversity and Human Rights implications

6.1 The proposals set out in Appendix A are designed to help the City Council achieve its objectives and discharge its obligations.

7. Strategic Plan References

7.1 The proposals contained in Appendix A are set in the context of the Council's Strategic Plan and section 4, in particular seeks to address the City Council's strategic objectives.

8. Consultation

8.1 The implementation of the proposed strategy will entail appropriate staff consultation.

9. Publicity Considerations

9.1 The rationale for the proposed strategy should help with the public explanation of the proposals.

10. Financial implications

10.1 Section 7 refers.

11. Health, Wellbeing and Community Safety Implications

11.1 The proposals set out in Appendix A are designed to help the Council achieve its objectives and discharge its obligations.

12. Health and Safety Implications

12.1 There are no specific health and safety implications associated with the proposals set out in Appendix A.

13. Risk Management Implications

13.1 The proposals set out in Appendix A are designed to respond to a change in the risk environment. In addition, section 9 sets out the risks that will need to be managed in the implementation of the proposals.

14. Environmental and Sustainability Implications

14.1 The proposals entail the hibernation of CAEL which was established to progress the delivery of a low carbon heat network. For circumstances outside of CAEL's

control and explained in the report, this is not possible in the way envisaged originally but the assets created are proposed to transfer to the City Council to enable this to be taken forward in the future.

Appendices

Appendix A: Proposed Strategy for Amphora: Report to Board of Colchester Commercial Holdings (September 2023)

- Appendix 1: STRICTLY CONFIDENTIAL - 5 Year View Trading Areas
- Appendix 2: STRICTLY CONFIDENTIAL - CIPFA Report - CCC CCHL Companies Review