

Scrutiny Panel

**Grand Jury Room, Town Hall
18 March 2014 at 6.00pm**

The Scrutiny Panel examine the policies and strategies from a borough-wide perspective and ensure the actions of the Cabinet accord with the Council's policies and budget. The Panel reviews corporate strategies that form the Council's Strategic Plan, Council partnerships and the Council's budgetary guidelines, and scrutinises Cabinet or Portfolio Holder decisions which have been called in.

Scrutiny Panel – Terms of Reference

1. To fulfil all the functions of an overview and scrutiny committee under section 9F of the Local Government Act 2000 (as amended by the Localism Act 2011) and in particular (but not limited to):
 - (a) To review corporate strategies;
 - (b) To ensure that actions of the Cabinet accord with the policies and budget of the Council;
 - (c) To monitor and scrutinise the financial performance of the Council, performance reporting and to make recommendations to the Cabinet particularly in relation to annual revenue and capital guidelines, bids and submissions;
 - (d) To review the Council's spending proposals to the policy priorities and review progress towards achieving those priorities against the Strategic and Implementation Plans;
 - (e) To review the financial performance of the Council and to make recommendations to the Cabinet in relation to financial outturns, revenue and capital expenditure monitors;
 - (f) To review or scrutinise executive decisions made by Cabinet, the North Essex Parking Partnership Joint Committee (in relation to decisions relating to off-street matters only) and the Colchester and Ipswich Joint Museums Committee which have been made but not implemented referred to the Panel pursuant to the Call-In Procedure;
 - (g) To review or scrutinise executive decisions made by Portfolio Holders and officers taking key decisions which have been made but not implemented referred to the Panel pursuant to the Call-In Procedure;
 - (h) To monitor the effectiveness and application of the Call-In Procedure, to report on the number and reasons for Call-In and to make recommendations to the Council on any changes required to ensure the efficient and effective operation of the process;
 - (i) To review or scrutinise decisions made, or other action taken, in connection with the discharge of functions which are not the responsibility of the Cabinet;
 - (j) At the request of the Cabinet, to make decisions about the priority of referrals made in the event of the volume of reports to the Cabinet or creating difficulty for the management of Cabinet business or jeopardising the efficient running of Council business;
2. To fulfil all the functions of the Council's designated Crime and Disorder Committee ("the Committee") under the Police and Justice Act 2006 and in particular (but not limited to):
 - (a) To review and scrutinise decisions made, or other action taken, in connection with the discharge by the responsible authorities of their crime and disorder functions;
 - (b) To make reports and recommendations to the Council or the Cabinet with respect to the discharge of those functions.

**COLCHESTER BOROUGH COUNCIL
SCRUTINY PANEL
18 March 2014 at 6:00pm**

Members

Chairman : Councillor Beverly Davies.
Deputy Chairman : Councillor Marcus Harrington.
Councillors Dave Harris, Jo Hayes, Gerard Oxford,
Kevin Bentley, Nick Cope, Peter Higgins and Mike Hogg.

Substitute Members : All members of the Council who are not Cabinet members or members of this Panel.

Agenda - Part A

(open to the public including the media)

Members of the public may wish to note that Agenda items 1 to 5 are normally brief and items 6 to 9 are standard items for which there may be no business to consider.

	Pages
1. Welcome and Announcements	1
(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:	
<ul style="list-style-type: none">• 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. Urgent Items	
To announce any items not on the agenda which the Chairman has agreed to consider because they are urgent and to give reasons for the urgency.	
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 judgment 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. Minutes

2 - 14

To confirm as a correct record the minutes of the meeting held on 11 February 2014 and 24 February 2014

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 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 not on this agenda.

7. Decisions taken under special urgency provisions

To consider any Cabinet decisions taken under the special urgency provisions.

8. Decisions taken under special urgency provisions

To consider any Portfolio Holder decisions taken under the special urgency provisions.

9. Referred items under the Call in Procedure

To consider any decisions taken under the Call in Procedure.

10. Items requested by members of the Panel and other Members

(a) To evaluate requests by members of the Panel for an item relevant to the Panel's functions to be considered.

(b) To evaluate requests by other members of the Council for an item relevant to the Panel's functions to be considered.

Members of the panel may use agenda item 'a' (all other members will use agenda item 'b') as the appropriate route for referring a 'local government matter' in the context of the Councillor Call for Action to the panel. Please refer to the panel's terms of reference for further procedural arrangements.

11. Work Programme 2013-14

15 - 17

See report from the Assistant Chief Executive.

12. Colchester Community Stadium Limited review

18 - 46

See report from the Assistant Chief Executive

The Panel will receive an oral presentation from Mr David Murthwaite and Mr Clive Gilham, Chairman and Chief Executive of the Colchester Community Stadium Company (CCSC).

13. Review of Council's overall IT provision

47

See report from the Assistant Chief Executive.

The Panel will receive a presentation from Matthew Sterling, Assistant

Chief Executive, and Lee French, ICT Manager.

14. Exclusion of the public

In accordance with Section 100A(4) of the Local Government Act 1972 and in accordance with The Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) 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).

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 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

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
www.colchester.gov.uk

SCRUTINY PANEL 11 FEBRUARY 2014

Present :- Councillor Beverly Davies (Chairman)
Councillors Dave Harris, Jo Hayes, Marcus Harrington
Peter Higgins and Gerard Oxford.

Substitute Members :- Councillor Bill Frame for Councillor Mike Hogg
Councillor Colin Mudie for Councillor Nick Cope
Councillor Will Quince for Councillor Kevin Bentley

Also present:- Councillor Tina Bourne
Councillor Paul Smith

47. Minutes

It was noted that the minutes of 28 January 2014 will be taken to the next Scrutiny Panel on 24 February 2014.

48. Work Programme 2013-14

The Panel considered a report by the Assistant Chief Executive setting out the current Work Programme for the Panel for 2013 -14.

Councillor Harris queried whether there are any items scheduled on the work programme for meetings taking place in the next municipal year. The Chairman stated that there will be a number of standard items that the Panel will consider, with other items for the Work Programme to be set after the annual meeting.

RESOLVED that the contents of the Work Programme 2013-14 be noted.

49. Colchester's Homelessness Strategy 2013 – 2018

Councillor Davies (in respect of her Vice-Chairmanship of Colchester Community Voluntary Service) declared a non-pecuniary interest in this item pursuant to the provisions of Meetings General Procedure Rule 7 (5).

Councillor Frame (in respect of his paid work for the Mental Health Trust) declared a non-pecuniary interest in this item pursuant to the provisions of Meetings General Procedure Rule 7 (5).

A report was submitted by the Head of Commercial Services asking for the Scrutiny Panel to consider and provide feedback on the new draft Homelessness Strategy for Colchester prior to it being considered by Cabinet.

Councillor Tina Bourne, the Portfolio Holder for Housing, together with Tina Hinson, Housing Strategy Manager, and Karen Paton, Housing Strategy Officer, attended the meeting to present the report.

Councillor Bourne introduced the report to the Panel, which is the third strategy from Colchester Borough Council. Whilst the Borough has a legal responsibility to produce a Strategy, it would not have been possible without the commitment of our partner organisations.

This new strategy looks to build on the successes of the previous strategy in preventing homelessness; and also reflect the new challenges within the Borough. The main causes of Homelessness remain largely the same;

- Family and friends no longer willing or able to accommodate people,
- Loss of private sector accommodation for a number of different reasons, or accommodation that is provided with employment, and
- Losing accommodation due to relationship breakdown.

The Portfolio Holder stated that the Localism Act 2011 and the Welfare Reform will have a significant impact on how the services are delivered, and the options available to prevent and relieve homelessness. The key priorities as set out in the Strategy will help to address this. Councillor Bourne finished by praising the work of the officers in compiling the strategy.

Karen Paton, the author of the report, gave the Panel a presentation on the new draft Homelessness Strategy. The presentation outlined the background behind the strategy, and the work undertaken to date.

Within Colchester a total of 251 households were accepted as being owed a homelessness duty. The number of households in temporary accommodation was 168 as of 31 March 2013, which was a slight reduction from the previous year. However, the number of rough sleepers, which is estimated to be 35 as of 2013, is a significant increase.

The presentation also outlined the consultation undertaken, with 33 out of 200 surveys responded to by homeless people in Colchester, as well as a number of different focus groups being held. This in addition to discussions with stakeholder groups all fed into the 2013-2018 strategy. In terms of monitoring the outcomes, the Colchester Homelessness Strategy will be reviewed on an annual basis.

The following issues were raised by Panel members:

- Councillor Quince – What is the average length of time it takes to evict private tenants? Cllr Quince also highlighted that there is a hidden element of homelessness, with individuals sleeping on couches.
- Councillor Quince - Enquired about the numbers of rough sleepers in Colchester and the reasons behind their situation, and the possibility of conducting more research with them.
- Councillor Quince – What are the implications of the benefits cap and spare bedroom tax?
- Councillor Harrington – How are the causes behind homelessness identified when some of the highest causes are mental health issues, or relationship breakdown. How is the term household described in relation to the Strategy, couples/families/single etc.

- Councillor Harrington - Queried the Council's obligations to help those adults who are above 18 and not vulnerable, as well as what is being done to help the very high percentage of 16-24 year olds.
- Councillor Frame – Commended the level of work that had gone into the Strategy, and asked about SMART targets and figures that would actually show the work that the strategy had undertaken, particularly in terms of prevention of homelessness.
- Councillor Oxford – What else could be done for the high number of 16-24 year olds so that they don't have to face life away from home? What life skills other than financial advice are given to those that are made homeless?
- Councillor Harris – Commended the work of the Strategy, asked for further details of the 904 under occupied households as of July 2013. Councillor Harris also suggested the need to take action against Landlords who did not comply with their legal duty to keep homes in good repair. Councillor Harris also requested statistics just for the work carried out by Colchester Borough Council.
- Councillor Mudie – Queried the situation with the Council's rent and deposit guarantee scheme.
- Councillor Quince – Enquired as to whether any work had been undertaken with private lodgings, both by Colchester and the wider sector.
- Councillor Davies – Asked whether there had been a response to the adverts regarding renting out spare rooms.
- Councillor Harrington – What work is undertaken with the Armed forces?
- Councillor Frame – What support does Colchester Borough Council provide in helping people out of a homeless situation, for example work experience.
- Councillor Davies – Colchester is currently joint highest in the eastern region for rough sleepers and 14th highest in the UK. Are records kept for those coming in to Colchester?
- Councillor Quince – What's the impact when other towns nearby change their decisions, for example Ipswich banning super strength alcohol.
- Councillor Davies – Questioned the figures on page 50, with the number of households in temporary accommodation in both Bed and Breakfast and Hostels increasing, even though the paragraph in the report states that some of the Hostel accommodation has been closed? What is the average length of stay in a Bed & Breakfast?
- Councillor Oxford – With the Universal Credit on the horizon, which might cause a significant impact, is there any work to pre-empt this?
- Councillor Oxford – Will the level of Discretionary Housing Payment Government Grant be reducing?

In response to the issues raised, the following information was provided:

- The strategy aims to prevent homelessness by encouraging people that face eviction to get help before their situation reaches crises.
- With regard to rough sleepers, the Borough Council is required by the Department for Communities and Local Government to produce an annual estimate formed by input from the different partner organisations. Tina Hinson, Housing Strategy Manager, stated that many of the rough sleepers don't sleep in the town centre or at night as it is too dangerous. She also highlighted that rough sleepers may not be able to access the services available due to being excluded for a variety of issues or are too vulnerable to access.
- Tina Hinson stated that they have not yet seen the full force of the impact of benefit cap and spare bedroom tax; it is the tip of the iceberg until the introduction of

universal credit. The Customer Support Team are working hard to help Colchester's residents and a member of staff from Job Centre Plus has been seconded to the team to offer employment advice. Discretionary Housing Payments are helping to buffer the impact whilst tenants look to move or consider other options. Colchester Borough Homes are working with tenants to provide support including help with budgeting.

- Councillor Tina Bourne, in response to Councillor Harrington, stated that the strategy's aim is to prevent people from getting into this situation, quickly referring them to partner organisations if they do. Without shelter all other needs are difficult to achieve.
- Karen Paton explained that under Homelessness Law some single adults over the age of 25 do not have a priority need. Therefore the Council makes referrals to the voluntary sector organisations that are able to support and accommodate single homeless people.
- In response to Councillor Frame, Councillor Bourne commented that the Homelessness Strategy will last five years, and key performance indicators are already being monitored quarterly on the corporate dashboard.
- In response to Councillor Oxford, Councillor Bourne stated that it was necessary to build awareness with parents, and potentially help to mediate between the parties. There is a need here to make sure we get to them first, and prevent them from staying in unsafe places. The Borough along with its partners needs to ensure the help is there in both the financial sense and helping with strains in the families. Priority 4 in the Homeless Strategy Delivery Plan will also help, as it will provide education in schools, and effective planning of move-on accommodation.
- In response to Councillor Oxford's query on developing skills for those that are made homeless, Tina Hinson, stated that Ascot House, which is staffed 24/7 provides support and life skills development.
- The number of under occupied households in the Borough, which stood at 904 as of July 2013 is reducing with an increase in mutual exchanges and moves through the tenant incentive scheme.
- The Private Sector Housing Team does work with private sector landlords, and has had successful prosecutions of those landlords who have not looked after their property. The requested statistics by Councillor Harris for Colchester Borough Council work will be provided.
- Councillor Bourne in response to Councillor Mudie, stated that they are working to get more landlords on board, and there is an expectation that they are responsible for their tenants.
- Councillor Bourne stated that a scheme does exist to provide spare rooms and lodgings through and has been publicised through a number of routes including Colchester Borough Homes news and views articles. In terms of the wider sector, Tina Hinson confirmed that Solo Housing have also had articles and publicity on the availability and benefits of lodgings.
- The take-up from landlords willing to let out rooms is slowly showing an increase, with a number of different schemes in existence. Colchester hasn't however had the huge numbers that other Local Authorities have seen.
- Karen Lowman recently met with a representative of the Armed forces to discuss housing issues. Local Authorities are already required to give service personnel increased preference through the allocation scheme.
- Councillor Smith responded to the queries by Councillor Frame, that the enterprise grant has been used to provide job help and CV's through Signpost.
- In regards to the number of rough sleepers, Colchester is a victim of its own success with the support that it provides. A lot of hard work is put into supporting those

individuals, making Colchester an attractive town in which to be homeless. It is also the case that places like Tendring suffer the same situation during the summer months. There are some records of the number of those coming into the town, which the voluntary sector is aware of.

- In response to Councillor Quince, Councillor Bourne stated that there are so many different reasons for individuals travelling to Colchester when homeless meaning that it would be difficult to specify any single reason.
- The figures regarding usage of Hostels and Bed and Breakfasts do not necessarily correlate because there were some existing vacancies in Hostel accommodation and often a mismatch between the size of the accommodation and the size of the household. It was also the case that whilst the Council stopped using Ascott House, and Bardfield House, the latter had to be used again to prevent households from having to stay in Bed and Breakfasts outside of Colchester. Councillor Bourne highlighted that these figures show the importance of working with the voluntary organisations, and that if there are changes to temporary accommodation this will have a knock on affect on Bed and Breakfast usage. Tina Hinson will provide the Panel with information on the average length of stay at Bed and Breakfasts.
- The Portfolio Holder stated that Universal Credit was an issue which the Council had started to look into back in 2012. It is possible to identify those that may need additional support including Housing Association and Private Sector tenants as well as our own tenants, and work with Housing Associations and the Department for Work and Pensions. Colchester has done very well in its work in managing Discretionary Housing Payments. Colchester Borough Homes are visiting tenants to help with budgeting and financial management.
- The Government settlement for Discretionary Housing Payment this year is slightly less than the previous year, but as yet there is no indication what the settlement will be for the future.

RESOLVED that Colchester's Homelessness Strategy 2013 – 2018 be noted.

50. Financial Monitoring Report – April to December 2014

The Panel received the report from the Assistant Chief Executive explaining the financial performance of General Fund Services and Housing Revenue Account (HRA) in the first nine months of 2013/14.

Sean Plummer, Finance Manager, introduced the report to the Panel, and explained that the General Fund is on budget, however there is a £1m shortfall on income budgets, which is being balanced by £600,000 in savings and other elements. The HRA forecast outturn position is currently an underspend of £812k.

Councillor comments;

- Councillor Harrington – The £909,000 operational services overspend puts pressure on the budget, but the budget is overall broadly on target. He queried the business rates arrangement, and whether the Council retains some of the rates.
- Councillor Harris – Asked for clarification about the increase in electronic banking charges, and whether they were temporary or permanent.
- Councillor Higgins – The HRA has an underspend on all elements in the report, is this real available money, or already committed? What is the definition of the premises costs and supply and services costs?

- Councillor Oxford – The current wet weather has delayed the project of redeveloping the garage sites, will this roll over to April?

In response to the issues raised, the following information was provided:

- Sean Plummer responded to Councillor Harrington's comment, in that the operational services area relies on income which can vary. In some circumstances a reduction in income can be addressed by making savings in that particular service e.g. Sport and Leisure, in others such as car parking it is much more difficult to make savings.
- In regards to business rates, the previous system meant that all collected rates went to Central Government. After 2013/14 a change to the arrangement meant that whilst the rates remain the same, we now keep a share of those rates. This change is reflected in the reduction of Central Government Grants.
- In response to Councillor Harris, Sean Plummer stated that the electronic banking charges are higher, but efficiencies are made in the payment process.
- Sean Plummer commented that the underspend seen in the HRA is a snapshot in time of the budgets. It maybe that there are projects committed, yet haven't been completed due to the weather. The officer provided assurances that the HRA money was ring fenced. Premises costs refer to elements such as energy usage, or business rates. Supply and services costs refer to the expenses in running the services.
- Money for the delayed redevelopment of the garages will be carried forward. Councillor Smith followed that there have been some delayed in the planning and tendering for the project, which means work may not begin in April.

RESOLVED that the Financial Monitoring Report – April to December 2014 be noted.

51. Capital Expenditure Monitor 2013/14 – Quarter 3

The Panel received a report from the Assistant Chief Executive setting out details of spending for the financial year 2013/14 (April – December) and the revised forecasts for the future years.

Steve Heath, Finance Manager, explained that the accrued capital spending in the first nine months of the year totalled £12.6m. This expenditure represents a total of 56% of the projected spend for 2013/14.

The report contained no red category schemes, but does include 10 schemes that were categorised as amber by budget holder, which can be found in appendix B.

As part of his duty to inform the Panel of any significant matter, Steve Heath reported that the Council has sold its claims with LBI in a competitive auction process paid in pound sterling. This has been received by the Council, which means there is no longer the risk.

As part of the contractual arrangement the price will not be revealed, but the value of the return is greater than the value on the balance sheet.

Councillor comments;

- Councillor Oxford – Surprised by the variance on the Disabled Facilities Grant, which is normally spent in full. Is there a delay in processing the applications? Has contact been made with Essex?
- Councillor Harris – Questioned the risk on the Garrison Gym property, and whether the insurance is going to cover the risk, and whether we own the property?
- Councillor Quince – Asked whether there were any further details on the Landsbanki issue, and whether Councillor Smith was disappointed with the result?
- Councillor Davies – Queried whether the Council is waiting for the European Regional Development Fund for the Creative Business Hub, and whether there will be an effect on the Curzon Cinema development?

In response to the issues raised, the following information was provided:

- In response to the Disabled Facilities Grant, Steve Heath will distribute a summary of the process to the Panel members, and the reasoning behind a backlog. It was revealed that Essex County Council currently have a backlog of approximately 750 cases in North Essex. In addition, 35 cases have been recently received by Colchester Borough Council.
- In regards to the Gym, the outcome is currently unknown, but with the Section 106 money there is no further financial risk to the Borough. Steve Heath, will make further enquiries regarding the Garrison Gym and respond to the Panel.
- Councillor Smith stated that he was pleased with the result from the sale of its claims, as all risks are gone, and the £137,000 put aside as the risk amount can be put back into the budget.
- Councillor Smith also stated that there would not be an affect on the Curzon Cinema development, which is progressing well. There will be a further development announced fairly shortly.

RESOLVED that the Capital Expenditure Monitor 2013/14 – Quarter 3 be noted.

SCRUTINY PANEL 24 FEBRUARY 2014

Present :- Councillor Beverly Davies (Chairman)
Councillors Dave Harris, Marcus Harrington, Jo Hayes,
Peter Higgins and Gerard Oxford.

Substitute Members :- Councillor Ray Gamble for Councillor Mike Hogg
Councillor Colin Mudie for Councillor Nick Cope
Councillor Pauline Hazell for Councillor Kevin Bentley

Also present:- Councillor Martin Hunt

52. Minutes

The minutes of the meeting held on 28 January 2014 were confirmed as a correct record.

53. Items Requested by members of the Panel and other Members

The Panel received a report from the Head of Operational Services providing further information on a request made by Councillor Quince to review the Fundamental Service Review of Sport and Leisure.

The following issues were raised by Panel members:

- Councillor Beverly Davies stated that the Panel could look to review the Fundamental Service Review of Sport and Leisure in the next municipal year around September, which would allow for Scrutiny of a full years operation.
- Councillor Harrington stated that since the Sport and Leisure Service is not meeting its income targets then it should be added to the Scrutiny work programme.

RESOLVED that the Scrutiny Panel include a review of the Fundamental Review of Sport and Leisure in Autumn 2014 as part of the Work Programme for the next municipal year.

54. Work Programme 2013-14

The Panel considered a report by the Assistant Chief Executive setting out the current Work Programme for the Panel for 2013-14.

Councillor Jo Hayes commented that all councillors are able to recommend items that are affecting Colchester for scrutiny, not just those on the Scrutiny Panel.

RESOLVED that for Work Programme for 2013-14 be noted.

55. North Essex Parking Partnership financial position

The Panel received a report from the Head of Operational Services regarding the North Essex Parking Partnership (NEPP) financial position. This item was requested after the Scrutiny Panel felt that a further review of the North Essex Parking Partnership's finances be required after an original meeting on the 10 December 2013.

Matthew Young, Head of Operational Services, and Richard Walker, Parking Partnership Group Manager and Councillor Martin Hunt, Deputy Chair of the North Essex Parking Partnership Joint Committee introduced the report.

Matthew Young highlighted the main elements the report, which covered the three requests for information from the Scrutiny Panel meeting on the 10 December 2013. These were;

- Details of income generated by the NEPP
- Current extent of the NEPP deficit
- The measures proposed to address the deficit

With regards to the details of income generated by the North Essex Parking Partnership, the On-Street income includes issuing Penalty Charge Notices, resident permits, resident visitor permits as well as work on behalf of the County and Districts. The Off-Street is financed by contributions from the North Essex Parking Partnership authorities who have chosen to take this service and any additional work that is undertaken in those authorities.

Matthew Young stated that the North Essex Parking Partnership currently had a surplus of £52,000 in the On-Street account, which was expected to be £42,000 by the end of the financial year. However, the Off-Street account has a £44,000 deficit, but this is expected to decrease to £10,000 by the end of the financial year.

In the cases where a deficit does occur, Matthew Young stated that the North Essex Parking Partnership has to look at addressing the situation by increasing income or reducing expenditure. As this was the case at the end of the 2012/13 financial year, the North Essex Parking Partnership implemented the following changes;

- The number of CEO was reduced based on a recommendation by officers to the Joint Committee
- Budgets for expenditure were reduced in light of the efficiencies brought about by the introduction of electronic systems and the likely impact of the CCTV car
- The debt/bailiff process was improved to increase the income generated from PCN that reach this stage
- The deployment of enforcement was reviewed in all the three areas across the NEPP leading to an increase in number and quality of PCN issued

It was also mentioned that Essex County Council had been responsible for the deficit for the last two years, meaning that the partnership is now self-financing for 2013-2014.

The Partnership has a formalised committee which consists of 6 authorities for the On-Street services, and 5 authorities for the Off Street. It was recently agreed at this committee that if any surpluses/deficits occurred of £50,000 or less the total would be rolled over into the next financial year.

If, however the level of deficit is above £50,000 then it is shared between the authorities. If there is a surplus over £50,000 then a report will go to the Joint Committee in June

regarding what the North Essex Parking Partnership will do with the extra money. However, it must be used for transport schemes.

The following issues were raised by Panel members:

- Councillor Davies – What happens if the deficit is above £50,000 and one of the partner authorities pulls out of the partnership?
- Councillor Davies – In reducing the number of Civil Enforcement Officers, there are potentially fewer Penalty Charge Notices issued. Is it prudent to reduce the number of Civil Enforcement Officers considering that it may reduce the level of income for the North Essex Parking Partnership?
- Councillor Harrington – A balanced budget for the North Essex Parking Partnership is necessary, however there is a perception that there is an underspend on Civil Enforcement Officers. Particular examples of this include Prettygate, especially around the peak schools time, and in Eight Ash Green, where there is not always a Civil Enforcement Officer available when required. Increasing the number of Civil Enforcement Officers could address this, and potentially provide greater income to the North Essex Parking Partnership.
- Councillor Harrington – Is there a possibility that some of the £42,000 On-Street surplus be spent on training for Part-time Civil Enforcement Officers that could assist with the high demand at peak-times?
- Councillor Harris – Asked for further information about the improved debt process.
- Councillor Harris – What would happen to the Parksafe car if partners in the North Essex Parking Partnership drop out?
- Councillor Hayes – Highlighted the situation in Castle Ward, where cars and lorries park on double yellow lines when work is being completed. It is potentially dangerous, and frustrates residents, but no Penalty Charge Notices are being issued.
- Councillor Hayes – With regard to loading and unloading, are there processes in place to differentiate between businesses and normal cars? Is there a record of dispensation and exemptions of Penalty Charge Notices?
- Councillor Hayes – Queried the lack of restrictions in the Town Centre during the evening, as although they exist during the day there are a number of visitors coming causing parking disruption.
- Councillor Hayes – Why is the surplus/deficit divided equally when Colchester is the biggest authority in terms of urban area?
- Councillor Hayes – The North Essex Parking Partnership is carrying out a highways function which potentially benefits Essex County Council as the Highways Authority. However they don't have the financial risk, can the District and Borough Partners be tougher in negotiation to redress this?
- Councillor Oxford – What are the North Essex Parking Partnership going to do to reduce the level of Blue badge misuse? Some London Boroughs have additional powers which include removal of the vehicle.
- Councillor Oxford – Is the Parksafe car in use in other areas within the North Essex Parking Partnership?
- Councillor Davies – The North Essex Parking Partnership business model could be potentially unsustainable given the requirement to provide an adequate number of Civil Enforcement Officers to deliver the service but for this to be finely balanced with need to cover the cost of the service.
- Councillor Gamble – What happens in the situation where a Civil Enforcement Officer has issued a reduced number of Penalty Charge Notices, as this affects the budget?

- Councillor Hazell – A recent letter in the Gazette stated that the changes to the residents parking will be of a benefit to the Council, whereas it has been stated that this isn't the case. What is the position with regards to bringing in money from the residents parking?
- Councillor Higgins – Reiterated the point that the current arrangement where the deficit, although a small amount, is not shared with Essex County Council is unfair. Councillor Higgins also stated that there had been reports of a high number of Civil Enforcement Officers working together on certain roads. How does this contrast with the current arrangement of Civil Enforcement Officers working in pairs?
- Councillor Hazell – Enquired why parts of Lexden had been selected as a potential residents parking area, and sought clarification that if the majority of residents do not wish to have residents parking that it will not be implemented?

In response to issues raised, the following information was provided jointly by Matthew Young, Richard Walker and Councillor Hunt:

- The provision if a partner wishes to pull out of the organisation is included. The partner must give a years notice by the 31 March if they wish to exit the agreement, and this includes the requirement to pay a share of the total deficit, even if it is below £50,000.
- There is a balance that needs to be struck between the number of officers and income levels. The balance is worked out over the year, as a number of things can affect the number of Penalty Charge Notices issued, such as bad weather which means officers are unable to see the lines. The Parking Partnership are collating more and more statistical information, to help form a balanced budget, realising the impact of the seasonal differences especially in districts like Tendring. This helps to allocate resources more effectively. Civil Enforcement Officers can then meet demand; they also cover back office shortages or high workload levels.
- The Civil Enforcement Officers operate on a shift system, morning, late and off. There are a total of 48 Civil Enforcement Officers across the three enforcement areas (East, Central and West) working in a group of six to cover those shifts in pairs.
- It is very difficult to cover over 300 schools across the North Essex Parking Partnership area at such crucial times in the morning and afternoon. The North Essex Parking Partnership have looked at technology to help this situation e.g. Parksafe Car, which is being used outside schools. It is all about balance using the beat system. If there is evidence of repeated parking infringements then teams can be deployed, but it is difficult to pull people away on demand. It is just not possible to be everywhere to cope with peaks in demand. The Parksafe car has been warmly welcomed in those areas that it has operated.
- There will always be an overhead with regard to employing further Civil Enforcement Officers, even when part-time, as they need to be trained. The North Essex Parking Partnership has looked into the possibility of seasonal Civil Enforcement Officers, and can also authorise overtime for existing staff when necessary.
- Once a Civil Enforcement Officer is put on site they have to be visible, as it is not legal to run a covert operation. This visibility will deter the problem in the area, but no one will receive a Penalty Charge Notice.
- The process behind enforcement follow-up and debt registration is very structured from end to end. Colchester's operations were very good, but some of those other merged operations needed improvement. This enables the North Essex Parking Partnership looks at the whole process fairly, with £7 added to the total charge for debt registration.

- With regards to the Parksafe car, no fee has been paid for the car, instead a fee is paid each time the car produces a successful evidence pack. The process of creating an evidence pack is fully automated as areas where parking restrictions exist are known by the car. The created evidence packs are then checked before being submitted. For each of the submitted evidence packs, which become a Penalty Charge Notice, a fee of £14 is paid to the car contractor.
- In response to Councillor Hayes, there are a number of different types of road signage that depict different rules for parking.
 - Designated clearways - No vehicles are permitted to stop (including Blue Badge Holders)
 - No loading – Where dropping off (boarding/alighting) of people is allowable, but no parking (including Blue Badge Holders).
 - Yellow Line – Loading and dropping off is permitted, no parking, but can be used by Blue Badge holders.
- In cases where vehicles are parking on yellow lines the Civil Enforcement Officer is required to observe whether the vehicle is in fact loading. If the Officer is seen and the vehicle departs the job has been completed. If there is no movement then a Penalty Charge Notice will be given. This however can be appealed, and if they company provides a delivery note the case will be dropped. Civil Enforcement Officers are able to stop on yellow lines in order to carry out their duties.
- In terms of the parking restrictions there are exemptions for those that need to be close to building sites, using visitors passes. It is sometimes difficult to identify whether those parked are on business, as some companies use normal cars. If there is building work taking place the North Essex Parking Partnership will speak to those businesses involved and discuss how they can comply with the parking regulations. With regard to the dispensations and exemptions generally traders have to display something in their window, but it is a balance between identifying whether the businesses are parked their due to necessity or just convenience. Details are kept, with the MiPermit system, which will soon be rolled out to a property level allowing the partnership to search for unusual parking patterns.
- In response to Councillor Hayes point about the night time economy and parking infringement, the officers responded that, Civil Enforcement Officers do work very early shifts and very late shifts. If there is a particular problem at a particular time then it will be looked in to.
- All of the Districts in the Partnership are equal. Essex County Council are a non-voting partner in the North Essex Parking Partnership so only the six districts will decide what happens if there is more than £50,000 surplus or deficit.
- Noted the question from Councillor Hayes about the possibility of improving the negotiation position of the North Essex Parking Partnership from Essex County Council. In 2018 the contract for the North Essex Parking Partnership will require renegotiation and this could be something to discuss at that time. It is a balance as prior to the Partnership, Essex County Council were running the scheme at close to a £1m deficit. At that time they were exploring a number of options including outsourcing, instead the Districts opted to retain the services.
- With regard to the Blue Badge abuse, it used to be the case that all Civil Enforcement Officers could do was to ask to look at the badge and report it to the County Council. Now the Officer can seize the Blue Badge without the requirement of a Police Officer. This is an issue which is of regional importance and discussions taking place about further powers. With regard to the situation in London Boroughs, a lot of investigation takes place before they take that level of action.


- The Parksafe car is operating in other districts, and has been launched successfully in Epping. The car is able to do 4-5 schools at each time. If the car is a measured success then it may be feasible to get another.
- The same performance system for Colchester Borough Council staff is used for the Civil Enforcement Officers. Managers are aware of where they have been attending, and performance is monitored on an annual basis with conversations held every quarter. It may well be the case that although the number of Penalty Charge Notices is not high it is because the officer is doing their job and getting those offending motorists to move on. It's about being seen in the community not about issuing Penalty Charge Notices. It is also the case the staff would not be able to issue tickets when mobile, so if they are travelling to other districts they will not be issuing tickets.
- Councillor Hunt stated that the service by applying its policy could be seen to undermine its own income targets. Members of staff do not immediately ticket those offenders; they wait, observe, and then issue the ticket.
- The residents' parking aims to have a balanced budget, each parking price is set dependent on the area, in which a number of different factors are involved. The Council are not allowed to make a profit from the residents' parking, and can only budget for it covering its own costs. Money from Penalty Charges Notices cannot be used as it is ring-fenced.
- The point by Councillor Higgins regarding the deficit not being shared by Essex County Council was noted.
- With regard to the number of staff out on the street point from Councillor Higgins, all shift patterns are in pairs, however there are times when more than two are patrolling when training is being delivered.
- Councillor Hunt responded to Councillor Hazell by stating that if the majority do not want residents parking, then it won't happen.

RESOLVED that:-

- (a) The Panel thanked the officers and Deputy Chairman of the NEPP for attending the meeting and presenting the report.
- (b) The financial position of the North Essex Parking Partnership be noted.

Scrutiny Panel

18 March 2014

Report of	Assistant Chief Executive	Author	Jonathan Baker 
Title	Work Programme 2013-14		282274
Wards affected	Not applicable		

This report sets out the completed Work Programme 2013-2014 for the Scrutiny Panel.

1. Decisions Required

- 1.1 The Panel is asked to note the completed Work Programme for 2013-14.

2. Alternative options

- 2.1 This function forms part of the Panel's Terms of Reference and, as such, no alternative options are presented.

3. Supporting Information

- 3.1 The Panel's work programme will evolve as the Municipal Year progresses and items of business are commenced and concluded. At each meeting the opportunity is taken for the work programme to be reviewed and, if necessary, amended according to current circumstances.
- 3.2 At the last Scrutiny Panel on the 24 February 2014 it was agreed that a review of the Fundamental Service Review of Sport and Leisure would be scheduled in for autumn 2014.
- 3.3 Officers will be working on scheduling the programme for 2014-15 in the coming weeks ready for the first meeting on the 8 July 2014.

4. Strategic Plan References

- 4.1 The Council recognises that effective local government relies on establishing and maintaining the public's confidence, and that setting high standards of self governance provides a clear and demonstrable lead. Effective governance underpins the implementation and application of all aspects of the Council's work.

5. Standard References

- 5.1 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.

WORK PROGRAMME 2013-14

Meeting date / agenda items and relevant portfolio
<p>11 June 2013</p> <ol style="list-style-type: none"> 1. 2012-13 Year-end Performance Report and SPAP (Leader / Head of Community Services) 2. 2012-13 Revenue Expenditure Monitoring Report 3. 2012-13 Capital Expenditure Monitoring Report
<p>2 July 2013 (extra)</p> <ol style="list-style-type: none"> 1. New Housing Arrangements (Housing / Head of Commercial Services) deferred from 11 June 2013
<p>23 July 2013 (briefing 18 July, 5pm, S11 Rowan House)</p> <ol style="list-style-type: none"> 1. Pre-scrutinise the Portfolio Holder decision 'To Close the Abbots Activity Centre' (Community and Leisure) 2. Budget Strategy, Timetable and MTF (Leader / Business and Resources Portfolio) 3. Annual Report on Treasury Management (Business and Resources Portfolio)
<p>20 August 2013 (briefing 14 August, 5pm, S11 Rowan House)</p> <ol style="list-style-type: none"> 1. 2013-14 Capital Monitor, period April – June 2. 2013-14 Financial Monitor, period April – June
<p>10 September 2013 (briefing 5 September, 5pm, S11 Rowan House)</p> <ol style="list-style-type: none"> 1. Safer Colchester Partnership (Crime and Disorder Committee) (Planning and Community Safety Portfolio) 2. firstsite project: Final Overview (Scrutiny Panel)(I Vipond, Strategic Director)
<p>29 October 2013 (briefing 24 October, 5pm, S11 Rowan House)</p> <ol style="list-style-type: none"> 1. Corporate and Financial Management FSR - Pre Cabinet scrutiny of Business Case (Leader) 2. Report of urgent decision where call-in does not apply
<p>12 November 2013 (briefing 7 November, 4.30pm, S11 Rowan House)</p> <ol style="list-style-type: none"> 1. Call-in – Allotment Charges and Review of Tenancy Agreements 2. Localising Council Tax Support (follow-up on 2012-13 implementation review) 3. 2013-14 Revenue Monitor, period April – September 4. 2013-14 Capital Monitor, period April – September
<p>10 December 2013 (briefing 4 December, 5pm, S11 Rowan House)</p> <ol style="list-style-type: none"> 1. Review of Parking Services in Colchester (Deputy Leader / Head of Operational Services) <p>Presentation from Head of Operational Services and North Essex Parking Partnership Group Manager</p>

2. Treasury Management – Half yearly update
3. 2013-14 6-monthly Performance report and Strategic Plan Action Plan (Leader / Business and Resources Portfolio)

28 January 2014 (briefing 23 January, 5pm, S11 Rowan House)

1. 2014/15 Revenue Budget, Capital Programme and MTF (Pre-scrutiny of Cabinet Decision (Leader / Business and Resources Portfolio)
2. Treasury Management Investment Strategy

11 February 2014 (briefing 6 February, 5pm, S11 Rowan House)

1. 2013-14 Capital Monitor, period April – December
2. 2013-14 Revenue Monitor, period April – December
3. Homelessness Strategy (Head of Commercial Services / Housing Portfolio)

24 February 2014 (briefing 20 February 5pm, S11 Rowan House)

1. Review of the North Essex Parking Partnership financial position (Deputy Leader / Head of Operational Services)

18 March 2014 (briefing 13 March, 5pm, S11 Rowan House)

1. Colchester Community Stadium Limited review (last review 20 March 2012)(Leader)
2. Review of Council's overall IT provision including financial costs, practicalities, project management and milestones (Assistant Chief Executive / Business and Resources Portfolio).

Items for Scheduling on 2014-15

1. Review of Colchester Hospital (The Chief Executive and Chairman to attend)
2. Review of the Fundamental Review of Sport and Leisure.



Scrutiny Panel

Item
12

18 March 2014

Report of	Assistant Chief Executive	Author	Jonathan Baker ☎ 282274
Title	Colchester Community Stadium Limited Review		
Wards affected	Not applicable		

This report gives details of the review of Colchester Community Stadium Limited.

1. Action required

- 1.1 The panel is asked to consider and comment on the work of the Colchester Community Stadium Limited.

2. Reason for scrutiny

- 2.1 The last review of Colchester Community Stadium took place on the 20 March 2012. It was agreed at that meeting, that a further review would be held at the end of 2013/14.

3. Format

- 3.1 Mr David Murthwaite and Mr Clive Gilham, Chairman and Chief Executive of the Colchester Community Stadium Limited (CCSL) attended the previous reviews on the 9 March 2010, and the 20 March 2012, and will be attending this meeting. A short presentation will be given highlighting the Company's activities over the last twelve months, including governance arrangements, operating costs, activities and achievements of the community stadium.

4. Background information

- 4.1 Further information regarding Colchester Community Stadium Limited has been provided by Clive Gilham and David Murthwaite. This includes information on Governance Arrangements and the Community Yield which is attached.

- 4.2 The report also contains four appendices;

- Appendix I – Accounts for 2012-13.
- Appendix II – Management Company Incentive.
- Appendix III – Community Yield.
- Appendix IV – Community Yield Results for 4 months to January 2014.

5. Strategic Plan references

- 5.1 The Council recognises that effective local government relies on establishing and maintaining the public's confidence, and that setting high standards of self governance provides a clear and demonstrable lead. Effective governance underpins the implementation and application of all aspects of the Council's work.

6. Standard References

- 6.1 There is no publicity, equality and diversity, human rights, community safety, health and safety, risk management or financial implications in this matter.

Colchester Community Stadium Limited – Information for Scrutiny Panel

1. Governance arrangements for the Colchester Community Stadium Limited

- 1.1 Colchester Community Stadium Limited (CCSL) was created by Colchester Borough Council, and is an arms-length company set up to manage the Community Stadium. It is a company limited by shares which is wholly owned by the Council. Colchester Borough Council retains the freehold interest in the Community Stadium and it is leased to CCSL for 125 years.
- 1.2 The company's Statement of Accounts contains year-end final accounts that are published on the Council website. The last published accounts, to the 31 March 2013 (copy attached as Appendix I) were audited and an unqualified opinion was given by the company's external auditors.
- 1.3 The CCSL Board of Directors currently comprises of six members, two independent directors (one of whom is the Chairman of the Company), two Colchester Borough Council representatives (currently the Leader and the Chairman of the Local Plan Committee), one Colchester United Football Club ("the Club") director and the Chief Executive of the Company.
- 1.4 The Colchester Community Stadium Board has developed into a progressive partnership that is committed to ensuring the Community Stadium is used for the benefit of all and offers a wide range of opportunities from social and recreational activities to health and education programmes.
- 1.5 CCSL sub-lets exclusive use areas such as the offices and the club shop to the Club and also gives the Club a licence for that period to use the remainder of the complex on league match days. In addition the Club has a veto over any use of the pitch itself. CCSL retains legal control of all areas on all non-match days. CCSL's remit is to ensure a balance of community and commercial activity takes place within a financially viable business plan.
- 1.6 CCSL has outsourced day to day operational delivery of its services on non-match days to a Stadium Management Company ("the Manager") which acts as commercial operator of the Community Stadium – currently the Manager is the Club under a 10-year management agreement which commenced on 1 October 2013. This arrangement avoids CCSL taking on staff that might duplicate staff already employed by the Club. It also makes the best use of the Club's expertise and incentivises the Club to play a direct part in the development of non-match day business activity and optimise income within an approved business plan.
- 1.7 CCSL has safeguards in place to ensure that the Manager complies with acceptable standards of quality, performance, upkeep and promotion of the Community Stadium. These are set out in twelve Key Performance Indicators and are measured on a formal and regular basis. The ultimate

sanction for failing to meet these standards is that the 10-year contract can be terminated by CCSL.

- 1.8 CCSL has provided incentives to the Manager to perform as well as might be possible with this community asset. The primary incentive is that the Manager retains all of the profits generated from the Community Stadium on non-match days whilst providing CCSL with a share of the revenues in the form of a commercial fee - which is 6.5% of all non-match day revenue above £875,000 per year (inflated each future year) plus a fixed annual fee of £30,000. The budget for 2013-14 is projecting non-match day revenues of £1,453,000 which would provide a total income to CCSL of £68,000 and a welcome net operating profit for the Manager too.
- 1.9 CCSL has also provided a further longer term incentive to the Manager in the form of an option to extend the 10-year contract in to a 15-year one if certain “golden targets” are achieved by the Manager. This arrangement is explained in Appendix II.

2. Community Yield

- 2.1 The Events Committee was established by the CCSB in 2008, operating as a sub-committee, responsible for managing the community events function on behalf of the Board.
- 2.2 Throughout the first 5-year service agreement of the Manager, the Club and caterer agreed to provide a minimum of 24 community events “at cost” every year. The beneficiaries of these events are groups such as voluntary groups, charities and schools.
- 2.3 Whilst these minimum targets were met by the Manager in each of the last three years, CCSL recognised that this model proved to be a very narrow definition of community benefit. As a consequence a completely new methodology for measuring community benefit has been established that has come in to play as part of the new 10-year contract – this is the “community yield” and it has been in operating from 1 October 2013. The concept and arrangement is set out in Appendix III.
- 2.4 It is early days of course but after four months in to the new 10-year agreement the Manager has already achieved the levels of attendance summarised in Appendix IV. Of particular note is the fact that more people (57,000 people) have used the Community Stadium for all of its activities outside of football than fans (37,000) attending football matches, welcome though they are too.

COLCHESTER COMMUNITY STADIUM LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Statement of Cash Flows	9
Notes to the Financial Statements	10

COLCHESTER COMMUNITY STADIUM LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2013**

DIRECTORS:

C M Gilham
G P Leaf
D C Murthwaite
A R Pritchard
Cllr A Turrell
R A Cowling
Cllr C M C Hunt

REGISTERED OFFICE:

PO Box 885 Town Hall
High Street
Colchester
Essex
CO1 1ZE

REGISTERED NUMBER:

06867951 (England and Wales)

AUDITORS:

Baker Chapman & Bussey
Statutory Auditor
3 North Hill
Colchester
Essex
CO1 1DZ

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2013**

The directors present their report with the financial statements of the company for the year ended 31 March 2013.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providing strategic management oversight and overall management of the Weston Homes Community Stadium. The company also acted as landlord to the two principle tenants, Colchester United Football Club and Colchester United Community Sports Trust.

The company is managed by its board of directors who meet regularly throughout the financial year. The board of directors consists of five representatives from key stakeholders in the community stadium together with three independents, including the Chair and Chief Executive. Specifically, the stakeholders represented are from Colchester Borough Council (CBC) and Colchester United Football Club ("the Club").

REVIEW OF BUSINESS

The directors are pleased with the continued development of the Weston Homes Community Stadium which has been used throughout the year for a wide variety of community activities and commercial events in addition to providing an excellent 10,000 seat football stadium for the Club.

The stadium also provided office accommodation for the Club and Sports Trust including a separate dedicated community space and two 5-a-side football pitches.

The directors are constantly working towards improving the activity levels and utilisation of the stadium and, as such, are currently reviewing a number of community and business opportunities to further enhance the stadium's use.

The directors consider the stadium to be an excellent facility for the residents of Colchester and the wider community.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2012 to the date of this report.

C M Gilham
G P Leaf
D C Murthwaite
A R Pritchard
Cllr A Turrell
R A Cowling
Cllr C M C Hunt

Other changes in directors holding office are as follows:

Mrs L E Bamford - resigned 20 December 2012

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2013**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

C M Gilham - Director

9 May 2013

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COLCHESTER COMMUNITY STADIUM LIMITED

We have audited the financial statements of Colchester Community Stadium Limited for the year ended 31 March 2013 on pages five to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Report of the Directors.

Jacqueline Frost (Senior Statutory Auditor)
for and on behalf of Baker Chapman & Bussey
Statutory Auditor
3 North Hill
Colchester
Essex
CO1 1DZ

16 May 2013

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2013

	Notes	2013 £	2012 £
CONTINUING OPERATIONS			
Revenue	3	362,256	363,750
Administrative expenses		<u>(342,960)</u>	<u>(340,489)</u>
OPERATING PROFIT		19,296	23,261
Finance costs	5	<u>(4,847)</u>	<u>(4,964)</u>
PROFIT BEFORE INCOME TAX	6	14,449	18,297
Income tax	7	<u>(5,291)</u>	<u>(5,659)</u>
PROFIT FOR THE YEAR		9,158	12,638
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>9,158</u>	<u>12,638</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 MARCH 2013

	Notes	2013 £	2012 £
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	<u>98,000</u>	<u>110,000</u>
CURRENT ASSETS			
Trade and other receivables	9	<u>179,105</u>	175,803
Cash and cash equivalents	10	<u>53,472</u>	<u>53,207</u>
		<u>232,577</u>	<u>229,010</u>
TOTAL ASSETS		<u>330,577</u>	<u>339,010</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	11	<u>1</u>	1
Retained earnings	12	<u>30,656</u>	<u>21,498</u>
TOTAL EQUITY		<u>30,657</u>	<u>21,499</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities - borrowings			
Interest bearing loans and borrowings	14	<u>97,133</u>	<u>115,011</u>
CURRENT LIABILITIES			
Trade and other payables	13	<u>179,615</u>	179,331
Financial liabilities - borrowings			
Interest bearing loans and borrowings	14	<u>17,882</u>	17,510
Tax payable		<u>5,290</u>	<u>5,659</u>
		<u>202,787</u>	<u>202,500</u>
TOTAL LIABILITIES		<u>299,920</u>	<u>317,511</u>
TOTAL EQUITY AND LIABILITIES		<u>330,577</u>	<u>339,010</u>

The financial statements were approved by the Board of Directors on 9 May 2013 and were signed on its behalf by:

G P Leaf - Director

C M Gilham - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2013

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2011	1	8,860	8,861
Changes in equity			
Total comprehensive income	<u>-</u>	<u>12,638</u>	<u>12,638</u>
Balance at 31 March 2012	<u>1</u>	<u>21,498</u>	<u>21,499</u>
Changes in equity			
Total comprehensive income	<u>-</u>	<u>9,158</u>	<u>9,158</u>
Balance at 31 March 2013	<u><u>1</u></u>	<u><u>30,656</u></u>	<u><u>30,657</u></u>

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2013

		2013 £	2012 £
Cash flows from operating activities			
Cash generated from operations	1	28,278	47,920
Interest paid		(4,847)	(4,964)
Tax paid		<u>(5,660)</u>	<u>(2,355)</u>
Net cash from operating activities		<u>17,771</u>	<u>40,601</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>-</u>	<u>(120,000)</u>
Net cash from investing activities		<u>-</u>	<u>(120,000)</u>
Cash flows from financing activities			
New loans in year		-	120,000
Loan repayments in year		<u>(17,506)</u>	<u>(15,479)</u>
Net cash from financing activities		<u>(17,506)</u>	<u>104,521</u>
Increase in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	<u>53,207</u>	<u>28,085</u>
Cash and cash equivalents at end of year	2	<u>53,472</u>	<u>53,207</u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2013**

1. RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2013	2012
	£	£
Profit before income tax	14,449	18,297
Depreciation charges	12,000	10,000
Finance costs	<u>4,847</u>	<u>4,964</u>
	31,296	33,261
(Increase)/decrease in trade and other receivables	(3,302)	14,433
Increase in trade and other payables	<u>284</u>	<u>226</u>
Cash generated from operations	<u><u>28,278</u></u>	<u><u>47,920</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts:

Year ended 31 March 2013

	31.3.13	1.4.12
	£	£
Cash and cash equivalents	<u>53,472</u>	<u>53,207</u>

Year ended 31 March 2012

	31.3.12	1.4.11
	£	£
Cash and cash equivalents	<u>53,207</u>	<u>28,085</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

1. AUTHORISATION OF FINANCIAL STATEMENTS

The company's financial statements for the year were authorised for issue on 9th May 2013 and the statement of financial position signed on the board's behalf by Graham Leaf and Clive Gilham.

Colchester Community Stadium Limited is a limited company incorporated and domiciled in England & Wales.

2. ACCOUNTING POLICIES

Basis of preparation & statement of compliance with IFRSs.

The company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006.

The financial statements are presented in sterling, not rounded and are prepared under the historical cost convention.

Revenue recognition

Revenue represents net invoiced rents, excluding value added tax and net of discounts. Rents are taken to revenue for the period to which they relate.

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property - 10% on cost

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

Interest expense & borrowing costs

All borrowing costs are recognised in the profit or loss in the period in which they are incurred.

Interest expense is recognised as interest accrues, using the effective interest rate method, to the net carrying amount of the financial liability.

Effective interest method

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability to that asset or liability's net carrying amount.

Loan and other receivables

Loans and other receivables (including trade and other receivables, and bank balances) are initially recognised at original invoice amount (subsequently measured at amortised cost using the effective interest method) less any allowances for any uncollectible or impaired amounts.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

3. SEGMENTAL REPORTING

The company has one main business segment, that of providing strategic management oversight and overall management of Weston Homes Community Stadium, including acting as landlord to the two principle tenants. As a result, no additional business segment information is required to be provided. It operates in one geographical segment, and accordingly no geographical segment information is required to be provided.

4. EMPLOYEES AND DIRECTORS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

Included with in the profit/(loss) before income tax is:

	Year ended 31.3.11 £	Period 2.4.09 to 31.3.10 £
Directors' remuneration and other benefits etc	<u>35,250</u>	<u>29,250</u>

Other than the above costs the company had no wages and salaries.

5. NET FINANCE COSTS

	2013 £	2012 £
Finance costs:		
Other loan interest	<u>4,847</u>	<u>4,964</u>

6. PROFIT BEFORE INCOME TAX

The profit before income tax is stated after charging:

	Year Ended 31.3.13 £	Year ended 31.3.12 £
Auditors' remuneration	<u>1,460</u>	<u>1,700</u>

7. INCOME TAX

Analysis of tax expense

	2013 £	2012 £
Current tax:		
Tax	5,290	5,659
Under provision prior year	<u>1</u>	<u>-</u>
Total tax expense in statement of comprehensive income	<u>5,291</u>	<u>5,659</u>

Factors affecting the tax expense

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2013 £	2012 £
Profit on ordinary activities before income tax	<u>14,449</u>	<u>18,297</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2012 - 20%)	2,890	3,659
Effects of:		
Depreciation in excess of capital allowances	2,400	2,000
Under provision prior year	<u>1</u>	<u>-</u>
Tax expense	<u>5,291</u>	<u>5,659</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

8.	PROPERTY, PLANT AND EQUIPMENT			Improvements to property £
	COST			
	At 1 April 2012 and 31 March 2013			<u>120,000</u>
	DEPRECIATION			
	At 1 April 2012			10,000
	Charge for year			<u>12,000</u>
	At 31 March 2013			<u>22,000</u>
	NET BOOK VALUE			
	At 31 March 2013			<u>98,000</u>
	At 31 March 2012			<u>110,000</u>
9.	TRADE AND OTHER RECEIVABLES			
			2013	2012
			£	£
	Current:			
	Trade debtors		109,049	105,747
	Called up share capital not paid		1	1
	Prepayments		<u>70,055</u>	<u>70,055</u>
			<u>179,105</u>	<u>175,803</u>
10.	CASH AND CASH EQUIVALENTS			
			2013	2012
			£	£
	Bank deposit account		1,002	1,002
	Bank accounts		<u>52,470</u>	<u>52,205</u>
			<u>53,472</u>	<u>53,207</u>
11.	CALLED UP SHARE CAPITAL			
	Allotted and issued:			
	Number:	Class:	2013	2012
			£	£
	1	Ordinary	<u>1</u>	<u>1</u>
		Nominal value: £1		
12.	RESERVES			Retained earnings £
	At 1 April 2012			21,498
	Profit for the year			<u>9,158</u>
	At 31 March 2013			<u>30,656</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

13. TRADE AND OTHER PAYABLES

	2013 £	2012 £
Current:		
Trade creditors	91,200	91,200
Accruals and deferred income	86,072	85,544
VAT	<u>2,343</u>	<u>2,587</u>
	<u>179,615</u>	<u>179,331</u>

14. FINANCIAL LIABILITIES - BORROWINGS

	2013 £	2012 £
Current:		
Other loans	<u>17,882</u>	<u>17,510</u>
Non-current:		
Other loans	<u>97,133</u>	<u>115,011</u>

Terms and debt repayment schedule

	1 year or less £	1-2 years £	2-5 years £	More than 5 years £	Totals £
Other loans	<u>17,882</u>	<u>18,269</u>	<u>36,270</u>	<u>42,594</u>	<u>115,015</u>

Included in other loans is a loan in respect of an agreement dated 1 July 2009 and repayable over 5 years. The initial interest rate was 6% until 29 January 2010, to be reviewed annually thereafter. The current interest rate is 6%.

Also included in other loans are two loans in respect of agreements dated 16 May 2011 and repayable over ten years. Interest is chargeable on the loan at 3% above UK base rates.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

15. OTHER FINANCIAL COMMITMENTS

Commitments under operating leases the company as lessee:

	Year ended 31.3.13 £	Year ended 31.03.12 £
Minimum lease payments under operating leases recognised as an expenses during the year	<u>300,000</u>	<u>300,000</u>

The agreement above is in respect of a 125 year lease initially at £300,000 per annum. The lease is drafted but currently unsigned, however, the stadium is currently being operated under license on the same terms as the draft leases.

Commitments under operating leases the company as lessor:

	Year ended 31.3.13 £	Year ended 31.3.12 £
Minimum lease receipts under operating leases recognised as revenue during the year	<u>323,881</u>	<u>363,750</u>

All the leases are currently drafted but unsigned, however, the stadium is currently being operated under license on the same terms as the draft leases. The draft lease commitments are as follows:

	Term	InitialAnnual rent
Colchester United Football Club	125 years	£300,000

On 20th December 2012 the board agreed that Colchester United Community Sports Trust should be allowed to withdraw from the Community Stadium with effect from 31st December 2012. Colchester Borough Council rented the premises previously occupied the Trust until 31st March 2013, at which point Colchester United Football Club took over the premises under a six month agreement.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

16. RELATED PARTY DISCLOSURES

During the period the company paid £12,000 (2012: £12,000) to Straight Bat (UK) Limited, a company controlled by Clive Gilham, in respect of the supply of services of the Chief Executive. At the period end the company owed Straight Bat (UK) Ltd £1,200 (2012: £1,200).

The other independent directors, Graham Leaf and David Murthwaite, have been paid fees of £6,000 and £7,500 (2012: £6,000 and £7,500) respectively.

Included in other creditors is a working capital loan of £14,000 (2012: £21,000) from Colchester Borough Council. The loan is interest bearing and is repayable in instalments of £7,000. Interest of £1,111 (2012: £1,575) has been charged in the year.

Also included in other creditors is a loan of £50,507 (2012: £55,760) from Colchester Borough Council. The loan is interest bearing at 3% above UK base rate and is repayable in instalments of £594. Interest of £1,868 (2012: £1,694) has been charged in the year.

During the year the company charged Colchester Borough Council £6,375 for rent of premises and community space. In addition, Colchester Borough Council charged the company rent of £300,000 (2012: £300,000). At the year end the company owed Colchester Borough Council £90,000 (2012: £90,000).

During the period the company charged Colchester United Football Club, an entity controlled by Robbie Cowling, rent of £300,000 (2012: £300,000) and non match day income of £30,000 (2012: £30,000). At the year end the company was owed £109,050 (2012: £99,000) by Colchester United Football Club.

Included in other creditors is a loan of £50,507 (2012: £55,760) from Colchester United Football Club. The loan is interest bearing at 3% above base rate and is repayable in instalments of £594. Interest of £1,868 (2012: £1,694) has been charged in the year.

In addition, during the period the company charged Colchester United Community Sports Trust, a company whose directors include Linda Bamford, £13,378 and £12,503 (2012: £18,750 and £15,000) for hire of community space and premises respectively. At the period end the company was owed £3,072 (2012: £6,747) by Colchester United Community Sports Trust. A provision of £3,072 has been made against this debt.

17. ULTIMATE CONTROLLING PARTY

The company's ultimate controlling party is Colchester Borough Council.

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013	2012
	£	£
Profit for the financial year	<u>9,158</u>	<u>12,638</u>
Net addition to shareholders' funds	9,158	12,638
Opening shareholders' funds	<u>21,499</u>	<u>8,861</u>
Closing shareholders' funds	<u>30,657</u>	<u>21,499</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2013

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company is exposed through its operations to the following risks:

Credit risk

Credit risk arises principally from the company's trade and other receivables and cash at bank.

The company uses a reputable bank and trades only with recognised, credit worthy customers. Balances are regularly checked to ensure risk of exposure to bad debts is minimised.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The only risks are in respect of the loans from Colchester Borough Council and Colchester United Football Club and any risks are considered immaterial.

Liquidity risk

Liquidity risk arises from the company's management of working capital and repayments of its liabilities. Management of risks is managed by monitoring budgets and actual cash flows.

Capital management

The objective of the company's capital management is to safeguard the entity's ability to continue as a going concern.

20. FAIR VALUES

The fair values of the financial assets and liabilities as at 31 March 2013 and 31 March 2012 are not materially different from their book values.

21. ACCOUNTING ESTIMATES AND JUDGEMENTS

Certain critical accounting judgements made in applying the company's accounting policies are described below:

Useful life of property, plant and equipment

Property, plant and equipment are amortised or depreciated over their useful lives. Useful lives are based on management estimates that the assets will generate revenue, which are periodically reviewed for continued appropriateness.

APPENDIX II

Incentive to the Stadium Management Company - Extension of Management Period

- 1. Introduction
 - 1.1 The purpose of this Appendix II is to set out certain criteria which if achieved by the Stadium Management Company ("the Manager) will allow the Manager to request from CCSL an extension to the Management Term of up to 5 (five) years (the "Extension Request").
 - 1.2 The Manager acknowledges that CCSL may not fetter its discretion to accept or decline any Extension Request at the time any such Extension Request is made by the Manager.
 - 1.3 Without obligation on the Manager to make any Extension Request, nor any obligation on CCSL to grant any Extension Request, CCSL confirms that if an Extension Request is received from the Manager in accordance with the terms of this Appendix II it will consider it on its merits, including an acceptance by CCSL that if the Manager has exceeded the expectations of CCSL in delivering the Services that it would not be unreasonable for the Manager to expect to receive an extension as requested (but with no contractual entitlement to such extension).

2. Definitions

- 2.1 In this Appendix II the following words have the following meanings unless inconsistent with the context.

"Golden Targets"	together Golden Yield Target, Revenue Target and KPI Target
"Golden Yield Target"	as defined in the Community Yield Appendix
"KPI Target"	in each of the 5 th , 6 th , and 7 th years of the Management Term having no Red Scores and no more than two Amber Scores in aggregate across such three year period
"Revenue Target"	achieving the following annual income for CCSL for each relevant period: end of 5 th year of Management Term: £98,027 end of 6 th year of Management Term: £109,262 end of 7 th year of Management Term: £119,521

3. Right to make an Extension Request
 - 3.1 If the Manager shall achieve all of the Golden Targets it shall be entitled, but not obligated, to deliver an Extension Request to CCSL.
 - 3.2 The Extension Request shall specify:
 - 3.2.1 the period of the extension to the Management Term being requested by the Manager; and
 - 3.2.2 the changes, if any, to the terms of the existing Services Agreement which the Manager is seeking.
 - 3.3 Following receipt by CCSL of the Extension Request it shall within [20 Business Days] serve written notice on the Manager specifying:
 - 3.3.1 whether in principle CCSL is prepared to grant an extension to the Management Term and, if so, for what period;
 - 3.3.2 whether it agrees to any changes requested by the Manager in the Extension Notice and, if not, what if anything CCSL proposes instead; and
 - 3.3.3 any additional changes CCSL may be proposing to the terms of the existing Services Agreement (the "CCSL Response").
 - 3.4 Following receipt of the CCSL Response, if CCSL has indicated that in principle CCSL is prepared to grant an extension to the Management Term, CCSL and the Manager shall enter into good faith negotiations with a view to agree the period of the extension and what changes, if any, are to be made to the terms of the existing Services Agreement at the commencement of the extended Management Term (but with no contractual entitlement or obligation).

APPENDIX III

Community Yield

- 1. Introduction
 - 1.1 The purpose of this Schedule is to set out a methodology to identify and measure the community benefit from activities carried out at the Stadium and managed by the Stadium Management Company ("the Manager).
 - 1.2 CCSL and the Manager agree that certain activities produce a greater benefit to the community than others, but all contribute to community benefit.
 - 1.3 It is important to CCSL that the balance between the different types of events held at the Stadium and managed by the Manager meet certain minimum requirements specified by CCSL.

2. Definitions

- 2.1 In this Appendix III the following words have the following meanings unless inconsistent with the context.

"Annual Community Yield"	the actual aggregate number of Points accrued by the Manager in each year of the Management Term
"Annual Community Yield Target" (also known as "ACYT")	the aggregate number of Points to be accrued by the Manager in each year of the Management Term as follows:

Measurement Point	Points
By the 1 st anniversary of the commencement date	133,000
2	159,600
3	179,550
4	199,500
5	206,150
6	212,800
7	219,450
8	232,750
9	232,750
10	232,750

"Category A Events"	an event or activity which is provided at cost in accordance with the terms of this Agreement to a not-for-profit community organisation and which provides direct support to residents of Colchester. By way of example only, crucial crew or other local charitable activities held at the Stadium
"Category B Events"	an event or activity which is provided to a not-for-profit community organisation and which provides direct positive outcomes for residents of Colchester or an event or activity which is provided by a commercial operator (including the Manager, the Club or the Trust) and which provides specific outcomes to specific residents identified by the Council. By way of example only, training, education, support or guidance to local people
"Category C Events"	an event or activity which is provided by a commercial operator (including the Manager, the Club or the Trust) which provides direct support or outcomes to residents of Colchester. By way of example only, people with disabilities, victims of crime, young local people groups and older people groups
"Category D Events"	an event or activity which provides positive outcomes for organisations seeking to benefit the general well being of residents of Colchester. By way of example only, fundraising events, AGMs, conferences and other gatherings
"Category E Events"	all other events and activities held at the Stadium which involve local residents or businesses. By way of example only, concerts or a new sports bar
"Community Use Event"	any event taking place at the Stadium which is for Community Use
"Community Yield"	the total number of Points attributable to each Community Use Event to count towards the Annual Community Yield Target
"Event Category (or Categories)"	one or more of Category A Events, Category B Events, Category C Events, Category D Events and Category E Events

"Event Category Multiplier" the multiplier to be applied to each Point in respect of each Community Use Event falling into the relevant Event Category as follows:

Event Category	Multiplier
A	x5
B	x4
C	x3
D	x2
E	x1

Subject to adjustment in accordance with paragraph 5

"Events Category Profile" at least:

- (a) 10% of ACTY to be from Category A Events
- (b) 20% of ACTY to be from Category A Events and Category B Events
- (c) 30% of ACTY to be from Category A Events, Category B Events and Category C Events
- (d) 50% of ACTY to be from Category A Events, Category B Events, Category C Events and Category D Events
- (e) 100% of ACTY to be from all Event Categories

subject to variation in accordance with paragraph 4 and adjustment in accordance with paragraph 5

"Golden Yield Target" if the Manager achieves an Annual Community Yield Target plus 25% and maintains the Events Category Profile

"Point" a base measurement unit where the attendance by an individual at a Community Use Event (which for the avoidance of doubt includes attendance at a Board Designated Event) equates to one (1) point (and where a reference to "Points" means more than one Point).

3. Calculation of Annual Community Yield

3.1 To ascertain the Community Yield for each Community Use Event the Manager shall calculate the Points derived from attendance at each Community Use Event and then multiply such Points by the appropriate Event Category Multiplier.

3.2 To demonstrate that the Manager has met the relevant Annual Community Yield Target the Manager shall show that the aggregate of the Community Yields for the Community Use Events throughout the relevant period of measurement is:

3.2.1 not less than the relevant Annual Community Yield Target; and

3.2.2 meets the Event Category Profile.

3.3 To demonstrate that the Manager has met the Golden Yield Target the Manager shall show that the aggregate of the Community Yields for the Community Use Events throughout the relevant period of measurement is:

3.3.1 not less than 125% of the relevant Annual Community Yield Target; and

3.3.2 meets the Events Category Profile.

3.4 For the avoidance of doubt, the Manager may arrange, promote or manage any number of Community Use Events, but if such Community Use Events do not match the Events Category Profile, unless otherwise agreed in writing with CCSL, if there are surplus Points generated in a Community Use Event in one of the Event Categories than are required and a deficit in another of the Event Categories, the surplus Points generated in the Community Use Event cannot be used to meet the deficit in the other Event Categories (by way of illustration only, if in year 1 10% of the Annual Community Yield Target of 100,000 Point is to be generated by Category A Events (i.e. 10,000 Points), if there is a deficit in Category A Events Points it cannot be meet by a surplus in Points generated by Category E Events).

4. Variation of Events Category Profile

The Manager and CCSL shall through the Board review the Events Category Profile and shall through the Board make variations thereto, if the Board considers it appropriate to do so.

5. Category A Event

If more than 25% of the ACYM in any year in respect of Category A Events is attributable to an individual event within Category A then the excess is to be treated as attributable to a Category B Event.

Community Yield 2013/2014

Activity	Grade	Points	October			November			December			January			TOTAL	
			Attendance	Points	Attendance	Points	Attendance	Points	Attendance	Points	Attendance	Points	Attendance	Points	Attendance	Points
Conference & Meetings																
Conferences > 100	D	2	963	1,926	1,435	2,870	680	1,360	580	1,160	3,658	7,316				
Conferences < 100	D	2	1,781	3,562	2,250	4,500	1,154	2,308	1,445	2,890	6,630	13,260				
Conferencing - Small Meeting	C	3	1,080	3,240	1,189	3,567	546	1,638	811	2,433	3,626	10,878				
Community Event																
Community Events - Grade A	A	5	2,526	12,630	350	1,750	227	1,135	0	0	3,103	15,515				
Community Events - Grade B	B	4	10	40	40	160	40	160	0	0	90	360				
Event																
Banqueting	C	3	363	1,089	688	2,064	0	0	386	1,158	1,437	4,311				
Social Events, Parties, Comedy Clubs, Tributes	C	3	571	1,713	764	2,292	220	660	943	2,829	2,498	7,494				
External Club Meetings	C	3	200	600	200	600	250	750	200	600	850	2,550				
Weddings Ceremony	B	4	300	1,200	0	0	0	0	0	0	300	1,200				
Wedding Party	C	3	0	0	0	0	0	0	0	0	0	0				
Outdoor Events	C	3	60	180	60	180	60	180	60	180	240	720				
Exhibitions	B	4	0	0	0	0	0	0	0	0	0	0				
Christmas Events	C	3	0	0	0	0	3,409	10,227	0	0	3,409	10,227				
CUFC Open Day	C	3	0	0	0	0	0	0	0	0	0	0				
Catering Outlets																
Hot Shots	E	1	1,366	1,366	1,968	1,968	1,409	1,409	1,434	1,434	6,177	6,177				
Outdoor Hires																
Pitch Hire	D	2	2,640	5,280	3,024	6,048	1,800	3,600	2,508	5,016	9,972	19,944				
FITC Pitch Hire	C	3	720	2,160	860	2,580	600	1,800	880	2,640	3,060	9,180				
Car Park Hire	E	1	1,242	1,242	1,134	1,134	1,188	1,188	1,274	1,274	4,838	4,838				
Footfall Usage at the Community Stadium			13,822	36,228	13,962	29,713	11,583	26,415	10,521	21,614	49,888	113,970				

Activity	Grade	Points	Attendance	Points	Attendance	Points	Attendance	Points	Attendance	Points	Attendance	Points
Football Attendances												
League Attendance	*	0	14,389	0	5,934	0	10,320	0	3,818	0	34,461	0
Cup Attendance	*	0	0	2,510	0	0	0	0	0	0	2,510	0
Pre-Season Friendly	*	0	0	0	0	0	0	0	0	0	0	0
U21 & Youth Team Fixtures	*	0	0	251	0	245	0	210	0	0	36,971	0
Football Attendances at the Community Stadium			14,389	0	8,695	0	10,565	0	4,028	0	36,971	0

Total Footfall at the Community Stadium			28,211	22,657	22,148	14,549	86,859
--	--	--	---------------	---------------	---------------	---------------	---------------



Scrutiny Panel

Item
13

18 March 2014

Report of	Assistant Chief Executive	Author	Jonathan Baker 📞 282774
Title	Review of Council's overall IT provision		
Wards affected	Not applicable		

This report gives details of the Review of the Council's overall IT provision.

1. Action required

- 1.1 The Scrutiny Panel is requested to consider and comment on the Council's overall IT provision in respect of the financial costs, practicalities, project management and milestones.

2. Reason for scrutiny

- 2.1 At its meeting of the 10 December 2013, following a request by Councillor Willets, it was agreed that a review of the Council's overall IT provision would be added to the panel's work programme.

3. Format

- 3.1 Matthew Sterling, Assistant Chief Executive, and Lee French, ICT Manager, will jointly present the item to the Scrutiny Panel.

4. Strategic Plan references

- 4.1 The Council recognises that effective local government relies on establishing and maintaining the public's confidence, and that setting high standards of self governance provides a clear and demonstrable lead. Effective governance underpins the implementation and application of all aspects of the Council's work.

5. Standard References

- 5.1 There is no publicity, equality and diversity, human rights, community safety, health and safety, risk management or financial implications in this matter.

