

Cabinet

**Moot Hall, Town Hall
4 September 2013 at 6.00pm**

The Cabinet deals with the implementation of all council services, putting into effect the policies agreed by the council and making recommendations to the council on policy issues and the budget.

Information for Members of the Public

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COLCHESTER BOROUGH COUNCIL CABINET

4 September 2013 at 6:00pm

Leader (& Chairman): Councillor Anne Turrell (Liberal Democrats)
Deputy Chairman: Councillor Martin Hunt (Liberal Democrats)
Councillor Nick Barlow (Liberal Democrats)
Councillor Tina Bourne (Labour)
Councillor Annie Feltham (Liberal Democrats)
Councillor Beverley Oxford (The Highwoods Group)
Councillor Paul Smith (Liberal Democrats)
Councillor Tim Young (Labour)

AGENDA - Part A

(open to the public including the media)

Pages

1. Welcome and Announcements

(a) The Chairman to welcome members of the public and Councillors and to remind all speakers of the requirement for microphones to be used at all times.

(b) At the Chairman's discretion, to announce information on:

- action in the event of an emergency;
- mobile phones switched to silent;
- the audio-recording of meetings;
- location of toilets;
- introduction of members of the meeting.

2. 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.

3. 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.

4. 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.

5. Minutes

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To confirm as a correct record the minutes of the meeting held on 10 July 2013.

6. Call-in Procedure

To consider any items referred by the Strategic Overview and Scrutiny Panel under the Call-In Procedure. At the time of the publication of this Agenda there were none.

7. Communities and Leisure Services

i. Closure of Abbots Activity Centre

12 - 81

See details of speaking arrangements agreed for this particular item.

See report by the Head of Community Services together with appendices and background papers, including minute 15 of the Scrutiny Panel meeting of 23 July 2013.

8. Regeneration

i. Investment opportunity St Botolphs Quarter

82 - 87

See report by the Head of Commercial Services

9. Strategy/Business and Resources

i. 2014-15 Revenue Budget Update and Business Rates Pooling

88 - 96

See report by the Assistant Chief Executive

ii. Trading Board Terms of Reference

97

See recommendation contained in minute no 8 of the draft minutes of the Trading Board meeting held on 14 August 2013

10. Business and Resources

i. 2012/13 Year End Review of Risk Management

98 - 124

See report by the Assistant Chief Executive

ii. Procurement Health Check Report **125 - 126**

See recommendations contained in minutes no 10 of the minutes of the meeting of the Trading Board held on 14 August 2013.

11. Planning, Community Safety and Culture

i. Environmental Sustainability Strategy **127 - 130**

See recommendations in minute 5 of the minutes of the Policy Review and Development Panel

12. Customers

i. Local Government Ombudsman Annual Review 2012-13 **131 - 138**

See report by the Monitoring Officer

13. General

i. Progress of Responses to the Public **139**

To note the contents of the progress sheet

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) (Meetings and Access to Information) (England) Regulations 2012 to exclude the public, including the press, from the meeting so that any items containing exempt information (for example 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).

**COLCHESTER BOROUGH COUNCIL
CABINET**

4 September 2013 at 6:00pm

AGENDA - Part B

(not open to the public or the media)

Pages

15. Regeneration

i. Investment opportunity St Botolphs Quarter

140 - 152

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

See report by the Head of Commercial Services

CABINET

10 JULY 2013

Present :- Councillor Anne Turrell (the Leader of the Council)
(Chairman)
Councillors Nick Barlow, Annie Feltham,
Beverley Oxford, Paul Smith and Tim Young

Also in Attendance :- Councillor Beverly Davies
Councillor Pauline Hazell
Councillor Nigel Chapman
Councillor Gerard Oxford
Councillor Will Quince
Councillor Dennis Willetts

Date draft minutes published: 11 July 2013

Date when decisions may be implemented if not called in: 5pm, 18 July 2013

All decisions except urgent decisions and those recommended to Council may be subject to call in. Requests for scrutiny of decisions by the Scrutiny Panel must be signed by at least one Councillor and counter-signed by four other Councillors (or alternatively support may be indicated by email). All such requests must be delivered to the Proper Officer by no later than 5pm on: 18 July 2013

16. Minutes

The minutes of the meetings held on 22 and 29 May 2013 were approved as a correct record.

17. 2014-2015 Budget Strategy, Medium Term Financial Forecast and Budget Timetable

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member together with a supplementary paper on the implications of the Spending Review for Colchester Borough Council.

Councillor Willetts attended and with the consent of the Chairman, addressed the Cabinet. He expressed concern about the outturn for the 2012/13 financial year, which had revealed an underspend of £543,000. Taken with the unspent sum of £285,000 set aside as contingency for risk factors, this was a significant sum. Whilst a small underspend was prudent, such a large underspend was unacceptable. These funds could have been used to avoid cuts in services such as the closure of Abbots Activity Centre or to reduce council tax. He also expressed his belief that the New Homes Bonus should only be used for funding infrastructure required to support new housing development, rather than being used to support the revenue budget. He was pleased by the announcement in the Spending Review that the New Homes Bonus would revert

back to its original purpose of funding infrastructure projects and noted that it would be administered by Local Enterprise Partnerships (LEPS).

Councillor Turrell, Leader of the Council and Portfolio Holder for Strategy, responded that no decision to close Abbots had been taken. A consultation on the future of Abbots had recently ended and a decision would be made in due course. Over £200 million had been invested in infrastructure in Colchester since the administration had been formed and a map detailing this investment would be circulated to Councillors in due course.

Councillor Smith, Portfolio Holder for Business and Resources, explained that the largest element of the underspend resulted from borrowing at lower interest rates than had been anticipated. This was outside of the Council's control. Spending was planned on priorities identified by residents, such as the town walls and heritage, park and ride and maintaining services being reduced by partners such as litter picking on the A12. The budget strategy was prudent and sensible given the significant loss in funding from central government.

Councillor T. Young, Portfolio Holder for Planning, Community Safety and Culture, indicated that many Councils used the New Homes Bonus to support their revenue budgets. Allowing LEPS to allocate New Homes Bonus was a risk given the scale of the areas they covered and their lack of democratic accountability. The budget strategy reflected the administration's desire to do the best in difficult circumstances and its commitment to protect frontline services and valuable public sector jobs.

RESOLVED that:-

- (a) The pre-audit outturn position for the financial year 2012/13 be noted.
- (b) Funding from balances be released for projects set out at paragraph 3.4 of the Assistant Chief Executive's report.
- (c) The budget forecast, approach and timetable for the preparation of the 2014/15 budget and updated position in respect of balances be noted.
- (d) The updated Medium Term Financial Forecast for the period to 31 March 2016 as set out at Appendix A of the Assistant Chief Executive's report be noted
- (e) The latest position in respect of the Capital Programme be noted.

REASONS

The Council is required to approve a financial strategy and timetable in respect of the financial year 2014/15 and a Medium Term Financial Forecast (MTFF) for the two subsequent financial years.

ALTERNATIVE OPTIONS

No alternative options were presented to the Cabinet.

18. New Housing Arrangements Proposal

Councillor T. Young (in respect of his position as Chairman of Colne Housing) declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5).

The Head of Commercial Services submitted a report a copy of which had been circulated to each Member together with the minute of the Scrutiny Panel meeting of 2 July 2013. A update to the proposed decision was also circulated to each Member.

Ian Vipond, Director Commercial and Place, and Karen Loweman, Director of Housing, Colchester Borough Homes, attended to assist the Cabinet and presented the proposals to the Cabinet.

Councillor T. Young thanked Ian Vipond and Karen Loweman for their presentation and for the work done by both Colchester Borough Council and Colchester Borough Homes in bringing forward the proposals. He congratulated Alison Inman on her award as Board Member of the Year at the recent ALMO awards. He welcomed the proposals, which he believed would be good for tenants.

RESOLVED that:-

- (a) The proposal to develop new housing arrangements for Colchester Borough Council and Colchester Borough Homes to work together to deliver housing services be approved.
- (b) Authority be delegated to the Chief Executive for the negotiation and agreement of a new Management Agreement with Colchester Borough Homes for a period of ten years, with an option to extend for a further five years following a satisfactory review at the seven year point.
- (c) Authority be delegated to the Chief Executive for the approval of a new Memorandum and Articles of Association for Colchester Borough Homes.

REASONS

Colchester Borough Homes is a wholly-owned trading company of the Council which delivers the majority of the Council's legal landlord obligations. The performance of the company and delivery of the Council's tenant and housing stock management objectives are governed by a Management Agreement. This management agreement was renewed in 2008 and the current agreement expires in 2013.

The New Housing Arrangements proposal fulfils four main purposes:

1. To put in place new arrangements for the Council's housing functions which are fit for purpose to deliver the Council's future housing objectives.

2. To put in place more resilient and responsive governance between the Council and Colchester Borough Homes which supports the delivery of the opportunities set out in the Council's Fundamental Service Review of Customer Contact (UCC FSR).
3. To contribute to the vision in the UCC FSR of a sustainable commercial services arm, by enabling Colchester Borough Homes to increase its range of housing services as a wholly-owned trading company of the Council
4. To contribute to the vision in the UCC FSR by supporting the delivery of the Universal Customer Environment.

ALTERNATIVE OPTIONS

The alternative options would be not to approve the proposal or to ask for changes to be made to that proposal. In either scenario, the delivery of improvements could be delayed or not delivered.

19. Year End Performance Report including Strategic Plan Action Plan and Proposed Targets and Actions 2013/14

The Head of Community Services submitted a report a copy of which had been circulated to each Member.

Councillor Willetts attended and with the consent of the Chairman addressed the Cabinet. He expressed concern about the performance on indicator KI R3 on sickness rates. He believed that local authority jobs were rewarding and valuable and was therefore surprised that sickness rates were so high. The private sector achieved much lower rates and he believed the Council needed to look beyond other local authorities to see what could be done to bring sickness levels down. He was also worried about the performance on indicators KSI W2 and W3. Over the years, the Council's performance on recycling had slipped due to inaction by the Cabinet. This was illustrated by the delays in introducing the collection of food waste. The Council's approach of trialing food waste collections in the borough rather than by learning from the experience of other authorities that had already introduced them had been timid. Determined action was required to start food waste collections as soon as possible.

Councillor Quince attended and with the consent of the Chairman addressed the Cabinet. He argued that firm action was needed on waste issues. He highlighted a number of issues since the administration had been formed, such as the failure to reach the 60% recycling target, the failure to sign the Inter Authority Agreement, the failure to extend recycling to flats and the continued failure to declare the administration's intentions on wheelie bins.

Councillor Turrell, Leader of the Council and Portfolio Holder for Strategy, responded that the as Colchester was the second largest borough in Essex, the experiences of other smaller boroughs were not relevant and that therefore it was sensible to trial food waste collection methods. It was anticipated that food waste collections would be introduced on 15 October for collection routes 1 to 5 and in November for collection

route 6. All other authorities in Essex had received money from Essex County Council to help introduce food waste collections. Opinion on wheelie bins was deeply split within the borough, which made it difficult to bring forward a workable policy.

Councillor Smith, Portfolio Holder for Business and Resources, indicated the majority of the targets had been met and overall the report indicated a solid level of performance of which the Council should be proud. He acknowledged concerns on waste, but highlighted the lack of funding received from Essex County Council and the impact that success in reducing waste had on recycling rates. Particular performance was drawn to the performance on housing issues and also the performance on K1 R4 on reducing carbon emissions. This had been instituted by the previous administration and he offered his congratulations to officers for meeting this target.

RESOLVED that:-

- (a) The 2012 /13 year-end performance summary and appendices be noted.
- (b) The proposed indicators and targets for next year along with the key actions proposed for the Strategic Plan Action Plan be noted.
- (c) The strategic plan actions for 2013/14 be noted.
- (d) The comments made by the Scrutiny Panel on 11 June 2013 be noted.

REASONS

Part of the Council's performance management framework includes the commitment to report its year-end performance progress.

ALTERNATIVE OPTIONS

No alternative options were presented to the Cabinet.

20. Social Value Act

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member.

Sean Plummer, Finance Manager, attended to assist the Cabinet and presented the proposals, together with the proposals for the Local Authority Mortgage scheme. Both were examples of how the Council could use national schemes or legislation to support the delivery of local strategic priorities, recognise risk and value for money alongside these priorities and help support local residents and business.

Councillor Smith, Portfolio Holder for Business and Resources, supported the proposals which would encourage the use of local firms and therefore help develop the local economy. Supporting the living wage would also help boost the local economy. The environmental benefits were also welcomed. Councillor Feltham, Portfolio Holder

for Communities and Leisure, and Councillor T. Young, Portfolio Holder for Planning, Community Safety and Culture also expressed their support for the proposals.

RESOLVED that:-

(a) The Council's procurement process and guidance be amended to include a requirement to consider appropriate and relevant measures to address the impact on the local economy, the environment and compliance with the living wage at the pre procurement stage of future procurements over the EU threshold.

(b) The key social value issues applicable to Colchester Borough Council will be those set out at paragraph. 4.7 of the Assistant Chief Executive's report.

REASONS

To promote the economic, social and environmental wellbeing of the local community.

ALTERNATIVE OPTIONS

The only alternative would be not to consider how services procured might improve the economic, social and environmental well being of the borough, but that would be contrary to the requirements of the Social Value Act.

21. Local Authority Mortgage Scheme

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member.

Sean Plummer, Finance Manager, attended to assist the Cabinet and presented the proposals, together with the proposals relating to the Social Value Act. Both were examples of how the Council could use national schemes or legislation to support the delivery of local strategic priorities, recognise risk and value for money alongside these priorities and help support local residents and businesses.

Councillor Quince attended and with the consent of the Chairman, addressed the Cabinet. He appreciated that the proposals addressed a real problem and that first time buyers often faced difficulties securing a mortgage. However, the report over-estimated the level of deposit that was often needed. He sought an assurance that the Council would assess rigorously those who would benefit from the scheme so that young people would not be granted mortgages they could not afford in the long term.

Councillor Smith, Portfolio Holder for Business and Resources, stressed that the Council's position would be protected as it was only guaranteeing the liability for the first five years of the mortgage. The total funding allocated by the Council was £2million with a maximum of £150 000 for each individual lender. This also helped protect the Council's position and would also help ensure a larger number of people could benefit from the scheme. The Council was one of only five in Essex working in partnership with Essex County Council to help its residents in this way.

RECOMMENDED to COUNCIL that:-

- (a) The Council agree the development of a Local Authority Mortgage Scheme (LAMS) in Colchester Borough.
- (b) A total indemnity value of up to £2million be allocated to LAMS subject to match funding from Essex County Council up to £1million.
- (c) The eligibility for the Council scheme referred to will be limited to people borrowing £150,000 or less.
- (d) A capital scheme to a maximum value of £2million for LAMS be included in the Council's Capital Programme for 2013/14 funded in equal parts through borrowing and match funding from Essex County Council as set out within the Assistant Chief Executive's report.
- (e) The Assistant Chief Executive, in consultation with the Monitoring Officer and the Portfolio Holder for Business and Resources be authorised to:
- determine the allocation of the £2million scheme funding to specific lenders, including Lloyds TSB;
 - determine the qualifying post codes for the scheme;
 - agree the detailed financial and contractual arrangements with Lloyds TSB and any other LAMS lenders.
- (f) The Monitoring Officer be authorised to give an opinion letter as required to any LAMS lender.
- (g) Approval be given by the Council to enter into a deed of indemnity with the Monitoring Officer in respect of any opinion letter he gives, the form of such deed to be approved by the Assistant Chief Executive.

REASONS

One of the main barriers to first time buyers getting on the housing ladder is the requirement from many lenders for deposits in the region of 20 - 25% even where income levels mean that the mortgage is affordable.

To help address this issue the Council has been invited to work with Essex County Council to establish a Local Authority Mortgage Scheme (LAMS) that will give a limited financial indemnity to an approved lender providing mortgages to first time buyers.

LAMS were first established as a pilot in 2009 by Sector Treasury Services (Sector), and there are schemes operating in 54 local authority areas

ALTERNATIVE OPTIONS

The Council could choose not to take part in this initiative.

22. Delivery of Jobs and Investment at Northern Gateway on Land for Inchcape (VW Dealership)

The Head of Commercial Services submitted a report a copy of which had been circulated to each Member.

Councillor Barlow, Portfolio Holder for Regeneration, indicated that this proposal was a symbol of what the administration was seeking to achieve at the Northern Gateway site. The proposals would generate a sizeable receipt, safeguard a significant number of existing jobs and create further employment. He thanked officers for their work in securing this investment in Colchester.

RESOLVED that:-

- (a) The Heads of Terms as set out within the Head of Commercial Services report in part B of the agenda, which will form the basis of the freehold disposal to Inchcape, be approved.
- (b) The commercial advice from the Council's valuers, NPS, that the agreed Heads of Terms currently represent the best consideration to the Council, taking into account current market conditions and the developable site area, be accepted.
- (c) Authority be delegated to the Executive Director Ian Vipond, in joint consultation with the Portfolio Holders for Regeneration and Business and Resources to conclude the disposal in general accordance with the Heads of Terms

REASONS

Following the end of the contract with Easter Developments on land at Axial Way, the Council has stepped in to ensure the sub sale deal to Inchcape continues in order to retain 50 existing jobs in the Borough and lead to the creation of 30 new employment opportunities.

The Inchcape investment in Colchester is substantial and could have been lost if an appropriate site had not been found. In addition, the land transaction will bring an important capital receipt quickly to the Council, which is greater than originally forecast.

ALTERNATIVE OPTIONS

The Council could refuse to accept that the proposed Heads of Terms offer the Council the best possible consideration for this site and remarket the site which would lead to Inchcape potentially relocating from the Borough as their site search has found no other suitable sites for a car dealership.

The Council could seek to renegotiate terms with the prospective purchaser, or decide that the Capital receipt is not sufficiently desirable. The Council's agent, NPS has confirmed in a report in Part B of the agenda that in their professional opinion, the financial terms proposed by Inchcape do represent the best consideration for the Council's asset, in current economic conditions.

The Council could seek to retain this land until the broader development proposals at Northern Gateway have been progressed; however the opportunity to retain the Inchcape jobs will be lost and would have to wait longer for this significant capital receipt.

23. Request for delegated authority to approve the award of contract – ICT systems supporting the Fundamental Service Review of Customer Contact

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member.

RESOLVED that:-

(a) Authority be delegated to the Chief Operating Officer, in consultation with the Portfolio Holder for Business and Resources, to approve the award of contract for the procurement of the Customer Experience ICT solution as part of the Universal Customer Contact Fundamental Service Review (UCC FSR), with the action being reported back to the next meeting of Cabinet.

(b) This delegation be extended to future ICT procurement carried out as part of the ICT Theme of the UCC FSR.

REASONS

Delivery of the benefits from the UCC FSR is dependent upon provision of suitable ICT systems, and we are currently engaged in an exercise to procure software solutions aimed at improving the customer experience. The planned date for the appointment of a preferred supplier is 6 September 2013, to allow sufficient time to implement the chosen solution by April 2014. However, this date does not fit with the cycle of meeting dates and papers for Cabinet, and would mean that the appointment could not be considered by Cabinet until its meeting on 9 October at the earliest. This would delay implementation and potentially impact on the budgeted savings for 2014/15. Therefore, delegation is being requested to ensure the appointment, and the subsequent implementation, is not delayed.

The total cost of the solution, over the course of a five year contract, is likely to exceed the financial limit of £500,000 which currently determines who can approve such expenditure.

The contract for the software solution we currently use ends in March 2014. Slippage in the implementation of a replacement system could result in additional costs associated with a short-term renewal of the existing contract.

ALTERNATIVE OPTIONS

The alternative is to progress the approval through the normal channels, and ask Cabinet to consider the contract award at its 9 October meeting. This would shorten the

implementation of a complex system from six to five months and introduce a higher risk that implementation will not be complete in time to go live in April 2014.

24. Progress of Responses to the Public

The Assistant Chief Executive submitted a progress sheet a copy of which had been circulated to each Member.

RESOLVED that the contents of the Progress Sheet be noted.

REASONS

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

ALTERNATIVE OPTIONS

No alternative options were presented to the Cabinet.

The Cabinet/Panel resolved under Section 100A(4) of the Local Government Act 1972 and the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 (as amended) to exclude the public from the meeting for the following item as it involved the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972.

25. Northern Gateway - Approval of Heads of Terms (Inchcape)

The Head of Commercial Services submitted a report a copy of which had been circulated to each Member.

Councillor Barlow thanked Ian Vipond, Director Commercial and Place, and Fiona Duhamel, Regeneration and Estates Manager, for their work in ensuring the deal to secure the sale of land to Inchcape, with its significant benefits for the borough, did not collapse.

RESOLVED that:-

(a) The specific content of the Heads of Terms attached to the Head of Commercial Services report agreed at minute 22, which will form the basis of the freehold disposal to Inchcape, be noted.

(b) The commercial advice from the Council's valuers, NPS, that the Heads of Terms currently represent the best consideration to the Council, taking into account current market conditions and the developable site area, be accepted.

REASONS

As set out in minute 22.

The report by NPS confirmed that the Heads of Terms with Inchcape represent, in their professional opinion, the best consideration for the Council's landholding in the current economic conditions

A valuable capital receipt will be payable which exceeds the forecast in the Council's capital programme.

ALTERNATIVE OPTIONS

The Council could refuse to accept that the proposed Heads of Terms offer the Council the best possible consideration for this site, or agree that they fail to realise the Council's aspirations in respect of the Masterplan.

The Council could seek to renegotiate terms with the prospective purchaser, or decide that the contributions to the Council's capital programme is not sufficiently desirable however in order to retain Inchcape in Colchester it is important that any deal is brought to a swift conclusion as their current premises are no longer suitable for their operation and they must move within 18 months.

Abbots Activity Centre Have Your Say! Arrangements

The Cabinet meeting held on 4 September 2013 will include the consideration of a report on the Closure of Abbots Activity Centre. The meeting will be held in the Moot Hall which is on the second floor of the Town Hall, High Street, Colchester.

Those wishing to attend the meeting are advised to allow good time for travel and, in order to allocate seating comfortably and to register names of speakers, attendees are advised to be at the Town Hall no later than 5:30pm. The meeting itself will commence promptly at 6:00pm.

There is an accessible entrance at the rear of the Town Hall in St Runwald Street. Please use the intercom to speak to reception in order to gain entrance to the building.

In view of the interest expressed in this item, the Chairman has agreed to vary the arrangements for the public to Have Your Say! Accordingly a period of up to 30 minutes will be provided for speakers to address the Cabinet on this particular item. Each speaker may have up to 3 minutes each. Speakers will be timed and a bell will be rung when there is one minute remaining and again at the end of the 3 minutes.

If you wish to register to speak at the meeting please tell a member of staff when you arrive at the meeting room in the Town Hall. Staff will be located at the entrance to the meeting room, and they will give you instructions on how to register to speak. Whilst it is not possible to pre-register speakers prior to the meeting, expressions of interest in speaking can be noted.

Please be aware that you will not be able to engage in a dialogue with the Cabinet members, but any questions you pose in your speech may be noted and it may be possible for answers to such questions to be included in the responses to speakers.

4 September 2013

Report of	Head of Community Services	Author	L Breadman; B Tighe; M Rundle; A Harley
Title	Closure of Abbots Activity Centre		
Wards affected	All		

The Cabinet is requested to approve the proposals set out in this report for managing the closure of the Abbots activity centre.

1. Decision Required

- 1.1 To approve the proposals set out in this report in terms of managing the closure of the Abbots activity centre.

2. Reasons for Decision

- 2.1 There are approximately 58,000 residents aged 50 or over living in the borough. At present, Abbots Activity Centre for people aged 50+, with a membership of 255, attracts less than 1% of this population.
- 2.2 With vastly reduced resources the Council has a duty to ensure facilities and services are providing more equitable benefits to residents across the whole Borough and are sustainable. The Centre currently requires a subsidy to operate of £74,000. This works out at around £290 per member.
- 2.3 The Centre has struggled to increase membership or participation since 2006 when its future was first questioned. This relentless scrutiny will inevitably carry on as government funding continues to be withdrawn from District and Borough Authorities and the only sustainable way forward is to encourage more volunteer / community-led alternatives.

3. Alternative Options

- 3.1 The alternative option would be to keep the centre open, however, this would mean continuing to find the subsidy required to run the centre at a time of considerable budget constraints and an uncertain future as expenditure tightens year on year.
- 3.2 To seek an alternative provider. This option was actively pursued by the Council. Two recent Expressions of Interest (EOI) have been undertaken, seeking alternative provision for Abbots Activity Centre. The initial exercise, in 2011 resulted in a successful provider in Colne Housing. Upon completion of a more detailed feasibility study grant funding was requested as the only viable way forward. This was considered and agreed, but to ensure a legal and equitable procurement process the EOI had to be repeated including this new 3 year grant funding package in 2012. Sadly this new EOI, with funding, did not elicit any viable responses. The only interested party sited that the Staff Transfer legal requirements made this unaffordable, even with the grant offered.

3.3 Essex County Council have also been approached by the Leader of the Council and have confirmed that they have no interest in running or subsidising Abbots Activity Centre.

4. Scrutiny Panel Meeting on 23rd July 2013

4.1 At its meeting on the 23rd July 2013, the Scrutiny Panel was invited to subject the contents of this report to pre-decision scrutiny. The minutes of the meeting are attached at Appendix 3.

4.2 Following the meeting, the Portfolio Holder for Communities and Diversity sought to address the issues and concerns raised at the meeting. These are encapsulated in the Supplementary Information attached at Appendix 4. The document also provides a summary of questions and responses both as a result of the panel's meeting and in relation to other letters and correspondence received during the consultation process.

5. Supporting Information

5.1 On 30 May 2013 a letter was sent to all members of Abbots Activity Centre informing them of the commencement of a 30 day consultation on the impacts of closure of the centre. This correspondence included a questionnaire which was also put on the Council's website so the wider public could provide feedback on the impact of the closure.

5.2 On 14 June 2013 a workshop was held at Abbots Activity Centre so members could give officers a more detailed response on the possible impacts of the closure.

The Portfolio Holder for Communities and Diversity also attended to answer questions and listen to the views of members.

5.3 The deadline for the return of questionnaires was Friday 28 June 2013 and all data received throughout the period was analysed and findings used to inform the EQIA attached at Appendix 2.

5.4 Provision of Activity Centres or services of this nature are not a statutory function of the Council. However despite this the Council does endeavour to provide a considerable range of support and financial investment for older people within the Borough.

These services include (not exhaustive):

- Sheltered Housing
- Helpline
- Warm Homes project
- Welfare benefit maximisation grant funding to Age UK
- Grant funding to Age UK
- Over 50s club at Leisure World
- Support for the three main Arts organisations who run various activities and Clubs for Over 50s
- Lion Walk Activity Centre
- Older People's Forum

5.5 In addition Zone teams play a vital role in supporting and enabling community led activities. Some details of these are included on Appendix 1.

- 5.6 Colchester Borough Homes also produces a useful guide with advice and support for older people across the Borough: '[A Guide to Services, Organisations and Activities for Older People Living in Colchester Borough](#)'.
- 5.7 The Council recognises that while many activities and clubs exist, and there are a number of leaflets providing details of support and activities for the over 50s, they are not comprehensive, easily accessible to all or all up to date. We will endeavour to work with community groups and the voluntary sector, including CCVS to update current lists and create a single accessible source of information.

6. Proposals

- 6.1 Close the Abbots Activity Centre.
- 6.2 Work with the services using Abbots to find suitable alternative venues.
- 6.3 Provide signposting to other services, support, clubs and activities available in the borough to the over 50s.

7. Strategic Plan References

- 7.1 The [Strategic Plan 2012-15](#) does reference the council's commitment to supporting more vulnerable groups and also enabling local communities to help themselves.

8. Consultation

- 8.1 A consultation has been carried out in July 2013 and included both members of the centre and the wider public. Findings from the consultation, which sought views on the impact of the closure, have been used to complete the Equality Impact Assessment which is attached with this report.

9. Publicity Considerations

- 9.1 Members of Abbot's Activity Centre have all been written to regarding this decision and have had the opportunity to feed into a consultation on the impacts of any closure and attend a workshop at the Centre in June 2013. An initial press release was issued and details advertised on the council's website.
- 9.2 A press release detailing this proposed decision has also been publicised. Any eventual closure timetable will be fully disclosed to members of the centre.

10. Financial Implications

- 10.1 The 2013/14 net operating budget for Abbots Activity Centre is £39,500. This budget was based on the assumption that a cost saving would be made through an external provider delivering the service during the year following the Expressions of Interest exercise. As reported earlier this did not happen and therefore the budget is not sufficient to meet the actual annual running costs which, after all income is included, are estimated at £74,000.
- 10.2 With increased pressure on the resources of the Council there is a need to review services and ensure that budgets are affordable and sustainable. The current subsidy of £74,000 is not sustainable and works out at around £290 per member or an equivalent cost of £1.34 per Band D Council Tax payer.

11. Equality, Diversity and Human Rights implications

- 11.1 An assessment of the impact of this decision, particularly on people with characteristics protected by law, has been made and is attached at Appendix 2.

This decision is judged as unlikely to breach any human rights.

12. Appendices

1. Activities undertaken / supported by Community Zone Teams
2. Equality Impact Assessment
3. Minutes of the Scrutiny Panel meeting held on 23 July 2013
4. Supplementary Information following Scrutiny Panel Session

13. Background Papers

1. Consultation Questionnaire
2. Consultation Questionnaire analysis
3. Minutes of the workshop with members

Appendix 1 - Closure of Abbots Activity Centre

1.0 Activities undertaken / supported by Community Zone Teams

Part of the remit of the Zone teams is to help enable and build capacity out in our communities and as such they are able to help local organisations and volunteers set up a range of sustainable, locally led clubs and activities.

This enabling function provides much needed support and advice to get things started but is not aimed at the Council running or maintaining functions that it does not have the finances or the statutory duty to sustain.

A sample of the current activities which have received support and are specifically aimed at residents aged 50 years and over in the relevant area are as follows:

- **Old Heath Friendship Club**, D'arcy Road Community Centre, Thursday at 2 – 4pm
- **Friendship Group** at Stillwaters Church, Brook Street offering friendship for the over 50's and use of a mini bus for trips – Every Monday from 1-3pm.
- **Home Help** available from Age UK
- **Community Lunch Club** at Salvation Army, Butt Road every Wednesday lunchtime
- **Tea Club** and various Wii events at Plum Hall and Holt Drive aimed at residents of sheltered housing.
- **Coffee Morning** at the Mariners Chapel, Rowhedge – 10am first Tuesday of every month
- **Activity Group**, St John's Church, Military Road – quizzes, socialising, activities, speakers, occasional lunch – Every other Monday, 10-12noon
- **St Stephen's Church, Canterbury Road:**
 - **Mens Club**, – table tennis, board games – Every 4th Friday 8-10pm
 - **Lunch Club** - Good fun, conversation, lunch for aged 60+, Every 2nd Monday 12.30pm
 - **Line Dancing** - every Thursday 1.30-2.45pm
- **St Barnabas Church, Abbots road:**
 - **Line Dancing** - Every Monday at 7.30pm
 - **Sewing Club** - Every Tuesday at 7.30pm
 - **Clog Dancing**, St Barnabas Church, Abbots Road
 - **Ladies Group** – social evenings – Twice a month, Thursday at 8pm
- **St Margarets Church, Stansted Road:**
 - **Tea & company** – afternoon social club, First Wednesday of the month, 1.30-3pm
 - **Fun & Games** – table tennis, carpet bowls & board games – Third Wednesday of the month, 1-3pm
- **MS society drop-in**, Hythe Community Centre, Ventura Drive – Meet and make friends – Every Friday 10.30am – 1.30pm

Summary and findings of Full Equality Impact Assessment

Conclusion

The Council believes; the identified negative impacts can be mitigated by effective signposting and support to access other available services, activities and provision both in the immediate area and within the wider Borough, and the closure of Abbots would not result in unlawful discrimination against any protected characteristics.

Findings	Action required
Likely negative impacts have been identified but are considered to be objectively justified by a legitimate aim. <input type="checkbox"/>	Sign off and finish.
Planned engagement with equality target groups will take place in order to gain sufficient evidence to make a judgement on impact. <input type="checkbox"/>	Sign off and review within 6 months.
Planned engagement has taken place: No likely negative impacts have been identified. <input type="checkbox"/>	Sign off and finish.
Planned engagement has taken place: Likely negative impacts have been identified but have been minimised or removed. X	Sign off and finish.
The policy could be discriminatory and will not be implemented. <input type="checkbox"/>	Finish without signing off.

Name and job title of person completing this form: Andrew Harley
(Equality and Safeguarding Co-ordinator, Colchester Borough Council)

Date of completion: 2 July 2013

The above conclusion has been reached on the basis of carrying out a full Equality Impact Assessment including consultation which appears on the pages that follow:

Section 1: screening stage

The stage of the process is to understand more about the service and its users. Name of policy, service or strategy to be assessed:

- The closure of Abbots Activity Centre, 39 Ladbroke Drive, Colchester, CO2 8RW

1. **What is the main purpose of the policy, service, strategy or decision being taken?**

- To help ensure the Council's continued fiscal sustainability without which it could no longer meet its statutory duties
- To help ensure the optimum prioritisation of available resources to best meet the Council's strategic plan objectives

2. **What main areas or activities does it cover?**

- The closure of the Abbots Activity Centre
- The relocation of hirers of the centre

3. **Are there changes to an existing policy being considered in this assessment?**

- No

4. **Who are the main audience, users or customers who will be affected by the policy?**

- The users of Abbots Activity Centre
- The families of those who use the Centre
- Volunteers who work in the Centre
- Groups and organisations that hire the centre

5. **What outcomes do you want to achieve from the decision, policy, service or strategy?**

- The Council should continue to be able to meet its statutory duties and strategic plan objectives across the whole Borough within Budget restrictions being imposed.
- The Council should continue to be able to meet its legal obligations under the Equality Act's PSED ('public sector equality duty').

6. **Are other service areas or partner agencies involved in delivery? If so, please give details below:**

- No

7. **Are you aware of any relevant information, data, surveys or consultations¹, which help us to assess the likely or actual impact of the policy, service or strategy upon customers or staff?**

- A consultation on the use of Abbots was carried out in 2009 but since then its usage, and the equality profile of its users, has changed. It therefore has limited value only in helping us to assess the potential impact of any decision to withdraw funding.

Note: A new consultation has been carried out on the potential impact of the closure of Abbots. See further below for the results of this consultation.

8. **How does the policy, decision, service or strategy help to further or facilitate to our `general duty'² to:**

- (a) eliminate unlawful discrimination, harassment and victimisation?
- (b) advance equality of opportunity between people who share a 'protected characteristic'³ and those who do not?⁴
- (c) foster good relations between people who share a protected characteristic and those who do not?⁵

The closure of Abbots will not directly help the Council to meet the 'general duty'. However, indirect benefits could accrue from the decision as closure would help the Council to afford to meet its statutory duties and its Strategic Plan objectives. These, in turn, help the Council to meet its Public Sector Equality Duty 'general duty'.

This decision will support better awareness of locally run activities and clubs which, if supported will help to make them more sustainable in the future.

¹Click on surveys or consultations for more information. The Council's surveys and consultations include 'equality monitoring information' to help us identify any particular concerns or views expressed by any particular group or 'protected characteristic'. It can also help us to assess how representative of our customers the respondent group is.

²These 3 points summarise the 'general duty' as it applies to public sector organisations in the Equality Act 2010

³The Equality Act's 'protected characteristics' include age, disability, gender reassignment, pregnancy and maternity, race, religion or belief and sex and sexual orientation. It also covers marriage and civil partnerships, but not for all aspects of the duty.

⁴This involves having due regard, in particular, to the need to: (a) remove or minimise disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic; (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it, and (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

⁵This involves having due regard, in particular, to the need to (a) tackle prejudice, and (b) promote understanding.

9. **Is the policy or decision likely to particularly benefit or particularly disadvantage any of the ‘protected characteristics’?**

Positive impact: The decision is not likely to particularly benefit any of the protected characteristics.

Negative impact: (See below)

Age (50+) The closure of Abbots could impact disproportionately upon this group. This is because membership is restricted to the age bracket of 50 or over. Further consultation has been carried out to learn more about the use of Abbots, the current and future use of alternative services, and the impacts of closure.

Disability Older people are more likely to have disabilities than other age groups. (See below for evidence of this assertion⁶.) The loss of the Abbots facility and its services could therefore impact disproportionately upon this group. Further consultation has been carried out to learn more about disabled users.

Sex (women) A disproportionately high number of women use the centre compared to men. Further consultation has been carried out to learn more about female users.

No other negative impacts were identified.

⁶ “The prevalence of disability rises with age. Around 6 per cent of children are disabled, compared to 16 per cent of working age adults* and 45 per cent of adults over State Pension* age in Great Britain.” (Source: Family Resources Survey 2010/11 as quoted by DWP ‘Office for Disability Issues’)

Section 2: Full Equality Impact Assessment

As there was insufficient evidence at the screening stage to make a judgement further consultation was carried out with users of the service. The action plan below provides a summary of this consultation and the findings:

Engagement and Consultation Action Plan

	Details of Planned Engagement	Date for Review	Summary of findings
Age	Consultation on: the use of Abbots, the current and future use of alternative services, and the impacts of closure.	July 2013	Of 148 respondents 70% were over 70. (This compares with 15.8% of the borough being over 65 according to the 2011 census.) Older people are likely to be disproportionately affected by the closure of Abbots. Respondents have provided information which helps us to mitigate this impact. See below.
Disability	Consultation on: the use of Abbots, the current and future use of alternative services, and the impacts of closure.	July 2013	Of 148 respondents 78 (53%) indicated that they had a mobility disability. This disability group is the most disproportionately affected by the closure of Abbots. Of 148 respondents 40 (27%) indicated that they had a long-standing illness. Of 148 respondents 20 (13.5%) indicated that they had a sensory disability. Respondents have provided information which helps us to mitigate these impacts. See below.
Sex	Consultation on: the use of Abbots, the current and future use of alternative services, and the impacts of closure.	July 2013	Of 148 respondents 108 (73%) were women. (This compares with 50.7% of the borough being women according to the 2011 census.) This group is likely to be disproportionately affected by the closure of Abbots. Respondents have provided views which help us to mitigate this impact. See below.

NB: Protected characteristics that are not affected have not been included in the above table. The results of the consultation can be seen in accompanying papers.

How have you been able to minimise or remove negative impacts?

1. Colchester Community Voluntary Service (CCVS) which is funded by the Council will help to:

- facilitate the setting up of older people's groups
- provide volunteers for older people's groups
- access funding for older people's groups

The Council will liaise with CCVS about how they will be able to support people with a physical and sensory disability through the Community Transport Scheme.

Where a person with a hearing impairment wishes to participate in an alternative activity in a building without a loop system the Council will work with the CCVS to try to secure funding to provide one. We will maintain on our website a list of local groups and organisations which can help support and advise people with a visual impairment (as well as other disabilities) on accessibility issues and the suitability of venues.

2. The Council will request that ward and parish councils provide information in their newsletters on facilities available in their local areas for older people.

3. The Council will ensure that local Zone Teams continue to help to facilitate and support new and existing community run groups for older people, paying particular attention to the area where Members of Abbots Activity Centre reside, Zone 5 (Berechurch, New Town, East Donyland and Harbour Wards). Where practical, Zone teams will work with Members to find suitable alternative activities already in place.

4. 41% of consultation respondents highlighted 'loneliness and social isolation' as a specific concern. This is the single most occurring concern raised. We will provide a full list of alternative activities and clubs across the borough and in particular for Zone 5 where a majority of respondents (56%) live. Users of Abbots will be able to access a number of the clubs and activities listed below depending upon individual needs:

- D'Arcy Road Community Centre – Old Heath Friendship Club - every Thursday at 2pm – 4pm
- Friendship Group at Stillwaters Church, Brook Street offering friendship for the over 50's and use of a mini bus for trips – Every Monday from 1-3pm.
- Home Help available from Age UK
- Community Lunch Club at Salvation Army, Butt Road every Wednesday lunchtime
- Coffee Morning at the Mariners Chapel, Rowhedge – 10am on the first Tuesday of every month

- Activity Group, St John's Church, Military Road – quizzes, socialising, activities, speakers, occasional lunch – Every other Monday, 10-12noon
- St Stephen's Church, Canterbury Road:
 - Mens Club, – table tennis, board games – Every 4th Friday 8-10pm
 - Lunch Club - Good fun, conversation, lunch for aged 60+, Every 2nd Monday 12.30pm
 - Line Dancing - every Thursday 1.30-2.45pm
- St Barnabas Church, Abbots road:
 - Line Dancing - Every Monday at 7.30pm
 - Sewing Club - Every Tuesday at 7.30pm
 - Clog Dancing, St Barnabas Church, Abbots Road
 - Ladies Group – social evenings – Twice a month, Thursday at 8pm
- St Margarets Church, Stansted Road:
 - Tea & Company – afternoon social club, First Wednesday of the month, 1.30-3pm
 - Fun & Games – table tennis, carpet bowls & board games – Third Wednesday of the month, 1-3pm
- MS society drop-in, Hythe Community Centre, Ventura Drive – Meet and make friends – Every Friday 10.30am – 1.30pm

In addition those affected will be encouraged to access a publication by Colchester Borough Homes, the Council's ALMO: '[A Guide to Services, Organisations and Activities for Older People Living in Colchester Borough](#)'.

5. 20% of respondents identified the impact upon family and spouse as a particular concern. These respondents indicated that closure of the centre would result in additional caring duties for their family and spouses. The Council funds a post at Age UK with the specific remit of providing benefits advice to older people to ensure their income is maximised. The signposting to, and use of, this service will provide this group with additional income to help access additional support.
6. The consultation indicated that some hirers of the centre will need assistance in relocating to suitable alternative accommodation. Council officers will help in this task.

Conclusion

The Council believes that the identified negative impacts can be mitigated by effective signposting and support to access other available services, activities and provision both in the immediate area and within the wider Borough, and that the closure of Abbots would not result in unlawful discrimination against any protected characteristics.

**EXTRACT FROM THE MINUTES OF THE MEETING OF THE
SCRUTINY PANEL HELD ON 23 JULY 2013**

15. Pre-scrutinise the Cabinet decision 'To Close the Abbots Activity Centre'

Councillor Davies (in respect of being a trustee of CCVS) and Councillor Hogg (in respect of being the Chairman and Trustee of the St Annes Community Hall Association) both declared a non-pecuniary interest in the following item pursuant to the provisions of Meetings General Procedure Rule 7(5);

The Panel was invited to review the proposal set out in the draft Cabinet report relating to the Closure of the Abbots Activity Centre. The comments of the Panel will be considered by the Cabinet at the meeting on 4 September 2013.

Have Your Say – Members of the Public

Mrs. Jo Crawshaw (Councillor Harrington spoke on behalf of Mrs. Crowshaw)

Mrs. Crawshaw, who lives in Eight Ash Green, said she was sorry she could not speak for herself, but she had been unable to do so since her stroke in 2006.

Mrs. Crawshaw said she visited the Abbots Activity Centre once a week. She is driven there by a CCVS volunteer, who helps her into the Centre. She said once inside, her Stroke Group volunteer Tom helps her. During her session, Mrs. Crawshaw is helped to learn to communicate again.

Mrs. Crawshaw said the Centre is a life line to her, giving her hope and companionship. She found the proposal of its possible closure very upsetting and the uncertainty of what might happen in the future very worrying.

She added that she would be willing to pay more for her sessions.

She asked the Cabinet not to judge Abbots on financial costs alone, but urged them to consider its value which is immeasurable.

Mrs. Crawshaw concluded by requesting the Panel to ask Councillor Feltham to keep Abbots Activity Centre open.

Mrs Elaine Rogers

Mrs Rogers addressed the Panel.

The first point she raised was that she assured members that stroke survivor members of Abbots are prepared to pay increased membership fees, and also the Stroke Association is expecting an increase in venue charges.

Mrs. Rogers asked whether anyone had asked the Abbots Centre Manager, Ms. Debbie Young, whether she could reduce running costs, save money and increase income.

Mrs Rogers said that at the June Connect+ACT Conference, an event to tackle loneliness, Norman Lamb stated, 'It is important to end loneliness', and added 'the impact of loneliness on health both physical and mental is profound'. The conference highlighted many points including the need to listen to older people, involve older people and promote dignity and respect. It agreed that more community and public transport and more transport for the mobility impaired is needed.

Mrs. Rogers said public transport to and from Abbots was not a problem and the nearest bus stop was a three minute walk. Parking for motorists was close by and a drop off bay was provided. In addition, C CVS transport for the disabled was available from 9 until 4, in line with the opening hours of centre.

Mrs. Rogers said the Council should congratulate itself because the Abbots Centre is DDA compliant and totally inclusive. The service is excellent thanks to the work of the Centre Manager, Ms. Debbie Young, so be proud to lead the way, continue to set a good example to the young as you are ahead of new thinking. She asked why destroy it. She wondered why Lion Walk members are against paying more, and said the uncertainty about the future of Abbots has prevented expansion for the stroke group and without expansion it will have to turn clients away!

Regarding the solutions within the report, Mrs Rogers said; i) Evenings are out, ii) C CVS provide no transport then or indeed late enough in the afternoon for many activities, iii) Evening bus services leave the elderly vulnerable, iv) Village bus services leave the elderly waiting either side of activity time, v) There is no room for all; 'The Evergreens' for example have just 6 luncheon spaces free, vi) Home help from Age UK is no substitute and vii) The benefits were of no use to disabled or those unable, not permitted, or discouraged from accessing the premises. The proposal therefore discriminates against the elderly and disabled.

Mrs. Rogers concluded by urging the Cabinet not to make a decision to close Abbots, but to go back to the drawing board, consider carefully everything presented and consult with the Centre Manager. She said the outcome could benefit many, no longer discriminate and avoid hidden costs.

Mrs. Paula Webb

Mrs. Webb addressed the Panel saying she believed that closure of Abbots Activity Centre will be in breach of the Equality Act. She said there are significant difficulties in disabled and mobility impaired users accessing Lion

Walk which discriminates against these users. These difficulties have been well documented in the press and letters from members. She added that the closure of Abbots will discriminate against the disabled and mobility impaired users given the difficulties that these members would have in evacuating from Lion Walk.

Mrs. Webb, a qualified Health and Safety Expert with over ten years experience reviewing risk assessments said she had serious concerns about the adequacy of the fire risk assessment at Lion Walk. She said failure to provide an adequate means of escape for all users is discrimination, and did not believe that the current fire risk assessment is compliant with Fire Safety Regulations. She added that the resultant increase in member numbers if Abbots closes will only exacerbate the problem.

Mrs. Webb said the Lion Walk Fire Risk Assessment only has arrangements for the evacuation of three wheelchair users, so in the event of a fire, one wheelchair user would be carried down the stairs by members of staff using an evac-chair. The other two wheelchair users would have to remain in the lobby upstairs until the fire brigade arrived. She said current legislation specifies that evacuation plans should not rely on the fire brigade to make them work.

She added that the risk assessment makes no mention of other mobility impaired users who do not use a wheelchair but are unable to escape via the stairs, and there is also no mention of visually or hearing impaired users, bariatric users, or users with cognitive impairments.

Mrs. Webb said the risk assessment specifies that up to 100 users can be in the centre at any one time, but if only three people who cannot use the stairs can be evacuated, then when the centre is at capacity, this is only 3% of members. However, in questionnaires to member of Lion Walk, 28% said they had difficulties with activities such as using the stairs and at Abbots it was 70%.

Mrs. Webb said the Lion Walk Centre has two escape routes, but those who cannot use the stairs are only able to use one of these. This could result in a situation where more able bodied members are trying to escape via one route and those that cannot use the stairs are trying to escape via another. This could lead to blocked corridors and the potential to hinder everyone's escape. She said that clearly the evacuation procedures are not sufficient and it will only get worse if the Abbots Centre closes and membership numbers at the Lion Walk Centre increases.

Mrs. Webb concluded by saying the subsidy costs for Abbots and Lion Walk are almost identical, so why close a centre that has good access for disabled and mobility impaired users and excellent measures for their safe evacuation, whilst keeping open a centre that has poor access for disabled and mobility impaired users and where the evacuation processes are so poor that in the event of a major fire it is likely there would be fatalities.

Mrs Nicky Hopkins (Mrs. Rogers spoke on behalf of Mrs. Hopkins)

Mrs. Hopkins said Colchester Borough Council's Strategic Plan aims to create opportunities for all residents, and give support to vulnerable groups by listening and responding, but the proposed closure of Abbots Activity Centre will destroy a valuable venue which provides stimulating activities and social outlets for many elderly and vulnerable members of Colchester' Society. Mrs. Hopkins said whilst the Abbots Centre may only have 256 members, last year the centre had a footfall of 32,000 of Colchester's 58,000 elderly population. She asked how many of the Council's alternative suggestions can boast such popular use.

Mrs. Hopkins said the Councils' Equality and Diversity Policy appears meaningless when considering the proposals made to take the place of Abbots. She said the Lion Walk Centre is not "fit for purpose" if considered on the grounds of accessibility, and believed that if only one centre can stay open, then common sense demands that it is the Abbots Centre, that it could not be faulted.

She wondered how the Council could do this to vulnerable members of the community, the very people who the Council promised to serve, listen and respond to. She added that these people had voted and trusted Councillors to work for them, that these members of our society have contributed for years to our community and they continue to do so because their brains have been kept active as a result of their social well-being.

Mrs. Hopkins said the members of the Abbots Centre care about each other, they are cared about by people they meet with daily, and if they lose this companionship they are likely to become depressed, sick and in need of care. Some of them are lonely and forgotten, and without this Centre to treat them as part of the community family, they would be lost completely.

She concluded by saying it would amount to discrimination against elderly and disabled people to close such a wonderful centre as Abbots in times when we ought to be helping the less fortunate as much as we can.

Mr. Alan Thomas

Mr. Thomas, a volunteer worker at the Lion Walk and Abbots Centres addressed the Panel.

Mr. Thomas said the Council is holding this meeting at firstsite, a building that cost the people of Colchester £24m and is now nicknamed by local people as the Golden Banana. This building this remained a sore point with local people, as most did not want it in the first place.

Mr. Thomas understood that the firstsite was subsidised by the Council to the tune of £150k per annum, whereas the subsidy to the Abbots Centre was £74k. Mr. Thomas said entry to firstsite was free, but if they were to charge

an entrance fee it could generate sufficient income to offset the subsidy to the Abbots Centre.

Mr. Thomas said the Council had spent £2m on a bus station. He and his wife use bus transport to travel to the Lion Walk Centre as would others if the Lion Walk Centre became the only Centre available. He said it was well documented that the Abbots Centre was purpose built for wheelchair access and those with mobility impairment. He added that at the bus station buses have to double park because there are too few bus stops, and it is necessary for the bus users to walk between buses to exit the area, a situation that will be impossible for many of the people who would want to switch from the Abbots Centre should it close, to the Lion Walk Centre.

He believed both Centres should remain open, the Abbots Centre for the less able, and the Lion Walk Centre for the more able. Mr. Thomas concluded by urging the Council not to put the Abbots Centre on the scrapheap and look for savings elsewhere.

Mrs Nicky Bailey

Mrs. Bailey addressed the Panel, pointing out that there is general confusion surrounding the 'numbers' at Abbots and Lion Walk even though the figures have been used to create a scenario in which Abbots is not popular, is insufficiently used and is unjustifiably expensive.

Mrs. Bailey said the figures on the web page, in the consultation letter and in two emails received last week from Colchester Borough Council, and a third email sent to Panel Members today, all the figures are different. She said none of the figures are consistent and none is the same as those from Councillor Tina Dopson on which the Council decided to pull out of Abbots in 2011.

She said that if the figures received today are correct, and even the e mail accompanying them suggests they may not be, what they show is a catastrophic decline in membership at Lion Walk since 2004 of over 60% and of 66% since charging was introduced. Charging at Abbots has not resulted in a similar level of decline. Over the same period the level of subsidy has increased by 12.5% at Lion Walk and decreased by 20.9% at Abbots.

She believed that calculating the subsidy per member is the wrong measure in any case. What was needed is actual visitor use, and that's how the real world measures operating success and how facilities such as firstsite, Leisure World and probably the new football stadium calculate their level of usage. She said they will count how many people come through the doors and use different services. She believed the correct measure is footfall and the correct calculation to establish how expensive something is to measure subsidy against visitor numbers. She said that if Leisure World for example calculated subsidy against membership the figures would be unacceptably high.

However, the Council has only very recently begun to collect usage figures at all, so a measurement method comparable with Leisure World or firstsite just did not exist.

Regarding policy and legal duty, Mrs. Bailey said while the council is happy to subsidy Sports visits and Arts Visits it is not willing to apply the same sort of assessment to elderly and elderly disabled mostly female visits, despite having a legal duty to treat people with protected characteristics such as age, disability, and gender just the same as other groups. This, despite having a number of adopted Council policies which state that the Council is committed to treating everyone fairly.

Mrs. Bailey said regarding the Equality Impact Assessment, the study within the agenda report purports to say that all negative impacts have been removed or minimised. The report is of very poor quality, contains numerous unsubstantiated assertions and conclusions and is inadequate and unreliable for the Council to rely upon. She added that she had provided detailed comments supporting her reasoning in the report circulated to the Panel in electronic and hard copy form.

Regarding the recommendation within the Cabinet report, Mrs. Bailey said if the Council is determined to close one Activity Centre then it must be Lion Walk, a centre with an annual declining membership, annual increasing subsidy costs and a centre that is unable to meet the needs of groups with protected characteristics under the Equality Act 2010.

In conclusion, Mrs. Bailey recommended that the Council needs to count usage properly, to an agreed set of criteria, measuring the same things at each of the Activity Centres and it needs to do that for a year. To this end, she said Abbots should remain open using the subsidy agreed by Council of £105,000 in 2012, for 3 years, count usage properly for a year and then review the results. At the same time she said there was an opportunity to decrease the need for subsidy by decreasing costs and increasing income. She believed there was scope and users there are willing to actively co-operate to achieve this. Then the Council will be in a position to apply the same measuring criteria of subsidy per visit for the Activity Centres as other facilities across the Borough.

Mr. Nick Chilvers

Mr. Chilvers addressed the Panel saying that the proposals were short sighted and unnecessary.

Mr. Chilvers said the council has some business talent at Head Office, so why hasn't it tasked someone to work with Abbots to improve its finances and potential. He said that no serious forward plan has been tried other than to get it off the books.

Mr. Chilvers believed that using membership figures for Abbots is misleading, and a low estimate of the footfall is 650 per week, but this would be more if

there was less uncertainty. He said the report alleges the membership represents only 1% of the over 50 population. This again was misleading because most 50 to 60 year olds are working people.

He said there are fine words in the Council's Strategic Plan talking about creating opportunities for all residents, supporting vulnerable groups and listening and responding. Its aim was to be a place to where people want to live. Given that the proposal will spoil the lives of all Abbots users, isn't it a case of saying one thing and doing another.

He added that surely the council has to evaluate the harm caused by cuts across the board, that where does the Abbots score in relation to other areas of spending, and where is the priority list.

It seemed to Mr. Chilvers that if you are feckless and irresponsible, fit and trendy, a cyclist or an art lover, you get plenty of officer time and money. He added that Abbots' users feel they are bottom of the pile. Understandably, they feel aggrieved, their impression is the more you put in over the years with this council, the less you get out.

Mr. Chilvers said to save money the Council should slash subsidies to things that cause less harm, and asked whether the Council has checked how safe their tenancy is at the Lion Walk Centre with the new owners of Lion Walk because one day soon they might want the Council out.

Mr. Chilvers said the myths that members won't chip in more or adapt to change must be demolished. Most understand a future Abbots will be different to the past and will accept some sensible revision of fee structure. It isn't them who are inflexible. Mr. Chilvers said he had asked fellow members these questions, but Life Opportunities hadn't.

In conclusion, Mr. Chilvers asked why doesn't the Council look at options that include fair access for seniors and disabled as well as others, and to work with some of the members and the manager, that with some give and take, you might find it easier than you think to relaunch Abbots. He urged the Council to be constructive, rather than just walking away.

Mr. Stewart Francis (Mr. Galleway spoke on behalf of Mr. Francis)

Mr. Galleway said he was someone who has benefited hugely from the support provided by Abbots Activity Centre.

Having suffered a stroke in December 2012, and following help from the NHS, it was suggested to Mr. Francis that he should attend the Centre to continue his rehabilitation. For the last three months he has visited the Abbots Centre every Monday morning.

Mr. Francis said the support provided here by Mrs Elaine Rogers and her volunteers has been outstanding. He had been given consistent individual help and therapy and the whole atmosphere is supportive and congenial. As

a result he had made steady progress. Indeed, the weekly session is a highlight to him, both therapeutically and socially.

He said that Mrs. Rogers is not simply hardworking and committed, but inspired and inspiring. The Abbots Centre also allows him to chat with other sufferers and lets him see how extreme many of their situations are and how much they need the help. It is a thriving place, each day is packed with a variety of activities and the catering staff provides good, low-priced meals.

Mr. Francis said the Abbots Centre offers access to wheelchair users. The Lion Walk Centre, suggested as an alternative Centre does not have this, and questions arise about general access and parking. Abbots does not have these problems.

Mr. Francis said he was lucky that he was able to send this statement to the Panel, that many of those served by the centre do not have the capacity to do so. He added that many of the possible voices which would protest are unable to, and his own absence from this meeting is because of his stroke that had induced incapacity.

He wondered why the Council threatens to close something so flourishing and of such obvious usefulness. The cost of £74,000 is pitifully small compared with the amounts spent by the council in some areas. He added that how could the Council be so lacking in compassion and humanity, and be so mean minded as even to contemplate closing an asset of such value.

In conclusion, Mr. Francis said the word consultation is often meaningless nowadays, but he trusted the Council to use the word with honesty, that the consultation is genuine and real.

Mrs. Margaret Bannister

Mrs. Bannister addressed the Panel. Mrs. Bannister said she suffers with Bipolar Disorder.

She wondered whether anyone had considered alternative income streams such as increased fees or an increase in the Meals on Wheels service.

Mrs. Bannister said there appears to be some indication that one of the alternative uses could be clog dancing. An additional income stream could be renting out rooms for example, if someone wished to organise a function for a funeral.

Mrs. Bannister said when the new traffic flow and parking arrangements were introduced to the town centre High Street, somebody wrote to Essex County Council to say disabled people are selfish by continually going on about the different places where disabled access is required, and this feeds into a false general belief that all disabled people are selfish.

Being Bipolar, Mrs. Bannister said she also suffers from mild paranoia, and was beginning to suspect that the centre's proposed closure was about other reasons that have not been mentioned. It was a very versatile facility and should not be gutted.

Mr. Avery

Mr. Avery addressed the Panel explaining that he visited the Abbots Centre two to three times weekly, on my own, and it is a wonderful place to visit.

Mr. Avery said that it was being suggested that people do not use the Abbots Centre, yet the measured footfall taken over a nine month period averaged 615 per day, rising to a daily maximum of 975. These figures did not strike Mr. Avery of Abbots being a place that was not being used.

Mr. Avery said we live in a democratic society, with equality that did not discriminate against age or disability, with a society that looked after the elderly and disabled, yet it felt as though we are being left to just get on with it.

Mr. Avery concluded by saying the Council needs to consider it is our money you are spending and we pay your wages.

Mr. Fred Bryant

Mr. Bryant addressed the Panel to say he was here to fight to save the Abbots Centre.

Mr. Bryant said he joined the centre in 1989 shortly after retiring. He said that he had organised the bingo events at the centre for the last fifteen years. He said the centre had many members and a large usage born out by the footfall.

Mr. Bryant felt that if the proposed closure was about money why not just increase the fees.

He said the centre was purpose built, a fantastic facility with excellent parking and believed if the charges are increased it will go some way to solving quite a few of the problems.

In conclusion Mr. Bryant asked the Council to search its conscience and look to find alternative options that will allow the centre to remain open.

Mr. Derek Mead

Mr. Mead addressed the Panel to say that by closing the Abbots Centre it will deprive wheelchair users of the use of an activity centre.

Mr. Mead said from his own experience that wheelchairs were not allowed into the Lion Walk Centre, banned by the Fire Service.

Mr. Mead now understood that although wheelchair users are now permitted access to the Lion Walk Centre, by doing so, they are breaking the law.

Tim Oxtan

Mr. Oxtan addressed the Panel, saying please do not be fooled by the call to close one centre rather than the other. He said both Abbots and Lion Walk Centres were important to local residents, and the proposal should not be about closing one centre and keeping one centre open. This could lead to the closure of the second centre a year down the line.

Mr. Oxtan urged the Council to make every effort to publicise the two centres more widely, especially Abbots, because a great number of local elderly people do not know of either of the centres and the facilities and events they provide. He added that as far as he could see, there were no members from the Fabian Society or the Colchester Pensioners Group present because they would be unaware of both centres existence.

Mr. Oxtan said a concerted effort should be made to ensure all retired local people are made aware of the centres. This he said would increase membership, increase revenue, reduce the need for subsidy and avoid the proposal for closure.

Mr. Andy Raison

Mr. Raison addressed the Panel saying that although he had heard passionate and moving stories this evening, he was sure Members had heard them all before. The proposed closure was nothing new, with closure being considered for many years.

Having spoken to Councillor Feltham, Mr. Raison said he was very angry because it was being suggested the proposed closure was a fait accompli.

He said in order for proper scrutiny to be undertaken and for members to make an informed judgement they should have all the information that had been provided to him. He added that there is ambiguity about the numbers being provided, though if the centre was going to be closed the evidence and information provided had to support a robust case, that there needed to be some certainty about the accuracy of the information provided.

Mr. Raison reiterated these points and urged Members to examine the figures further before making a final decision.

Mr. John Small

Mr. Small addressed the Panel.

Mr. Small, who worked for the MS Society in Colchester said he thought that as part of the consultation process the MS Society should have been asked to

respond. He said the MS Society has never been asked by anyone from Colchester Borough Council to respond and this was wrong.

Mr. Small said by not correctly consulting the Council was not getting the correct numbers that were forming part of the report on which the decision would be made.

He said the Council should allow the manager of the Abbots Centre one year to eighteen months to reduce costs and increase revenue, to try to turn a profit, and then decide whether to close the centre. He said he believed this was a far more sensible approach than just closing it now and letting the building fall into disrepair.

Have Your Say – Visiting Councillors

Councillor Brian Jarvis

Councillor Brian Jarvis, Shadow Portfolio Holder for Community and Leisure Services addressed the Panel.

Councillor Jarvis said we are told that the Centre currently requires a subsidy of £74,000 per annum which works out at £290 per member. Given that the Centre is not a Statutory Function, that is, one that the Council is obliged to fund, it now considers that the Centre does not reach out to sufficient residents across the borough and therefore no longer justifies the Council's financial support. He said this rather begs the question when allocating funding to non statutory functions what are the criteria that is used, is it numbers or value. Given the budgetary constraints that we currently work under he asked how the Cabinet explains the decision to extend into this year the Locality Budget which last year gave each councillor £2000 each to spend in their ward in celebration of the Queen's Diamond Jubilee. This was surely a one off gesture to mark an important occasion and not a discretionary "gift" to ward councillors on an annual basis. He said this is a questionable way of spending £120,000, particularly in the light of the closure of Abbots.

He suggested to the Panel that the Portfolio Holder's decision on this matter had been reached by looking at the case for the closure of Abbots from a far too narrow perspective, that great emphasis had been placed on the number of members registered at the Centre and the small percentage of the over 50s that they represent within the borough. This is far too simplistic, we are all aware of Fitness Centres for example that boast a membership 1,000 or more but in reality a much smaller number are regular and consistent attendees.

Councillor Jarvis said that by contrast, at Abbots in the month of May they had over 1200 members and non-members sign in for activities which not only included popular events such as keep fit, line dancing, carpet bowls and bingo but also therapeutic sessions for stroke and brain damage victims. The benefit from these sessions you cannot put a price on and are simply not available elsewhere. He added that his point is that it is not just the number of people that receive the benefit but the importance and the value of that benefit. You

wouldn't for example close the Samaritans simply because it served only a small percentage of the population.

Councillor Jarvis said he mentioned at the recent Full Council meeting that he had attended an Old People's Forum organised by Colchester Borough Council which was also attended by a number of local support groups. At this meeting there was a presentation on Mental Health, and it was stressed that this was about mental health not Mental Ill-health which is a completely different subject. During this talk three important facts as they relate to elderly people emerged: i) Loneliness and isolation has a big impact on physical health and mental health, ii) It is important that elderly people feel valued within the local community, and iii) It is important to have links with other people in order to maintain social cohesion.

He added that this information comes from an authoritative source and should be recognised when evaluating the merits of keeping this centre open. He said that make no mistake, by closing Abbots the Council will deny the majority of members and non- members this social inter-action which is so important to their well being. Abbots on the other hand fulfils these requirements for better physical and mental health and it does it in a purpose built centre which is DDA compliant and is easy to access on foot and by transportation. He said it was unlikely Colchester will see another facility like this being built in the foreseeable future.

Councillor Jarvis said it has been suggested that when Abbots closes members could use the Activity Centre in Lion Walk which is to remain open at least for the present. For many of Abbots members this is not an option as the Lion Walk Centre is in a pedestrian area and has no direct vehicle access. It is also situated on the first floor thereby making wheelchair access more difficult with the premises not being DDA compliant, and as an activity centre it does not compare to Abbots.

Councillor Jarvis reiterated that the Cabinet considers the decision to be about finances and about how limited funds are apportioned. He said he strongly urged that the Cabinet look more closely at their decision and assess Abbots from a much broader aspect taking into consideration the value of the services that it provides and the impact on the quality of people's lives it will have if the centre closes.

In conclusion, he said it was not a good decision by the Cabinet and will affect a part of Colchester's society that is most vulnerable and it will also impact on carers, staff and volunteers. He said there are options to the closure, but he didn't believe that that these have been either sought or listened to. Councillor Jarvis said why not allow all interested parties the time to draw up a Business Plan and submit it to the Cabinet before any final decision is made.

Councillor Will Quince

Councillor Quince addressed the Panel.

Councillor Quince agreed with a previous speaker that there is a lot of history to the proposed closure, but was pleased that previous administrations had chosen not to force the closure.

He believed there was still a lifeline and that it was important members listened to the speakers, and those making this decision did as asked, search their consciences when making that final decision. Whilst discussions made it feel like it was an Abbots Centre versus the Lion Walk Centre, this was a complete red herring, though as Councillor Quince believed this will be the thin edge of the wedge, leading to the future closure of the Lion Walk Centre, 'a case of watch this space'.

Councillor Quince said bringing Lion Walk into the debate was misleading. Both centres are valuable sites, important in their own right, so why should either of them need to close.

He said that there are many budgeted items provided that is not a statutory need for the Council to provide. For example, that the Council spends £50k on a one day cycle race is questionable placed in the context of retaining a cycle race or closing an activity centre for vulnerable elderly and disabled residents, most of whom have put more into the 'pot'.

Councillor Quince said he understood the importance of cost, but more importantly was the value of the service. He said he would fund the cost of things such as the Castle and the Mercury Theatre because they have a value. He felt though, that by closing the Abbots Centre the Administration know the cost of everything but the value of nothing.

Councillor Quince said it was obvious from all the previous speakers that everyone at the centre knew one another and this was enormously important regarding the value of the service, with members provided with the opportunity of friendship and avoid isolation.

Councillor Quince, like previous speakers felt the figures on membership were questionable given the numbers now being presented are different to those presented by Councillor Tina Dopson in 2011. The figures on membership provided today suggests there now seems to be a similar level of membership at both centres, a difference from those that formulated the proposal to close the centre, making it fundamentally flawed.

Councillor Quince said the centre was being allowed to run down, but it was important the centre survived, and equally important to publicise the centre more widely thereby enabling it to morph into a community centre, a more vibrant hub.

In conclusion, Councillor Quince said the centre did not need to close, but with plenty of additional uses to support its current use it could become vibrant with potential to raise revenue. Councillor Quince asked the Panel to request the Cabinet not to implement the proposal of closure.

Councillor Dennis Willetts

Councillor Willetts addressed the Panel.

Councillor Willetts said the future of the Abbots Centre seemed to be drawing to its inevitable conclusion and shame on those who were determined to see the centre closed. He said there seemed to be some patterns emerging with the closure of Joyce Brooks House followed by the closure of the Tymperleys Clock Museum.

The purpose of the report was following the same pathway, concluding with a sell-off, an extremely sad situation, and one that drew on the maxim 'if at first you don't succeed, try and try again'.

Councillor Willetts said those organisations rejected in the 2011/12 process may have been successful if they had been given the opportunity to widen out the current centre to a community centre. Now, with the threat of closure it was a shame that the Administration felt a need to relinquish their responsibility to provide the services.

In 2012 it was decided that the cards were stacked against any new provider unless some funding was provided. Having been told this solution would not fail we are now being told the new master plan has fallen apart.

Councillor Willetts said the financial outturn for 2012/13 was an underspend on the revenue budget of £534k, and with the contingency reserve of £285k not used, it amounted to an overall underspend of £828k. Councillor Willetts said the Abbots Activity Centre at an annual cost of £74k could run for eleven years on the 2012/13 underspend. But instead, things of a lower priority are given precedence. He said it was unacceptable to blame the proposed closure on finances.

Regarding the true costs of the services provided it was necessary to know the footfall. Councillor Willetts believed the figures were being presented in a way to make running the centre as difficult a proposition as possible. In conclusion he said there was an overwhelming argument to support a proposition to keep the centre open. Councillor Willetts urged the Panel to put the points made forcefully to the Cabinet. He was in no doubt as to the wishes of the residents of Colchester and the Cabinet should be made to listen to those views.

Councillor Sonia Lewis

Councillor Lewis addressed the Panel.

Councillor Lewis said she had wanted to speak last, so as to be able to listen to what all the other speakers had said.

She believed the social needs for the members of the centre are very important and this had been covered by earlier speakers.

She also believed the comparisons made between the Abbots Centre and the Lion Walk Centre was wrong as they both complimented one another. She had nothing but praise for both centres and it was wrong for them to be pitched against one another in the debate.

Councillor Lewis said in 2011 she had asked for a task and finish group to be setup to consider all options for the centre and to draw up a business plan. She said there was still time for a business plan to be drawn up and asked whether Ms. Young, the Abbots Centre Manager had been consulted on how to take this forward.

She said the members had themselves raised large sums of money to pay for everyday essentials used within the centre, and these had not been taken into account when making the assessments and final judgement and believed it was still possible to extend the centre to a community centre for wider use.

Councillor Lewis urged the Cabinet to listen to what had been said this evening. All the points raised are valid, and like other speakers believed the success of the centre should be gauged using footfall numbers not membership numbers. She begged the Cabinet to listen to the people and not go forward with the proposal of closure.

Introduction

Councillor Feltham, Portfolio Holder for Community and Leisure Services, Councillor Anne Turrell, Leader of the Council and Ms. Lucie Breadman, Head of Community Services attended the meeting for this item.

Councillor Feltham introduced the report and explained her reasoning for the Cabinet decision to be taken on 4 September.

Councillor Feltham said it felt like people were suggesting that closing the Abbots Centre was an easy decision to be made. It was not, although she was in no doubt the users of the centre loved it, and it provided a lot of benefits to them.

Councillor Feltham said she didn't believe any of the evidence given that suggested there was a way to make the centre viable. She said they had taken a standard approach to see if someone could do better. Taking into account the evidence at the time, the decision was changed, to offer a three year grant to the successful bidder following the Council's procurement process. Even with the extra grant there were no other groups that thought they would be able to make the Abbots Centre work.

It remains the case that it is difficult to see how the Council can continue to run the centre without avoiding a substantial subsidy

Councillor Feltham recognised that people are passionate about wanting to retain the centre but it was too expensive to run for too small a return. She said she was doing what she believed to be right.

Councillor Feltham said lets be straight, it is a cut of a service that had been subsidised for many years and it was a very difficult decision to be made.

In conclusion Councillor Feltham said the Administration is very proud of its support to vulnerable groups and the support to the voluntary sector had increased by 2% in 2013/14. Councillor Feltham said the overall cost to the Council regarding the Cycle Race was £20k.

Councillor Turrell said Essex County Council had the statutory responsibility for supporting the elderly and vulnerable, and that by closing the Abbots Centre Colchester Borough Council was not breaking the law. Essex County Council had also confirmed they will not be able to provide any additional funding for the Abbots Centre.

Open discussion

In response to Councillor Higgins regarding ambiguity in the information provided, Councillor Feltham said the financial disparity is between the budget and the running costs, and the subsidy is the quoted figure of £74. Councillor Feltham confirmed the usage figures are based on membership numbers not the footfall numbers. She added that whilst the footfall generates income, the income came out of the membership. The footfall shows the popularity of the centre, but is not a measure of how it increases its income.

Councillor Feltham apologised on behalf of the Council and officers for not including the MS Society in their overall consultation process. This was a true error and she would not be able to do anything about it at present.

Councillor Hazell said the Colchester Institute is looking at ways to increase campus sites and the opportunity for students to learn and train in work such as looking after the elderly and care management. She had been informed that the Institute would be interested in talking to the Council about ways of expanding their services and being of benefit to Abbots members, and could provide further information is requested.

Councillor Hazell said nowhere in the report did it provide the cost of officer and transport time to support the CCVS and move people around the Town if the Abbot Centre closes. Also, no comparative figures were provided in terms of involvement and cost of the Zone Teams. Councillor Feltham said the cost of moving services had not been costed, but whatever the costs they are not quantified, but will be met no matter what decision is taken. The Zone Teams network with all Council staff across the Borough, providing a range of different services based on residents needs.

Councillor Harrington said he was overwhelmed by the arguments in favour of keeping the Abbots Centre open. Councillor Harrington said if services are

signposted following the closure of the centre, there will be costs that have not been provided. Whilst Councillor Harrington was full of admiration for the Zone Teams he did not believe they had the expertise to meet some of the needs mentioned by this evening's speakers, that to suggest the teams could provide this was like comparing apples with pears. Councillor Harrington said he hoped when Councillor Feltham and the other Cabinet members discussed this proposal on 4 September, they did so with an open mind.

Councillor Feltham said she did not expect Zone Team operatives to meet variety and complex needs of many elderly and vulnerable residents. Councillor Feltham said she will follow-up the suggestions made this evening, particularly the one from Councillor Hazell, but said she would be surprised if it will be sufficient to keep Abbots open, and that was as honest as she could be at the moment. Councillor Davies said she was disappointed by what Councillor Feltham had implied, because the whole point of this review was to scrutinise the proposal and put forward alternative proposals or suggestions the Cabinet will properly listen to and consider, but now the Panel were being told the Cabinet will not consider them. Councillor Feltham said this is not what she had implied.

In response to Councillor Harrington, she said it is very difficult to respond to a hypothetical question about what would be considered an acceptable subsidy for each member. She added that she did not have a fixed figure in mind. She appreciated that the subsidy had decreased year on year and she will, together with Cabinet colleagues consider all the suggestions put forward. Also in response to Councillor Harrington she said they will also take account of the Abbot's members comments that they will be prepared to agree to an increase in fees.

Responding to Councillor Davies, who was pleased Councillor Feltham had said she and her colleagues will consider all the proposed suggestions and comments, Councillor Feltham said this will be done in advance of the September Cabinet meeting and will be debated at that meeting, but the review date will not be deferred to a later date. Councillor Turrell confirmed that this will be a Cabinet decision and all Cabinet members will consider the points and suggestions raised at tonight's meeting, some of which have already been raised and considered, and the final decision will be made by Cabinet in September.

Councillor Ford said the arguments put forward for retaining the Abbots Centre had been very powerful. The closure will be considered as something that will bring a lack of social inclusion. The Abbot's members had paid taxes for a lifetime and they rightly expected something in return. He added the argument to remain open was powerful, but this was his heart, whereas his head was clear that money is tight and a very difficult decision has to be made. Councillor Ford said when the Cabinet consider alternative options and suggestions he hoped it will include consideration to Councillor Willetts suggestion to use reserves to cover the financial subsidy.

In response to Councillor Hayes, Councillor Turrell said whilst Colchester Borough Council had continued to fund this centre since it opened, Essex County Council, the responsible authority, said they would not be able to afford the subsidy and the Centre would have to close.

Councillor Hayes read out a proposal to put forward to the Cabinet (see resolution).

Mr. Sean Plummer, Finance Manager, responded to Councillor Ford. Mr. Plummer said the quoted underspends on the overall budget was for 2012/13, and that £300k of the underspend had been allocated by Cabinet. The allocation of funding for 2014/15 set out in the Budgets papers included in tonight's agenda is based on a number of assumptions including a reduction in Government spending. Mr. Plummer said the report suggests there is going to be significant gaps in coming years, with the 2014/15 budget forecast being £1.3m. This figure was the overall figure, and already took account of the delivery of anticipated savings and increased income. In conclusion he said there is some money in reserves but the Council will need to consider this in light of the overall budget position.

Councillor Cope asked whether the subsidy could be reassessed against other subsidies and reprioritised, that surely this decision, in the context of what has been said this evening, was about social justice. In response Councillor Turrell said the Cabinet will listen to all the comments, though the overall Budget had been set and was agreed by Full Council; this could not be changed. Councillor Turrell said an alternative budget could have been submitted but this did not happen.

Councillor Hazell said many millions of pounds have been put into Leisure World over the years though this facility did not serve all the local population. She asked that given Leisure World had been provided with the investment to dramatically change processes and the structure to ultimately make the centre cost neutral, why not do the same for the Abbots Centre. Councillor Feltham said the resultant fundamental service review at Leisure World was to change its operational structure (with the use of capital money). This has resulted in a £680k reduction in the overall budget including £280k in staff cuts. The turnaround and refurbished centre was due to the hard work of its staff. Councillor Feltham said she had not been able to find that sort of flexibility in Abbots and that's the sort of question she had been unable to find an answer to.

Having heard many brave and passionate speeches, Councillor Hogg said the Panel were here to scrutinise the report with the purpose of trying desperately to find a solution, but that said, those present at the meeting should be prepared that this may not happen. Councillor Hogg said he would like to see the option to change the use of the centre from an activity centre to a broader community centre.

Councillor P. Higgins said whilst a way to decrease the subsidy would be to increase fees and charges, and the members in attendance of the meeting

said they would be prepared to do so, you ran the risk that membership will fall. He said he would like to take the suggestion of Councillor Hazell further and see consideration given to broadening the base of the centre from an activity base to a community centre.

Councillor Harrington requested the Cabinet to keep the Abbots centre open for the duration of time that the offer of £105k lasted, the remainder of 2013/14 and two further years, during which time the Cabinet could do what others had suggested, investigate the real possibilities of making Abbots financially secure.

Councillor Hazell said she as a member of the scrutiny panel, she was uncomfortable with just requesting the Cabinet to listen to and consider the recording of the meeting, that the Panel needed to put down in the proposal their thoughts and ideas as a definite request for an outcome.

In response to Councillor Davies regarding whether the Centre's management had been consulted on the proposal, Ms. Lucie Breadman said the management consisted of the manager, Mrs Debbie Young, who with support from other officers and staff tried very hard to change the fortunes of the centre by keeping costs down, but it had been a struggle to get membership number up.

RESOLVED that the Panel;

- i) Reviewed the proposals set out in the covering report in terms of managing the closure of the Abbots Activity Centre.
- ii) Requested the Cabinet to take into account the views and comments of all the public speakers and members of the Panel when the Cabinet make their decision on the proposals at the meeting on the 4 September 2013.
- iii) Some of the main proposals and comments made by Members of the Panel have been encapsulated below, and the Cabinet is requested to consider these so that a more informed judgement can be made on 4 September 2013. These included;

Requesting the Cabinet to listen to the recording of this evening's meeting and in particular the words of the members of public speakers, and to bear in mind all the points made when considering the decision to be made on 4 September, especially the accuracy of all the figures on which the decision is based, and the possibility that Colchester Institute might be able to host some services such as the Stroke Club.

Requested the Cabinet to consider alternative funding streams.

Asked the Cabinet to work with any relevant organisations, institutions and services to fully explore how the Abbots Centre can become sustainable, for example;

Requested the Cabinet, given the Colchester Institute is looking at ways to increase campus sites and the opportunity for students to learn and train in work such as looking after the elderly and care management, to consider investigating further the opportunity for the Institute to expand their services to the Abbots Centre.

Requested the Cabinet to consider broadening the base of the centre from an activity centre to a community centre.

Appendix 4 - Abbots Activity Centre Supplementary information for Cabinet Decision 4th Sept 2013

1.0 Introduction

Throughout this process Cabinet have had a range of information at their disposal and to inform their final decision this document summarises all the key questions that have arisen often more than once and aims to provide a summary of answers clearly and succinctly.

2.0 Questions received during the process

Questions have been submitted in a number of different formats, including letters, emails and consultation responses and as part of the Scrutiny Panel session on 23 July 2013, see 'Have Your Say' within the Extract of Scrutiny minutes attached at Appendix 3 of the Cabinet Report. In total the Council received 148 consultation responses, 25 Letters and emails and 19 FOI requests.

While questions and comments have been numerous, they have focussed on specific topics and this document has grouped them accordingly.

3.0 Questions in relation to Lion Walk

Considerable debate has arisen throughout this process in regard to Lion Walk, the Council's Town Centre based Activity Centre for the over 50s. The focus of the debate appears to be aimed at highlighting problems with Lion Walk due to the fact that it is not a purpose built building and making a case for its closure rather than Abbots Activity Centre.

The reasons for the decision to close Abbots do not link to Lion Walk, as stated in the Cabinet Report they are as follows:

- There are approximately 58,000 residents aged 50 or over living in the borough. At present, Abbots Activity Centre for people aged 50+, with a membership of 255, attracts less than 1% of this population.
- With vastly reduced resources the Council has a duty to ensure facilities and services are providing more equitable benefits to residents across the whole Borough and are sustainable. The Centre currently requires a subsidy to operate of £74,000. This works out at around £290 per member.
- The Centre has struggled to increase membership or participation since 2006 when the previous administration first questioned its future. This relentless scrutiny will inevitably carry on as government funding continues to be withdrawn from District and Borough Authorities and the only sustainable way forward is to encourage more volunteer / community led alternatives.

Lion Walk is a very different centre and while it may and indeed is already used by some Abbots members it will not be suitable for all and this has never been claimed. The Centre is a valuable resource for those members who do use it and its future is not being questioned as part of this process.

The following are specific questions raised in relation to Lion Walk:

3.1 Health & Safety and Fire Risk Assessment (FRA) at Lion Walk Activity Centre. The FRA written for Lion Walk was prepared to deal with the situation as it is today and is, and always has been, a living document. If the situation changes i.e. demographics, infirmity, age, etc, then the FRA will need to be revised and appropriate / reasonable actions taken to reflect the situation / changes. Therefore, if we found that as a result of the closure of Abbots Activity Centre the demographic of Lion Walk centre changed we would revise the Fire Risk Assessment.

There was an assertion that reliance on the Fire and Rescue Service to evacuate members in case of a fire put the Council in breach of the Regulatory Reform (Fire Safety) Order 2005. The Council is confident this is not the case. This inclusion is not a breach, indeed it is consistent with several of the organisations in the town centre, including the library who have similar evacuation procedures in place: one 'Evac-chair' with the Fire and Rescue Service to rescue others who are placed in a refuge area during an emergency.

The Council has an evacuation plan for the building with staff having dedicated tasks within that plan and the Personal Emergency Evacuation Plans are used for those people staff know have an issue and are regularly on the premises.

The Council employs a fully qualified Health and Safety Adviser and also uses an independent Assessor to assess on behalf of Colchester Borough Council and our insurer the suitability of the building and its use. Both visit the centre annually and are satisfied that the Fire Risk Assessment is 'suitable and sufficient'.

It was pointed out that the centre does not have a signing in book. That is correct, the centre does not have a signing in book and it is not felt to be necessary given the way the centre operates. This does not impact the Health and Safety of the building as the evacuation process includes a sweep of the building once the employees, members and volunteers have left the building. This sweep checks all the rooms for anyone left in the building. This is the same as the current procedures in the Council generally and indeed many other public offices and businesses.

The FRA currently does place a restriction on the number of wheelchair users that can be in Lion Walk at any one time. This is not uncommon in buildings utilising upper floors and to date has not been an issue for the Centre and its membership. As stated above, should the situation change in the future the FRA will be reviewed and reasonable adjustments considered. The FRA does confirm that other mobility impaired users in the centre would be assisted by staff in the event of an evacuation.

The FRA confirms that staff training is a necessary part of the evacuation process and this is reviewed and monitored.

3.2 Lion Walk Lifts: Lion Walk is serviced by two lifts. One is for customer use and the other is for transportation of goods. As has been noted, the customer lift has experienced intermittent problems. Maintenance works had already been agreed for the lift at Lion Walk as part of the budget setting process and this work will provide a newly refurbished working customer lift by mid August. In the interim period staff at Lion Walk, where required, have been escorting customers up to the Centre in the goods lift. While this is not ideal, customers who need to use the lift have chosen to continue using the Centre throughout this period and are fully aware of the situation.

4.0 Questions in relation to equality considerations

Various questions and concerns were raised in regard to the Equality Impact Assessment and the Council's obligations under the Equality Act 2010.

These are addressed below:

4.1 Impact on users - The proposed solutions to reduce identified negative impacts are not a substitute for Abbots

It is accepted that the various ways we can mitigate against (reduce or remove) identified negative impacts will not be likely to fully compensate for the proposed closure of Abbots, and as such, we agree that they are 'no substitute'.

The Public Sector Equality Duty (PSED), introduced in the Equality Act 2010, requires us to have 'due regard' to the three aims of the general duty - which is to:

- eliminate discrimination, victimisation and harassment
- advance equality of opportunity between those who share a protected characteristic and those who do not
- foster good relations between people who share a protected characteristic and those who do not.

Before a decision is made, we need to consider ways to mitigate against disproportionate negative impacts on the so-called 'protected characteristics' - and the report and Equality Impact Assessment (EqIA) sets out how we have done this.

4.2 **Discrimination** - It was asserted that the closure of Abbots would amount to discrimination against older people and people with disabilities

We recognise that the closure of Abbots is likely to have a disproportionate negative impact upon older people and people with disabilities because these are the main beneficiaries of the centre. However, through its EqIA process and consultation, the Council believes that "the closure of Abbots would not result in unlawful discrimination against any protected characteristics". In the pursuit of a legitimate aim, the PSED does not require the Council to eliminate negative impacts entirely.

4.3 **EQIA** - It was asserted that the EqIA was unreliable and of poor quality.

The Council does not agree with this assertion. The EqIA does what it sets out to do - which is to provide a framework for, and record of, the systematic consideration of the impacts on equality (and specifically upon the 'protected characteristics') of a Council policy or decision and it then goes on to suggest mitigating measures to offset some of these negative impacts.

It is agreed that the agenda report and EqIA states that negative impacts have been removed *or minimised*. Judgements and conclusions have been substantiated, being based upon analysis of information and data including that provided by the recent consultation. Some of the negative impacts have been minimised only as it has not been possible to remove them entirely, due to the core of the proposal which is to close an activity centre for older people.

4.4 **Wheelchair users** - It was asserted that the closure of Abbots would deprive wheelchair users of a place to go.

The Council has put forward a number of key ways in which it aims to mitigate against identified negative impacts. This includes, but is not limited to, the identification of and support to access, various different services, activities and provision. The Council believes that all users, including wheelchair users, should be able to access a number of these.

The Council recognises that the benefits accrued from these separate amenities may be less than a service which is currently open 5 days a week. However these opportunities do constitute an acceptable attempt

as defined by the Equality Act to mitigate the impact of the closure of Abbots.

- 4.5 **Accessibility** - There were specific concerns around Lion Walk: that it was not accessible via transport; that wheelchair access is difficult on the first floor; and that it is “not DDA compliant”.

The Council believes that Lion Walk is a different issue to that currently being considered – i.e. the proposed closure of Abbots Activity Centre. In many cases, and especially for those using wheelchairs, it is not necessarily going to be suitable for their needs. Specific concerns about Lion Walk are addressed separately elsewhere in this document.

5.0 Questions in relation to the financial situation

Throughout the consultation process it was suggested that there might be some inaccuracy / inconsistency with regard to the finances being shared. Accusations were made that the Portfolio Holder might not be aware of the correct figures or more seriously was being fed inaccurate and inconsistent information.

The Portfolio Holder for Communities and Diversity is the Cabinet member who has responsibility for Abbots. The Portfolio Holder has led decision-making since May 2012 and has had access to all statistics, data and correspondence. The Portfolio Holder is clear about the finances.

- 5.1 **Budgets** - Attached to this document at Appendix A are the budget figures for both Centres for 2009/09 to 2013/14.

Key questions are related to the Abbots budget for 2013/14 which is short £35K of the actual running costs that will be needed, should the centre remain open. This money has already been assumed and removed from the Abbots Activity Centre budget for 2013-14 as it was believed, when the budgets were set, that an external provider would have taken over the centre by October 3013 and the Council would therefore only need to provide a staff budget for half of the year.

It was also asked why Lion Walk was not being considered for closure rather than Abbots as the finances at both centres were very similar. As stated previously the decision to close Abbots has been decided on a number of grounds and it has never been a competition between the two centres as they are very different. However, finances are important especially in light of the ongoing funding cuts, difficult choices have to be made about what services can be provided in the future. Lion Walk has to find a way to be sustainable also but it is felt that its location and income provide more opportunities.

- 5.2 **2012/13 Subsidy** - In 2012/13 the 'direct' subsidy costs for both centres were quite similar, although Lion Walk was still less than Abbots and when taking into account the total costs Abbots costs were £24,000 more.

2012/13 was however a unique situation and does not follow the usual spending trend for the two centres. Looking at the figures in more detail it is evident that the main difference was in reduced 'costs and supplies' figures at Abbots for that year. On further investigations much of these cost savings appear to have come from members at Abbots paying for certain items rather than it being taken from the budget. This does to some degree mask the true running costs and it is likely to be an unsustainable approach over the longer term.

In regard to the 'non-direct' expenditure mentioned above - The Council is required to account for the costs of certain overheads and technical accounting entries to represent a true cost of a service. These are termed as 'non-direct' costs and are linked to items such as buildings insurance, cleaning and other expenditure that is paid for out of corporate resources (often as part of wider corporate contracts which provide more efficiencies). For the year in question they total £32,982 for Lion Walk and £56,366 for Abbots. As such total costs for Lion Walk were £105,191 and for Abbots they were £129,277.

- 5.3 **Increase Membership Rates** - Some of the members have suggested that they would be willing to pay a higher membership fee. This has been considered however, it is unlikely to be the case for all and services are price sensitive so increasing the fee is very likely to reduce membership further. There is evidence to show that when a membership fee was introduced the membership numbers at both centres declined. Each time the fee has been increased we have seen a reduction in membership.
- 5.4 **Members fundraising** – Members at Abbots have raised funds for items over the years. Quite often they have chosen to pay for the items via Colchester Borough Council as this means they pay less for the item as no VAT is charged if it goes through the Colchester Borough Council budget. This has been a useful and appreciated way for members to obtain specific items they require or the centre needs. However, it does contribute to masking the true running cost of the centre as it has not been reflected in the budget. It is also not a guaranteed approach in the future as members may not be willing or able to continue it.
- 5.5 **Travel Costs** – Councillor Hazell asked if the report provided the cost of officer and transport time to support the CCVS and move people around the Town if Abbots closes.

CCVS already have a service to help with transportation and it is currently used in relation to Abbots thus there is already a cost associated with this service. It is not possible to say if this cost will increase or decrease as the new venues where people will choose to go are not yet known.

In the event of Abbots closure there may be some initial officer time to support members find alternative activities, but this is likely to be in helping to provide clear information and signposting of what services and activities are already out in the community and this service will be of use to others, not only Abbots members.

6.0 Questions in relation to Membership & Marketing

The Council has stated that Abbots has a membership of approximately 251 residents and with over 58,000 residents aged over 50 in the Borough this is only 0.5% who benefit. It was suggested at the Scrutiny Panel meeting however, that this is misleading as the centre is only really used by retired people. Taking this point into consideration and looking at the figures for the 65+ age group confirms that the mid 2012 ONS estimate of people 65+ in Colchester is 28,861 which would mean 0.89% of that group benefits from Abbots.

Other questions or comments that relate to membership or marketing include:

- 6.1 **Confusion over membership numbers** – It was noted that membership numbers quoted have differed and been inconsistent throughout.

In addition to the naturally fluctuating numbers, the Community Welfare Co-ordinator identified that the membership numbers quoted in the 2011 report were inaccurate. This was due to the databases at both centres being out of date being inconsistently maintained. Following this observation both centre managers were asked to establish new, accurate databases which are maintained in a consistent way. While this has led to some small inconsistencies in the numbers the income shows that the figures were not significantly over or under estimated. Membership does fluctuate monthly and as such numbers at any one time is only a gauge, income levels provide important information also.

Appendix B contains membership data.

- 6.2 **Publicity and Marketing** - Several people suggested that the Centre had not been publicised and if this was done efficiently it would increase membership. Scrutiny Panel members also asked if the Manager of Abbots had been given the opportunity to improve membership and income at the centre.

The Centre has been publicised in a variety of forms over recent years and this has included the local magazine The Village Link, the Council Magazine the Courier (which until recent years was sent to every household in the borough), a section on the Council website, Harbour Ward Newsletter.

One of the Centre Manager's objectives and part of the role is to maximise awareness, membership and participation. This includes publicity, hiring of the venue, reducing costs and increasing income wherever possible. The Abbots Manager has worked very hard to try to bring new members and in addition to marketing of the Centre has attended a variety of events and information days to raise the profile of the centre. Sadly these efforts have not provided the desired increased usage and the reduction in costs is unlikely to be sustainable in the longer term.

- 6.3 **Consultation involvement** - It was stated that the MS Society, who hire rooms at Abbots on a regular basis were not involved in the consultation in any way. Abbots members were sent individual letters about the consultation. For the general public and hirers of the centre the information and opportunity to feed into the consultation was included in a press release, through the Councils Website and a notice at the Centre.

The Council has already stated it will meet with any of the hirers of Abbots, should it be necessary, to assist them with finding new venues if they would like help.

- 6.4 **Footfall** – Suggestions were made that 'footfall' rather than 'membership' would be a better measure of use of the centre. A number of different examples of possible 'footfall' figures were then expressed.

Abbots is a centre that requires 'membership', so similar to other clubs where this is the basis for usage, overall performance and success is judged on how many people join the club and how sustainable it is (membership and income).

A facility that is open generally to the public and does not require membership and that attracts payment per visit is more likely to use footfall as a key indicator, together with income.

This is not to say that footfall does not play a part in performance statistics for the centre. As there is no signing in process on arrival and checking out on departure it would be impossible to accurately capture daily footfall to the centre. What is recorded is members' attendance at various activities. This helps the manager ascertain which activities are popular and on what days. As one member may attend a number of activities in any one day, or indeed may come to the centre and not attend any

activities, adding up the footfall into the activities does not provide accurate footfall figures for how many people are using the centre on a daily basis.

For example one member could spend the whole day at the centre and use the coffee shop, attend art, have their hair done, attend bingo and have lunch and they would be counted 5 times in one day for the various activities they have participated in. For performance statistics it would be inaccurate to say that the footfall created by this individual member was 5 but that is the only information captured.

The key indicators relied upon are how many members each centre has and the income generated by the membership fee, purchase of food and drinks and venue hire. Other information maintained, including footfall is supplementary to this key data.

7.0 Questions in relation to an alternative provider

The Councils preferred choice for the centre was to secure an external provider and two Expressions of Interest (EOI) exercises have taken place in recent years.

- 7.1 **Procurement** – The Council were asked if it really wanted to outsource the service and if so why was it making it so difficult, enforcing new providers to take on existing staff and run similar non-profit making business out of the centre.

The Council is bound by certain legal obligations in relation to procurement and Staff Transfer (TUPE). It is not something that we can choose to ignore without putting public finances at huge risk of claims for damages.

The Council used as much flexibility as it could to attract an external provider, including the offer of a three year support grant (when the need for one was identified), flexibility within the service provision to broaden the centres future use, a peppercorn rent / lease agreement and a guarantee to honour any future staff redundancy costs that should arise. What the Council had no power to do is ignore the law around the Transfer of Staff to any new provider which seems to have been one of the key sticking points.

- 7.2 **The procurement exercises** - The Council's initial expressions of interest (EOI) commenced in the autumn of 2011 following a Scrutiny proposal.

On 15 September 2011 a workshop for groups that were interested in responding to the invitation was held. This gave them an opportunity to find out more about entering into a lease with the Council.

The deadline for completed expressions of interest was Friday 30 September 2011 and five applications were received from the following organisations:

- All Care
- Colne Housing Society Ltd
- Old Heath Community Centre
- Russell Green
- SCANS (Society for Children Affected by Neurological Symptoms)

The criteria by which the applications were judged included:

- The uses planned for the building and the levels of usage envisaged
- The benefits to older people, people with disabilities, the local and wider community. (This point was included as the Council wanted to protect some level of service for the members as per their wishes)
- How this facility would contribute to the Council's Strategic objectives
- Experience in leasing and managing buildings

Colne Housing Society Ltd was successful in demonstrating its ability to meet the needs of the local community and manage the building. For instance they told us:

- They would carry out extensive local consultation to establish local priorities
- There would be a range of potential benefits to the community including: older persons services, health, social, community café and meeting facilities
- They would continue to target older people and would work closely with the voluntary sector and the local community to provide these services
- They would maximise the centre by opening 7 days per week including day time and evening
- They already lease and manage community facilities including a day centre which provides a lunch club and services for older people

Therefore it was agreed the Council would start negotiations with them to lease the building. During the negotiations their business planning identified the need for start-up funding to be able to operate the building as a mixed-use community centre. The funding need was limited to 3 years as they believed they would be able to generate sufficient income to achieve independence beyond that time.

However, the expression of interest process that chose Colne as the Council's preferred partner had not explicitly offered grant funding and so it was judged that it would be inappropriate to award a grant without giving others the opportunity to re-bid with a grant offered.

Therefore, in February 2013 an advert was placed in the press asking for expressions of interest from those interested in leasing and managing Abbots Activity Centre as a community facility. This new expression of interest offered a 3 year tapering grant as outlined above in order to help. It was decided that the new expression of interest documentation would also contain all of the information that a prospective tenant would need in order to make a considered decision about whether to apply: running costs, TUPE obligations, grant agreement and services to be provided.

It was expected that this process, including the new grant, more flexibility and guarantees around the Council honouring any necessary future staff redundancy costs would result in a successful external provider for the centre. Indeed the Council had done everything it could legally do to pave the way for a successful bid. Sadly no viable bids were received.

Following this an approach was made to Essex County Council to establish if they could offer some funding support for the Centre. The response received was that unfortunately this is not something that Essex County Council are able to consider and further that they were in a similar position themselves in having to look very carefully at services in light of the funding cuts being made so understood and supported the Borough Councils position.

- 7.3 **Colchester Institute** - At Scrutiny Panel meeting, Councilor Hazell stated that Colchester Institute is looking for ways to increase campus sites and the opportunity for students to learn and train in work such as looking after the elderly and care management. She also mentioned that the Institute might host the Stroke Club.

Following on officers have received confirmation from the Principal of Colchester Institute, Danny Clough that there is sadly no opportunity to work with the team there to develop any sort of funding package for Abbots.

The Council is already supporting the Stroke Club, should it need to find alternative premises in the future and if the institute is suitable we will certainly include it in options made available. We have offered to help and signpost any of the groups that currently hire Abbots.

8.0 Questions related to Council Spending

In addition to making comparisons with Lion Walk comments and questions have been raised in relation to Council spend in a number of other areas. These enquiries are attempting to question decision making around spending and the Council's 'values'.

The general response from the Portfolio Holder in relation to these questions is that the Council has to consider its spending based on a number of factors but most importantly the commitment has to be to a range of activities and services that serve the population of the whole Borough and thereby meeting the strategic vision of making Colchester a place where people want to live, learn, work and visit.

Key to spending decisions is requirements around the service being statutory (has to be delivered) or non- statutory, also where spend is linked directly to Council priorities but in times of unprecedented spending cuts such as these, decisions have to take into consideration all the residents and businesses in the Borough, future sustainability, income opportunities and the overall impact and added benefits brought about through that spending.

Some very specific areas of spend that have arisen a number of times include:

- 8.1 **Monies spent on Leisure World** – A £1.6M capital (*see below explanation) investment has been made to improve the facilities across the Sport & Leisure business. This has predominately been at Leisure World Colchester but does include the joint use sports centre's at Highwood's and Tiptree and the Tennis Centre at Shrub End. This investment enables us to continue to develop and operate the four sites that attract over 1 million visitors a year from across the Borough and compete commercially with competitors. It is also important to the council's priority on increasing participation in sport and leisure, ensuring that facilities exist for all ages and abilities which will support increased health and wellbeing.

Prior to the review and capital investment the service required an ongoing revenue subsidy of £400,000 per year. The review and vision is for the service to be delivered with no ongoing subsidy by the end of budget year 14/15, thus increasing income and implementing a more balanced commercial/social approach in the operation of the service.

Despite the capital injection to improve the facilities the review has also been about increasing income and efficiency savings and has resulted in £630,000 being removed from the budget for this financial year of which £281,000 are directly attributable to staff reductions.

8.2 Tour Series Cycle Race – The Tour Series professional cycle race brought Britain's top cycling teams to Colchester's streets on Thursday 30 May 2013.

The event included an afternoon of free cycling and sports-themed activities from 12noon - 5pm in the Castle Park, a free Community Led Cycle Ride for all ages and levels of ability, a Children's University lecture for 7-14 year olds at the Town Hall on 'The Science of Cycling', culminating in the thrilling street-racing around the town centre when the Johnson Health Tech Grand Prix Series women's race and the men's Pearl Izumi Tour Series race took place.

An estimated 8,000 people attended the event and the racing was televised on ITV4, providing advertising and information about Colchester and as tourist destination.

The Tour Series professional cycle race forms part of the Better Town Centre programme and aims to help make the town centre a social place as well as a place for business and a place where people meet and become involved in their place. The approximate cost to Colchester Borough Council of delivering the 2013 Tour Series cycle race and community events was £60,000.

While we do not have the full economic impact report from this years event, last years (which was not as well attended) highlighted the following:

- Average gross expenditure per Tour Series visitor - £161.57 for overnight visitors, £73.44 for day visitors
- Net total expenditure after adjustments of £317,636 leading to an estimated Gross Value Added impact of £164,218 and support for an estimated 4.2 full time equivalent jobs
- 85% of visitors found the event “a very enjoyable experience”

8.3 Monies spent on Firstsite – Critical comments about Firstsite have been received throughout this process and specifically at Scrutiny. The cost of the facility and the fact that it has free admission was raised as an issue and questioned.

The Council has documented its position on Firstsite on numerous occasions and recognises that it is still a controversial subject for some. It is not within the Councils power to enforce charging within Firstsite and the agreed subsidy, currently part of the Arts Funding Programme is likely to reduce in future years due to the ongoing government cuts. The Council's contribution was also key to gaining support from other bodies including the Arts Council & ECC.

** Local authorities are required to account for costs and income. The main classifications being revenue and capital. Revenue expenditure can be described in simple terms as day to day costs. This includes items such as paying staff, energy bills, rent rates and general running costs. Capital costs relate to expenditure that results in an asset and which has a life of over a year. This might include the purchase of land or buildings, major repair or investment and the purchase of vehicles or major equipment (including IT). For example, in terms of a household budget revenue costs might include rent, electricity bills, food etc. Whereas capital costs might include buying a new car or building an extension. The classification is important as revenue and capital are funded in different ways.*

Appendix A – Financial information

	<u>13/14</u> Budget	<u>12/13</u> Actual	<u>11/12</u> Actual	<u>10/11</u> Actual	<u>09/10</u> Actual	<u>08/09</u> Actual
LION WALK ACTIVITY CENTRE						
EMPLOYEES	58,800	55,782	57,541	59,325	60,438	57,593
PREMISES RELATED EXPENSES	34,100	37,840	35,580	40,020	33,409	29,899
SUPPLIES & SERVICES	34,900	29,413	28,337	35,748	33,291	25,722
Total Direct Expenditure	127,800	123,035	121,458	135,093	127,138	113,214
CUSTOMER & CLIENT RECEIPTS	-66,000	-50,827	-52,945	-69,267	-56,623	-49,041
Total Direct Income	-66,000	-50,827	-52,945	-69,267	-56,623	-49,041
Total	61,800	72,209	68,513	65,825	70,515	64,172
<i>Non-Direct Overheads e.g. Cleaning, Insurance, Management & Support</i>	18,100	17,754	18,254	19,692	13,148	11,280
<i>Finance charges on property</i>	15,200	15,228	15,434	15,640	15,847	16,260
TOTAL COST	95,100	105,190	102,201	101,157	99,510	91,712
ABBOTS ACTIVITY CENTRE						
EMPLOYEES	36,000	67,300	71,238	73,182	71,757	75,114
PREMISES RELATED EXPENSES	20,300	20,567	18,964	22,450	20,954	31,642
TRANSPORT RELATED EXPENSES	100	0	0	5	12	0
SUPPLIES & SERVICES	23,600	16,624	20,334	30,513	38,911	28,327
Total Direct Expenditure	80,000	104,491	110,536	126,150	131,633	135,083
OTHER GRANTS & REIMBURSEMENTS	0	0	0	-2,578	-7,129	0
CUSTOMER & CLIENT RECEIPTS	-40,500	-31,580	-36,858	-44,660	-41,778	-42,923
Total Direct Income	-40,500	-31,580	-36,858	-47,238	-48,907	-42,923
Total	39,500	72,911	73,678	78,912	82,726	92,160
<i>Non-Direct Overheads e.g. Cleaning, Insurance, Management & Support</i>	18,700	18,199	19,156	19,919	13,437	11,392
<i>Finance charges on property</i>	38,200	38,167	38,711	39,255	39,848	40,940
TOTAL COSTS	*96,400	129,277	131,546	138,086	136,011	144,492

NB * Abbots 13/14 Budget only has half they years staffing costs included as external provider was expected. As such the total and actual cost will be £130,000 NOT £96,400 if the Centre remains open.

Appendix B - Membership Numbers

Lion Walk			Abbots	
2004	740		2004	No Data
2005	574		2005	No Data
2006	850		2006	324*
2007	860		2007	325 to 416*
2008	676		2008	395
2009	685		2009	No Data
2010	629		2010	280 to 300*
2011	501		2011	278
2012	407		Apr 2012	233
2013	295		Apr 2013	259

*Data was either lost or questionable so needs to be used as a guide only and in conjunction with other performance info (such as income) following the database transfers

Membership was free up until 2008 and up to that point many members remained on the databases regardless of usage.

Appendix C - FOI Requests received up to mid-August

Date Received	Issue	Date replied or due
17/06/2013	FRA & Fire Inspection document for LW & covenant for Abbots	12/7/13
20/06/2013	concern re increased membership fees	03/07/13
26/06/2013	Income & Expenditure for both centres	Sent 18/7/13
01/07/2013	concerns re closure of Abbots	02/07/13
19/07/2013	concerns re accuracy of data	31/07/13
03/07/2013	Concerns re Closure of Abbots	05/07/2013
03/07/2013	concerns re closure of Abbots and using LW as alternative	05/07/13
09/07/2013	concerns re closure of Abbots and use of LW as alternative	18/07/2013
17/07/2013	Additional info re FRA & Fire documents for LW	31/07/13
19/07/2013	Subsidy figures & membership both centres, consultation, EQIA, activities offered	24/07/13 & additional info sent 2/8/13
22/07/2013	Additional info re Footfall figures	02/08/13
19/07/2013	Concerns raised	31/7/13
24/07/2013	H&S concerns LW	30/7/13
25/07/2013	concerns re out of action lift LW	31/07/13
30/07/2013	Running costs per year, fire regs & policy re use of wheelchairs for LW	OPEN due by 28/8
31/07/2013	Concerns re specific letter received	Open due by 14/8
06/08/2013	Signed off accounts for both centres	Due by 4/9/13
07/08/2013	Cabinet report - membership, footfall, initiatives to increase membership	-
07/08/2013	Subsidies/support payments/grants/visitors numbers to all organisations visited by members of public	OPEN due by 5/9/13
07/08/2013		Open due by 5/9/13

Consultation Questionnaire for Abbots Members

Please confirm your answers to the following questions below. If you need to continue onto another sheet of paper please clearly indicate which question your response is in relation to.

1. Please confirm your name and address and membership number:

Membership no:

2. For how long have you been a member of Abbots Activity Centre?

3. In addition to Abbots Activity Centre, do you currently use Lion Walk Centre?

4. If so, how many days per month do you use it?

5. Would you be willing to use Lion Walk Activity Centre in the future?

6. If Abbots Activity Centre was no longer available is there anything the Council or others could do to help you access our other services? For instance, Lion Walk Activity Centre, Leisure World.

7. If Abbots Activity Centre closes, which services would you consider using instead? (Please tick all that apply)

- *Neighbourhood clubs for older people*
- *50+ activities at Leisure World Colchester*
- *50+ activities in your area*
- *Lion Walk activity centre*
- *Community bus to transport to any of the above*
- *Another service (please specify)*

.....

If you haven't ticked any of the options above, please tell us why

.....
.....

8. If Abbots were to close would anyone else in your family be affected and if so, how?

9. If Abbots were to close are there other ways in which you could be affected?

About Yourself

The following questions are optional but they help us to make sure that the right services are reaching the right people at the right time.

To help us to make sure we are doing this correctly it would be helpful if you would answer these questions about yourself. Some of the questions may feel a little personal, but the information we collect will remain confidential and will comply with the Data Protection Act 1998.

Q5 What is your age? (please tick)

50-54

55-59

60-64

65-69

70-74

75-79

80-84

85-89

90+

Prefer not to say

Q6 What is your ethnicity? (please tick)

Asian or Asian

British

Black or Black

British

Chinese

Mixed

White

Other ethnic group

Q7 Are you male or female?

Male..... *Female*.....

Q8 Do you have any of the following longstanding conditions? (Please tick all that apply)

Deafness or severe hearing impairment

Blindness or severe visual impairment

A condition which substantially limits one or more basic physical activities such as walking, climbing stairs, lifting or carrying

A learning difficulty

A long-standing illness

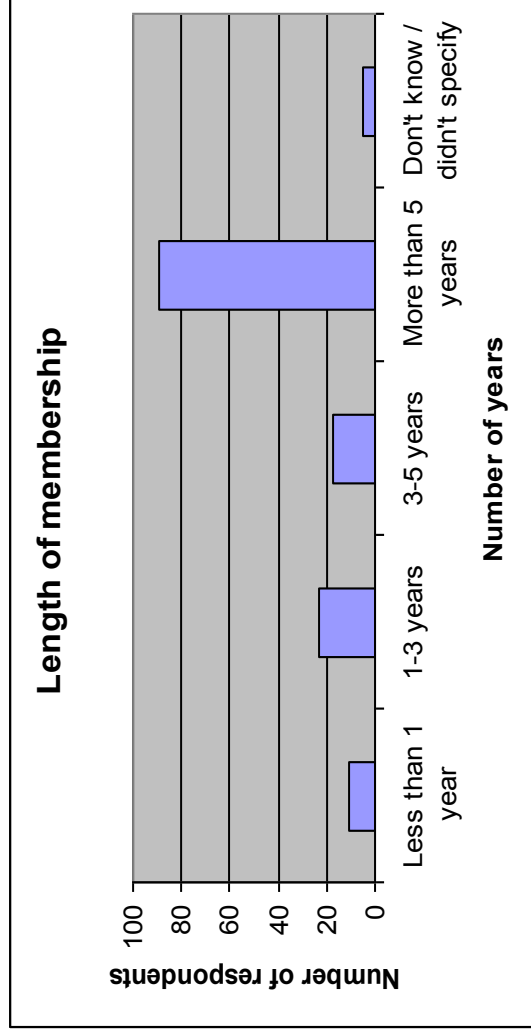
None of these

Abbots Consultation Questionnaire Analysis

This consultation was carried out between Monday 3 June and Friday 28 June 2013. Letters were sent to all members of Abbots Activity Centre, enclosing a questionnaire which invited a response. This was sent to 252 people. Colchester Borough Council received 148 responses from users of the centre. This gave a strong 57.5% response rate, which allows some confidence in assuming that results are likely to be representative of the centre members.

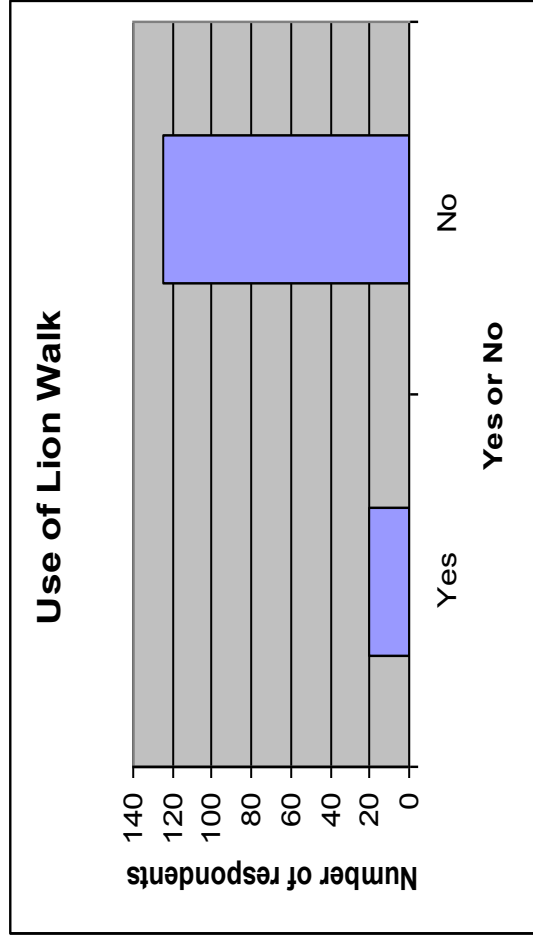
What follows is an analysis of the questions asked and the responses.

For how long have you been a member of Abbots Activity Centre?



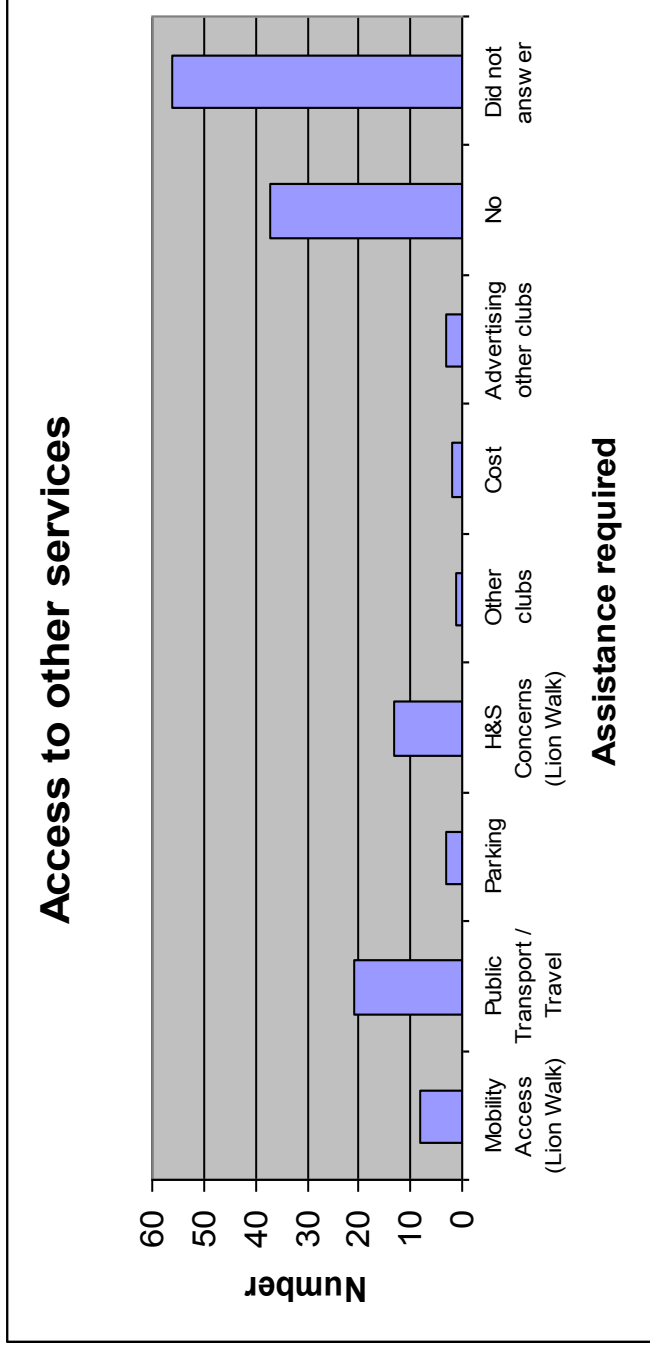
The above shows that 61% of those who responded (89 members) have been attending the centre for more than 5 years.

In addition to Abbots Activity Centre do you currently use Lion Walk Centre?



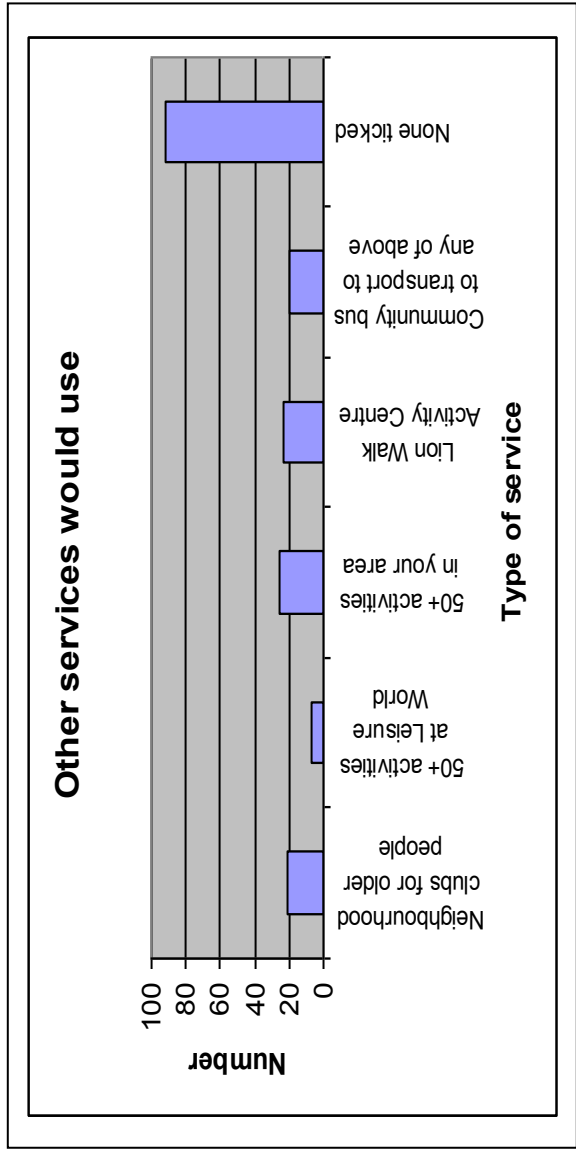
The above demonstrates that 13.5% of the Abbots members who responded (20 members), currently also use Lion Walk Activity Centre. In addition, 19% of respondents (27 members) said they would consider using Lion Walk Centre in the future.

If Abbots Activity Centre was no longer available is there anything else that the Council or others could do to help you access our other services?



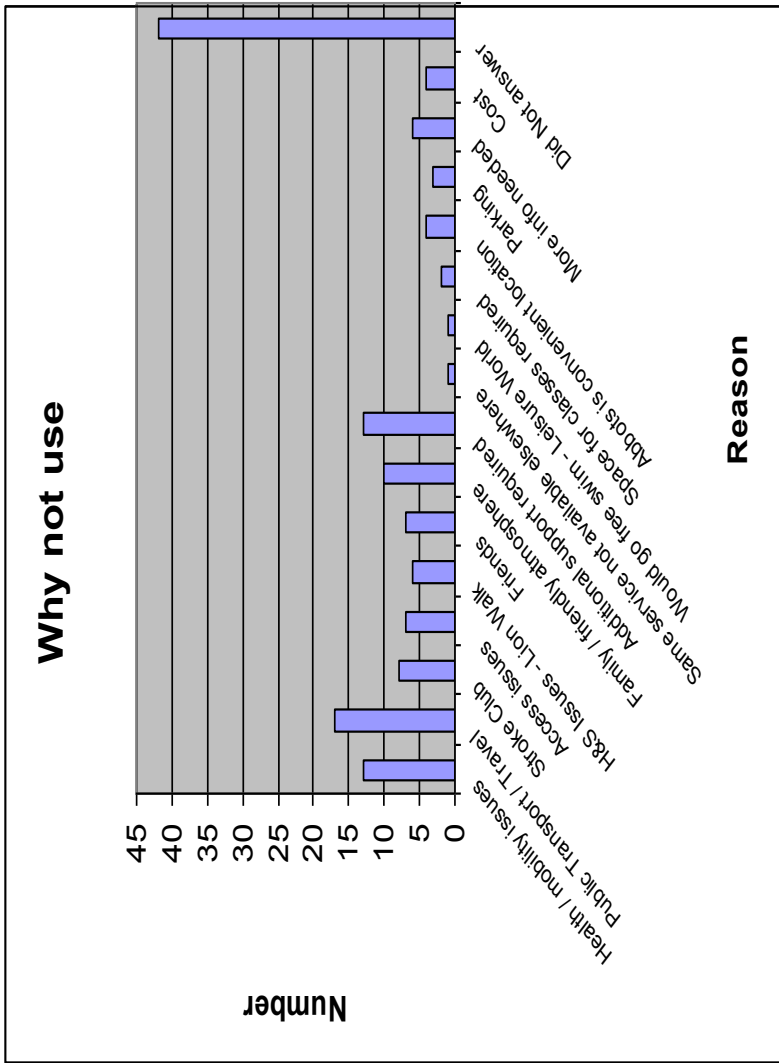
38% of respondents did not answer this question and 25% said there was nothing else that the Council or others could do to help them access other services. Of those who did answer, the results indicate that there are 3 areas where members would require assistance to access other services: information on public and other transport; health & safety reassurance regarding Lion Walk and ease of access to Lion Walk for members with a mobility need. However, information on public transport was the highest of these with 21 respondents indicating that this would assist them with accessing other services.

If Abbots Activity Centre closes, which services would you consider using instead?



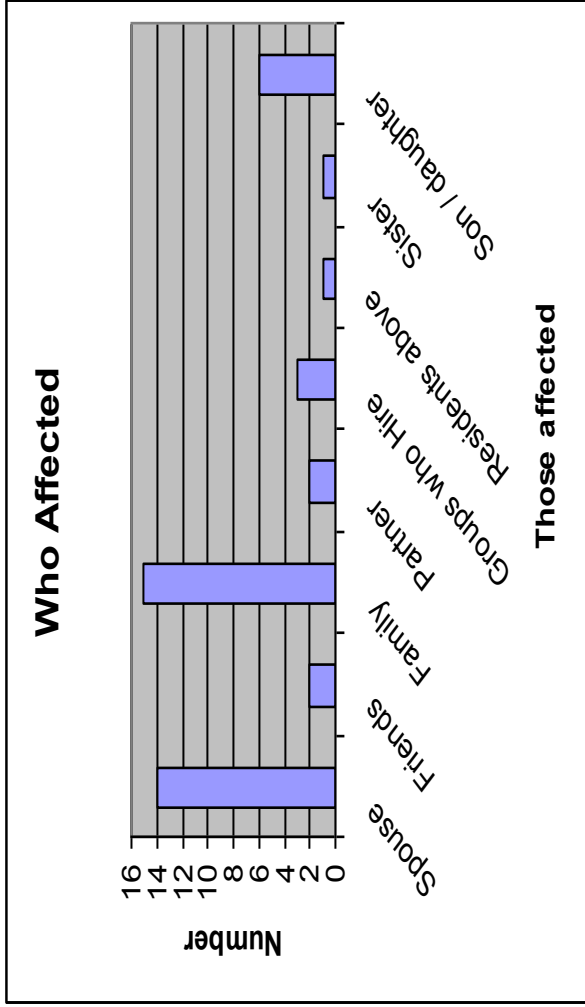
The above responses show that most respondents did not tick other services (62%). However, of those members that did indicate they would consider other services, the most popular were 50+ activities in their local area.

If you would use another service other than those listed above, or if you haven't ticked any, please tell us why?

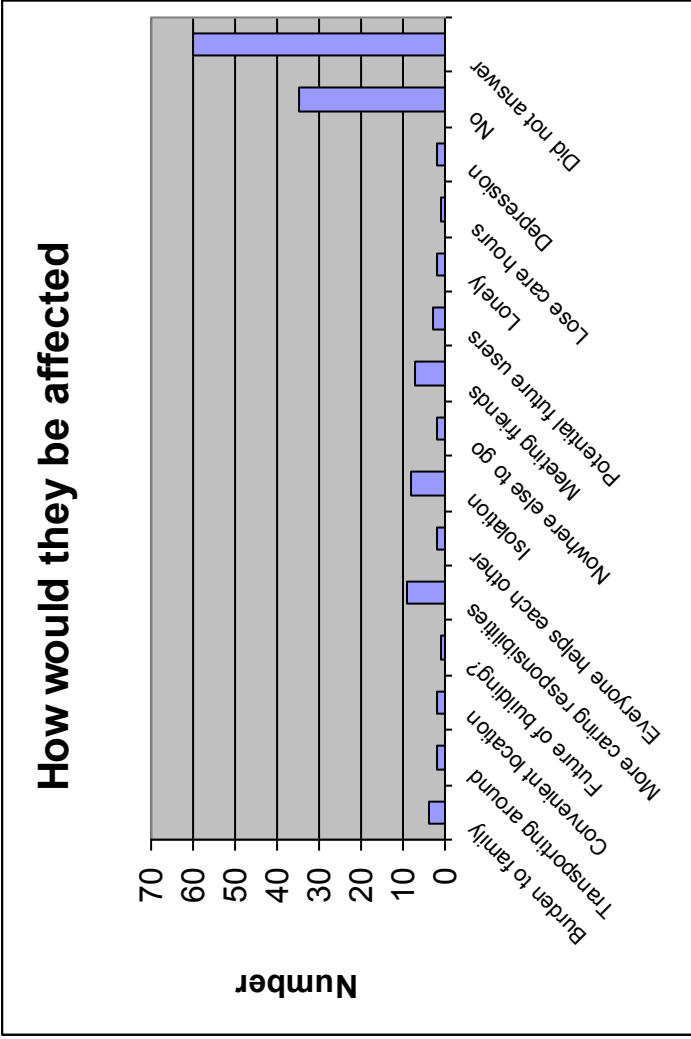


A high proportion of respondents did not answer this question (28%). However, responses received reveal that there are a variety of reasons members feel unable to access other services. The highest responses were regarding areas such as transport (11%), mobility issues and additional support required whilst using services.

If Abbots were to close would anyone else in your family be affected and if so how?

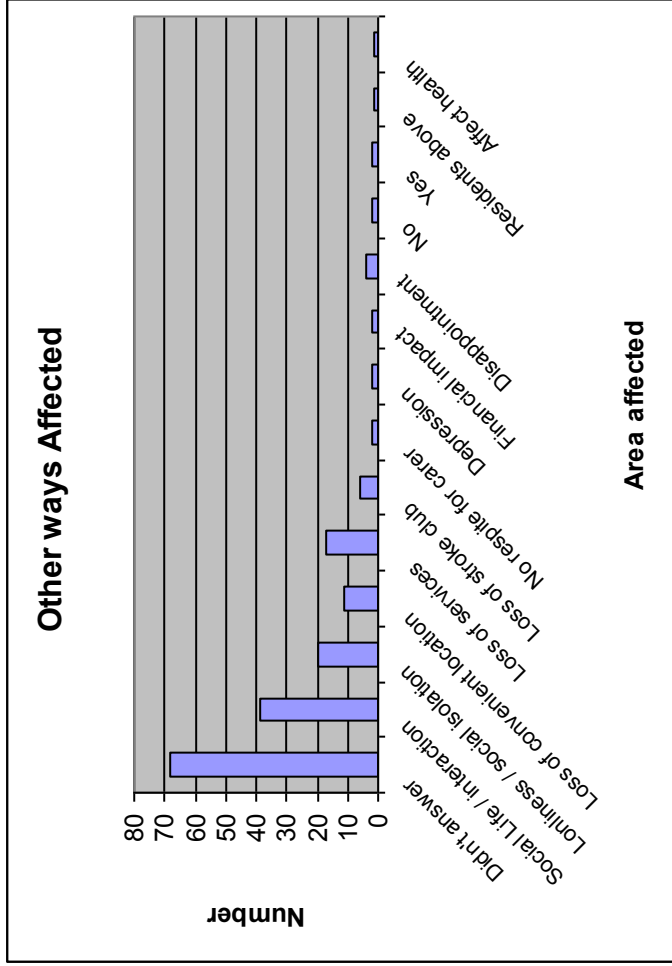


The above shows that the majority of members who answered this question feel that either their spouse or family members will be affected if Abbots closes.

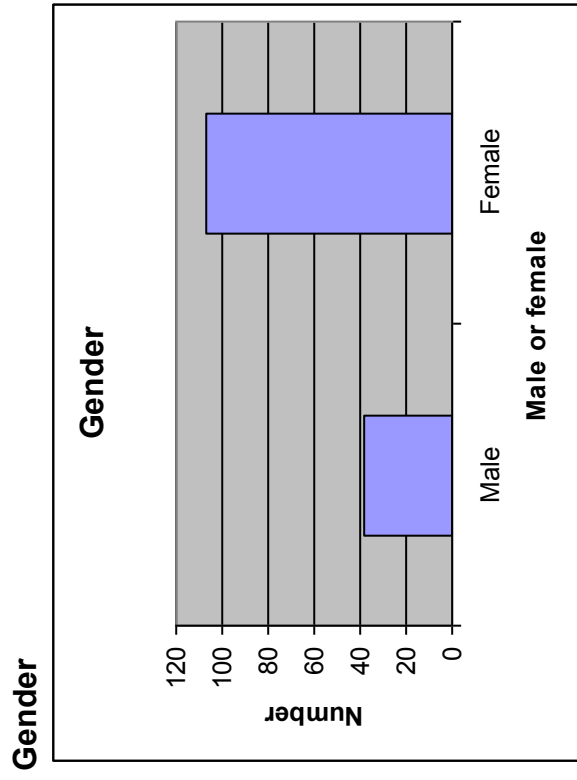


This graph indicates that the members who responded feel that if Abbots closes, their families will have to care for them more and that they will be socially isolated. However, 60% of respondents did not answer this question.

If Abbots were to close are there other ways that you could be affected?

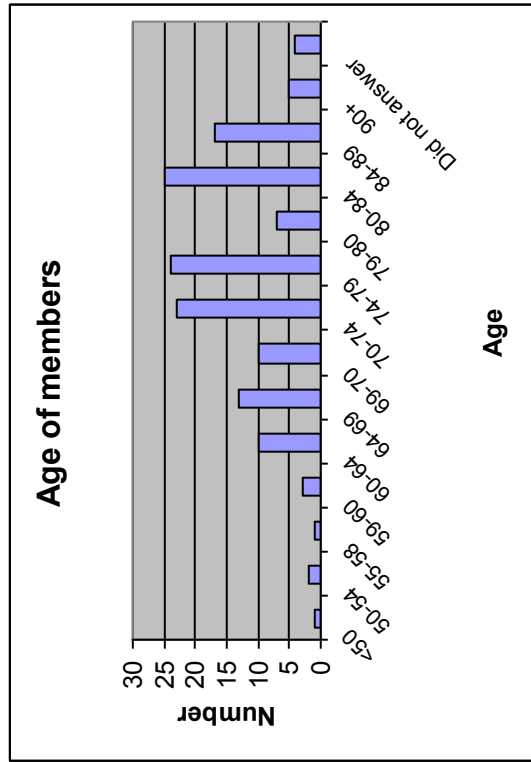


This identifies that 40% of the members who responded (59 in total) were worried that they will have no social life / interaction and will be isolated and lonely if Abbots closes



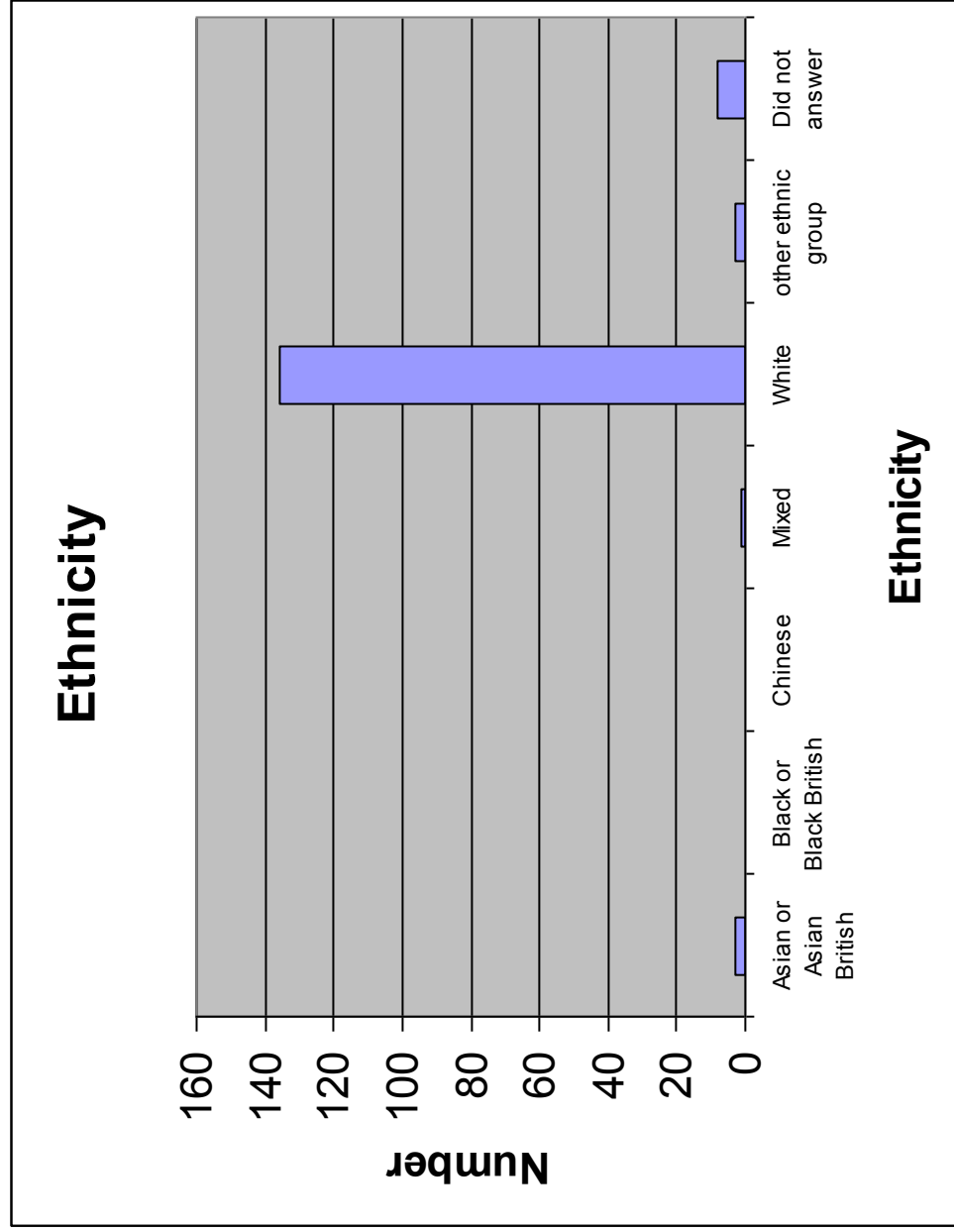
This graph shows that from the responses received, 73% (108) are female and 27% (40) are male users of Abbots Activity Centre currently.

Age of members



This chart identifies that of the members who responded 70% (103) are aged 70 or over.

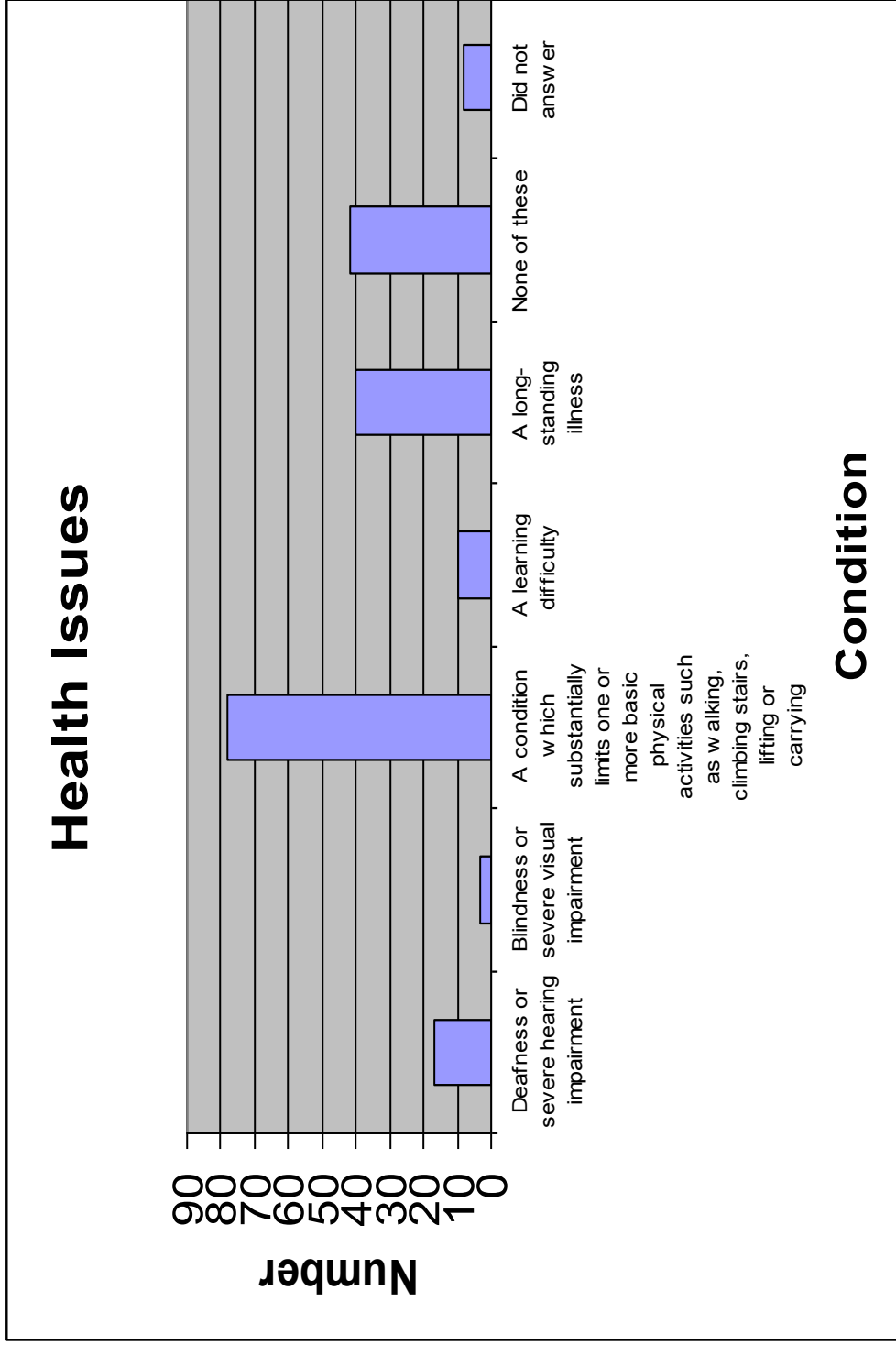
Ethnicity



Ethnicity

The majority of members who responded to this question (138) are White and this equates to 93%.

Do you have a long-term illness, health problem or disability that limits your daily activities?



This chart shows that over 70% of the respondents had a condition which substantially limited one or more basic physical activities such as walking.

Note of Abbots Workshop held on Friday 14 June 2013

Proposal: to discuss the impact of closure of the centre on the members

Present:

Bridget Tighe – Community Initiatives Manager, CBC
Melanie Rundle – Community Welfare Co-ordinator, CBC
Nicola French – Community Research Officer, CBC
Cllr Annie Feltham – Portfolio Holder for Communities and Leisure, CBC
Cllr Mary Blandon – Harbour ward councillor
Abbots Members
Volunteers at Abbots
Representatives from the Stroke Club

Members were asked 4 questions aimed at gaining insight into the impact of the proposal to close Abbots Activity Centre. The questions and responses are outlined below.

Question 1 – “Are you aware of any services similar to those provided at Abbots Activity Centre that are available in the Borough?”

- The response to this question was unanimously ‘no’.
- Bridget asked members whether they were aware of the D’arcy Road Centre or Lion Walk Activity Centre. Members responded that Darcy Road was not similar to Abbots as it did not provide lunches or activities on a daily basis.
- Members voiced concerns regarding wheelchair access, parking and accommodation at Lion Walk. They felt the accommodation was not suitable for disabled members and was not big enough to accommodate all the members.

Question 2 – “How would you find out about other services?”

- It was suggested by members that the Council conduct research on what is available and identify what the alternatives to Abbots were and produce a list for members.
- A member stated that not every club is open to all owing to access issues and that some clubs have certain requirements such as age, access and abilities and these restrictions should be included in the information provided.
- When asked how they would learn about the alternatives members stated they would telephone the Council or consult the Yellow Pages but would not access the Council’s website for any information.
- It was stated by one member that they felt ‘no one tells you anything, you have to find out for yourself, the Council should be sending out this information as people don’t have access to the internet.’ There was an overall feeling that computers were not used and members would prefer to be told information proactively by the Council and not have to go searching themselves.
- It was suggested that the Council produce a leaflet with all information regarding who the clubs are suitable for, what facilities are available, car parking information and any other relevant information.
- Members felt there was nothing else comparable to Abbots in the area that was an “activity centre” providing a meal 5 days a week.

- A member stated they did not wish to give the Council any information which would assist the closure of the centre. It was felt by this member that there was no other club in Colchester that treated the elderly and disabled in the same inclusive ways as they did at Abbots. He felt that other centres 'tolerated' disability and did not 'embrace disability' in the same way Abbots did.
- It was suggested that when sending out new bus passes details could be included of all activities and centres for older people in the area.
- The issues of funding and access to specialist care groups such as Stroke Support was raised
- Transport was an issue as members questioned how they would access other services?
- Members suggested advertising centres and clubs in the newspaper – members felt that Abbots was not widely advertised and this was why new members were not forthcoming.

Question 3 – “What will be the impact of the closure?”

- A carer for one of the members stated that her client would lose some of her extra allocated care if the centre was to close and would therefore become socially isolated and become withdrawn with lack of social access
- The sister of a deaf member stated her brother would become very lonely as the deaf club had also closed down and Abbots was the only place he felt really welcomed
- Another member who provided care for her husband stated that the local proximity of the club meant she could access it for a couple of hours and not have to leave her husband for too long. Accessing other clubs would not be a possibility as they would require too much travel time and therefore time away from her husband
- A member stated that she suffered from panic attacks and could not access the town for that reason. She felt that Abbots had given her a new lease of life and she would become isolated without it.
- Members suggested that the down turn in new member uptake was due to the uncertainty regarding the viability of the centre and this put new members off joining.
- A representative from the Stroke Club stated that a recent cost analysis showed her volunteers provided care throughout the year that would cost £25,000.
- The cost of parking in the town centre was raised by one of the Stroke Club's volunteers who stated she would no longer be able to help and give her time as she would not be able to afford the car parking costs.
- Members said they felt concerned regarding the health and safety at Lion Walk.

At this point in the meeting Bridget introduced Councillor Annie Feltham who opened the floor to questions and comments.

1. How much did the Tour cycle Series cost the Council compared to Abbots?
 - Cllr Feltham stated she did not have the figures with her but commented that the Council had to make choices that affected residents generally and for the whole borough regarding leisure and community. The decision to hold the Tour Series was taken to support local interests for residents and businesses and to help the life of borough. Members commented that it must have cost a lot of money as it required police

involvement. Annie stated that would not result in a cost to the Council but would be a matter for the police.

- Cllr Feltham informed the meeting that the Council made considerable investment in services for older people and had to look at providing the best value for money for all across the borough. She said she supported Age UK through providing a grant of £30K and this in turn enabled the organisation to access over 1 million pounds for Colchester's pensioners.
2. Members asked why Council Tax had not been put up to pay for things like the Centre?
 - Cllr Feltham stated that the decision not to raise council tax for that purpose was a decision taken by the Cabinet and not just a decision for her. She said that budget cuts were being implemented by central government and had to be accommodated at a local level.
 3. Members asked what would happen to the Abbots building if the centre closed?
 - Cllr Feltham stated that there were two separate decisions to be made, 1) concerning whether Abbots Activity Centre would close and subsequent to that decision 2) what would happen to the building in the event of closure.
 - Councillor stated that the cost of running the centre was greater than the profits made and the Council was therefore making a large short fall to cover the running of the centre and where not enough members to make it viable but no decisions have been made yet and that all views were being taken on board.
 4. What will happen to the residents who live above the Centre as they moved to live there as purpose built and for access to the Centre?
 - Cllr Feltham stated that if the residents were members of the centre they will have been included in the consultation.
 5. Some members stated that they did not receive a consultation form.
 - Cllr Feltham stated that if any members had not received a form if they left their details with Debbie she would arrange a form to be sent to them.
 6. What will be the impact on future generations if Centre is no longer open? What will replace it?
 - Cllr Feltham stated that there was no way of telling this but hopefully there would be more locally provided clubs run by volunteers that they would be able to use.
 7. Why did the Council spend £300k on arts centre? – First Site.
 - Cllr Feltham responded that the Council serves the whole borough and has an obligation to provide services for all.

8. Lion Walk is not suitable for all and especially not disabled members.
 - Cllr Feltham commented that Lion Walk was less suitable for some members.
9. How much does it cost to run the Centre?
 - Cllr Feltham responded that the running costs for the centre for 13-14 were £114k. the income of the centre was estimated at £40k for the year and this left a shortfall of £74k.
10. Had anyone asked ECC to cover the shortfall?
 - Cllr Feltham said she did not know whether this was the case but would check with officers.
11. Questions were raised as to what services Lion Walk offered and how many people could access the services on a daily basis?
 - Cllr Feltham said she would ask about this and provide this information with the note of the meeting.
12. Members felt there has been constraints put on those who run the centre by the Council which has accounted for the lack of profit making, many suggested that if Debbie was given a 'free reign' to run it as she saw fit to make 'profit' and that the Council could have tried harder to keep it open.
 - Cllr Feltham stated that several attempts had been made to find someone else to run the centre but the Council had not received any viable tenders.
 - She commented that previous administrations had been faced with the same problems and had tried to resolve the funding issues to keep the centre open but it had now reached a point where the Council was experiencing severe financial cuts and had to take difficult decisions.
13. It was suggested that the Council close Lion Walk instead as it was not accessible?
 - Cllr Feltham commented that Lion Walk had more members, was less expensive and was located in the centre of town which made it more accessible to many of its members.
 - She mentioned that all members of Abbots could also attend Lion Walk, although she could not guarantee that if all members were to attend on one day it could accommodate them all.

14. Members felt Activity Centre was not very well advertised or promoted in local media

- Cllr Feltham informed the meeting that an advert had been placed in the Village Link and in the past a leaflet outlining services for older people (including the activity centres) was produced and is now available on the internet.

15. Concerns were raised as to how stroke victims will be able to access services, asked if Stroke Club would get funding for other services if Centre closed as access issues for stroke victims at Lion Walk were poor.

- Cllr Feltham stated that Leisure world could be an option for them and also that the group might consult with the NHS for the provision of some services as this area was not just the responsibility of the Council to assist. Members responded that stroke sufferers were not ill and therefore, did not come under the remit of the NHS.

16. Members put it to the Councillor that the Council was discriminating against those with disabilities.

- Cllr Feltham stated that making such an accusation was very serious and the reason for the workshop and consultation was to enable her to assess the impact on those, amongst others, with disabilities.

17. Members asked whether the Centre be used as a Family Centre and give Debbie a free hand to take the Centre forward?

- Cllr Feltham said the Council had tried to find an alternative provider but no viable bids had been received.

18. The members said wheelchair access and health and safety issues at Lion Walk were of great concern to them and would put them off accessing the centre.

- Cllr Feltham reassured members that these concerns would be investigated but she was sure that there was an annual health and safety inspection at the premises.



Cabinet

4 September 2013

Item
8(i)

Report of	Head of Commercial Services	Author	Fiona Duhamel
Title	Investment Opportunity - St Botolphs Quarter		
Wards affected	All wards		

Approval of draft Heads of Terms for the proposed land transactions which provide for: a relocation of the bus operator from their current site in Queen Street to a new site at Haven Road, delivery of new drivers facilities and a new ticket office close to the bus station and a development opportunity in St Botolphs

1. Decision(s) Required

- 1.1 To approve in principle the draft Heads of Terms (which are set out in the Confidential section of this agenda), which will form a basis of a land transaction which provides for
- The Council to grant a long leasehold interest to Firstgroup at Haven Road to facilitate a fully serviced bus depot ,
 - a letting of 26 St Botolphs Street to create new drivers facilities and ticket office in connection with the new Bus Station at Osborne Street,
 - the Council to secure the current depot site in Queen Street with vacant possession to enable the wider St Botolphs site to be offered to the market for redevelopment
- 1.2 To give delegated authority to the Head of Commercial Services in consultation with the Portfolio Holder for Business and Resources conclude the transactions substantially in accordance with the draft Heads of Terms.

2. Reasons for Decision(s)

- 2.1 The bus operator has been seeking for some time to bring their various operations in the town together on one site. Given that their current site in Queen Street is too small for such a development they have now found alternative premises in East Colchester which is owned freehold by the Council.
- 2.2 It has been the intention since the relocation of the bus station to Osborne Street that new drivers' facilities and a ticket office would be developed.
- 2.3 In order to offer up the site around firstsite for redevelopment, control of the bus depot land is necessary to ensure delivery of an effective mixed use scheme which is complementary to the gallery and other high quality uses such as the Greyfriars hotel but also contributes to the wider regeneration of the area and creates new jobs in the Borough.

- 2.4 An opportunity has arisen to structure a land transaction which delivers the three objectives above.

3. Alternative Options

- 3.1 The Council could refuse to accept that the proposed Heads of Terms offer the best opportunity to bring forward the various transactions or it could decide that now is not the right time to pursue such an opportunity. However a delay in entering into these deals could lead to the Council letting 26 St Botolphs to another user which would delay or make the creation of the ticket office and drivers facilities uncertain. It would also lead to reduced marketing opportunities for the St Botolphs site which in turn could impact on the regeneration of the wider area.

4. Supporting information

- 4.1 Relocation of the bus station to Osborne Street has highlighted difficulties for the bus operator in delivering services from their depot in Queen Street which is outdated and constrained by way of its size and location adjacent to the Town Wall. As part of their operational objectives the operator has been seeking for some time, a modern stand alone site which could house all of their Colchester operations.
- 4.2 Linked to this, the same bus operator has also been in discussions with the Council with a view to creating new drivers facilities and a new ticket office in a location close to the Osborne Street bus station.
- 4.3 Since earlier in the year, the Council has been carrying out discussions with developers to understand, in the current economic conditions, what would make the St Botolphs site fronting Queen Street more marketable in order to obtain a high quality mixed use scheme to enhance the immediate area and support the ongoing regeneration in this part of town. Feedback from developers has suggested that full control by the Council of the St Botolphs site before marketing would carry less risk for developers than their trying to assemble a site in various different ownerships.
- 4.4 In what remains a difficult and uncertain property and economic market, the proposed terms represent an expedient solution to boost ongoing regeneration in St Botolphs (leading to circa 250 new jobs) whilst enabling the creation of new facilities for the bus station and retaining a key employer within the Borough of Colchester.

5. Strategic Plan References

- 5.1 The proposal is seen as driving, in this location, the Council's objective to make it a place where people want to live, work and visit. Job creation is a priority for the Council and regeneration of St Botolphs contributes significantly to this objective. The St. Botolphs area is detailed in the Essex County Council's Integrated Country Strategy as being a key project for the future of the town.
- 5.2 Retention of a significant employer such as the bus operator in the Borough also contributes towards employment objectives and to see this company relocated to the Hythe is also an important step in the regeneration of this area which has seen the decline of commercial uses since the closure of the port.

6. Consultation

- 6.1 Substantial consultation was undertaken prior to the approval of the St. Botolph's Quarter Masterplan. In addition, further consultation regarding the Council's aspirations for the St Botolphs area has been carried out through a range of public exhibitions.
- 6.2 Each of the proposals requiring site development will require planning consent and such applications will be subject to the normal consultation process.

7. Publicity Considerations

- 7.1 There has been much interest in the St Botolphs area and as part of the relocation of the bus station a communications plan was put in place to enable information to be shared publicly on a regular basis. The proposal to create new drivers facilities and a ticket office is the final part of the new bus station to be delivered so will be reported in the same way, although it will largely be provided by the private sector so any publicity will be in partnership with the operator.
- 7.2 A communications plan is also in place for the development of the wider St Botolphs site and as this land is marketed and scheme proposals received then information will be communicated in accordance with the plan

8. Financial Implications

- 8.1 Each parcel of land/property within the suite of transactions has been valued independently by the Council's Estates team and the financial implications are detailed within the confidential section of the report.

9. Human Rights, Community Safety and Health and Safety Implications

- 9.1 No implications can be identified at this stage.

10. Risk Management Implications

- 10.1 The interlinked relationship means that increased pressure is put on the need to ensure none of the land deals fails to progress. Failure to complete on one of the land deals may undermine the other transactions.
- 10.2 Delays in securing the Queen Street site will have a negative effect on the marketing of the wider St Botolphs site which in turn will delay in regeneration of this part of the town centre
- 10.3 The bus operator's failure to secure a new site may lead to the company relocating to a site outside of the Borough.

Appendix 1 – Site Plans

26 St. Botolohs Street



VINEYARD STREET

St Botolph's Priory Church (remains of)

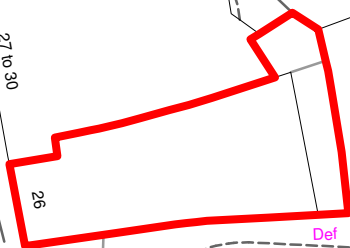
ARTHUR STREET

ST BOTOLPH'S STREET

ST BOTOLPH'S CHURCH

BRITANNIA WAY

ST BOTOLPH'S CIRCUS



18.5m
16.5m
15.8m
17.4m
21.6m

Warehouse

War Memorial

St Botolph's Church

Hannah Court

Blomfield Place

P Posts

PH

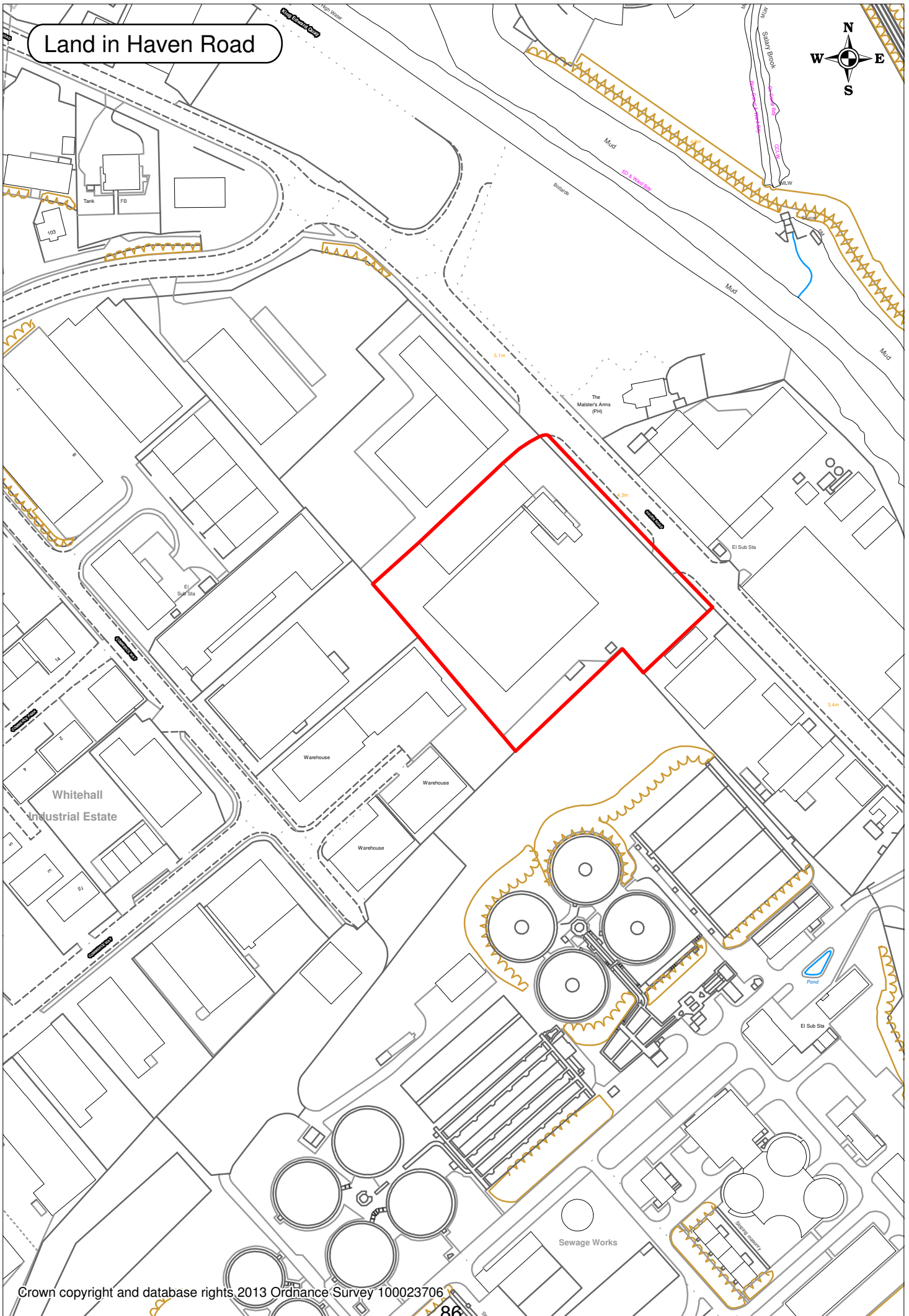
Subway

Subway

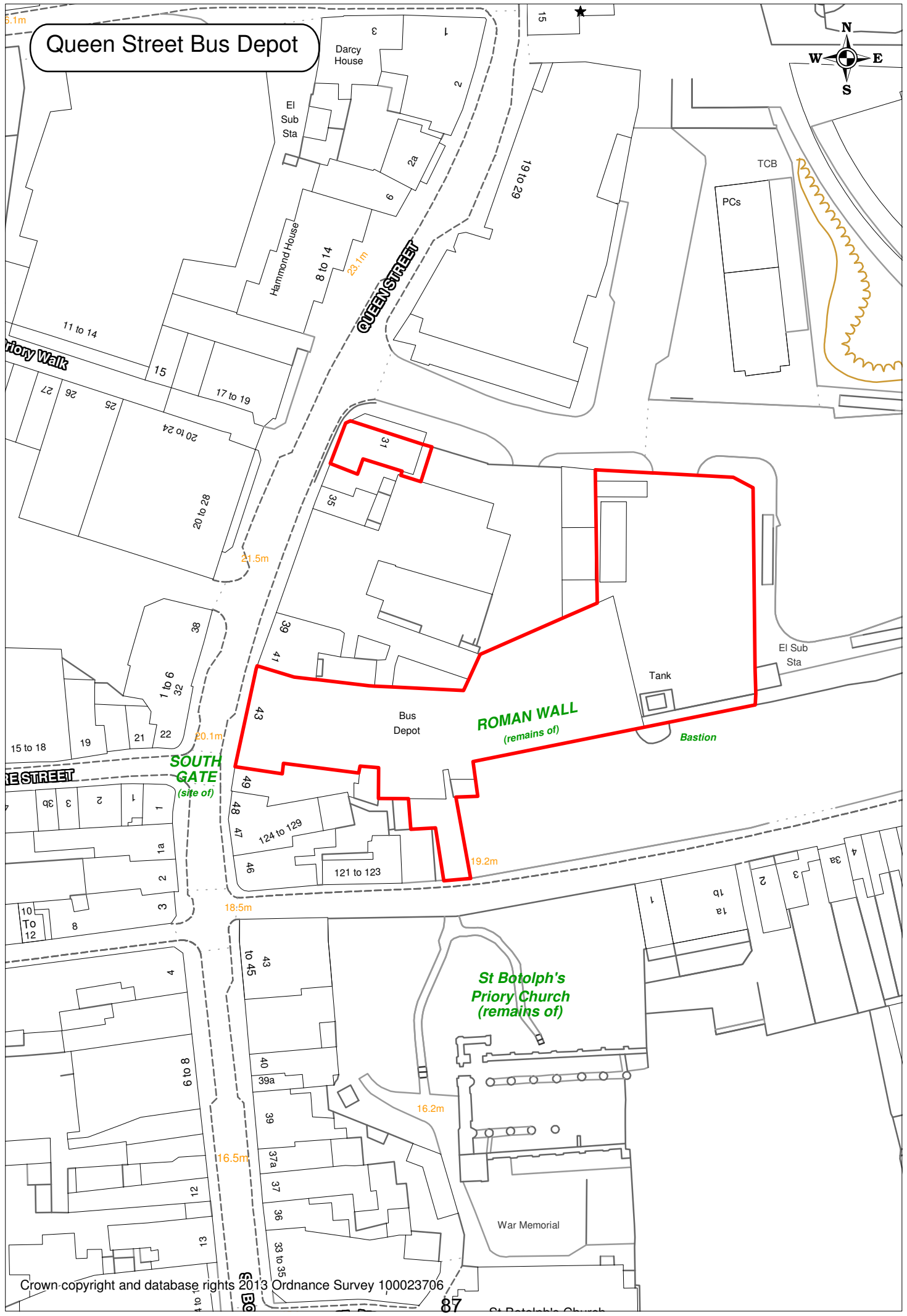
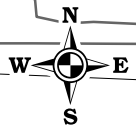
Subway

Warehouse

Land in Haven Road



Queen Street Bus Depot





Cabinet

4 September 2013

Item
9(i)

Report of	Assistant Chief Executive	Author	Sean Plummer ☎ 282347
Title	2014/15 Revenue Budget Update and Business Rates Pooling		
Wards affected	Not applicable		

This report provides Cabinet with an update on the 2014/15 Revenue Budget forecast, impact of changes in respect of New Homes Bonus and proposes in principle that the Council should consider being part of a business rates pool.

1. Decisions Required

1.1 Cabinet is requested to consider the following items:

- i) Note the updated 2014/15 budget forecast as set out at paragraph 6.1 shows a current gap of £1.26million
- ii) Note the impact on the budget of the consultation on New Homes Bonus and the Local Growth Fund
- iii) Agree in principle to join a pool for non-domestic rates on the basis that no authority can be worse off in the pool than they would have been outside it and that the work on developing a county wide pool be supervised through the Essex Strategic Leaders Finance Group

2. Reasons for Decisions

- 2.1. The Council is required to approve a budget strategy and timetable in respect of the year 2013/14. This report provides an interim review of progress and specifically provides information on Government proposals to change the proportion of New Homes Bonus income retained by local authorities.
- 2.2. Under the business rates retention scheme local authorities are able to come together, on a voluntary basis to pool their business rates, giving them scope to generate additional growth through collaborative effort, and to smooth the impact of volatility in rates income across a wider economic area.

3. Alternative Options

- 3.1 There are different options that could be considered and as the budget progresses changes and further proposals will be made and considered by Cabinet and in turn Full Council. In respect of business rates pooling this is a voluntary decision and as such the Council could decide not to be part of a pool.

4. Background

- 4.1 A timetable for the 2014/15 budget (Appendix A) was agreed at Cabinet on 10 July 2013.

4.2 A furthermore detailed update on the budget will be reported in October when the main areas of cost pressure and any planned growth areas together with the approach to balance the budget will be identified.

5. Budget 2013/14 - Review

5.1. The Scrutiny Panel reviewed the budget position for the current year including outturn projections on 20 August 2013. The total position reported at what is an early stage showed a potential net overspend of £181k.

5.2. The Panel will receive a report on the half year position in November and this will in turn be reported to the next available Cabinet meeting when any impact on balances will be assessed.

6. Summary of 2014/15 Budget Forecast

6.1. Based on current revised projections the current 2014/15 budget forecast shows a current gap of £1.26million.

	2014/15 £'000	Comment
Base Budget	22,986	
One off growth / cost pressure / saving adjustments	(667)	
Cost Pressures	1,085	Inflationary provision, pensions increase, and general risk contingency
Savings - Agreed	(405)	Mainly additional saving from Sport and Leisure FSR and increasing target for procurement.
UCC FSR	(815)	Increased net saving from 2 nd year of FSR.
Forecast Base Budget	22,184	
Government Grant	(4,276)	Based on the updated figures provided in 2014/15 and 2015/16 settlement consultation paper.
Retained business rates (baseline funding level)	(3,903)	As above, assumes that the level of business rates retained increases by RPI
Council Tax Freeze Grant	(109)	2 nd year of grant in respect of freeze in 13/14
Council Tax Freeze Grant	(109)	<i>Potential</i> grant in respect of freeze in 14/15
New Homes Bonus	(2,616)	Assumes no increase in grant at this stage
Council Tax	(9,684)	Based on no increase in Council Tax
Use of Reserves	(230)	Ongoing use to fund community stadium and S106 reserve.
Total Funding	(20,927)	
Budget gap	1,257	

<i>Budget Gap based on an increase in Council Tax of 2%</i>	1,172	Reflects additional Council Tax Income and no Council Tax Freeze Grant.
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6.2. The updated figures reflects the announced Council Tax Freeze grant which would be payable in 2014/15 if the Council agree not to increase Council Tax. In addition the Government has published a consultation paper on the Local Government Finance Settlement for 2014/15 and

2015/16. In respect of 2014/15 the Government propose to revise the 2014/15 local government finance settlement to take account of the 1% reduction in the local government Direct Expenditure Limit (DEL). The table below shows that the reduction in the start up funding for 2014/15 is now £1.3m (14%) less than that for 2013/14.

	2013/14	2014/15	2015/16
	£'000	£'000	£'000
Revenue Support Grant	5,682	4,276	2,911
Business Rates Baseline	3,780	3,903	4,013
Total Start Up Funding	9,462	8,179	6,924
Reduction (yoy) £'000		1,283	1,255
“ “ %		14%	15%

6.3. Further work is ongoing to fully assess options to balance the budget including completion of remaining budget reviews and developing delivery plans for all savings, completion of detailed budgets and the ongoing assessment of risk areas. Further updates will be made to Cabinet throughout the year which will also include an update of the Medium Term Financial Forecast to reflect the changes announced in recent consultation papers. This includes the proposed changes announced in respect of the New Homes Bonus set out below.

7. Government Consultations – New Homes Bonus (NHB)

7.1. It was reported to Cabinet on 23 July 2013 that as part of the Spending Review and details of the Government’s capital and growth package for 2015/16 changes were being proposed to transfer a proportion of New Homes Bonus payments from local authorities. A consultation paper has been received and this sets out the proposed options for achieving this.

7.2. The first point to note in respect is that the Government proposes that nationally £400million will be required to be paid over by local authorities. Based on estimates produced by the National Audit Office this equates to 35.09% of the total value of NHB. Using this allocation there are two options put forward for consultation:-

- (a) Applying this flat rate % to the total NHB received by all authorities
- (b) Where there is a two tier of local government (e.g. Essex County Council and Colchester Borough Council) the County Council would be required to pay over 100% of the upper tier authority NHB with the remainder (equating to 18.9%) being made by the district.

7.3. The table below illustrates the impact of these two options on the Council’s New Homes Bonus for 2015/16. For illustrative purposes figures for 2014/15 and 2015/16 have been increased to reflect growth of £625,000 pa in total in New Homes Bonus.

	Estimate			2015/16 Option A		2015/16 Option B	
	Actual	2014/15	2015/16	Paid to Gov’t	Retained	Paid to Gov’t	Retained
	2013/14	2014/15	2015/16	£'000	£'000	£'000	£'000
Colchester BC	2,616	3,116	3,616	1,269	2,347	682	2,934
Essex CC	654	779	904	317	587	904	-
Total	3,270	3,895	4,520	1,586	2,934	1,586	2,934

7.3. Based on the growth estimates used the table illustrates that:-

- Based on “Option A” the level of New Homes Bonus retained by CBC in 2015/16 would be £269k less than the actual amount received in 2013/14.
 - Based on “Option B” would only be £318k more the 2013/14 actual
- 7.4. Whilst the outcome of the consultation will not be known it is clear this change will have an impact on the Council’s budget from 2015/16 and that is therefore important to consider how any additional funding from New Homes Bonus is used in 2014/15. In the budget forecast shown earlier the current assumption is that there is no increase in New Homes Bonus.
- 7.5. A reply to the consultation will be made by the Portfolio Holder for Business and Resources by 19th September.

8. Business Rate Pooling

- 8.1. The Local Government Finance Act 2012 changed how local authorities are financed by introducing local retention of non-domestic rates. In previous years any increase in non-domestic rates within an area has been paid into a central pool with no direct benefit to the local authority itself. The Government felt it important to incentivise authorities to pursue economic growth by allowing them to retain some of the benefit from growth in non-domestic rates.
- 8.2. Under the business rates retention scheme local authorities are able to come together, on a voluntary basis to pool their business rates, giving them scope to generate additional growth through collaborative effort, and to smooth the impact of volatility in rates income across a wider economic area.
- 8.3. The option of pooling is open to all authorities. Put simply it relates to a group of authorities agreeing that they will ‘pool’ all business rate receipts and then agreeing collectively how these will be distributed between pool members.
- 8.4. Essex County Council and all Essex districts submitted an initial ‘expression of interest’ in pooling for 2013/14. Colchester confirmed a desire to establish pooling arrangements for 2013/14 on the basis of the potential to retain a greater share of business rate growth within Essex and also to try to develop agreement on providing greater protection for the Council from fluctuations in business rate levels. Unfortunately due to the lack of financial information provided by the Government and the prescribed timetable, it was considered within Essex that it was unworkable for authorities to develop proposals and make recommendations through the required governance routes within the timeframe although Essex authorities did confirm interest in exploring the opportunity for pooling in 2014/15.
- 8.5. Suffolk has implemented a pooling scheme and the modelling of this scheme currently indicates that £2.376 million of funding will be retained in that county which would otherwise have been lost to the central pool. The Suffolk scheme has been constructed on the basis that no authority can be worse off as a result of joining the pool.
- 8.6. Appendix B sets out a supporting paper on pooling and the pooling prospectus for 2014/15 produced by the Department for Communities and Local Government (DCLG) is provided as a background paper.
- 8.7. It is proposed to develop a scheme for Essex that closely follows the Suffolk model and minimises the amount of growth in non-domestic rates that is paid to the central pool. This matter has initially been considered by the Essex Strategic Leaders Finance Group (ESLF) which is currently chaired by Cllr Smith. It has already been agreed by all Essex authorities to commission LG Futures to produce a report, modelling a number of different scenarios and the

provision of an excel tool to allow the development of further options. LG Futures are consultants who have previously been used by Essex authorities to consider implications in this area.

- 8.8. Any proposals for new pools need to be made to DCLG by 31 October 2013 and final proposals are required to be signed off by the Council's Section 151 Officer.
- 8.9. Further budget reports will provide information on any final pooling proposals to confirm any arrangements.

9 Proposals

- 9.1. It is proposed that:-
- (i) the budget position should be noted
 - (ii) the impact on the budget forecast of the consultation exercise on New Homes Bonus be noted
 - (iii) in principle agreement be given to joining a pool for non-domestic rates on the basis that no authority can be worse off in the pool than they would have been outside it and that the work on developing a county wide pool be supervised through the Essex Strategic Leaders Finance Group

10. Strategic Plan References

- 10.1. The Council has agreed an over arching vision for the Borough: Colchester, the place to live, learn, work and visit. Alongside this are number of broad aims.
- 10.2. The 2014/15 budget and the Medium Term Financial Forecast will be underpinned by the Strategic Plan priorities and will seek to preserve and shift resources where needed to these priorities.

11. Financial implications

- 11.1 As set out in the report

12. Other Standard References

- 12.1 There are no specific Consultation, Equality and Diversity, Publicity, Human Rights, Community Safety or Health and Safety implications at this stage.

Background Papers

Report to Cabinet 10 July 2013

[DCLG New Homes Bonus and the Local Growth Fund - technical consultation](#)

[DCLG Business Rates Pooling Prospectus](#)

2014/15 Budget Timetable

Budget Strategy March 12 – July 2012

March – June (SMT and Budget Group)	Budget Group Meetings Agreed Update MTF / Budget Strategy Review potential cost pressures, growth and risks Consider approach to budget Initial budget reviews started
Cabinet – 10 July 13	<ul style="list-style-type: none"> • Report on updated budget strategy / MTF • Timetable approved
Scrutiny Panel – 23 July 13	Review Cabinet report

Detailed Budget preparation and Budget Setting Consultation

Budget Group / Leadership Team regular sessions on progress / budget options now - December	Review budget tasks Consider delivery of existing and new Fundamental Service Reviews
Cabinet – 4 September 13 and /or 9 October 13	<ul style="list-style-type: none"> • Budget Update • Review of capital resources / programme • Consider any impact arising from in year budget monitoring.
Cabinet – 27 November 13	<ul style="list-style-type: none"> • Budget update • Reserves and balances • Government Finance settlement (if available)
Scrutiny Panel – 28 January 14	Review consultation / Budget position (Detailed proposals)
Cabinet – 29 January 14	Revenue and Capital budgets recommended to Council
Council – 19 February 14	Budget agreed / capital programme agreed / Council Tax set

Leadership Team to review budget progress during year.

Business Rates Pooling

Summary

The Local Government Finance Act 2012 changed how local authorities are financed by introducing local retention of non-domestic rates. In previous years any increase in non-domestic rates within an area has been paid into a central pool with no direct benefit to the local authority itself. The Government felt it important to incentivise authorities to pursue economic growth by allowing them to retain some of the benefit from growth in non-domestic rates.

By combining in a pool it is possible to retain more of the additional funds from growth in non-domestic rates within a county wide area. Pooling was considered in Essex for 2013/14 but was not pursued. However, Suffolk has implemented a pooling scheme and the modelling of this scheme currently indicates that £2.376 million of funding will be retained in that county which would otherwise have been lost to the central pool.

The Suffolk scheme has been constructed on the basis that no authority can be worse off as a result of joining the pool. It is proposed to develop a scheme for Essex that closely follows the Suffolk model and minimises the amount of growth in non-domestic rates that is paid to the central pool.

The Financial Benefits of Pooling

1. Under the new system of local business rate retention some authorities collect more rates than the Government has determined they need to fund their activities and these authorities are required to pay over the excess to the central pool. Because these authorities are paying in to the central pool they are known as tariff authorities and most district councils are in this position. Those authorities with insufficient income in their own area get payments from the central pool and are known as top up authorities. The most common group of authorities receiving top ups is county councils.

2. Where an authority sees growth in its non-domestic rates it has to pay a proportion of that growth into the central pool as a levy. The levy rate is calculated using the following formula –

$$\text{Levy rate} = 1 - \frac{\text{baseline funding level}}{\text{business rates base line}}$$

Using Colchester's figures produces a levy figure of 84% -

$$£3,779,919 / £22,984,520 = 0.16$$

$$1 - 0.16 = 84\%$$

However, the levy is **capped at 50%** and so this is the effective amount of growth that districts will be able to retain if they do not pool.

3. The advantage that comes from pooling is the inclusion of a large top up authority in the levy calculation substantially boosts the baseline funding level relative to the business rates baseline. Using the Suffolk example, inclusion of Suffolk County Council increases the baseline funding level by £89.723 million and the rates baseline by only £23.322 million. For the Suffolk Pool the calculation becomes –

£107.387m / £116.611 m = 0.92

1 – 0.92 = 8%

This means that only 8% of the growth within the Suffolk Pool is now lost to the central pool, based on the current modelling this will mean an additional £2.376 million of growth will be retained in Suffolk in 2013/14. This can be illustrated using their modelling figures –

	Growth retained no pool £m	Growth retained with pool £m	Gain / (loss) £m
Suffolk County Council	1.482	1.557	0.075
Suffolk Districts	2.963	3.613	0.650
Suffolk Pool Reserve	0	1.651	1.651
Central Government	2.963	0.587	(2.376)
Total Growth	7.408	7.408	

4. The Suffolk Pool Reserve comprises of £1 million retained by the pool to cover any safety net payments that are subsequently required and £0.651 million that is to be spent on projects determined by the Suffolk Leaders and Chief Executives Group. If payments are not ultimately required to support any authority in the safety net the £1 million will also become available for distribution to the pool members.

5. Given the greater size of the Essex economy it may be appropriate to retain more than £1 million to cover potential safety net payments. There is a balance here between being sufficiently prudent to ensure the scheme is financially robust and not restricting the distribution of growth to the extent that it becomes a disincentive.

6. Much of the growth in Suffolk is due to the port of Felixstowe and Essex could benefit in a similar way through growth at Stansted. The new owners of the airport have already unveiled a significant improvement scheme for the existing facilities and further investment may follow.

Key Aspects of the Suffolk Scheme

7. There are a number of pools across the country and in moving forward part of the work required is to evaluate the aspects from particular schemes that we would want to copy. However, the Suffolk scheme provides a useful starting point for discussion and has much to recommend it. How the Suffolk scheme operates is set out below -

- a) Each council will receive and make the same payments as though they had not pooled. This includes the treatment of growth in enterprise zones and new renewable energy schemes.
- b) If a district experiences a fall in business rates they have to absorb that fall, up to the level of the Government's safety net (thus mirroring the Government scheme).
- c) The authority acting as banker receives the money from the other members and pays the net balance to the Government. The retained balance represents the net benefit of pooling.

- d) The banker will pay the equivalent of any safety net payments where needed during the year, to ensure that the Pool completely matches the position a member would have been in if they had not pooled. The payments are then offset against growth from other members when the year-end position is calculated.

8. The other crucial aspect, and one that may prove difficult to agree across Essex, is how the gain from pooling is shared. Whilst Suffolk has a County Council with an integrated Fire Authority and seven Districts (which include three aligned pairs working closely) Essex has separate County and Fire Authorities, two Unitary Authorities and twelve Districts. This means agreement will be necessary from sixteen partners instead of five, although it will still be possible to construct a pool if some of the Unitary or District Councils in Essex decide not to join in a county wide pool.

9. In Suffolk the financial gain from pooling is split on the following bases –

- a) In the initial year of operation only, the first £1m will be retained to establish a reserve to fund potential future safety net payments. Transfers in future years will only be to the extent necessary to maintain a reserve of £1m.
- b) The second £1m will be split 50% to district councils and 50% to the Leaders and Chief Executives Group.
- c) Any benefit exceeding a) & b) will be split 40% to districts, 40% to Leaders and Chief Executives and 20% to the County Council.
- d) The Chief Executives and Leaders Group will determine how the money allocated to them is to be spent.
- e) If agreement cannot be reached on spending priorities under d) any unspent money will be distributed 60% to districts and 40% to the County.
- f) Where money is distributed to districts under b), c) and e) this will be done on the basis of 50% of their spending baseline and 50% of their share of growth. This ensures that every district will be in a better position as a consequence of pooling.

10. Within Suffolk the Chief Executives and Leaders Group have agreed that their share of the funds will be used for infrastructure and business development, facilitating additional housing or to supplement resources for projects identified by the LEP to bring them to fruition more quickly. In Essex there is an Integrated County Strategy and the Chief Executives and Leaders may want to use their funds to support projects from that strategy.

**EXTRACT FROM THE MINUTES OF THE MEETING OF THE
TRADING BOARD HELD ON 14 AUGUST 2013**

8. Trading Board Terms of Reference

The Board had considered at its previous meeting the Terms of Reference which had been approved by the Cabinet and Council when the Council's administrative arrangements for 2013-14 had been formulated.

Adrian Pritchard, Chief Executive, presented to the Board a revised set of Terms of Reference following its request that they be reviewed to address concerns that they were too detailed and could potentially unduly hinder the working of the Board

RECOMMENDED to Cabinet that the revised Terms of Reference as set out below be approved:-

Trading Board - Terms of Reference

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

4 September 2013

Report of	Assistant Chief Executive	Author	Hayley McGrath ☎ 508902
Title	2012/13 Year End Review of Risk Management		
Wards affected	Not applicable		

This report concerns the Risk Management work undertaken for the period 1 April 2012 to 31 March 2013.

1. Decisions Required

- 1.1 Note the risk management work undertaken during 2012/13.
- 1.2 Note the current strategic risk register.
- 1.3 Approve the proposed risk management strategy for 2013/14 and refer it to full Council for inclusion in the Council's Policy Framework.

2. Reason for Decisions

- 2.1 Cabinet has overall ownership of the risk management process and is responsible for endorsing its strategic direction. Therefore the risk management strategy states that Cabinet should receive an annual report on progress and should formally agree any amendments to the strategy itself.
- 2.2 During the year quarterly progress reports are presented to the Governance Committee detailing work undertaken and current issues. This report was presented to the Governance Committee on 25 June 2013 where they approved its referral to this meeting.
- 2.3 The Risk Management Strategy is one of the key corporate governance documents that supports the Constitution of the Council and forms part of the Policy Framework. Accordingly any amendments have to be approved by full Council.

3. Key Messages

- The economy and cuts in public spending continue to have had a significant impact on the key risks during the year. The highest risk on the year end strategic register remains the potential impact of future central government decisions to reduce public funding, including that of the Council's partners.
- As well as having a direct effect on resources, cuts in public spending are also influencing non-financial risk areas, such as staff motivation, as a result of implementing the changes required to ensure that effective services continue to be provided.
- The strategic risk register identifies actions to minimise risks. It is recognised that there are also external factors, such as changes in the borough economy, that the Council has less direct influence over however actions are identified to reduce the potential impact of these risks
- Risk Management principles continue to be reinforced and embedded in the organisation. The 2011/12 Annual Governance Report, issued by the Audit Commission in September 2012, stated that "Good systems, processes and controls are in place, including effective risk management systems". This is demonstrated by the 2012/13 internal audit review which provided a substantial assurance level.

4. Supporting Information

- 4.1 The aim of the Council is to adopt best practices in the identification, evaluation, cost-effective control and monitoring of risks across all processes to ensure that risks are properly considered and reduced as far as practicable.
- 4.2 In broad terms risks are split into three categories:
- Strategic – those risks relating to the long term goals of the Council
 - Operational – risks related to the day-to-day operation of each individual service
 - Project – consideration of the risks relating to specific initiatives
- 4.3 Strategic risks are essentially those that threaten the long term goals of the Council and therefore are mainly based around meeting the objectives of the Strategic Plan. They may also represent developing issues that have the potential to fundamentally affect service provision, such as proposals to dramatically change the corporate assessment process. Strategic risks are owned by members of the Senior Management Team.
- 4.4 Operational risks are those that threaten the routine service delivery of the Council. Each service area has their own operational risk register that details the risks associated with providing the service. These registers are reported, in summary format, to the Senior Management Team and committee on an annual basis. High risks and the success in controlling them are reported to Senior Management Team on a quarterly basis, as these assist in the formulation of the strategic risk register.
- 4.5 Project risks are those that relate solely to the successful delivery of that specific project. They tend to be quantifiable issues, such as resource or time related, and constantly change and develop over the course of the project as each stage is completed. The lead on the project is responsible for ensuring that there is an appropriate risk register and high level issues are reported to the senior management team.

5.0 Summary of 2012/13

- 5.1 A major area of work during the year has been the comprehensive review of motor fleet risks. In August 2012 the Council experienced a significant increase in motor vehicle insurance premiums, primarily due to the number of incidents involving Council fleet vehicles. This led to the creation of a team to fundamentally review the issues surrounding the fleet and in turn an action plan to reduce the risks faced by the fleet. The action plan identified various objectives including senior management commitment, the creation of a driver's handbook and various types of training. The work undertaken so far has already seen a reduction in claim numbers from the previous year and a lower than anticipated insurance premium for 2013/14.
- 5.2 The work started in the previous year to embed anti-fraud and corruption processes has continued during 2012/13. Work has been undertaken with CBH to review their policies and training sessions are being organised for their staff. As part of the review of anti-fraud and corruption policies it was recognised that the Council did not have any formally trained investigators to conduct suspected fraud reviews. Therefore the Risk and Resilience Manager undertook the BTEC Advanced Professional Certificate in Investigative Practice to ensure that investigation reports are completed to the required standard.
- 5.3 There were no fundamental changes to the risk management function, or the processes used to identify and control risk, during 2012/13.
- 5.4 An audit of the risk management function was carried out in January 2013. This produced four recommendations three at level two and one at level three. These related

to updating on-line documents and inclusion of partnership and flexible working risks in all operational risk registers.

- 5.5 The risk registers for the Joint Museum Service and the North Essex Parking Partnership both continue to be produced and reported to the joint committees.

6. Strategic Risk Register

- 6.1 During 2012/13 the strategic risk register was reviewed by the senior management team every quarter and reported to the Finance and Audit Scrutiny Panel every six months. The register for quarter 4 is shown at appendix 1. These risks have been mapped onto a risk chart as shown at appendix 2.
- 6.2 Currently the issues relating to the uncertainties around the economic climate and the impact that this is having on staff morale continue to be the highest risks.
- 6.3 Due to the implementation of the new organisational structure both the operational and strategic registers are currently being comprehensively reviewed to ensure that they accurately capture the risks faced by the Council. The results of this review will be reported to the Governance Committee in November this year.
- 6.4. Appendix 1 and 2 reflect the historic review carried out of risks and the risks assessments will be updated to reflect the current position. For example, it is considered that the following 2 risks could be changed as follows:-

Risk 1c, Reduce probability from 3 to 2

Risk 6d, Reduce impact from 4 to 3

7. Risk Management Strategy for 2013/14

- 7.1 The Council's current approach to managing risk was introduced in 2006/07. A requirement within the strategy, and also of the annual audit assessment, is to review the approach each year to ensure that it is still appropriate to the Council's needs.
- 7.2 Therefore a review has been undertaken and the strategy has been updated for 2013/14. The revised strategy is attached at appendix 3. There are no fundamental changes proposed to the risk process with amendments only to external review comments and the updating of titles to reflect the new organisational structure.

8. Proposals

- 8.1 To note and comment upon the Council's progress and performance in managing risk during 2012/13 and the current strategic register, and endorse the submission of the revised Risk Management Strategy to full Council for inclusion in the Policy Framework.

9. Strategic Plan References

- 9.1 The strategic risk register reflects the objectives of the strategic plan and the actions have been set with due regard to the identified key strategic risks. Therefore the risk process supports the achievement of the strategic objectives.

10. Risk Management References

- 10.1 The failure to adequately identify and manage risks may have an effect on the ability of the Council to achieve its objectives and operate effectively.

11. Other Standard References

- 11.1 There are no direct Consultation, Publicity, Financial, Human Rights, Equality and Diversity, Community Safety or Health and Safety implications as a result of this report.

Quarter 4 2012/13
Colchester Borough Council – Corporate Strategic Risk Register
January 2013 – March 2013

1. AMBITION								
Specific Risks		SCORE						Consequence
		Current			Previous			
		P	I	O	P	I	O	
1a	In a period of public sector resource reductions the ability to have ambition and to deliver on that ambition.	3	2	6				Major changes needed to the town would not be delivered thus affecting the quality of life of its residents and businesses.
1b	Unrealistic internal and external expectations on the speed of delivery.	3	3	9				Major economic downturn in public sector resourcing over the next few years will hamper the speed of delivery across the services provided.
1c	The Council is unable to effectively influence changes in the Borough economy.	3	4	12	2	4	8	Poorer external assessments by independent agencies and loss of Council reputation.
1d	Over reliance on a limited number of people limits ability to deliver our ambition.	3	3	9	2	3	6	The Borough Council loses its status and influencing ability at sub-regional, regional and national levels.
1e	The resource implications, including ICT, staffing and financial, of the UCC FSR are greater than anticipated.	2	4	8				The review does not achieve its full potential and anticipated improvements are not realised, resulting in Customers not receiving an improved level of service.

ACTION PLAN – AMBITION		
Action	Owner	Review
Constantly challenge the ambition shown by the Council and look for new and innovative ways of delivering that ambition.	Chief Executive / Executive Directors / Heads of Service	March 2013
Make the most of information and communication technology; continue the process of Fundamental Service Reviews	Executive Management Team	March 2013
Continue internal assessment of service effectiveness and seek external assessments as appropriate for continuous improvement purposes.	Senior Management Team	March 2013
Consider longer term impacts of staffing reductions.	Senior Managers and Human Resources function	March 2013
The resourcing issues around the UCC FSR are managed by the UCC FSR risk register which covers ICT, Cultural Change, Financial and External risks.	Executive Director	The register is reviewed by the implementation group monthly and by the project board bi-monthly.

2. CUSTOMERS								
Specific Risks		SCORE						Consequence
		Current			Previous			
		P	I	O	P	I	O	
2a	The increasing expectations of our customers, set alongside the financial challenges to service delivery may pose some challenges to customer excellence, service and delivery and the reputation of the authority.	4	3	12	3	3	9	The Authority fails to deliver the high standards of service and delivery which our customers expect, especially in relation to self service and the reliance on IT capabilities.
2b	There is increasing expectation that the Council will step in to deliver services when other providers either fail or reduce service provision	4	3	12				The Council suffers from a loss of reputation as customer's expectations are not met. There is increased demand on existing services leading to a reduction in standards of delivery

ACTION PLAN – CUSTOMERS

Action	Owner	Timing
A programme of engagement and consultation is put in place to ensure customers are able to inform service priorities and delivery	ED Customer Excellence	March 2013
Front line services need to ensure that customers are fully aware of the level of service that can be expected and details should be made available to sign post customers to other relevant organisations.	ED Customer Excellence	March 2013

3. PEOPLE

Specific Risks		SCORE						Consequence
		Current			Previous			
		P	I	O	P	I	O	
3a	Unable to update skills at a time when we need a changing skill set to deliver in a different economic climate	3	3	9				Decline in service performance Disengaged and demotivated staff Efficiency and productivity reduction
3b	Failure to sustain adequate resource to support Training and Development because of the financial situation	3	3	9				Inability to meet changing requirements and needs
3d	Failure to provide effective and visible political and managerial leadership.	3	3	9				Customer perceptions decline as we deliver less Loss of key staff
3e	Staff motivation declines with impact of fundamental service reviews and implementation of other budget efficiencies	4	4	16				

ACTION PLAN – PEOPLE

Action	Owner	Timing
Ensure effective communications strategy around budget implications with staff	ED People & Performance	March 2013
Ensure people strategy is updated to reflect changing needs as appropriate	ED People & Performance	March 2013
Continue to recognise the importance of training and development budgets and use more innovative methods to keep skills up to date	ED People & Performance	March 2013
Ensure performance management process is effectively implemented and monitored to include development needs and plans	ED People & Performance	March 2013
Active promotion and use of Colchester Learning Managers programme and development to meet evolving needs	ED People & Performance	March 2013
Ensure outcomes of fundamental service reviews reflect training and development needs to support changes in services.	ED Customer Excellence	March 2013

4. HORIZON SCANNING

Specific Risks	SCORE						Consequence	
	Current			Previous				
	P	I	O	P	I	O		
4a	To continuously assess future challenges to ensure Council is fit for future purpose	2	4	8				If not properly managed then either the Council will lose the opportunity to develop further or will have enforced changes to service delivery.
4b	Not taking or creating opportunities to maximise the efficient delivery of services through shared provision, partnerships or commercial delivery	4	3	12				Adverse impact on local residents / resources. Missed opportunities to boost local economy.
4c	Failure by the Council to spot / influence at an early stage the direction of Central Government policies / new legislation.	3	3	9	2	3	6	Conflict between Council / Government agendas. Reduction in levels of service provision and potential withdrawal of services.
4d	Potential impact of future central government decisions to reduce public funding, including that of our partners	4	5	20	3	5	15	

ACTION PLAN – HORIZON SCANNING

Action	Owner	Timing
Ensure organisational readiness to respond to external challenges through the Way We Work programme strands: - People - Transformation - Customer Excellence - Leadership of Place	EMT	March 2013
Supported by a robust Medium term Financial strategy and organisational development strategy.	EMT	March 2013
Continuous review of strategies and policies to reflect changing context.	EMT	March 2013
The budget situation is under constant review, including the impact of decisions from central government. Additional actions and areas for spending reviews are being identified.	EMT	March 2013

5. PARTNERSHIPS										
Specific Risks		SCORE						Consequence		
		Current			Previous					
		P	I	O	P	I	O			
5a	Failure or inappropriate performance management of one or more strategic partnerships or key contracts E.g. Haven Gateway, Growth Cities Network, CAPITA, CBH	4	3	12						<p>The cost of service delivery is increased however quality decreases.</p> <p>Failure to deliver key priorities.</p> <p>Reputational and financial loss by the Authority.</p> <p>Failure to deliver expected outcomes through partnerships</p>
5b	Change of direction / policy within key partner organisations and they revise input / withdraw from projects.	4	3	12	3	3	9			<p>Requirement to repay external funding granted to partnership – taking on the liabilities of the ‘withdrawn’ partner.</p> <p>External assessment of the Councils partnerships are critical and score poorly.</p>
5c	Potential inability to agree shared outcomes/ agendas with partners and the Council’s ability to influence partner’s performance.	3	4	12	3	3	9			

ACTION PLAN – PARTNERSHIPS		
Action	Owner	Timing
Assess proposed strategic partnerships to ensure that they will satisfy the Council’s objectives before commitment to new partnerships is made.	EMT	March 2013
Define a relationship / performance management process for partnerships	ED People & Performance	March 2013
Ensure that there is a mechanism to review partnerships and assess the value added.	ED People & Performance ED Leadership of Place	March 2013

6. ASSETS & RESOURCES

Specific Risks		SCORE						Consequence
		Current			Previous			
		P	I	o	P	I	o	
6a	Failure to protect public funds and resources – ineffective probity / monitoring systems	3	4	12	2	4	8	Service delivery failure Financial and reputational loss by the Authority
6b	Risk that Asset Management is not fully linked to strategic priorities and not supported by appropriate resources	3	4	12				Personal liability of Officers and Members. Legal actions against the Council
6c	Inability to deliver the budget strategy in the current economic climate	3	4	12	3	5	15	Loss of stakeholder confidence in the Borough Inability to sustain costs
6d	Failure to set aside sufficient capital funds for strategic priorities	3	4	12	3	2	6	Failure to deliver a balanced budget Required to use Reserves & Resources to fund services and capital priorities Severe impact on cash-flow leading to negative effect on performance targets
6e	Increased risk to ICT resilience with migration to new supplier and ever increasing demands around information security	2	5	10				

ACTION PLAN – ASSETS & RESOURCES

Action	Owner	Timing
Ensure that there is a robust system of internal control that encompasses all assurance systems including Internal Audit, Risk Management, Budget process, Corporate Governance and performance management. This must be reported to senior officers and members on a regular basis to ensure that it is fully embedded	EMT / Head of Resource Management	There is cycle of reviewing and reporting including internal Audit, Risk management and the AGS Review March 2013
Continue to ensure that the budget monitoring process is reflective of finances across the whole Council not just individual service areas	Head of Resource Management	Regular reporting to PMB. & FASP. Review March 2013
Develop the annual budget strategy to ensure it has controls built in to be able to respond to changes in the strategic objectives and is innovative to reflect the current climate and emerging options	Head of Resource Management	Annual exercise. Council approves budget in Feb 2013
Review the medium term financial outlook and capital programme processes to ensure they are kept up to date and realistic	Head of Resource Management	MTFS is part of the budget strategy & considered during the process. Capital programme reported to FASP quarterly Review March 2013
Regular reviews with new ICT supplier Ensure IT policies comply with information security requirements and that staff are aware of the correct procedures.	ED People & Performance	From beginning of new contract and ongoing. Next review March 2013

SCORE DEFINITIONS	1 Very Low	2 Low	3 Medium	4 High	5 Very High
Impact	Insignificant effect on delivery of services or achievement of Strategic Vision & Corporate Objectives.	Minor interruption to service delivery or minimal effect on Corporate Objectives.	Moderate interruption to overall service delivery/effect on Corporate Objectives or failure of an individual service.	Major interruption to overall service delivery or severe effect on Corporate Objectives.	Inability to provide services or failure to meet Corporate Objectives
Probability	10% May happen – unlikely	10 -25% Possible	26 – 50% Could easily happen	51 – 75% Very likely to happen	Over 75% Consider as certain

RISK MATRIX YEAR END 2012/13

Low Risks	Medium Risks	High Risks
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Scoring 1-5

Risk Tolerance Line

Probability of Occurrence	5 Very High					
	4 High			2a 2b 4b 5a 5b	3e	4d
	3 Medium		1a	1b 1d 3a 3b 3d 4c	1c 5c 6a 6c 6d	
	2 Low				1e 4a	6e
	1 Very Low					
		1 Very Low	2 Low	3 Medium	4 High	5 Very high
		Severity of Impact				

Removed Risks

3c

Declining number of staff affects our capacity and impacts on our ambitions
Removed Qtr 1 2012/13



DRAFT Risk Management Strategy 2013/14

RISK MANAGEMENT STRATEGY

This document outlines the Council's commitment to managing risk in an effective and appropriate manner. It is intended to be used as the framework for delivery of the Risk Management function and provides guidance on developing risk management as a routine process for all services.

INTRODUCTION

The Council undertakes that this strategy will ensure that:

1. The management of risk is linked to performance improvement and the achievement of the Council's strategic objectives.
2. Members and the Senior Management Team own, lead and support on risk management.
3. Ownership and accountability are clearly assigned for the management of risks throughout the Council.
4. There is a commitment to embedding risk management into the Council's culture and organisational processes at all levels including strategic, programme, project and operational
5. All members and officers acknowledge and embrace the importance of risk management as a process, by which key risks and opportunities are identified, evaluated, managed and contribute towards good corporate governance.
6. Effective monitoring and reporting mechanisms are in place to continuously review the Council's exposure to, and management of, risks and opportunities.
7. Best practice systems for managing risk are used throughout the Council, including mechanisms for monitoring and reviewing effectiveness against agreed standards and targets.
8. Accountability to stakeholders is fully demonstrated through periodic progress reports and an annual statement on the effectiveness of and the added value (benefits) from the Council's risk management strategy, framework and processes.
9. The Council's approach is regularly assessed by an external, independent body against other public sector organisations, national standards and Best Practice.
10. The Risk Management Strategy is reviewed and updated annually in line with the Council's developing needs and requirements.

Endorsement by Adrian Pritchard, Chief Executive

“Colchester Borough Council is committed to ensuring that risks to the effective delivery of its services and achievement of its overall objectives are properly and adequately controlled. It is recognised that effective management of risk will enable the Council to maximise its opportunities and enhance the value of services it provides to the community. Colchester Borough Council expects all officers and members to have due regard for risk when carrying out their duties.”

A handwritten signature in black ink that reads "A. R. Pritchard." The signature is written in a cursive style with a long, sweeping underline.**WHAT IS RISK MANAGEMENT**

Risk Management is the control of business risks in a manner consistent with the principles of economy, efficiency and effectiveness. It is an essential performance management process to ensure that both the long and short term objectives of the Council are achieved and that opportunities are fully maximised.

Risk Management is not about eliminating risk, as this would limit the ability of the organisation to develop and deliver its ambitions. Its purpose is to recognise the issues that could effect the achievement of our objectives and develop actions to control or reduce those risks. Acknowledgement of potential problems and preparing for them is an essential element to successfully delivering any service or project. Good management of risk will enable the Council to rapidly respond to change and develop innovative responses to challenges and opportunities.

‘The Good Governance Standard for Public Services’ issued by The Independent Commission on Good Governance in Public Services states that there are six core principles of good governance including ‘Taking informed, transparent decisions and managing risk’. The document goes on to state ‘Risk management is important to the successful delivery of public services. An effective risk management system identifies and assesses risks, decides on appropriate responses and then provides assurance that the chosen responses are effective’.

BACKGROUND

A process for managing risks was first adopted by the Council in 2003 and since then has been developed to ensure that it continues to be an effective management system. This strategy defines Colchester Borough Council's definition of risk and the processes to be followed.

In broad terms risks are split into three categories:

- Strategic – those risks relating to the long term goals of the Council
- Operational – risks related to the day-to-day operation of each individual service
- Project – consideration of the risks occurring as a result of the Council's involvement in specific initiatives

The following are some of the practical ways that risks are managed and how effectiveness is measured.:

- Creation of an overall strategic register.
- Creation of operational risk registers for all service areas.
- Consideration of risk in Committee reports.
- Development of a comprehensive risk register for the regeneration programme and consideration of risk as a project management tool.
- Successful internal and external assessment.
- Provision of advice to other authorities regarding our management of risk.

The Audit Commission, in their 2011/12 Annual Governance Report stated that the Council has "Good systems, processes and controls in place, including effective risk management systems".

This is an endorsement that we have devised a practical and workable approach to managing risk. This has resulted in the Council becoming more risk aware and actually taking more risks, as demonstrated by the comprehensive risk register for the regeneration projects. Colchester is also highly regarded for managing risk by both our insurers and other authorities.

The 2012/13 internal audit of risk management gave a substantial assurance opinion. Some recommendations were raised during this audit and these mainly related to the availability of information on line.

OWNERSHIP

The responsibility to manage risk rests with every member and officer of the Council however it is essential that there is a clearly defined structure for the co-ordination and review of risk information and ownership of the process.

Appendix D is from the CIPFA/SOLACE risk management guide, Chance or Choice. It is a generic map of responsibility for each part of the risk management process.

The following defines the responsibility for the risk management process at Colchester:

Cabinet – Overall ownership of the risk management process and endorsement of the strategic direction of risk management.

Portfolio Holder for Business & Resources – Lead member for the risk management process

Governance Committee – Responsible for reviewing the effectiveness of the risk management process and reporting critical items to Cabinet as necessary.

Performance Management Board (PMB) – Ownership of the strategic risks and overview of the operational risks. Actively support the Risk Management Strategy and framework.

Chief Operating Officer – Lead officer for the risk management process, demonstrating commitment to manage risk.

Assistant Chief Executive – Responsible for co-ordination of the risk management process, co-ordinating and preparing reports and providing advice and support.

Heads of Service – Ownership, control and reporting of their service's operational risks. Contribute to the development of a risk management culture in their teams.

All Employees – To understand and to take ownership of the need to identify, assess, and help manage risk in their individual areas of responsibility. Bringing to the management's attention at the earliest opportunity details of any emerging risks that may adversely impact on service delivery.

Internal Audit, External Audit and other Review Bodies – Annual review and report on the Council's arrangements for managing risk throughout the Council, having regard to statutory requirements and best practice. Assurance on the effectiveness of risk management and the control environment.

AIMS & OBJECTIVES

The aim of the Council is to adopt best practices in the identification, evaluation, cost-effective control and monitoring of risks across all processes to ensure that risks are properly considered and reduced as far as practicable.

The risk management objectives of Colchester Borough Council are to:

- Integrate risk management into the culture of the Council
- Ensure that there are strong and identifiable links between managing risk and all other management and performance processes.
- Manage risk in accordance with best practice
- Anticipate and respond to changing social, environmental and legislative requirements
- Prevent injury, damage and losses and reduce the cost of risk
- Raise awareness of the need for risk management by all those connected with the Council's delivery of services.
- Ensure that opportunities are properly maximised through the control of risk.
- Reduce duplication between services in managing overlapping risks and promote 'best practise'.

Risk Management forms an important part of the Council's system of Internal Control. Previously the Audit Commission assessed the function as operating at level 3 as part of their 'Use of Resources' review.. However, the Use of Resources assessment is no longer carried out but the criteria laid down for each assessment level , set out in Appendix C, still provides a robust framework for delivering an effective service.

STRATEGIC RISK MANAGEMENT

Strategic risks are essentially those that threaten the long term goals of the Council and therefore are mainly based around meeting the objectives of the Strategic Plan. They may also represent developing issues that have the potential to fundamentally effect service provision, such as proposals to dramatically change the corporate assessment process.

Strategic risks will be controlled using a register that will detail the risks and associated controls. The register will be owned by the Senior Management Team, with ownership for risks being assigned to individual officers, and will be reviewed every quarter. The strategic risks will be reported to the Governance Committee at least twice a year.

OPERATIONAL RISK MANAGEMENT

Operational risks are those that threaten the routine service delivery of the Council. Each service area will have their own operational risk register that details the risks associated with providing the service. These registers will be reported, in summary format, to the Senior Management Team and committee on an annual basis. High risks and the success in controlling them will be reported to Senior Management Team on a quarterly basis, as these will help in the formulation of the strategic risk register.

LINKS

It is essential that risk management does not operate in isolation to other management processes. To fully embed a risk management culture it has to be demonstrated that risk is considered and influences all decisions that the Council makes. It is essential that there is a defined link between the results of managing risk and the following:

- The Strategic Plan
- Service Plans
- Revenue and Capital Budgets
- Annual Internal Audit Plan

ACTION REQUIRED

The following actions will be implemented to achieve the objectives set out above:

- Considering risk management as part of the Council's strategic planning and corporate governance arrangements.
- Ensuring that the responsibility for risk management is clearly and appropriately allocated
- Maintaining documented procedures for managing risk
- Maintaining a corporate approach to identify and prioritise key services and key risks across the Council and assess risks on key projects.
- Maintain a corporate mechanism to evaluate these key risks and determine if they are being adequately managed and financed.
- Establish a procedure for ensuring that there is a cohesive approach to linking the risks to other management processes
- Including risk management considerations in all committee reports
- Providing risk management awareness training to both members and officers.
- Developing risk management performance indicators.
- Establishing a reporting system which will provide assurance on how well the Council is managing its key risks and ensures that the appropriate Members and officers are fully briefed on risk issues.
- Preparing contingency plans in areas where there is a potential for an occurrence to have a significant effect on the Council and its business capability.
- Regularly reviewing the risk process to ensure that it complies with current national Governance Standards and Best Practice.
- Developing risk management links with key partners and contractors, to ensure that principles are adopted in all areas of service delivery.

REVIEW

To ensure that the risk management process is effective it will need to be measured and reported to P.M.B., Governance Committee & Cabinet. As well as a structured reporting process of risks and controls during the year there will need to be an annual review demonstrating the success of the following:

- The inclusion of risk management principles within Service Plans and budgets.
- The development of the Internal Audit plan based on the risk issues.
- Achievement against identified performance indicators.
- Members consistently ensuring managing risk is considered as part of the decision making processes within the Council.
- Service managers making recommendations that regard risk as an opportunity as well as a threat .
- Risk management principles being considered in service reviews, for example in areas such as options for change and service improvements.
- Changes in risk being independently identified and assessed by Service Managers
- Compliance with the use of resources criteria and self assessment requirements.

Suitable opportunities to benchmark the risk management service against other organisations should also be explored to ensure that it is effective and the work carried out by the Council conforms to best practise.

The four appendices attached give greater detail of key issues:

Appendix 1 – Outline of the risk management process

Appendix 2 – Details of how Risk Management will be reported.

Appendix 3 – The 2007 Use of Resources Criteria for Risk Management

Appendix 4 – CIPFA guidance on Risk Management Responsibilities

APPENDIX A

The Risk Management Process

Risk Management is a continual process of identifying risks, evaluating their potential consequences and determining the most effective methods of controlling them and / or responding to them. The risks faced by the Council are constantly changing and the continual process of monitoring risks should ensure that we can respond to the new challenges. This process is referred to as the risk management cycle.

Stage 1 – Risk Identification

Identifying and understanding the hazards and risks facing the council is crucial if informed decisions are to be made about policies or service delivery methods. There is detailed guidance available on how to identify risks which includes team sessions and individual knowledge. Once identified a risk should be reported to the Head of Service who will consider its inclusion on the relevant risk register. If the risk is identified in between register reviews then it is reported to the Risk & Resilience Manager for information and the Head of Service is responsible for managing the risk.

Stage 2 – Risk Analysis

Once risks have been identified they need to be systematically and accurately assessed. If a risk is seen to be unacceptable, then steps need to be taken to control or respond to it.

Stage 3 – Risk Control

Risk control is the process of taking action to minimise the likelihood of the risk event occurring and / or reducing the severity of the consequences should it occur.

Stage 4 – Risk Monitoring

The risk management process does not finish with the risk control procedures in place. Their effectiveness in controlling risk must be monitored and reviewed. It is also important to assess whether the nature of the risk has changed over time.

APPENDIX B

Reporting

No matter how good the process to identify and control risks is, it will not be effective unless the information gained from it is reported and used to influence other management issues / processes. Therefore it is essential that there is a defined process and timetable for reporting the results of the risk management process to both members and officers.

Types of Report

- The strategic risk register needs to be reviewed on a quarterly basis by P.M.B.
- Six monthly review of the operational risk registers and a summary report of these reviews to P.M.B.
- A six monthly report needs to be provided to Committee (Governance) detailing the current strategic and high level operational risks and the progress made in controlling them.
- An annual report reviewing Risk Management activity and an action plan for the coming year - taking into account changes in methodology and results of internal and external reviews. Going to P.M.B., Governance and Cabinet. This needs to cover all of the three areas of risk
- Ad-hoc reports need to be provided to P.M.B. when new, significant risk issues arise.

The reports can be summarised as follows:

	Service's	P.M.B.	Governance	Cabinet
Quarterly		Review of strategic risk register		
6 Monthly	Review of operational risk register	Summary of operational review from services	Progress report of strategic & high level operational risks	
Yearly		Scrutiny of annual progress report to cttee on R.M.	Endorsement of annual progress report on R.M.	Summary of past years work on R.M.

Appendix C

Audit Commission Key Line of Enquiry Criteria

4. INTERNAL CONTROL How well does the council's internal control environment enable it to manage its significant business risks?		
Key line of enquiry 4.1 The council manages its significant business risks		
Audit Focus Evidence that: the council has a risk management process in place the risk management system covers partnership working		
Criteria for Judgement		
Level 2	Level 3	Level 4
<ul style="list-style-type: none"> * The council has adopted a risk management strategy/policy that has been approved by members. * The risk management strategy/policy requires the council to: <ul style="list-style-type: none"> • identify corporate and operational risks • assess the risks for likelihood and impact • identify mitigating controls • allocate responsibility for the mitigating controls. * The council maintains and reviews a register of its corporate business risks linking them to strategic business objectives and assigns named individuals to lead on the actions identified to mitigate each risk. * Member responsibility for corporate risk management is identified in the terms of reference of one or more committees as appropriate. * Reports to support strategic policy decisions, and project initiation documents, include a risk assessment. 	<p style="text-align: center;">1.1.2</p> <ul style="list-style-type: none"> * The risk management process is reviewed and updated at least annually. * The risk management process specifically considers risks in relation to significant partnerships and provides for assurances to be obtained about the management of those risks. * All appropriate staff are given relevant training and guidance to enable them to take responsibility for managing risk within their own working environment. * The members with specific responsibility for risk management have received risk management awareness training. * Members with responsibility for corporate risk management receive reports on a regular basis and take appropriate action to ensure that corporate business risks are being identified and effectively managed, including reporting to full council as appropriate. 	<ul style="list-style-type: none"> * A senior officer and member jointly champion and take responsibility for embedding risk management throughout the council. * The council can demonstrate that it has embedded risk management in its business processes, including: <ul style="list-style-type: none"> • strategic planning • financial planning • policy making and review • performance management * All members receive risk management awareness training appropriate to their needs and responsibilities * The council considers the opportunity side of innovative and challenging projects. * Reports to support strategic policy decisions, and initiation documents for all major projects, require a risk assessment including sustainability impact appraisal.

Appendix D Risk Management Responsibilities – CIPFA / SOLACE Guidance

	Framework, Strategy and Process	Identifying risk	Analysing Risk	Profiling risk	Prioritising action based on risk appetite	Determining action on risk	Controlling risk	Monitoring & Reporting	Reporting to external stakeholders.
Members	Agreeing the Framework, Strategy and Process Determined by Officers	Identifying risk	Analysing Risk	Profiling Risk	Determining the risk appetite and prioritising risk. Agreeing the priorities determined by officers			Reviewing the effectiveness of the risk management process.	Reporting to external stakeholders on the framework, strategy, process and effectiveness .
Risk Management Team	Providing advice And support to the executive Management Team and Members	Providing advice and support.	Providing Advice and support	Providing advice and support	Providing advice and support			Co-ordinating the results for reporting to the corporate management team and members	
Senior Management Team	Determining the framework, Strategy and Process	Identifying strategic and cross-cutting issues	Analysing Strategic and cross-cutting issues.	Profiling strategic and cross-cutting issues.	Determining the risk appetite and prioritising strategic and cross-cutting issues	Determining action on strategic and cross-cutting issues. Delegating responsibility for control.		Monitoring progress on managing strategic and cross-cutting risks and reviewing the implementation of the risk management framework, strategy and process. Reporting to members.	Reporting to external stakeholders on the framework, strategy, process and effectiveness.
Assistant Chief Executive	Providing Advice and Support	Providing advice and support	Providing advice and support	Providing advice and support	Providing advice and support	Providing advice and support	Providing advice and support	Co-ordinating the results for reporting to the executive management team and members	Preparing draft reports for the corporate management team and members to issue.
Service Managers / G.M.T's		Identifying service Risks	Analysing Service risks.	Profiling service risks.	Prioritising action on service risks.	Determining action on service risks. Delegating responsibility for control.		Monitoring progress on managing service risks. Reporting to the group management team	
Employees, contractors And partners		Maintaining awareness of risks and feeding these into the formal process.	Maintaining awareness impact of risks and feeding information into the processes				Controlling risk in their jobs.	Monitoring progress on Managing job related risks Reporting to the service manager.	

**EXTRACT FROM THE MINUTES OF THE MEETING OF THE
TRADING BOARD HELD ON 14 AUGUST 2013**

10. Procurement Health Check Report

Gareth Mitchell, the Head of Commercial Services presented a report giving details of the findings of a Procurement Health Check carried out by the East of England Local Government Association on the Council's procurement functions.

One of the challenges of the Universal Customer Contact Fundamental Service Review was to build a sustainable commercial services arm for the council which would create a focus for commercial activities throughout the organisation which would grow over time. As part of this commercial development work, it had been recognised that there was an opportunity to bring a more commercial approach to procurement, in particular to get better returns from the early assessment of procurement options and from the management of contracts once they were in operation.

The report had confirmed that, in terms of Compliance, the Council was adequately resourced and possessed the necessary skills. However, in terms of Buying and Contract Management, the Council's performance varied in terms of quality and consistency. In order to increase commercial activity and to realise significant savings in the order of £500k over two years, the report had recommended the appointment of a Commercial Procurement Manager on a two year fixed term contract. The report had also identified three options in terms of the location of the Council's corporate procurement functions, namely within:

- The new Commercial Services arm,
- The Corporate functions or
- The Braintree Procurement Hub.

The first of option had been selected as the preference of the Council's Senior Management Team.

The members of the Board welcomed the proposals contained in the report and confirmed the view that significant savings would be generated if they were implemented by the Council. Reference was made to the need for clearly defined financial targets to be identified for a future Commercial Procurement Manager and, in order to assist the monitoring role of the Portfolio Holder for Business and Resources, part of that post holder's remit should include a commitment to regularly report on a Quarterly basis to meetings of this Board.

Other suggestions that were discussed and which would be considered by the Head of Commercial Services prior to finalising any recruitment exercise, included the appropriate remuneration package for the Commercial Procurement Manager and staff in a more commercial environment generally, including the potential to consider utilising performance related pay and profit sharing arrangements. In addition reference was made to discussions at neighbouring Local Authorities in relation to procurement arrangements and whether it was possible to consider a shared

arrangement.

Councillor Paul Smith, Portfolio Holder for Business and Resources, attended and, with the consent of the Chairman, addressed the Board explaining that he would be supportive of the suggestion for a Commercial Procurement Manager to be required to regularly report to the Board.

RESOLVED that –

- (i) The contents of the Procurement Health Check report be noted.

RECOMMENDED to Cabinet that:-

- (i) In view of the significant potential savings to be secured, arrangements be made for a Commercial Procurement Manager to be appointed on a two year fixed term contract
- (ii) The appropriate future location of the Council's corporate procurement functions be within the new Commercial Services arm of the Council
- (iii) The remit of the Commercial Procurement Manager be drawn up to include a requirement for the post holder to report to the Council's Trading Board on a Quarterly basis.

**EXTRACT FROM THE MINUTES OF THE MEETING OF THE
POLICY REVIEW AND DEVELOPMENT PANEL
HELD ON 17 JUNE 2013**

5. Environmental Sustainability Strategy

Councillor Chapman (in respect of his Board Membership of Colchester Borough Homes) declared a non-pecuniary interest in this item pursuant to the provisions of Meetings General Procedure Rule 7(5).

The Panel considered a report by the Head of Commercial Services reviewing the past achievements of the Council on environmental sustainability with a view to making recommendations to Cabinet on the development of a new Environmental Sustainability Strategy.

Sam Preston, Interim Group Manager for Strategy and Business, explained that the Council's Nottingham Declaration Strategy and Carbon Management Programme had now come to an end, leaving an opportunity for the Council to review its achievements and plan for the future.

The Council had been highly committed to its environmental responsibilities and had undertaken a number of key projects to reduce its own CO₂ emissions, support local communities and businesses to reduce their emissions and save money on energy bills and to understand the potential long term impacts of climate change. It had also take part in the Local Authority Carbon Management Programme and had exceeded its target to reduce CO₂ emissions from buildings and operations with a total reduction in CO₂ emissions by 26% (2,444 tonnes).

In addition the Council had undertaken a number of projects to raise environmental awareness within communities and businesses as well as supporting them to access grants and funding to implement energy saving projects such as:

- Green Deal/ECO – The Government launched schemes to provide an affordable way for households to install energy saving measures;
- Climate Local – a re-launch of the Nottingham Declaration. Local authorities are encouraged to sign up for the scheme which commits them to taking action on climate change mitigation and adaptation;
- Home Energy Conservation Act (HECA) – the Government revised guidance on HECA in 2012 to move from a data gathering process to a local priority and action planning system;
- Energy switching schemes – The Council has started a scheme with iChoosr to offer an energy switching solution for residents in the borough to access cheaper energy deals.

Councillor Tim Young, Portfolio Holder for Planning, Community Safety and Culture, attended and, with the consent of the Chairman, addressed the Panel.

The Chairman invited each of the guests in turn to address the Panel on the issues from their organisation's perspective.

David Webb explained that Sustainability East had been launched in April 2011 to bring together elements of Climate East - the regional climate change partnership - and the former Sustainability East. He spoke about sustainability and climate change from a national and regional perspective giving an insight into government priorities and large regional programmes that could influence Colchester's Strategy going forward. He emphasised the need for local authority strategies to be aligned with environmental sustainability to ensure Councils were well placed to deal with issues as they emerged. It was also important to partner with other areas of policy such as economic growth, transport, health, energy and water. David went on to explain that for Authorities to successfully work together it was necessary for the issues to be fully embedded, for leadership to be demonstrated to show people how to achieve success and for broader collaboration to be in place in order to develop the right strategies and innovations.

Andrew Wilkinson explained that En-form was a local environmental charity which ran a number of projects to encourage residents and communities to be more sustainable. He referred to some of the projects that had been run successfully whilst giving an insight into local need. He explained that the organisation tried to concentrate on the themes of waste and recycling, energy, water and transport. In the past the organisation had raised between £50k and £60k for project work and because of its charitable status the organisation had the ability to access funding and expertise to complete projects that others were unable to undertake. Projects were assessed on the basis of need, value for money and costs. Andrew explained that certain initiatives were considered to be logical initiatives (such as car sharing) whereas, in practice, very few people were prepared to commit to sharing themselves. In response to a question regarding the Frock Swap concept, he explained that Lottery Funding had been secured for a 'give and take' scheme whereby unwanted goods could be left outside on a certain day a week for others to take away free of charge.

Paul Hinsley explained the major sustainability projects that Essex County Council had been working on recently including climate change mitigation and adaptation. He explained the links with Planning, Economic Growth and Environment which reflected the need for sustainability to be supported by other areas of policy. Essex County Council was largely driven by the Carbon Reduction commitment which was reported to Government annually and had been a useful lever in terms of the financial penalties incurred where energy usage had not been measured accurately. In addition, the Essex Economic Growth Strategy was looking at low carbon technology such as the replication of off shore wind farms in suitable locations on land. In responding to a question regarding Local Enterprise Partnership funding, Paul explained that he assisted in coordinating County and District investment teams to meet, discuss and bid for funds. Reference was made to the initiative undertaken by Suffolk County Council to install photo voltaic panels at the primary schools within its ownership and Paul explained that work had been undertaken at Essex to engage with the 600 or so primary and secondary schools across the County but the issue had been less straight forward due to the differing ownerships of the various schools.

Jo Wheatley and Jason Pettit explained that Transition Town Wivenhoe was an organisation which was working in partnership with a number of organisations towards a sustainable and resilient future. The group used grass root volunteers to concentrate on food issues which tended to have the greatest impact locally. The group had also worked with local market gardeners in Wivenhoe and was looking generally at the local economy. Jason went on to say that the group had achieved success at a local level through the activity of between 30 and 50 regular volunteers and now was looking for support at an infrastructure level, such as in relation to cycle ways and street lighting, in order to bring broader success. He felt it was important for Councillors to deliver strong leadership in terms of sustainability strategies. An active group had developed in Nayland, set up on the back of an energy initiative providing good returns on investment. Attempts had been made to deliver a similar regime in Colchester itself but it had proved more difficult to achieve over a larger area.

Particular discussion from the Panel members was in relation to:

- The legacy of the Nottingham Declaration and the need for the organisation to pull together various areas such as Planning and Neighbourhood Plans in a consistent and coherent manner as well as the need for the collection of robust data to demonstrate real impact;
- The added benefit of introducing 20 mph limits in residential areas which would assist in persuading parents of the potential to permit children to walk and cycle to school;
- The cause of high levels of emissions in terms of density of vehicles and speed of travel;
- The potential to develop the concept of the Frock Swap across other areas of Reduce – Re-use – Recycle;
- The potential for communities in rural areas to collaborate in purchasing oil in bulk in order to drive down the cost to individual consumers;
- The sustainability and environmental work included Colchester's Local Development Framework which had assisted in providing Colchester with a robust framework within which to operate;
- The fact that cooking fat had recently become a tradable commodity;
- The Council's current refuse freighter fleet were powered with bio diesel;
- The current situation regarding the provision of electric vehicle charging points and the funding available from the EU and the requirement on supermarket developments to include charging points;
- The options available to provide alternative heating solutions and the need for individuals to provide information in the form of case studies in order to share the information for the benefit of others.

RESOLVED that –

- (i) All the guests be thanked for their valuable contributions to the meeting

RECOMMENDED to Cabinet that the following issues be borne in mind when the Council's new Environmental Strategy is determined:

- The need for relevant strategies to be well aligned across various areas of the Council's operation;

- Concentration be directed at particular projects with a wider scale of impact;
- The need for environmental sustainability to be embedded in all that the Council delivers;
- The importance of projects at the grass roots level, such as Transition Town, to be supported, particularly in respect of assistance infrastructure levels;
- The importance of accurate data to be gathered in order to provide measurable evidence of the impact of strategies;
- The ability to work with other organisations to secure consistent funding support;
- The benefit of continuing with the broad collaboration with Essex County Council and other groups;
- The problem of oil dependency in rural areas and the need for sustainable alternatives to be explored more fully;
- The potential to communicate and develop more opportunities, such as the photo voltaic initiative at local schools, as well as other successful case studies;
- The requirement for the Council to take the lead in terms of sustainability in order to demonstrate to others how to take the issues forward.



Cabinet

Item
12(i)

4 September 2013

Report of	Monitoring Officer	Author	Andrew Weavers ☎ 282213
Title	Local Government Ombudsman – Annual Review 2012/2013		
Wards affected	Not applicable		

This report request the Cabinet to note the Local Government Ombudsman’s Annual Review for 2012/2013

1. Decision Required

- 1.1 To note the contents of the Local Government Ombudsman’s Annual Review for 2012/2013.

2. Reasons for Decision(s)

- 2.1 To inform the Cabinet of the number of complaints received by the Local Government Ombudsman in relation to Colchester during 2012/2013.

3. Alternative Options

- 3.1 No alternative options are presented.

4. Supporting Information

- 4.1 The Local Government Ombudsman issues an Annual Review to each local authority. The Annual Review for Colchester for the year ending 31 March 2013 is attached to this report at Appendix 1.
- 4.2 This year the Local Government Ombudsman have only presented the total number of complaints received and will not be providing the more detailed information that they have provided in previous years. The reason for this being that the Local Government Ombudsman changed its business processes during the course of 2012/13 and is unable to provide a consistent set of data for the entire year. However, the Annual Review next year will provide more detailed statistics.
- 4.3 It is worth noting that anyone can choose to make a complaint to the Local Government Ombudsman. Accordingly, the number of complaints is not an indicator of performance or level of customer service. In most instances there was no case to answer. The Local Government Ombudsman will normally insist that the Council has the opportunity to resolve the complaint locally through its own complaints procedure before commencing its own investigation.
- 4.4 The Governance Committee has an overview of Local Government Ombudsman investigations and the contents of the Annual Review will be reported to the Committee in due course.

5. Key Headlines

- 5.1 There were no findings of maladministration against the Council and no formal reports were issued.
- 5.2 Last year the Local Government Ombudsman received 10 complaints regarding the Council. This is a reduction from the 28 enquires received in the previous year. The average number of complaints received for District Council's was also 10.
- 5.3 From April 2013, as a result of the Localism Act 2011, local authority tenants' complaints regarding their landlord are now made to the Housing Ombudsman. It is expected that in due course the Housing Ombudsman will produce an annual review. Attached at Appendix 2 are details of the jurisdictional split of responsibilities between the Local Government Ombudsman and the Housing Ombudsman.

6. Financial Considerations

- 6.1 No direct implications other than mentioned in this report.

7. Strategic Plan References

- 7.1 The lessons learnt from complaints to the Local Government Ombudsman link in with our Customer Excellence element of the Strategic Plan by constantly learning and putting lessons learnt into practice. This will in turn lead to improved customer service as we continue to meet and exceed our customers' expectations

8. Equality, Diversity and Human Rights Implications

- 8.1 No direct implications.

9. Publicity Considerations

- 9.1 Details of the Annual Review will be posted on the Council's website.

10. Consultation, Community Safety, Health and Safety and Risk Management Implications

- 10.1 No direct implications.

16 July 2013

By email

Mr Adrian Pritchard
Chief Executive
Colchester Borough Council

Dear Mr Pritchard

Annual Review Letter

I am writing with our annual summary of statistics on the complaints made to the Local Government Ombudsman (LGO) about your authority for the year ended 31 March 2013. This year we have only presented the total number of complaints received and will not be providing the more detailed information that we have offered in previous years.

The reason for this is that we changed our business processes during the course of 2012/13 and therefore would not be able to provide you with a consistent set of data for the entire year.

In 2012/13 we received 10 complaints about your local authority. This compares to the following average number (recognising considerable population variations between authorities of a similar type):

District/Borough Councils-	10 complaints
Unitary Authorities-	36 complaints
Metropolitan Councils-	49 complaints
County Councils-	54 complaints
London Boroughs-	79 complaints

Future development of annual review letters

We remain committed to sharing information about your council's performance and will be providing more detailed information in next year's letters. We want to ensure that the data we provide is relevant and helps local authorities to continuously improve the way they handle complaints from the public and have today launched a consultation on the future format of our annual letters.

I encourage you to respond and highlight how you think our data can best support local accountability and service improvements. The consultation can be found by going to www.surveymonkey.com/s/annualletters

LGO governance arrangements

As part of the work to prepare LGO for the challenges of the future we have refreshed our governance arrangements and have a new executive team structure made up of Heather Lees, the Commission Operating Officer, and our two Executive Directors Nigel Ellis and Michael King. The Executive team are responsible for the day to day management of LGO.

Since November 2012 Anne Seex, my fellow Local Government Ombudsman, has been on sick leave. We have quickly adapted to working with a single Ombudsman and we have formally taken the view that this is the appropriate structure with which to operate in the future. Our sponsor department is conducting a review to enable us to develop our future governance arrangements. Our delegations have been amended so that investigators are able to make decisions on my behalf on all local authority and adult social care complaints in England.

Publishing decisions

Last year we wrote to explain that we would be publishing the final decision on all complaints on our website. We consider this to be an important step in increasing our transparency and accountability and we are the first public sector ombudsman to do this. Publication will apply to all complaints received after the 1 April 2013 with the first decisions appearing on our website over the coming weeks. I hope that your authority will also find this development to be useful and use the decisions on complaints about all local authorities as a tool to identify potential improvement to your own service.

Assessment Code

Earlier in the year we introduced an assessment code that helps us to determine the circumstances where we will investigate a complaint. We apply this code during our initial assessment of all new complaints. Details of the code can be found at:

www.lgo.org.uk/making-a-complaint/how-we-will-deal-with-your-complaint/assessment-code

Annual Report and Accounts

Today we have also published *Raising the Standards*, our Annual Report and Accounts for 2012/13. It details what we have done over the last 12 months to improve our own performance, to drive up standards in the complaints system and to improve the performance of public services. The report can be found on our website at www.lgo.org.uk

Yours sincerely

A handwritten signature in black ink that reads "Jane Martin". The signature is written in a cursive style with a long horizontal flourish at the end.

Dr Jane Martin
Local Government Ombudsman
Chair, Commission for Local Administration in England

COMPLAINTS ABOUT SOCIAL HOUSING: HOUSING OMBUDSMAN AND THE LOCAL GOVERNMENT OMBUDSMAN

Background

From April 2013 the Housing Ombudsman will deal with all complaints about social housing. Tenants of local housing authorities and Arms Length Management Organisations previously had the right to refer complaints about housing to the Local Government Ombudsman.

The Housing Ombudsman will continue to investigate complaints against housing associations and in addition, will investigate complaints about a local authority's landlord function. This means that complaints about a local authority's relationship as landlord to its tenants or leaseholders will be considered by the Housing Ombudsman rather than the Local Government Ombudsman.

The Local Government Ombudsman will continue to consider complaints about local authorities' wider activities, for example in discharging their statutory duties in homelessness. There are areas where there may appear to be some over-lap between the jurisdiction of the two Ombudsmen. The following guide has been developed to help clarify which Ombudsman may consider various categories of complaint.

From 1 April 2013 the Housing Ombudsman can only consider complaints that have been referred by a 'designated person' (MP, councillor or recognised tenant panel), or by the tenant themselves if 8 weeks have passed from the completion of the landlords internal complaint process. This provision does not apply to complaints made to the Local Government Ombudsman. These complaints can still be referred directly.

Both Ombudsmen are able to conduct joint investigations and are putting in hand liaison arrangements to ensure that there is early discussion of cases which engage both jurisdictions.

The following sets out the complaint categories that should be referred to the different Ombudsman services. Inclusion of a complaint category does not mean that the Ombudsmen will necessarily investigate the complaint. The Ombudsmen may decide that part or all of the complaint falls outside their jurisdiction, or they may decide that there are other reasons why they should not investigate. But if that is the case, they will explain why.

Complaints referred to the Housing Ombudsman

Unless stated otherwise the Housing Ombudsman considers complaints about housing associations and local housing authorities.

Leasehold services

- Shared ownership and sales processes for leasehold properties
- Shared ownership stair-casing
- Full ownership and sales processes for leasehold properties owned by housing associations
- Right to buy and right to acquire for tenants of housing associations
- Repair responsibilities under the lease
- Mortgage rescue schemes
- Leasehold services provided by the landlord

Moving to a property

- Transfer applications that are outside Housing Act 1996 Part 6 (see further info)
- Type of tenancy offered
- Mutual exchange
- Decision to renew a fixed tenancy
- Decants
- Mobility Schemes

Rent and service charges

- Rent or service charges

Occupancy rights

- Terms and conditions of occupancy rights
- Succession
- Assignment
- Ending a tenancy (e.g. notice periods)
- Abandonment of property
- Possession proceedings

Property condition – repairs and improvements

- Condition of the property when first let (e.g. void works)
- Responsive repairs
- Planned maintenance or cyclical works
- Improvement works carried out by landlord or tenant
- Rechargeable repairs
- Disabled adaptations

Tenant behaviour

- Anti-social behaviour
- Noise nuisance
- Harassment

Estate management

- Cleaning or repairs of communal areas
- Boundary issues
- Grounds maintenance
- Parking
- Use of communal areas

Complaint handling

- The landlord's handling of a complaint in their complaint process, including delays

Compensation

- Home loss or disturbance payments
- Improvements carried out by the tenant

- Payment for damage to property or tenants belongings
- Discretionary payments

Complaints referred to the Local Government Ombudsman

Unless stated otherwise the Local Government Ombudsman considers complaints about local authorities.

Housing allocations under Housing Act 1996 Part 6

- Applications for re-housing that meet the reasonable preference criteria (dealt with by the local housing authority or any other body acting on its behalf, which could include a housing association). Includes complaints about:
 - Assessment of such applications, the award of points, banding or a decision that the application does not qualify for reasonable preference
 - Operation of choice based lettings schemes and about the suitability of accommodation offered under those schemes.

Homelessness under Housing Act 1996 Part 7

- Applications for assistance under the homelessness legislation (dealt with by the local housing authority or any other body acting on its behalf, which could include a housing association). Includes complaints about:
 - Homelessness advice and homelessness prevention activities
 - How applications are dealt with and decisions about eligibility for and allocation of interim and temporary accommodation.

General housing advice

- General advice from the local authority about housing options
- Handling of reports from tenants of private landlords about unlawful eviction, harassment and other matters

Housing benefit

- Handling of applications for housing benefit

Housing improvement grants

- Applications for mandatory and discretionary housing improvement grants. Includes complaints about:
 - Provision of advice, processing of applications, preparation of schedules of work, payment of grant and other decisions on grant eligibility and entitlement
 - Actions of social services occupational therapy services with regard to assessment and eligibility for disabled facilities grant

Antisocial behaviour

- Antisocial behaviour which does not fall within the remit of a social landlord.

Noise nuisance

- Reports of statutory noise and other nuisance to environmental health services

Sale or disposal of land on housing estates

- Applications or requests to buy parcels of land owned by local authorities
- Sales processes for properties owned by local authorities
- Right to buy and right to acquire for tenants of local authorities

Planning and building control at properties owned by a social landlord

- Applications for planning permission
- Planning enforcement
- Applications and enforcement under the building regulations

Delivery of adult social care services, including that done by registered social landlords

PETITIONS, PUBLIC STATEMENTS, QUESTIONS

(i) Have Your Say speakers

Date of Meeting	Details of Member of the Public	Subject Matter	Form of Response	Date Completed
Council, 17 July 2013	Angel Kalyan	Governance issues	Verbal response provided at the meeting by Adrian Pritchard, Chief Executive	17 July 2013
Council, 17 July 2013	Christopher Manby	The installation of parking meters	Verbal response provided at the meeting by Councillor Hunt, Portfolio Holder for Street and Waste Services	17 July 2013

(ii) Petitions

Date petition received	Lead Petitioner	Subject Matter	Form of Response	Date Completed
No valid petitions received				

